

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



कार्पोरेशन बँक 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/344/2016-17

दिनांक Date: 14th नवंबर November 2016

To, BSE Ltd, Corporate Relationship Department 1st 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, 5 th Floor, Plot No.C/1, G Block Bandra Kurla Complex, Bandra (E) MUMBAI - 400 051 https://www.connect2nse.com/LISTING/ -NEAPS Symbol: CORPBANK
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प्रिय महोदय Dear Sir,

**Unaudited (Reviewed) Financial Results of the Bank for the Second Quarter / Half Year Ended
30th September 2016.**

This has reference to our earlier letter ISD/322/2016-17 dated 02nd November 2016 on the captioned subject. Pursuant to Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Unaudited (Reviewed) Financial Results of the Bank for the second quarter / half year ended on 30th September 2016. The results have been approved by the Board of Directors of the Bank at their meeting held today (i.e. 14th November 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.

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: Unaudited (Reviewed) Financial Results as on 30-09-2016.



CORPORATION BANK
HEAD OFFICE, MANGALADEVI TEMPLE ROAD, MANGALURU - 575 001
UNAUDITED FINANCIAL RESULTS FOR THE HALF YAER ENDED SEPTEMBER 30, 2016

[Rs. in lakhs]

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2016 (Reviewed)	30.06.2016 (Reviewed)	30.09.2015 (Reviewed)	30.09.2016 (Reviewed)	30.09.2015 (Reviewed)	31.03.2016 (Audited)
1	Interest earned (a)+(b)+(c)+(d)	4,95,597.01	4,72,370.40	5,00,290.09	9,67,967.41	9,93,566.62	19,41,123.69
	(a) Interest / Discount on Advances / Bills	3,53,719.83	3,28,627.57	3,75,255.67	6,82,347.40	7,51,103.59	14,48,305.49
	(b) Income on Investments	1,22,026.55	1,22,997.42	1,04,248.94	2,45,023.97	2,06,491.76	4,20,859.86
	(c) Interest on balances with Reserve Bank of India and other inter bank funds	647.95	1,091.06	297.66	1,739.01	620.78	2,207.63
	(d) Others	19,202.68	19,654.35	20,487.82	38,857.03	35,350.49	69,750.71
2	Other Income	79,464.67	51,741.33	43,174.91	1,31,206.00	83,358.37	1,73,515.97
3	TOTAL INCOME (1+2)	5,75,061.68	5,24,111.73	5,43,465.00	10,99,173.41	10,76,924.99	21,14,639.66
4	Interest Expended	3,70,004.61	3,69,254.31	3,84,161.02	7,39,258.92	7,69,365.55	15,17,177.80
5	Operating Expenses (i) + (ii)	78,398.97	75,137.65	73,048.83	1,53,536.62	1,40,454.05	2,87,960.13
	(i) Employees cost	35,777.19	35,804.24	34,937.02	71,581.43	67,419.76	1,37,318.31
	(ii) Other Operating Expenses	42,621.78	39,333.41	38,111.81	81,955.19	73,034.29	1,50,641.82
6	TOTAL EXPENDITURE (4+5) Excluding Provisions and contingencies)	4,48,403.58	4,44,391.96	4,57,209.85	8,92,795.54	9,09,819.60	18,05,137.93
7	Operating Profit before Provisions and Contingencies (3-6)	1,26,658.10	79,719.77	86,255.15	2,06,377.87	1,67,105.39	3,09,501.73
8	Provisions (other than tax) and Contingencies	82,680.99	89,464.24	56,376.38	1,72,145.23	1,18,515.90	5,02,632.96
	Of which Provisions for Non Performing Assets	79,001.31	87,404.91	59,198.80	1,66,406.22	1,48,102.25	5,26,650.60
9	Exceptional items	-	-	-	-	-	-
10	Profit (+)/Loss (-) from ordinary Activities before tax (7-8-9)	43,977.11	(9,744.47)	29,878.77	34,232.64	48,589.49	(1,93,131.23)
11	Tax Expense	23,348.83	(13,336.42)	11,018.44	10,012.41	9,302.92	(1,42,483.20)
12	Net Profit (+)/Loss (-) from ordinary Activities after tax (10-11)	20,628.28	3,591.95	18,860.33	24,220.23	39,286.57	(50,648.03)
13	Extraordinary items (net of tax expense) (if applicable)	-	-	-	-	-	-
14	Net Profit (+)/Loss (-) for the period (12-13)	20,628.28	3,591.95	18,860.33	24,220.23	39,286.57	(50,648.03)
15	Paid-up equity share capital	22,941.13	20,449.71	19,886.50	22,941.13	19,886.50	20,449.71
16	Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)						10,48,164.31
17	Analytical Ratios						
	(i) Percentage of shares held by Government of India	70.76%	67.20%	69.11%	70.76%	69.11%	67.20%
	(ii) Capital Adequacy Ratio - Basel III	10.64%	10.27%	11.89%	10.64%	11.89%	10.56%
	(a) Common Equity Tier 1 Ratio	7.49%	7.07%	7.99%	7.49%	7.99%	7.27%
	(b) Additional Tier 1 Ratio	0.62%	0.64%	0.71%	0.62%	0.71%	0.66%
	(iii) Earning Per Share (EPS) (in Rs.) (Not annualised)						
	a) Basic and diluted EPS before Extraordinary items (net of tax expense)	2.02	0.35	2.25	2.36	4.68	(5.48)
	b) Basic and diluted EPS after Extraordinary items for the period	2.02	0.35	2.25	2.36	4.68	(5.48)
	(iv) NPA Ratios						
	(a) Amount of Gross NPA	15,61,106.34	15,72,612.06	7,72,907.45	15,61,106.34	7,72,907.45	14,54,424.70
	(b) Amount of Net NPA	9,56,074.60	9,88,215.17	5,04,722.33	9,56,074.60	5,04,722.33	9,16,013.91
	(c) Percentage of Gross NPA	10.81%	11.01%	5.32%	10.81%	5.32%	9.98%
	(d) Percentage of Net NPA	6.91%	7.22%	3.54%	6.91%	3.54%	6.53%
	(v) Return on Assets (annualised)	0.35%	0.06%	0.36%	0.21%	0.36%	-0.23%



SEGMENT REPORTING FOR THE QUARTER ENDED SEPTEMBER 30, 2016

Part A: Business Segment

[Rs. in lakhs]

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2016 (Reviewed)	30.06.2016 (Reviewed)	30.09.2015 (Reviewed)	30.09.2016 (Reviewed)	30.09.2015 (Reviewed)	31.03.2016 (Audited)
Segment Revenue						
i) Treasury Operations	1,64,064.84	1,47,988.92	1,14,264.26	3,12,053.76	2,24,076.13	4,59,009.16
ii) Wholesale Banking	2,13,948.74	1,97,120.25	2,44,944.07	4,11,068.99	4,99,969.46	9,21,517.00
iii) Retail Banking	1,67,216.15	1,54,338.85	1,57,633.66	3,21,555.00	3,03,658.01	6,35,017.39
iv) Other Banking Operations	12,885.22	11,494.90	10,686.41	24,380.12	21,105.00	43,565.65
v) Un allocated	16,946.73	13,168.81	15,936.60	30,115.54	28,116.39	55,530.46
Total	5,75,061.68	5,24,111.73	5,43,465.00	10,99,173.41	10,76,924.99	21,14,639.66
Segment Results						
Profit (+) Loss (-) before tax and after interest from each segment						
i) Treasury Operations	34,315.77	25,742.75	(14,187.98)	60,058.52	(22,005.70)	(61,624.21)
ii) Wholesale Banking	(3,739.60)	(34,338.19)	28,245.31	(38,077.79)	52,861.20	(1,07,065.15)
iii) Retail Banking	36,045.44	20,402.55	29,901.07	56,447.99	43,132.53	99,003.22
iv) Other Banking Operations	12,879.71	11,490.87	10,682.21	24,370.58	21,097.13	43,534.36
Total	79,501.32	23,297.98	54,640.61	1,02,799.30	95,085.16	(26,151.78)
Unallocated Expenses	35,524.21	33,042.45	24,761.84	68,566.66	46,495.67	1,66,979.45
Operating Profit	43,977.11	(9,744.47)	29,878.77	34,232.64	48,589.49	(1,93,131.23)
Income Tax	23,348.83	(13,336.42)	11,018.44	10,012.41	9,302.92	(1,42,483.20)
Extraordinary Profit/Loss	-	-	-	-	-	-
Net Profit	20,628.28	3,591.95	18,860.33	24,220.23	39,286.57	(50,648.03)
Other Information						
Segment Assets						
i) Treasury Operations	67,31,769.58	63,30,301.51	58,87,577.25	67,31,769.58	58,87,577.25	64,48,616.43
ii) Wholesale Banking	80,77,185.30	81,28,595.66	91,48,806.20	80,77,185.30	91,48,806.20	85,83,846.34
iii) Retail Banking	66,36,237.70	64,16,375.32	61,31,729.65	66,36,237.70	61,31,729.65	63,43,188.47
iv) Other Banking Operations	258.36	211.12	200.75	258.36	200.75	410.34
v) Unallocated Assets	25,39,354.52	22,09,700.58	18,80,365.49	25,39,354.52	18,80,365.49	21,10,299.98
Total Assets	2,39,84,805.46	2,30,85,184.19	2,30,48,679.34	2,39,84,805.46	2,30,48,679.34	2,34,86,361.56
Segment Liabilities						
i) Treasury Operations	62,75,547.60	58,96,874.80	54,65,649.47	62,75,547.60	54,65,649.47	60,28,850.77
ii) Wholesale Banking	77,60,017.48	77,98,065.25	87,10,861.79	77,60,017.48	87,10,861.79	82,54,359.72
iii) Retail Banking	62,48,655.74	60,43,691.66	57,52,131.23	62,48,655.74	57,52,131.23	59,96,215.95
iv) Other Banking Operations	240.46	196.59	186.23	240.46	186.23	383.05
v) Unallocated Liabilities	24,63,298.02	21,90,771.23	18,77,616.69	24,63,298.02	18,77,616.69	20,69,963.87
vi) Capital and Reserves	12,37,046.16	11,55,584.66	12,42,233.93	12,37,046.16	12,42,233.93	11,36,588.20
Total Liabilities	2,39,84,805.46	2,30,85,184.19	2,30,48,679.34	2,39,84,805.46	2,30,48,679.34	2,34,86,361.56

Part- B - Geographic Segment

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

Additional Information:

1. 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.

SUMMARISED BALANCE SHEET

[Rs. in lakhs]

CAPITAL AND LIABILITIES	As at 30.09.2016 (Reviewed)	As at 30.09.2015 (Reviewed)	As at 31.03.2016 (Audited)
Capital	22,941.13	19,886.50	20,449.71
Reserves and Surplus	12,14,105.03	12,22,347.43	11,16,138.49
Deposits	2,16,11,523.52	2,04,22,825.81	2,05,17,084.36
Borrowings	6,09,516.55	8,49,221.72	13,11,219.44
Other liabilities and Provisions	5,26,719.23	5,34,397.88	5,21,469.56
Total	2,39,84,805.46	2,30,48,679.34	2,34,86,361.56
ASSETS			
Cash/Gold and Balances with Reserve Bank of India	12,46,099.43	10,70,832.18	10,08,721.40
Balances with Banks and Money at Call and Short notice	6,97,553.20	3,79,053.67	5,09,398.42
Investments	66,09,911.27	57,73,791.50	63,28,063.45
Advances	1,38,31,647.93	1,42,57,245.01	1,40,32,224.06
Fixed Assets	1,25,117.23	1,24,521.47	1,27,713.35
Other Assets	14,74,476.40	14,43,235.51	14,80,240.88
Total	2,39,84,805.46	2,30,48,679.34	2,34,86,361.56



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 November 14, 2016. The same has been subjected to 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/half year ended September 30, 2016 as compared to those followed in the preceding financial year ended March 31, 2016.
3. The financial results for the quarter/half year ended September 30, 2016, 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"), provisions for exposures to entities with unhedged foreign currency exposures, provision for taxes, depreciation on assets, employee benefits and other provisions for contingencies.
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 data, financial statements and the declaration from the borrowers wherever received, the Bank has provided for the liability of Rs.5,316.00 lakhs as at September 30, 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.
6. In accordance with RBI letter DBR.BP.BC.No.11633/21.04.132/2015-16 dated March 17, 2016 on UDAY (Ujwal Discom Assurance Yojna) Scheme, the Bank is carrying the provision of Rs.523 Lakhs (as at June 30, 2016 Rs.4501.66 Lakhs) in respect of "loan segment" not envisaged to be converted into state development loans in financial year 2016 – 17.
7. The Bank has made a provision of Rs.9,691.80 Lakhs as at September 30, 2016 (as at June 30, 2016 Rs.3,430.70 Lakhs) being 15% of outstanding food credit availed by the State Government of Punjab as per the RBI letter No. DRB. No. BP.13018/ 21.04.048/2015 – 16 dated April 12, 2016.
8. 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 reversed an amount of Rs.26,263.14 Lakhs for the half year ended September 30, 2016 (Rs.15,814.96 Lakhs for the quarter ended June 30, 2016) from provision in respect of borrowal fraud accounts made as at March 31, 2016 to 'Other Reserves', consequent to provision being made during the quarter as per IRAC norms. Consequently, a sum of Rs.2,922.58 Lakhs (as at June 30, 2016 Rs.13,370.76 Lakhs) is pending to be reversed.
9. Provision coverage ratio of the Bank as at September 30, 2016 is 57.39% (as at June 30, 2016 55.02%).
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 September 30, 2016 are available on the Bank's website www.corpbank.com. These disclosures have not been subjected to a Limited Review by the auditors.



11. During the Quarter, the Bank has allotted 12,45,70,868 equity shares of Rs.2/- each at a premium of Rs.38.78 have been issued and allotted to Government of India on preferential basis on September 28, 2016 for a total consideration of Rs.50,800.00 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 previous year, as a part of asset quality review, RBI has directed the Bank to make additional provision in respect of certain restructured standard accounts over the four quarters ending on March 31, 2017. The Bank has made the requisite provision as at September 30, 2016 in respect of such restructured standard accounts except in respect of three accounts which according to the Bank are not required to be provided for. The Bank has written to RBI intimating its stand and reasons for not creating the aforesaid provision amount. Consequently, an amount of Rs.6,097.30 Lakhs has not been provided for.
13. Tax expense for the half year ended September 30, 2016 represents reversal of deferred tax asset (net) amounting to Rs.16,992.53 Lakhs and minimum alternate tax credit amounting to Rs.5,291.22 Lakhs.
14. A penalty of Rs.100 Lakhs was imposed by RBI in July 2016 on account of certain discrepancies in monitoring of transaction and internal control in respect of KYC/ AML. The same has been paid and charged off to Profit & Loss account.
15. Status of Investor Complaints is as follows:

		No. of complaints
a.	Outstanding at the beginning of the quarter	Nil
b.	Received during the quarter	139
c.	Disposed of during the quarter	139
d.	Outstanding at the end of the quarter	Nil

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



[Gopal Murli Bhagat]
Executive Director



[Sunil Mehta]
Executive Director



[Jai Kumar Garg]
Managing Director & CEO

Place: Mangaluru

Date: November 14, 2016



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/ half year ended September 30, 2016 ("the Statement"). However, the disclosures relating to "Pillar 3 under Basel III Capital Regulations", Leverage Ratio" and "Liquidity Coverage Ratio" which 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 **20** branches reviewed by other firms of auditors, specifically appointed for this purpose by the Bank. The aforesaid review in total covers **51.41%** (of which **7.23%** 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. Matter of Emphasis:

Without qualifying our opinion, we draw attention to note 12 of the unaudited financial results of the Bank regarding non provision on three standard restructured accounts covered under asset quality review by Reserve Bank of India ("RBI") for the reasons stated therein. We have relied on the representation of the Bank that no such provision is required for the same.



5. 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 read with RBI circular (2016 – 17/29 dated 28/07/2016 with respect to half yearly/ quarterly review of account of public sector banks) 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.

For B. K. Ramadhyani & Co. LLP

Chartered Accountants
FRN - 002878S/S200021

C.R. Deepak

[CA C. R. Deepak]

Partner

Membership No. 215398

For GMJ & Co.

Chartered Accountants
FRN - 103429W

Atul Jain

[CA Atul Jain]

Partner

Membership No. 037097

For Nripendra & Co.

Chartered Accountants
FRN - 000379C

Rahul Gupta

[CA Rahul Gupta]

Partner

Membership No. 077811

For M. Anandam & Co.

Chartered Accountants
FRN – 000125S

M. R. Vikram

[CA M. R. Vikram]

Partner

Membership No. 021012

Place: Mangaluru

Date: November 14, 2016

