प्रधान कार्यालय :
डा.पे.सं. 88,
मंगलादेवी मंदिर मार्ग,
पांडेश्वर,
मंगलूरु - 575 001.
कर्नाटक राज्य

कार्पोरेशन बैंक
Corporation Bank

Head Office :
P.B. No. 88,
Mangaladevi Temple Road,
Pandeshwar,
MANGALURU - 575 001.
Karnataka State

सार्वजनिक क्षेत्र का अग्रणी बैंक A Premier Public Sector Bank

निवेशक सेवा विभाग INVESTOR SERVICES DEPARTMENT

संदर्भ Ref. :नि.से.वि.ISD/090/2018-19 **दिनांक Date: 26th मई May 2018**

To, **BSE Ltd,** Corporate Relationship Department Ist Floor, New Trading Ring Rotunda Building, P J Towers Dalal Street, Fort MUMBAI - 400 001 **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 **https://www.connect2nse.com/LISTING/-NEAPS** Symbol: CORPBANK

महोदय Sir,

Audited Financial Results of the Bank for the Fourth Quarter / Year Ended 31st March 2018.

****

This has reference to our earlier letter ISD/078/2018-19 dated 16th May 2018 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 along with the report of the Auditors for the fourth quarter / year ended on 31st March 2018. The enclosed results have been approved by the Board of Directors of the Bank at their meeting held today i.e. 26th May 2018. The Board Meeting ended at 5:00 p.m.

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.

Further details on Financial Results are available in the web link http://www.corpbank.com/node/62170

Kindly acknowledge the receipt of the same.

भवदीय Yours faithfully,

(एस. के. दाश S. K. Dash)
उप महाप्रबंधक (कंपनी सचिव)
Deputy General Manager (Company Secretary)

संलग्न Encl.: Audited Financial Results as on 31.03.2018.

CORPORATION BANK

HEAD OFFICE, MANGALADEVI TEMPLE ROAD, MANGALURU - 575 001

AUDITED FINANCIAL RESULTS FOR THE QUARTER/ YEAR ENDED 31st MARCH, 2018

[Rs. in lakhs]

Sl. No.	Particulars	Quarter Ended			Year Ended		Year Ended	
		31.03.2018 (Audited)	31.12.2017 (Reviewed)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)
		Standalone					Consolidated	
1	Interest Earned (a)+(b)+(c)+(d)	419,309.94	438,785.24	483,804.42	1,762,833.27	1,947,147.18	1,762,836.00	1,947,151.96
	(a) Interest / Discount on Advances / Bills	274,959.19	285,972.04	317,431.98	1,147,120.84	1,327,719.31	1,147,123.57	1,327,720.96
	(b) Income on Investments	127,059.45	130,408.86	131,838.03	516,438.96	516,780.87	516,438.96	516,784.00
	(c)Interest on balances with Reserve Bank of India and other inter bank funds	695.41	3,920.42	896.81	8,170.14	3,397.15	8,170.14	3,397.15
	(d) Others	16,595.89	18,483.92	33,637.60	91,103.33	99,249.85	91,103.33	99,249.85
2	Other Income	44,935.49	45,351.94	89,244.33	231,308.08	309,030.87	231,904.27	309,771.14
3	TOTAL INCOME (1+2)	464,245.43	484,137.18	573,048.75	1,994,141.35	2,256,178.05	1,994,740.27	2,256,923.10
4	Interest Expended	289,237.02	312,438.54	390,386.86	1,279,010.86	1,502,046.19	1,278,941.83	1,501,996.39
5	Operating Expenses (i) + (ii)	76,064.27	83,495.03	77,206.41	320,088.86	310,178.97	320,195.68	310,295.43
	(i) Employees cost	39,491.53	43,859.94	34,488.62	159,282.24	144,436.68	159,343.39	144,499.76
	(ii) Other Operating Expenses	36,572.74	39,635.09	42,717.79	160,806.62	165,742.29	160,852.29	165,795.67
6	TOTAL EXPENDITURE (4+5) excluding provisions and contingencies	365,301.29	395,933.57	467,593.27	1,599,099.72	1,812,225.16	1,599,137.51	1,812,291.82
7	Operating Profit before Provisions and Contingencies (3-6)	98,944.14	88,203.61	105,455.48	395,041.63	443,952.89	395,602.76	444,631.28
8	Provisions (other than tax) and Contingencies	402,220.95	278,439.95	94,801.01	1,063,127.45	360,315.91	1,063,127.45	360,315.91
	Of which Provisions for Non Performing Assets	444,129.15	249,471.31	85,297.09	1,098,213.51	350,866.20	1,098,213.51	350,866.20
9	Exceptional items	-	-	-	-	-	-	-
10	Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	(303,276.81)	(190,236.34)	10,654.47	(668,085.82)	83,636.98	(667,524.69)	84,315.37
11	Tax Expense	(119,437.17)	(66,187.19)	(5,343.57)	(262,691.50)	27,516.38	(262,531.50)	27,734.54
12	Net Profit (+)/Loss (-) from Ordinary Activities after tax (10-11)	(183,839.64)	(124,049.15)	15,998.04	(405,394.32)	56,120.60	(404,993.19)	56,580.83
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-	-
14	Net Profit (+)/Loss (-) for the period (12-13)	(183,839.64)	(124,049.15)	15,998.04	(405,394.32)	56,120.60	(404,993.19)	56,580.83
15	Paid-up equity share capital (Face Value Rs.2 each)	33,310.97	22,941.13	22,941.13	33,310.97	22,941.13	33,310.97	22,941.13
16	Reserves excluding Revaluation Reserves (As per balance sheet of previous accounting year)	986,592.68	1,181,925.53	1,181,925.53	986,592.68	1,181,925.53	990,789.35	1,185,721.07
17	Analytical Ratios							
	(i) Percentage of shares held by Government of India	79.87%	70.76%	70.76%	0.00%	70.76%	70.76%	70.76%
	(ii) Capital Adequacy Ratio - Basel III	9.23%	10.00%	11.32%	0.00%	11.32%	Not Applicable	
	(a) Common Equity Tier 1 Ratio	5.68%	5.77%	7.99%	0.00%	7.99%		
	(b) Additional Tier 1 Ratio	1.59%	1.55%	0.91%	0.00%	0.91%		
	(iii) Earning Per Share (EPS) (in Rs.) (Not annualised)							
	a) Basic and diluted EPS before Extraordinary items (net of tax expense)	-11.04	(10.81)	1.39	(35.30)	5.17	(35.26)	5.21
	b) Basic and diluted EPS after Extraordinary items	-11.04	(10.81)	1.39	(35.30)	5.17	(35.26)	5.21
	(iv) NPA Ratios							
	(a) Amount of Gross NPA	2,221,344.00	2,181,796.25	1,704,522.22	-	1,704,522.22	Not Applicable	
	(b) Amount of Net NPA	1,407,702.00	1,385,390.09	1,169,217.81	-	1,169,217.81		
	(c) Percentage of Gross NPA	16.21%	15.92%	11.70%	0.00%	11.70%		
	(d) Percentage of Net NPA	11.33%	10.73%	8.33%	0.00%	8.33%		
	(v) Return on Assets (annualised)	-3.10%	-2.00%	0.25%	-1.67%	0.23%		

DATTA SINGLA & CO CHANDIGARH CHARTERED ACCOUNTANT

A.K.SABAT & CO. BHUBANESWAR CHARTERED ACCOUNTANT

CHANDRAN & RAMAN CHENNAI CHARTERED ACCOUNTANTS

PRAMOD & ASSOCIATES JAIPUR CHARTERED ACCOUNTANT

S.RAMANAND AIYAR & CO. NEW DELHI CHARTERED ACCOUNTANTS

CORPORATION BANK HEAD OFFICE
MANGALADEVI TEMPLE ROAD, MANGALURU - 575 001
AUDITED FINANCIAL RESULTS FOR THE QUARTER/ YEAR ENDED 31st MARCH, 2018

SUMMARISED BALANCE SHEET

[Rs. in lakhs]

CAPITAL AND LIABILITIES	Standalone		Consolidated	
	As at 31.03.2018 (Audited)	As at 31.03.2017 (Audited)	As at 31.03.2018 (Audited)	**As at 31.03.2017 (Audited)**
Capital	**33,310.97**	22,941.13	33,310.97	22,941.13
Reserves and Surplus	**1,051,274.23**	1,248,253.39	1,055,470.91	1,252,048.95
Minority Interest			-	
Deposits	**18,331,594.98**	22,055,961.92	18,330,904.59	22,055,054.51
Borrowings	**2,217,108.36**	646,817.36	2,217,108.37	646,817.35
Other liabilities and Provisions	**555,837.01**	815,131.67	555,823.13	815,118.41
Total	**22,189,125.55**	24,789,105.47	22,192,617.97	**24,791,980.35**
ASSETS				
Cash/Gold and Balances with Reserve Bank of India	**1,114,015.36**	1,749,663.49	1,114,015.44	1,749,663.54
Balances with Banks and Money at Call and Short notice	**17,747.66**	755,332.14	17,790.18	755,371.18
Investments	**7,034,975.60**	6,407,297.64	7,037,927.68	6,409,613.98
Advances	**11,986,883.71**	14,035,679.37	11,986,883.71	14,035,679.38
Fixed Assets	**122,921.10**	129,001.39	122,931.51	129,014.77
Other Assets	**1,912,582.12**	1,712,131.44	1,913,069.45	1,712,637.50
Total	**22,189,125.55**	24,789,105.47	22,192,617.97	**24,791,980.35**

CORPORATION BANK

HEAD OFFICE : MANGALADEVI TEMPLE ROAD, MANGALURU - 575001

SEGMENT REPORTING FOR THE QUARTER / YEAR ENDED 31st MARCH, 2018

Part A: Business Segment

[Rs. In Lakhs]

	Particulars	Quarter ended			Year Ended		Year Ended	
		31.03.2018 (Audited)	31.12.2017 (Reviewed)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)
		Standalone					Consolidated	
1	**Segment Revenue**							
a)	Treasury Operations	**152,412.52**	133,683.12	198,248.40	**642,973.21**	709,301.31	**642,973.21**	709,301.31
b)	Wholesale Banking	**67,716.55**	187,375.94	245,475.02	**717,408.27**	859,259.13	**717,408.27**	859,259.13
c)	Retail Banking	**227,659.20**	131,799.20	101,203.08	**538,559.87**	573,156.88	**538,559.87**	573,156.88
d)	Other Banking Operations	**16,067.87**	4,999.62	12,617.15	**45,161.96**	47,702.83	**45,760.88**	48,447.88
e)	Unallocated	**389.29**	26,279.30	15,505.09	**50,038.04**	66,757.89	**50,038.04**	66,757.89
	Income from Operations	**464,245.43**	484,137.18	573,048.75	**1,994,141.35**	2,256,178.04	**1,994,740.27**	2,256,923.10
2	**Segment Result**							
	Profit (+)/ Loss (-) before tax and after interest from each segment							
a)	Treasury Operations	**3,878.18**	(12,082.21)	142,649.95	**46,445.04**	227,666.02	**46,445.04**	227,666.02
b)	Wholesale Banking	**(436,557.62)**	(125,723.60)	(16,283.09)	**(681,920.94)**	(47,951.93)	**(681,920.94)**	(47,951.93)
c)	Retail Banking	**120,778.83**	(12,713.96)	(57,092.97)	**41,924.58**	37,397.73	**41,924.58**	37,397.73
d)	Other Banking Operations	**16,057.01**	4,987.09	12,614.12	**45,125.85**	47,680.13	**45,686.95**	48,358.52
	Total	**(295,843.61)**	(145,532.68)	81,888.01	**(548,425.48)**	264,791.95	**(547,864.38)**	265,470.34
	Less: Unallocated Expenses (net off unallocable income)	**7,433.23**	44,703.66	71,233.53	**119,660.34**	181,154.96	**119,660.31**	181,154.96
	Total Profit / (Loss) before Tax	**(303,276.84)**	(190,236.34)	10,654.47	**(668,085.82)**	83,636.99	**(667,524.69)**	84,315.38
	Less / (Add) : Tax Expenses	**(119,437.17)**	(66,187.19)	(5,343.57)	**(262,691.50)**	27,516.38	**(262,531.50)**	27,734.54
	Extra-ordinary Items	-	-	-	-	-	-	-
	Net Profit / (Loss)	**(183,839.67)**	(124,049.15)	15,998.04	**(405,394.32)**	56,120.61	**(404,993.19)**	56,580.83
3	**Segment Assets**							
a)	Treasury Operations	**7,219,600.76**	7,434,371.18	6,544,852.07	**7,219,600.76**	6,544,852.07	**7,219,600.76**	6,544,852.07
b)	Wholesale Banking	**6,693,056.14**	6,864,281.37	8,054,072.65	**6,693,056.14**	8,054,072.65	**6,693,056.14**	8,054,072.65
c)	Retail Banking	**6,087,173.52**	6,845,884.56	6,793,581.87	**6,087,173.52**	6,793,581.87	**6,087,173.52**	6,793,581.87
d)	Other Banking Operations	**506.87**	499.79	313.44	**506.87**	313.44	**3,999.30**	3,188.31
e)	Unallocated Assets	**2,188,788.26**	3,003,111.55	3,396,285.43	**2,188,788.26**	3,396,285.44	**2,188,788.21**	3,396,285.43
	Total	**22,189,125.55**	24,148,148.45	24,789,105.47	**22,189,125.55**	24,789,105.47	**22,192,617.93**	24,791,980.34
4	**Segment Liabilities**							
a)	Treasury Operations	**6,571,983.24**	6,826,944.02	6,072,362.01	**6,571,983.24**	6,072,362.01	**6,571,983.24**	6,072,362.01
b)	Wholesale Banking	**6,214,749.33**	6,420,796.50	7,661,708.75	**6,214,749.33**	7,661,708.75	**6,214,749.33**	7,660,784.33
c)	Retail Banking	**6,124,415.32**	6,606,958.81	6,334,169.20	**6,124,415.32**	6,334,169.20	**6,124,415.32**	6,334,169.20
d)	Other Banking Operations	**460.21**	454.97	288.27	**460.21**	288.27	**(244.06)**	292.00
e)	Unallocated Liabilities	**2,192,932.25**	3,243,269.35	3,449,382.72	**2,192,932.25**	3,449,382.72	**2,192,932.26**	3,449,382.73
	Total	**21,104,540.35**	23,098,423.65	23,517,910.95	**21,104,540.35**	23,517,910.95	**21,103,836.09**	23,516,990.27
5	**Capital Employed (Segment assets - Segment liabilities)**							
a)	Treasury Operations	**647,617.52**	607,427.16	472,490.06	**647,617.52**	472,490.06	**647,617.52**	472,490.06
b)	Wholesale Banking	**478,306.81**	443,484.87	392,363.90	**478,306.81**	392,363.90	**478,306.81**	393,288.32
c)	Retail Banking	**(37,241.80)**	238,925.75	459,412.67	**(37,241.80)**	459,412.67	**(37,241.80)**	459,412.67
d)	Other Banking Operations	**46.66**	44.82	25.17	**46.66**	25.17	**4,243.36**	2,896.31
e)	Unallocated Assets	**(4,144.01)**	(240,157.80)	(53,097.29)	**(4,144.01)**	(53,097.28)	**(4,144.05)**	(53,097.30)
	Total	**1,084,585.20**	1,049,724.80	1,271,194.51	**1,084,585.20**	1,271,194.52	**1,088,781.84**	1,274,990.06

Part B : Geographic Segment

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

Notes on Segment Reporting:

1 As per guidelines of RBI on compliance with Accounting Standards, the Bank has adopted "Treasury Operations", Wholesale, Retail and "Other Banking Operations" as Primary segments under "Domestic Segment" for the purpose of compliance with AS-17 on "Segment Reporting" issued by ICAI.

2 Segment Liabilities are distributed in the ratio of their respective Segment Assets.

3 Figures of the previous period / year have been regrouped / reclassified based on current quarter / period's presentation.

DATTA SINGLA & CO. CHANDIGARH CHARTERED ACCOUNTANT

A.K. SABAT & CO. BHUBANESWAR CHARTERED ACCOUNTANT

PRAMOD & ASSOCIATES CHARTERED ACCOUNTANT

CHANDRAN & RAMAN CHENNAI CHARTERED ACCOUNTANTS

S. RAMANAND AIYAR & CO. NEW DELHI CHARTERED ACCOUNTANTS

NOTES:

1. The above financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors in their meeting held on 26th May, 2018. The same has been subjected to audit by the Statutory Central Auditors of the Bank and are in compliance to the requirements of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015.

2. There has been no change in the accounting policies followed during the year ended 31st March, 2018 as compared to those followed in the preceding financial year ended 31st March, 2017.

3. The Bank has changed the methodology in accounting of recoveries in NPA accounts. As per the revised policy, recoveries in NPA accounts is appropriated first towards charges, second towards interest recoverable and then towards principal. On account of the above changes, the interest income of the Bank for the year has increased by Rs.288.21 Crore and consequent provision for NPA accounts has increased by Rs.217.30 Crore.

4. The financial results for the quarter/Year ended 31st March, 2018 have been arrived at after considering Provision for Non-Performing Assets, Standard Assets, Restructured Assets, Depreciation on Investments on the basis of Prudential norms and specific guidelines issued by Reserve Bank of India ("RBI"). The other usual and necessary provisions for exposures to entities with unhedged foreign currency exposures, Provision for taxes, depreciation on assets, employee benefits and other provisions for contingencies made on estimated basis.

5. In accordance with the RBI guidelines, during the year the Bank had shifted the securities from Held To Maturity ("HTM") to Available For Sale ("AFS") category amounting to Rs.6186.89 Crore, AFS to HTM category amounting to Rs.2940.94 crore and resultant depreciation of Rs.66.47 crore has been accounted.

6. The Bank is carrying a provision of Rs.29.77 Crore as at 31st March, 2018 being 5% of outstanding food credit availed by the State Government of Punjab as per the RBI letter No. DBR (BP) No/ 3992/ 21.04.048/2016 – 17 dated 03rd Oct., 2016.

7. In accordance with RBI circular No. DBOD.NO.BP.BC.2/21.06.201/2015-16 dated 1st July, 2015, on Basel III Capital Regulations read together with RBI Circular No. DBR.No.BP.BC.80/21.06.201/2014 – 15 dated 31st March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards Amendments, the Bank is required to make Pillar III disclosures including leverage ratio and liquidity coverage ratio under the Basel III framework. These disclosures as of 31st March, 2018 are available on the Bank's website www.corpbank.com. These disclosures are not subjected to audit/review by the Statutory Central Auditors of the Bank.

8. RBI vide its Circular DBR NO BP BC 101/21.04.048:2017-18 dated 12th February, 2018,issued a revised framework for resolution of stressed assets, which superseded the then guidelines on CDR,SDR, change in ownership outside SDR, flexible structuring of existing long term project loans (5/25 Scheme) and S4A with immediate effect. Under the revised framework, the stand - still benefits for accounts where any of these schemes had been invoked but not yet implemented were revoked and accordingly these accounts have been classified as per the extant RBI prudential norms on Income Recognition and Asset Classification.

9. As per RBI directions for initiating Insolvency Process — Provisioning Norms vide letter No DBR.No.BP:15199/21.04.048/2016-17 dated June 23, 2017 in respect of 11 borrowal accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Bank was required to make additional provision. Similarly, as per RBI direction vide letter No DBR.No.BP.1906/21.04.048/2017-18 dated August 28, 2017 in respect of 20 borrowal accounts covered under the process of Insolvency and Bankruptcy Code (IBC), the Bank was required to make additional provision. Further as per RBI communication DBR.BP.8756/21.04.048/2017-18 dated April 2, 2018 with respect to spreading the provisions in the above 31 borrowal accounts covered under the provisions of Insolvency & Bankruptcy Code (IBC), the Bank has availed the option of dispensation available to the extent of Rs.540.80 crore and the required provision as per norms has been made in all such accounts.

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

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

[Gopal Murli Bhagat]
Executive Director

[Jai Kumar Garg]
Managing Director & CEO

Place: Mangaluru
Date: 26th May, 2018

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, 2018, which comprise the Balance Sheet as at March 31, 2018, 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 1475 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 1022 branches which have not been subjected to audit. These unaudited branches account for 6.01 percent of advances, 12.62 percent of deposits, 4.41 percent of interest income and 12.01 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, 2018 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:

7. We draw attention to :

   Note no.3.2 (d) of schedule 18B to the Standalone Financial Statement, regarding unamortized additional gratuity liability amounting to Rs.58.48 crore.

   Our opinion is not modified in respect of above matter.

Report on Other Legal and Regulatory Requirements:

8. The Balance Sheet and the Profit and Loss Account have been drawn up in Form 'A' and 'B' respectively of the Third Schedule to the Banking Regulation Act, 1949;

9. 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.

10. 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; and

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

For Datta Singla & Co. Chartered Accountants FRN: 006185N **[CA Rajiv Datta]** Partner Membership No.:011546	**For A.K Sabat & Co.** Chartered Accountants FRN: 321012E **[CA D. Vijaya Kumar]** Partner Membership No.: 051961	**For Pramod & Associates** Chartered Accountants FRN: 001557C **[CA Abhishek Dalmia]** Partner Membership No.:403936
For Chandran & Raman Chartered Accountants FRN: 000571S **[CA P.R. Suresh]** Partner Membership No.:027488	**For S. Ramanand Aiyar & Co** Chartered Accountants FRN: 000990N **[CA Binod C Maharana]** Partner Membership No.:056373	

Place: Mangaluru

Date: May 26, 2018

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To,

The Members of Corporation Bank,

Mangaluru

Report on the Consolidated Financial Statements

1. We have audited the attached Consolidated Balance Sheet of Corporation Bank ('the Bank') and its Subsidiary, Corpbank Securities Limited, (collectively referred to as "the Group"), as at 31st March 2018, the Consolidated Profit and Loss account and the Consolidated Cash Flow Statement of the Group for the year ended on that date.

2. We have not audited the financial statements of the Subsidiary, Corpbank Securities Limited, whose financial statements reflect total assets of Rs. 117.07 Crores as at March 31, 2018 and total revenues of Rs.6.76 Crores 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 other auditor.

Management's Responsibility for the Consolidated Financial Statements

3. The consolidated financial statements are the responsibility of the Bank's Management and have been prepared by the management on the basis of separate financial statements and other financial information of the subsidiary.

4. 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

5. 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.

6. 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 judgment, 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.

7. 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 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

8. 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 7 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 2018;
    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

9 We draw attention to :

Note no. 7.1 (C) of schedule 18 to the Consolidated Financial Statement, regarding unamortized additional gratuity liability amounting to Rs. 58.48 crore.

Our opinion is not modified in respect of above matter.

For Datta Singla & Co. Chartered Accountants FRN: 006185N **[CA Rajiv Datta]** Partner Membership No.:011546	**For A.K Sabat & Co.** Chartered Accountants FRN: 321012E **[CA D. Vijaya Kumar]** Partner Membership No.: 051961	**For Pramod & Associates** Chartered Accountants FRN: 001557C **[CA Abhishek Dalmia]** Partner Membership No.:403936
For Chandran & Raman Chartered Accountants FRN: 000571S **[CA P.R. Suresh]** Partner Membership No.:027488	**For S. Ramanand Aiyar & Co** Chartered Accountants FRN: 000990N **[CA Binod C Maharana]** Partner Membership No.:056373	

Place: Mangaluru
Date : May 26, 2018

CORPORATION BANK

Declaration to the effect of the Independent Auditors' Report with Unmodified Opinion to National Stock Exchange of India Ltd. and BSE Ltd.

In compliance of Regulation 33(3)(d) and 52(3)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide Gazette Notification dated 25.05.2016, which came into force on 1st day of April, 2016 and read with para 6 of the SEBI Circular CIR/CFD/CMD/56/2016 dated 27.05.2016:

We hereby declare that the Independent Auditors' Report on the Annual Accounts of Corporation Bank for the Financial Year ended 31st March, 2018 contains unmodified opinion, for which necessary certification is enclosed along with the Annual Audited Financial Results, both standalone and consolidated.

M. B. Ganesh
General Manager & CFO

Jai Kumar Garg
Managing Director & CEO

Date: 26.05.2018
Place: Mangaluru