



विभाग DEPT: Merchant Banking Division
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Sub: Andhra Bank – Clarification/ Confirmation on news item appearing in “Media/Publication”
Ref: NSE Letter No. NSE/CM/Surveillance/7347 dated March 12, 2018
BSE Letter No. L/SURV/ONL/RV/NK/(2017-18)/285 dated March 12, 2018

Clarification/ Confirmation on news item appearing in “Media/Publication” in “www.business-standard.com” dated 9th March 2018 and state as under:

SI No	Query	Reply
a)	Whether such event/negotiations/article stated in published news were taking place? If so, you are advised to provide the said information along with the sequence of events in chronological order and the material impact of this article on the Company.	We are not aware. Sequence of events is furnished below.
b)	Whether company are aware of any information that has not been announced to the Exchanges under regulation 30 of the SEBI (LODR) Regulations, 2015. If so, you are advised to provide the said information and the reasons for not disclosing the same to the Exchange earlier as required under regulation 30 of the SEBI (LODR) Regulations, 2015.	No

1. We are the Lead Bank of the consortium in case of two Group Companies of Sterling Group (viz Sterling Biotech Ltd, Sterling Port Ltd) and the Bank's exposure to these companies is Rs.578.57 cr (Fund based) and Rs.568.35 cr (Non Fund Based) as on date and not Rs.5000 cr as reported in the news publications.
2. The said Sri Anup Prakash Garg was the Chartered Accountant Director nominated by the Govt under 9(3)(g) of Banking Acquisition and transfer of Undertakings Act 1980 and held office from 13.10.2006 to 12.10.2009. He was neither an employee nor a whole time Director in the bank at any point of time
3. Our exposure to the group companies was classified as Non-performing Assets since March, 2015 onwards based on the conduct of the account. As on 31st December 2017, our fund-based exposure to the group companies is to the tune of Rs. 515.19 cr. and stands classified as Non-performing Asset.
4. During December 2017, we have reported the Group accounts as Fraud to Reserve Bank of India amounting to Rs.515.19 cr alleging diversion of funds and Money Laundering on the part of the Companies.
5. We have already lodged formal complaint with CBI against the Companies.

Ruchi R
Company Secretary