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:65:2016-17 दिनांक 18th May 2016

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

प्रिय महोदय Dear Sir,

Audited Financial Results of the Bank for the Quarter / Year ended 31st March 2016

****

This has reference to our earlier letter ISD/60/2016-17 dated 11th May 2016 on the captioned subject. Pursuant to Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Audited Financial Results of the Bank for the quarter / year ended on 31st March 2016. The results have been approved by the Board of Directors of the Bank at their meeting held today (i.e. 18th May 2016) and Board of the Bank has not recommended any Dividend for the FY 2015-16.

We are also enclosing herewith relevant Form – A as per Annexure X of SEBI circular dated 30th November 2015.

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.

Kindly acknowledge the receipt of the same.

Yours faithfully,

(एस. के. दाश S. K. Dash),
उप महाप्रबंधक (कंपनी सचिव)
Deputy General Manager (Company Secretary)
संलग्न Encl: Audited Financial Results as on 31.03.2016.

CORPORATION BANK

HEAD OFFICE, MANGALADEVI TEMPLE ROAD, MANGALURU - 575 001

AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED MARCH 31, 2016

[Rs. in lakhs]

Sl. No.	Particulars	Quarter Ended (Standalone)			Year Ended (Standalone)		Year Ended (Consolidated)	
		31.03.2016 (Audited)	31.12.2015 (Reviewed)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)
1	Interest earned (a)+(b)+(c)+(d)	4,73,446.04	4,74,111.03	4,88,164.14	19,41,123.69	19,55,644.47	19,41,126.28	19,55,644.48
	(a) Interest / Discount on Advances / Bills	3,45,767.20	3,51,434.70	3,72,262.56	14,48,305.49	14,80,533.63	14,48,305.49	14,80,533.63
	(b) Income on Investments	1,07,813.52	1,06,554.58	1,00,242.71	4,20,859.86	4,16,582.59	4,20,862.34	4,16,582.59
	(c)Interest on balances with Reserve Bank of India and other inter bank funds	1,045.14	541.71	573.40	2,207.63	1,511.31	2,207.63	1,511.31
	(d) Others	18,820.18	15,580.04	15,085.47	69,750.71	57,016.94	69,750.82	57,016.95
2	Other Income	48,416.38	41,741.22	50,363.98	1,73,515.97	1,48,246.22	1,74,295.31	1,47,406.01
3	TOTAL INCOME (1+2)	5,21,862.42	5,15,852.25	5,38,528.12	21,14,639.66	21,03,890.69	21,15,421.59	21,03,050.49
4	Interest Expended	3,74,389.26	3,73,422.99	3,76,765.04	15,17,177.80	15,48,610.42	15,17,146.22	15,48,528.22
5	Operating Expenses (i) + (ii)	74,981.40	72,524.68	65,226.44	2,87,960.13	2,52,535.71	2,88,087.67	2,52,611.10
	(i) Employees cost	35,308.54	34,590.01	30,745.65	1,37,318.31	1,18,222.22	1,37,375.33	1,18,251.72
	(ii) Other Operating Expenses	39,672.86	37,934.67	34,480.79	1,50,641.82	1,34,313.49	1,50,712.34	1,34,359.38
6	TOTAL EXPENDITURE (4+5) Excluding Provisions and contingencies)	4,49,370.66	4,45,947.67	4,41,991.48	18,05,137.93	18,01,146.13	18,05,233.89	18,01,139.32
7	Operating Profit before Provisions and Contingencies (3-6)	72,491.76	69,904.58	96,536.64	3,09,501.73	3,02,744.56	3,10,187.70	3,01,911.17
8	Provisions (other than tax) and Contingencies	1,96,020.94	1,88,096.12	92,649.17	5,02,632.96	2,55,198.92	5,02,632.96	2,55,198.92
9	Exceptional items	-	-	-	-	-	-	-
10	Profit (+)/Loss (-) from ordinary Activities before tax (7-8-9)	(1,23,529.18)	(1,18,191.54)	3,887.47	(1,93,131.23)	47,545.64	(1,92,445.26)	46,712.25
11	Tax Expense	(72,432.26)	(79,353.86)	(619.52)	(1,42,483.20)	(10,879.92)	(1,42,244.88)	(10,575.05)
12	Net Profit (+)/Loss (-) from ordinary Activities after tax (10-11)	(51,096.92)	(38,837.68)	4,506.99	(50,648.03)	58,425.56	(50,200.38)	57,287.30
13	Extraordinary items (net of tax expense) (if applicable)	-	-	-	-	-	-	-
14	Net Profit (+)/Loss (-) for the period (12-13)	(51,096.92)	(38,837.68)	4,506.99	(50,648.03)	58,425.56	(50,200.38)	57,287.30
15	Paid-up equity share capital	20,449.71	20,449.71	16,754.19	20,449.71	16,754.19	20,449.71	16,754.19
16	Reserves excluding revaluation reserves				10,48,164.31	10,31,693.59	10,51,534.79	10,34,641.63
17	Analytical Ratios							
	(i) Percentage of shares held by Government of India	67.20%	67.20%	63.33%	67.20%	63.33%	67.20%	63.33%
	(ii) Capital Adequacy Ratio							
	Basel II	10.88%	12.07%	11.80%	10.88%	11.80%	Not Applicable	
	Tier I	7.33%	8.48%	8.28%	7.33%	8.28%		
	Tier II	3.55%	3.59%	3.52%	3.55%	3.52%		
	Basel III	10.56%	11.49%	11.09%	10.56%	11.09%		
	Tier I	7.93%	8.27%	8.05%	7.93%	8.05%		
	Tier II	2.63%	3.22%	3.04%	2.63%	3.04%		
	(iii) Earning Per Share (EPS) (in Rs.)							
	a) Basic and diluted EPS before Extraordinary items (net of tax expense) (Not annualised)	(5.00)	(3.90)	0.54	(5.48)	6.97	(5.44)	6.84
	b) Basic and diluted EPS after Extraordinary items for the period (Not annualised)	(5.00)	(3.90)	0.54	(5.48)	6.97	(5.44)	6.84
	(iv) NPA Ratios							
	(a) Gross NPA	14,54,424.70	10,70,696.86	7,10,667.88	14,54,424.70	7,10,667.88	Not Applicable	
	(b) Net NPA	9,16,013.91	6,89,659.48	4,46,497.94	9,16,013.91	4,46,497.94		
	(c) % of Gross NPA	9.98%	7.32%	4.81%	9.98%	4.81%		
	(d) % of Net NPA	6.53%	4.84%	3.08%	6.53%	3.08%		
	(v) Return on Assets (annualised)	-0.23%	-0.70%	0.28%	-0.23%	0.28%		

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

M/s. NRIPENDRA & CO. CHARTERED ACCOUNTANTS KANPUR

M/s. GMJ & CO. CHARTERED ACCOUNTANTS MUMBAI

M. ANANDAM & CO. CHARTERED ACCOUNTANTS SECUNDERABAD

SUMMARISED BALANCE SHEET

[Rs. in lakhs]

CAPITAL AND LIABILITIES	Standalone (Audited)		Consolidated (Audited)	
	As at 31.03.2016		As at 31.03.2015	
Capital	20,449.71	16,754.19	20,449.71	16,754.19
Reserves and Surplus	11,16,138.49	10,31,693.59	11,19,508.97	10,34,616.40
Minority Interest			-	-
Deposits	2,05,17,084.36	1,99,34,581.90	2,05,14,033.78	1,99,34,281.11
Borrowings	13,11,219.44	10,41,490.41	13,11,219.44	10,41,490.41
Other liabilities and Provisions	5,21,469.56	5,74,781.69	5,21,466.83	5,74,784.34
Total	2,34,86,361.56	2,25,99,301.78	2,34,86,678.73	2,26,01,926.45
ASSETS				
Cash/Gold and Balances with Reserve Bank of India	10,08,721.40	10,14,893.37	10,08,721.50	10,14,893.42
Balances with Banks and Money at Call and Short notice	5,09,398.42	2,58,997.06	5,09,398.42	2,58,997.06
Investments	63,28,063.45	53,29,798.39	63,27,745.51	53,31,688.26
Advances	1,40,32,224.06	1,45,06,603.56	1,40,32,224.06	1,45,06,603.56
Fixed Assets	1,27,713.35	52,637.22	1,27,741.61	52,638.67
Other Assets	14,80,240.88	14,36,372.18	14,80,847.63	14,37,105.48
Total	2,34,86,361.56	2,25,99,301.78	2,34,86,678.73	2,26,01,926.45

SEGMENT REPORTING FOR THE QUARTER/ YEAR ENDED MARCH 31, 2016

[Rs. in lakhs]

Part A: Business Segment

Particulars	Quarter ended			Year Ended		Year Ended (Consolidated)	
	31.03.2016 (Audited)	31.12.2015 (Reviewed)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)
Segment Revenue:							
i)Treasury Operations	1,18,968.54	1,15,964.49	1,02,238.38	4,59,009.16	4,32,984.18	4,59,009.16	4,32,984.19
ii) Wholesale Banking	2,03,105.85	2,18,441.69	2,56,770.16	9,21,517.00	10,27,427.79	9,21,517.00	10,27,427.79
iii) Retail Banking	1,70,946.48	1,60,412.90	1,46,279.70	6,35,017.39	5,54,151.81	6,35,017.39	5,54,151.81
iv)Other Banking Operations	11,657.56	10,803.09	9,415.66	43,565.65	34,156.20	44,347.58	33,315.99
(v) Un allocated	17,183.99	10,230.08	23,824.22	55,530.46	55,170.71	55,530.46	55,170.71
Total	5,21,862.42	5,15,852.25	5,38,528.12	21,14,639.66	21,03,890.69	21,15,421.59	21,03,050.49
Segment Results:							
Profit/ (Loss) before tax and after interest from each segment							
i)Treasury Operations	(33,034.33)	(6,584.18)	7,720.56	(61,624.21)	24,531.94	(61,624.21)	24,531.94
ii) Wholesale Banking	(38,381.59)	(1,21,544.76)	(13,383.88)	(1,07,065.15)	24,891.86	(1,07,065.15)	24,891.86
iii) Retail Banking	37,223.03	18,647.66	25,486.06	99,003.22	69,255.29	99,003.22	69,255.29
iv)Other Banking Operations	11,640.47	10,796.75	9,406.47	43,534.36	34,122.62	44,220.33	33,282.41
Total	(22,552.42)	(98,684.53)	29,229.21	(26,151.78)	1,52,801.71	(25,465.81)	1,51,961.50
Unallocated Expenses	1,00,976.77	19,507.01	25,341.74	1,66,979.45	1,05,256.07	1,66,979.45	1,05,249.25
Operating Profit	(1,23,529.18)	(1,18,191.54)	3,887.47	(1,93,131.23)	47,545.64	(1,92,445.26)	46,712.25
Income Tax	(72,432.26)	(79,353.86)	(619.52)	(1,42,483.20)	(10,879.92)	(1,42,244.88)	(10,575.05)
Extraordinary Profit/Loss	-	-	-	-	-	-	
Net Profit	(51,096.92)	(38,837.68)	4,506.99	(50,648.03)	58,425.56	(50,200.38)	57,287.30
Capital Employed:							
i)Treasury Operations	4,19,765.66	3,82,816.88	3,57,579.02	4,19,765.66	3,57,579.02	4,19,765.66	3,57,579.02
ii) Wholesale Banking	3,29,486.62	3,95,859.71	3,87,505.48	3,29,486.62	3,87,505.48	3,29,486.62	3,87,505.48
iii) Retail Banking	3,46,972.52	3,48,751.82	3,27,546.50	3,46,972.52	3,27,546.50	3,46,972.52	3,27,546.50
iv)Other Banking Operations	27.28	16.01	28.69	27.28	28.69	27.28	28.69
v) Unallocated	40,336.12	89,568.04	(24,211.91)	40,336.12	(24,211.91)	43,706.60	(21,289.10)
Total	11,36,588.20	12,17,012.46	10,48,447.78	11,36,588.20	10,48,447.78	11,39,958.68	10,51,370.59

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. Subsidiary Operations have been grouped under other banking operations.
3. Figures of the previous period/ year have been recasted based on current quarter/year's presentation.

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

M/s. KRIPENDRA & CO. KANPUR CHARTERED ACCOUNTANTS

M/s. GMJ & CO. MUMBAI CHARTERED ACCOUNTANTS

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

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

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 May 18, 2016. The same has been subjected to audit by the Statutory Central Auditors of the Bank.

2. There has been no change in the accounting policies and practices followed during the quarter/ year ended March 31, 2016 as compared to those followed in the preceding financial year ended March 31, 2015

3. The financial results for the quarter/ year ended March 31, 2016, 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. Based on the available date, available financial statements and the declaration from borrowers wherever received, the Bank has estimated the liability of Rs.2,955 lakhs as at March 31, 2016 on Unhedged Foreign Currency Exposure to their constituents in terms of RBI Circular DBOD. No. BP. BC.85/21.06.200/2013 – 14 dated January 15, 2014. The entire estimated amount is fully provided for.

6. During the year ended March 31, 2016, 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 year and including Rs.Nil lakhs for the quarter ended March 31, 2016.

7. 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 Investments. Figures for the previous period have been regrouped/ reclassified to conform to current period's presentation.

8. 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. Further, 45% of the same has been reckoned in Tier 1 Capital as per RBI guidelines.

9. The Bank during the year has paid an amount of Rs.25,657.00 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.31,600.00 Lakhs under Provisions and Contingencies. The excess provision of Rs.5,943.00 Lakhs has been reversed during the quarter ended September 30, 2015.

10. In accordance with UDAY (Ujwal Discom Assurance Yojna) Scheme, of Government of India, Ministry of Power of operational and financial turnaround of Power Distribution Companies ("DISCOMs") during the year 2015 – 16, the Bank has subscribed to Non SLR SDL Bonds of Government of Rajasthan and Government of Uttar Pradesh amounting to Rs.1,43,184 Lakhs & Rs.67,567 Lakhs respectively.

11. In terms of RBI Letter No. DRB.No.BP.13018/21.04.048/2015 -16 dated April 12, 2016, the Bank has provided an amount of Rs.7,311.37 lakhs as on March 31, 2016, equivalent to 7.50% for food credit availed by Government of Punjab.

12. Based on the RBI circulars DBR. No. BP. BC.83/21.04.048/2014 – 15 and DBR. No. BP. BC. 92/21.04.048/2015 – 16 dated April 18, 2016 the Bank has debited the unamortised provisioning pertaining to fraud accounts amounting to Rs.29185.72 Lakhs with 'Other Reserves'.

13. Provision coverage ratio of the Bank as at March 31, 2016 is 55.05%.

14. 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 March 31, 2016 are available on the Bank's website www.corpbank.com.

15. During the year, 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'.

16. During the year, 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 has completed this exercise over the timeframe stipulated by RBI.

17. During the year under review, the Bank has recognised deferred tax asset amounting to Rs.142,483.20 lakhs on timing differences.

18. Status of Investor Complaints is as follows:

		No. of complaints
a.	Outstanding at the beginning of the quarter	Nil
b.	Received during the quarter	163
c.	Disposed of during the quarter	163
d.	Outstanding at the end of the quarter	Nil

19. Figures for the last quarter are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the end of third quarter of the respective financial year.

20. 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: May 18, 2016

FORM A

Covering Letter of the annual audit report to be filed with the Stock Exchanges

1.	Name of the Company:	Corporation Bank
2.	Annual Financial statements for the year ended	March 31, 2016
3.	Type of Audit Observation	Emphasis of Matter
4.	Frequency of observation	Reported for third time

[R.Natarajan]
CFO/General Manager]

[Jai Kumar Garg]
Managing Director & CEO

For B. K. Ramadhyani & Co. LLP
Chartered Accountants
[FRN No.002878S/S200021]

[CA C.R.Deepak]
M.No.215398
Partner

For Nripendra & Co
Chartered Accountants
[FRN No. 000379C]

[CA Pradeep Kumar Gupta]
M.No.070855
Partner

For GMJ & Co.
Chartered Accountants
[FRN No.103429W]

[CA Atul Jain]
M.No.037097
Partner

For M. Anandam & Co.
Chartered Accountants
[FRN-000125S]

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

[Adish Kumar Jain]
Director and Chairman of Audit Committee

Place: Mangaluru
Date: May 18, 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

FORM A

Covering Letter of the annual audit report to be filed with the Stock Exchanges (Consolidated)

1.	Name of the Company:	Corporation Bank
2.	Annual Financial statements for the year ended	March 31, 2016
3.	Type of Audit Observation	**Emphasis of Matter:**
4.	Frequency of observation	Appearing third time

[R.Natarajan]
CFO/General Manager]

[Jai Kumar Garg]
Managing Director & CEO

For B. K. Ramadhyani & Co. LLP
Chartered Accountants
[FRN No.002878S/S200021]

For Nripendra & Co
Chartered Accountants
[FRN No. 000379C]

[CA C.R.Deepak]
M.No.215398
Partner

[CA Pradeep Kumar Gupta]
M.No.070855
Partner

For GMJ & Co.
Chartered Accountants
[FRN No.103429W]

For M. Anandam & Co.
Chartered Accountants
[FRN-000125S]

[CA Atul Jain]
M.No.037097
Partner

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

[Adish Kumar Jain]
Director and Chairman of Audit Committee

Place: Mangaluru
Date: May 18, 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

INDEPENDENT AUDITORS' REPORT

To,
The Members of Corporation Bank,
Mangaluru

Report on the Standalone Financial Statements:

1. We have audited the accompanying Standalone financial statements of CORPORATION BANK ('the Bank') as at March 31, 2016, which comprise the Balance Sheet as at March 31, 2016, and the Profit and Loss Account, and the Cash Flow Statement (hereinafter referred to as "Standalone Financial Statements") for the year then ended, and a summary of significant accounting policies and other explanatory information. Incorporated in these Standalone financial statements are the returns of 20 branches audited by us and 1,178 branches audited by statutory branch auditors. The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India. Also incorporated in the Balance Sheet and the Profit and Loss Account are the returns from 1,279 branches which have not been subjected to audit. These unaudited branches account for 6.15 percent of advances, 8.24 percent of deposits, 3.82 percent of interest income and 9.00 percent of interest expenses.

Management's Responsibility for the Standalone Financial Statements:

2. Management is responsible for the preparation of these Standalone financial statements in accordance with the Banking Regulation Act 1949, Reserve Bank of India guidelines from time to time and accounting standards generally accepted in India. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the Standalone financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

3. Our responsibility is to express an opinion on these Standalone financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone financial statements are free from material misstatements.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the Standalone financial statements in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Standalone financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

6. In our opinion, as shown by books of bank and to the best of our information and according to the explanations given to us:

   (a) the Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of the state of affairs of the Bank as at March 31, 2016 in conformity with accounting principles generally accepted in India;

   (b) the Profit and Loss Account, read with the notes thereon shows a true balance of loss, in conformity with accounting principles generally accepted in India, for the year covered by the account; and

   (c) the Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

Emphasis of Matter:

Without qualifying our opinion, we draw attention to Note No. 4.3, Schedule 18 A to the financial statements, regarding classification, income recognition and provisioning of restructured advances, which have been done based on substantial compliance of major conditions contained in the CDR/ RBI guidelines.

Report on Other Legal and Regulatory Requirements:

7. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Section 29 of the Banking Regulation Act, 1949;

8. Subject to the limitations of the audit indicated in paragraph 1 to 5 above and as required by the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980, and subject also to the limitations of disclosure required therein, we report that:

   (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory;

   (b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and

(c) The returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit.

9. We further report that:

a) the Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account and returns;

b) the reports on the accounts of the branch offices audited by branch auditors of the Bank under section 29 of the Banking Regulation Act, 1949 have been sent to us and have been properly dealt with by us in preparing this report;

c) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the applicable accounting standards.

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 Pradeep Kumar Gupta]
Partner
Membership No. 070855

For GMJ & Co.
Chartered Accountants
FRN - 103429W

Atul Jain

[CA Atul Jain]
Partner
Membership No. 037097

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

Vikram

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

Place: Mangaluru

Date: May 18, 2016

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To The Board of Directors of the Corporation Bank,

Report on the Consolidated Financial Statements

1. We have audited the attached Consolidated Balance Sheet of Corporation Bank and its Subsidiary (collectively referred as "the Group"), as at 31st March 2016, the Consolidated Profit and Loss account and the Consolidated Cash Flow Statement of the Group for the year ended on that date.

Management's Responsibility for the Consolidated Financial Statements

2. The consolidated financial statements are the responsibility of the Banks's Management and have been prepared by the management on the basis of separate financial statements and other financial information of the subsidiary. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

3. These consolidated financial statements have been prepared by the Bank in accordance with the requirements of AS 21 (Consolidated Financial Statements) issued by the Institute of Chartered Accountants of India and the guidelines issued by the Reserve Bank of India.

Auditor's Responsibility

4. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 10 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. Based on our audit, consideration of the report of other auditor on separate financial statements of the subsidiary and to the best of our information and accordingly to the explanations given to us read with paragraphs 1 to 6 above, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

   i. In the case of the consolidated balance sheet, of the state of affairs of the Group as at 31st March 2016;

   ii. In the case of the consolidated profit & loss account, the consolidated loss of the Group for the year ended on that date, and

   iii. In the case of consolidated cash flow statement gives a true and fair view of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

8. Without qualifying our opinion, we draw attention to Note No. 9, Schedule 18 to the consolidated financial statements, regarding classification, income recognition and provisioning of restructured advances, which have been done based on substantial compliance of major conditions contained in the CDR/ JLF/RBI guidelines.

Other Matters

9. We have not audited the financial statements of the Subsidiary, Corpbank Securities Limited, whose financial statements reflect total assets of Rs. 108.76 Crore as at March 31, 2016 and total revenues of Rs.8.18 Crore for the year ended on that date. These financial statements have been audited by another auditor whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the said subsidiary, is based solely on the report of the another auditor.

for B.K. Ramadhyani & Co. LLP	**for Nripendra & Co.**	**for GMJ & Co.**	**for M. Anandam & Co.**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
FRN-002878S/S200021	FRN-000379C	FRN-103429W	FRN-000125S
[CA C.R. Deepak]	**[CA Pradeep Kumar Gupta]**	**[CA Atul Jain]**	**[CA M.R.Vikram]**
M.No.215398	M.No.070855	M. No.037097	M. No. 021012
Partner	Partner	Partner	Partner

Place: Mangaluru
Date: May 18, 2016