प्रधान कार्यालय :
मंगलादेवी मंदिर मार्ग
डा.पे.सं.88
मंगलूर - 575 001

कार्पोरेशन बैंक
Corporation Bank
भारत सरकार का उद्यम A Govt. of India Enterprise

Head Office :
Mangaladevi Temple Road
P.B. No. 88
MANGALORE - 575 001

**निवेशक सेवा विभाग**
**INVESTOR SERVICES DEPARTMENT**

संदर्भ सं. Ref. No.नि.से.वि.ISD:636:2015-16 दिनांक 12th February 2016

| | |
|---|---|
| To,<br>**BSE Ltd,**<br>Corporate Relationship Department<br>Ist Floor, New Trading Ring<br>Rotunda Building, P J Towers<br>Dalal Street, Fort<br>MUMBAI - 400 001<br>Fax No. 022-22722037 / 22723121<br>http://listing.bseindia.com – Listing Centre<br>**Ref: Code No.532179** | To,<br>The Manager<br>Listing Department,<br>**National Stock Exchange of India Ltd.**<br>Exchange Plaza, 5th Floor, Plot No.C/1, G Block<br>Bandra Kurla Complex, Bandra (E)<br>MUMBAI - 400 051<br>Fax No. 022-26598237 / 26598238<br>https://www.connect2nse.com - NEAPS<br>**Symbol: CORPBANK** |

प्रिय महोदय Dear Sir,

**Un-Audited Financial Results (subjected to 'Limited Review')**
**of the Bank for the Quarter/Nine months ended on 31st December 2015**

*********

Pursuant to Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Un-Audited Financial Results (subjected to 'Limited Review') of the Bank for the quarter / nine months ended on 31st December 2015. The results have been approved by the Board of Directors of the Bank at their meeting held today (i.e. 12th February 2016).

The results would be published within 48 hours in newspapers in terms of Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

भवदीय Yours faithfully,

(एस.के. दाश/ S. K. Dash)
कंपनी सचिव **COMPANY SECRETARY**

संलग्न Encl: Un-Audited Financial Results as on 31.12.2015

तार/Grams : CIBICI, फैक्स/Fax: 0824-2444617/2425233
टेलेक्स Telex : 0832-321 CBHO IN 0832-228 BANK IN
email: query@corpbank.co.in

✆ : 2426416-2426420, 2427911-2427913, 2421575
2421685, 2444990 to 2444993 (PBX 14 Lines)
2425233

कृपया हमसे संपर्क करें Do visit us at www.corpbank.in

## LIMITED REVIEW REPORT

**To**
**The Board of Directors,**
**Corporation Bank,**
**Mangaluru.**

1. We have reviewed the accompanying statement of unaudited financial results of Corporation Bank ("the Bank") for the quarter and nine months period ended December 31, 2015 ("the Statement"), except for the disclosures relating to "Pillar 3 under Basel III Capital Regulations", as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid statement have not been reviewed by us. These statement is the responsibility of the Bank's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 *"Review of Interim Financial Information performed by the independent auditor of the entity"* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. In the conduct of our review, we have reviewed the returns of 20 branches and we have relied on the review reports of 10 branches reviewed by other firms of auditors, specifically appointed for this purpose by the Bank. The aforesaid review in total covers 51.84% (of which 4.92% covered by other firms of auditors) of the advance portfolio of the Bank excluding food credit and advances of asset recovery branches. Apart from the aforesaid review reports, in the conduct of our review, we have also relied upon various information and returns received from un-reviewed branches/ other offices of the Bank.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

M/s. B.K. RAMADHYANI & CO. LLP CHARTERED ACCOUNTANTS BANGALORE-55

M/s. DEEPENDRA & CO. KANPUR CHARTERED ACCOUNTANTS

M/s. GMJ & CO. MUMBAI CHARTERED ACCOUNTANTS

M. ANANDAM & CO. CHARTERED ACCOUNTANTS

5. Without qualifying our report attention is invited to note 13 regarding recognition of deferred tax asset on tax losses.

**For B. K. Ramadhyani & Co. LLP**
Chartered Accountants
FRN - 002878S/S200021

C. R. Deepak

**[CA C. R. Deepak]**
Partner
Membership No. 215398

**For Nripendra & Co.**
Chartered Accountants
FRN - 000379C

**[CA Rahul Gupta]**
Partner
Membership No. 077811

**For GMJ & Co.**
Chartered Accountants
FRN - 103429W

Atul Jain

**[CA Atul Jain]**
Partner
Membership No. 037097

**For M. Anandam & Co.**
Chartered Accountants
FRN – 000125S

M R Vikram

**[CA M. R. Vikram]**
Partner
Membership No. 021012

Place: Mangaluru

Date: February 12, 2016

M/s. B.K. RAMADHYANI & CO. LLP BANGALORE-55 CHARTERED ACCOUNTANTS

M/s. NRIPENDRA & CO. KANPUR CHARTERED ACCOUNTANTS

M/s. GMJ & CO. MUMBAI CHARTERED ACCOUNTANTS

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

**CORPORATION BANK**

**HEAD OFFICE, MANGALADEVI TEMPLE ROAD, MANGALURU**

**REVIEWED FINANCIAL RESULTS FOR THE QUARTER/NINE MONTHS PERIOD ENDED DECEMBER 31, 2015**

[Rs. in lakhs]

| Sl. No. | Particulars | Quarter Ended | | | Nine Months period ended | | Year ended |
|---|---|---|---|---|---|---|---|
| | | 31.12.2015 (Reviewed) | 30.09.2015 (Reviewed) | 31.12.2014 (Reviewed) | 31.12.2015 (Reviewed) | 31.12.2014 (Reviewed) | 31.03.2015 (Audited) |
| 1 | Interest earned (a)+(b)+(c)+(d) | **4,74,111.03** | 5,00,290.09 | 4,88,127.06 | **14,67,677.65** | 14,67,480.34 | 19,55,644.48 |
| | (a) Interest / Discount on Advances / Bills | **3,51,434.70** | 3,75,255.67 | 3,71,359.03 | **11,02,538.29** | 11,08,271.07 | 14,80,533.63 |
| | (b) Income on Investments | **1,06,554.58** | 1,04,248.94 | 1,03,339.01 | **3,13,046.34** | 3,16,339.88 | 4,16,582.59 |
| | (c )Interest on balances with Reserve Bank of India and other inter bank funds | **541.71** | 297.66 | 173.76 | **1,162.49** | 937.92 | 1,511.32 |
| | (d) Others | **15,580.04** | 20,487.82 | 13,255.26 | **50,930.53** | 41,931.47 | 57,016.94 |
| 2 | Other Income | **41,741.22** | 43,174.91 | 32,827.25 | **1,25,099.59** | 97,882.24 | 1,48,246.22 |
| 3 | TOTAL INCOME (1+2) | **5,15,852.25** | 5,43,465.00 | 5,20,954.31 | **15,92,777.24** | 15,65,362.58 | 21,03,890.70 |
| 4 | Interest Expended | **3,73,422.99** | 3,84,161.02 | 3,85,226.19 | **11,42,788.54** | 11,71,845.38 | 15,48,610.42 |
| 5 | Operating Expenses (i ) + (ii) | **72,524.68** | 73,048.83 | 63,073.70 | **2,12,978.73** | 1,87,309.27 | 2,52,535.71 |
| | (i) Employees cost | **34,590.01** | 34,937.02 | 29,376.20 | **1,02,009.77** | 87,476.57 | 1,18,222.22 |
| | (ii) Other Operating Expenses | **37,934.67** | 38,111.81 | 33,697.50 | **1,10,968.96** | 99,832.70 | 1,34,313.49 |
| | (All items exceeding 10% of the total expenditure excluding interest expenditure may be shown separately) | | | | | | |
| 6 | TOTAL EXPENDITURE (4+5) Excluding Provisions and contingencies) | **4,45,947.67** | 4,57,209.85 | 4,48,299.89 | **13,55,767.27** | 13,59,154.65 | 18,01,146.13 |
| 7 | Operating Profit before Provisions and Contingencies (3-6) | **69,904.58** | 86,255.15 | 72,654.42 | **2,37,009.97** | 2,06,207.93 | 3,02,744.57 |
| 8 | Provisions (other than tax ) and Contingencies | **1,88,096.12** | 56,376.38 | 64,620.54 | **3,06,612.02** | 1,62,549.76 | 2,55,198.92 |
| 9 | Exceptional items | - | - | - | - | - | - |
| 10 | Profit /(Loss) from ordinary Activities before tax (7-8-9) | **(1,18,191.54)** | 29,878.77 | 8,033.88 | **(69,602.05)** | 43,658.17 | 47,545.65 |
| 11 | Tax Expense | **(79,353.86)** | 11,018.44 | (6,687.07) | **(70,050.94)** | (10,260.40) | (10,879.92) |
| 12 | Net Profit/(Loss) from ordinary Activities after tax (10-11) | **(38,837.68)** | 18,860.33 | 14,720.95 | **448.89** | 53,918.57 | 58,425.57 |
| 13 | Extraordinary items (net of tax expense) (if applicable) | - | - | - | - | - | - |
| 14 | Net Profit /(Loss) for the period (12-13) | **(38,837.68)** | 18,860.33 | 14,720.95 | **448.89** | 53,918.57 | 58,425.57 |
| 15 | Paid-up equity share capital (Face value of the Share is Rs. 2/-) | **20,449.71** | 19,886.50 | 16,754.19 | **20,449.71** | 16,754.19 | 16,754.19 |
| 16 | Reserves excluding revaluation reserves (as per balance sheet of previous accounting year) | | | | | | 10,31,693.59 |
| 17 | Analytical Ratios | | | | | | |
| | (i) Percentage of shares held by Government of India | **67.20%** | 69.11% | 63.33% | **67.20%** | 63.33% | 63.33% |
| | (ii) Capital Adequacy Ratio | | | | | | |
| | Basel II | **12.07%** | 12.28% | 11.75% | **12.07%** | 11.75% | 11.80% |
| | Tier I | **8.48%** | 8.70% | 8.09% | **8.48%** | 8.09% | 8.28% |
| | Tier II | **3.59%** | 3.58% | 3.66% | **3.59%** | 3.66% | 3.52% |
| | Basel III | **11.49%** | 11.89% | 11.26% | **11.49%** | 11.26% | 11.09% |
| | Tier I | **8.27%** | 8.70% | 7.90% | **8.27%** | 7.90% | 8.05% |
| | Tier II | **3.22%** | 3.19% | 3.36% | **3.22%** | 3.36% | 3.04% |
| | (iii) Earning Per Share (EPS) (in Rs.) | | | | | | |
| | a) Basic and diluted EPS before Extraordinary items (net of tax expense) for the period, for the year to date and for the previous year (Not annualised) | **(3.90)** | 2.25 | 1.76 | **0.05** | 6.44 | 6.97 |
| | b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (Not annualised) | **(3.90)** | 2.25 | 1.76 | **0.05** | 6.44 | 6.97 |
| | (iv) NPA Ratios | | | | | | |
| | (a) Gross NPA | **10,70,696.86** | 7,72,907.45 | 6,93,207.60 | **10,70,696.86** | 6,93,207.60 | 7,10,667.88 |
| | (b) Net NPA | **6,89,659.48** | 5,04,722.33 | 4,56,813.90 | **6,89,659.48** | 4,56,813.90 | 4,46,497.94 |
| | (c ) % of Gross NPA | **7.32%** | 5.32% | 4.88% | **7.32%** | 4.88% | 4.81% |
| | (d) % of Net NPA | **4.84%** | 3.54% | 3.27% | **4.84%** | 3.27% | 3.08% |
| | (v) Return on Assets (annualised) | **-0.70%** | 0.35% | 0.28% | **0.003%** | 0.34% | 0.28% |

M/s B K RAMADHYANI & CO. LLP BANGALORE-55 CHARTERED ACCOUNTANTS

M/S. NGM JENDRA & CO. KANPUR CHARTERED ACCOUNTANTS

M/S. GMJ & CO. MUMBAI CHARTERED ACCOUNTANTS

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

## SEGMENT REPORTING FOR THE QUARTER/ NINE MONTHS PERIOD ENDED DECEMBER 31, 2015

[Rs. in lakhs]

**Part A: Business Segment**

| Particulars | Quarter ended | | | Nine Months period ended | | Year ended |
|---|---|---|---|---|---|---|
| | 31.12.2015 (Reviewed) | 30.09.2015 (Reviewed) | 31.12.2014 (Reviewed) | 31.12.2015 (Reviewed) | 31.12.2014 (Reviewed) | 31.03.2015 (Audited) |
| **Segment Revenue** | | | | | | |
| i)Treasury Operations | 1,15,964.49 | 1,14,264.26 | 1,07,576.97 | 3,40,040.62 | 3,30,745.81 | 4,32,984.19 |
| ii) Wholesale Banking | 2,18,441.69 | 2,44,944.07 | 2,57,566.43 | 7,18,411.15 | 7,70,657.63 | 10,27,427.79 |
| iii) Retail Banking | 1,60,412.90 | 1,57,633.66 | 1,36,647.91 | 4,64,070.91 | 4,07,872.11 | 5,54,151.81 |
| iv)Other Banking Operations | 10,803.09 | 10,686.41 | 8,529.68 | 31,908.09 | 24,740.54 | 34,156.20 |
| (v) Un allocated | 10,230.08 | 15,936.60 | 10,633.32 | 38,346.47 | 31,346.49 | 55,170.71 |
| **Total** | 5,15,852.25 | 5,43,465.00 | 5,20,954.31 | 15,92,777.24 | 15,65,362.58 | 21,03,890.70 |
| **Segment Results** | | | | | | |
| Profit/ (Loss) before tax and after interest from each segment | | | | | | |
| i)Treasury Operations | (6,584.18) | (14,187.98) | 5,872.65 | (28,589.88) | 16,811.39 | 24,531.95 |
| ii) Wholesale Banking | (1,21,544.76) | 28,245.31 | 6,794.95 | (68,683.56) | 38,275.74 | 24,891.86 |
| iii) Retail Banking | 18,647.66 | 29,901.07 | 13,654.21 | 61,780.19 | 43,769.23 | 69,255.29 |
| iv)Other Banking Operations | 10,796.75 | 10,682.21 | 8,518.48 | 31,893.88 | 24,716.15 | 34,122.62 |
| **Total** | (98,684.53) | 54,640.61 | 34,840.29 | (3,599.37) | 1,23,572.51 | 1,52,801.72 |
| Unallocated Expenses | 19,507.01 | 24,761.84 | 26,806.41 | 66,002.68 | 79,914.34 | 1,05,256.07 |
| **Operating Profit/(Loss)** | (1,18,191.54) | 29,878.77 | 8,033.88 | (69,602.05) | 43,658.17 | 47,545.65 |
| Income Tax | (79,353.86) | 11,018.44 | (6,687.07) | (70,050.94) | (10,260.40) | (10,879.92) |
| Extraordinary Profit/Loss | - | - | - | - | - | - |
| **Net Profit/(Loss)** | (38,837.68) | 18,860.33 | 14,720.95 | 448.89 | 53,918.57 | 58,425.57 |
| | | | | | | |
| **Capital Employed** | | | | | | |
| i)Treasury Operations | 3,82,816.88 | 4,21,927.78 | 2,87,215.28 | 3,82,816.88 | 2,87,215.28 | 3,57,579.02 |
| ii) Wholesale Banking | 3,95,859.71 | 4,37,944.41 | 4,43,212.85 | 3,95,859.71 | 4,43,212.85 | 3,87,505.48 |
| iii) Retail Banking | 3,48,751.82 | 3,79,598.42 | 3,39,258.82 | 3,48,751.82 | 3,39,258.82 | 3,27,546.50 |
| ii)Other Banking Operations | 16.01 | 14.52 | 28.35 | 16.01 | 28.35 | 28.69 |
| iv) Unallocated | 89,568.04 | 2,748.80 | (10,489.80) | 89,568.04 | (10,489.80) | (24,211.91) |
| **Total** | 12,17,012.46 | 12,42,233.93 | 10,59,225.50 | 12,17,012.46 | 10,59,225.50 | 10,48,447.78 |

**Part- B - Geographic Segment**

The Geographic segment consists of only domestic segment as the Bank does not have any foreign branch

*Additional Information:*

1. Capital employed is arrived after deducting segment liabilities from segment assets. Segment Liabilities are distributed in the ratio of their respective Segment Assets.
2. Figures of the previous period/ year have been recasted based on current quarter/period's presentation.

M/s. B.K. RAMADHYANI & CO. LLP BANGALORE-55 CHARTERED ACCOUNTANTS

M/s. NARAMORA & CO. KANPUR CHARTERED ACCOUNTANTS

M/s. GMJ & CO. MUMBAI CHARTERED ACCOUNTANTS

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

**NOTES:**

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 12, 2016. The same have been subjected to a limited review by the Statutory Central Auditors of the Bank.

2. There has been no change in the accounting policies and practices followed during the quarter/ nine months period ended December 31, 2015 as compared to those followed in the preceding financial year ended March 31, 2015

3. The financial results for the quarter/ nine months period ended December 31, 2015, have been arrived at after considering Provision for Non-Performing Assets, Standard Assets, Restructured Assets, Depreciation on the basis of Prudential norms and specific guidelines issued by Reserve Bank of India ("RBI") and provisions for exposures to entities with unhedged foreign currency exposures. Provision for taxes, depreciation on assets, employee benefits and other provisions for contingencies have been considered on estimated basis.

4. In case of Restructured Standard Advances - classification of advances, income recognition and provisioning thereon have been done, based on substantial compliance of major conditions contained in restructuring undertaken under JLF/CDR /RBI guidelines.

5. During the nine months period ended December 31, 2015, the Bank, following the RBI Circular No. DBR.No.BP.BC.27/21.04.048/2015-16 dated July 2, 2015, has changed the basis of calculation of provision for diminution in fair value from base rate / PLR as on the date of restructuring plus appropriate term / credit risk premium to the actual interest rate charged before restructuring for the purpose of discounting future cash flows. Consequent to this change, there is a net write back of provision pertaining to the period upto March 31, 2015 amounting to Rs.40,094.59 lakhs during this nine months period ended and including Rs.Nil lakhs for the quarter ended December 31, 2015.

6. In terms of the RBI circular DBOP. No. BP.BC.31/21.04/048/2015-16 dated July 16, 2015, the Bank has included its deposits placed with NABARD/RIDF/SIDBI/NHB on account of shortfall in priority sector lending under Other Assets. However, in the earlier year/ corresponding previous period the same was grouped under the head Investments. Figures for the previous period have been regrouped/ reclassified to conform to current period's presentation.

7. During the period under review the Bank has revalued its land and building (other than leasehold land) as at September 30, 2015 (post depreciation). The incremental amount of Rs.68,799.59 Lakhs has been credited to Revaluation reserve by adopting the realizable value of such assets by the registered valuers, based on respective guidance value.

8. The Bank during the nine months period ended under review had paid an amount of Rs.25,716.00 Lakhs on account of wage arrears relating to the period from November 2012 to March 2015 out of the provision made in the earlier years amounting to Rs.31,600 Lakhs under Provisions and Contingencies. The excess provision of Rs.5,943.00 Lakhs has been reversed during the quarter ended September 30, 2015.

9. Provisioning coverage ratio of the Bank as at December 31, 2015 is 56.40% as against 55.34% as at March 31, 2015.

10. In accordance with RBI circular No. DBOD.NO.BP.BC.2/21.06.201/2015-16 dated July 1, 2015, on Basel III Capital Regulations read together with RBI Circular No. DBR.No.BP.BC.80/21.06.201/2014 – 15 dated March 31, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards Amendments, the Bank is required to make Pillar III disclosures including leverage ratio and liquid coverage ratio under the Basel III framework. These disclosures as of December 31, 2015 are available on the Bank's website www.corpbank.com. These disclosures have not been subjected to review by the Statutory Central Auditors of the Bank.

कार्पोरेशन बैंक, मंगलूरु वि.स.प्र. म.का. F.M.D. H.O. CORPORATION BANK, MANGALURU

M/s. B.V.RAMADHYANI & CO. LLP BANGALORE-55 CHARTERED ACCOUNTANTS

M/s. A.F.PENDRA & CO. KANPUR CHARTERED ACCOUNTANTS

M/s. GMJ & CO. MUMBAI CHARTERED ACCOUNTANTS

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

11. During the period ended December 31, 2015, 15,66,15,497 equity shares of Rs.2/- face value at a premium of Rs.52.72 per share have been issued and allotted to Government of India on preferential basis on September 30, 2015 for a total consideration of Rs.85,700.00 lakhs and 2,81,60,693 equity shares of Rs.2/- face value at a premium of Rs.48.78 per share have been issued and allotted to Life Insurance Corporation of India on preferential basis on December 31, 2015 for a total consideration of Rs.14,300.00 lakhs. Accordingly, Earnings Per Share ("EPS") has been calculated on weighted average number of equity shares as specified in Accounting Standard 20 – 'Earnings Per Share'.

12. During the quarter, as a part of asset quality review, RBI has directed the Bank to revise asset classification/ provisions in respect of certain advance accounts over the two quarters ending December 31, 2015 and March 31, 2016. The Bank is undertaking this exercise over the timeframe stipulated by RBI.

13. During the quarter under review, the Bank has recognised deferred tax asset amounting to Rs.80,658.44 lakhs on tax losses.

14. Status of Investor Complaints is as follows:

| | | **No. of complaints** |
|---|---|---|
| a. | Pending as on September 30, 2015 | Nil |
| b. | Received during the quarter | 218 |
| c. | Disposed off during the quarter | 218 |
| d. | Pending as on December 31, 2015 | Nil |

15. Figures for the corresponding period have been regrouped /reclassified, wherever necessary to conform to current period's classification.

**[Sunil Mehta]**
Executive Director

**[Jai Kumar Garg]**
Managing Director & CEO

Place: Mangaluru
Date: February 12, 2016