

Corporation Bank

April 05, 2018

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Lower Tier-II Bonds	200.00	0.00	[ICRA]AA- (Negative); Withdrawn
Lower Tier-II Bonds	300.00	0.00	[ICRA]AA- (Negative); Withdrawn
Lower Tier-II Bonds	200.00	200.00	[ICRA]AA- (Negative); Outstanding
Certificate of Deposits	30,000.00	30,000.00	[ICRA]A1+; Outstanding
Total	30,700.00	30,200.00	

* Instrument details are provided in Annexure-1

Rating action

ICRA has withdrawn the rating of [ICRA]AA- (pronounced double A minus)¹ on the Rs.500.00 crore lower tier-II bonds of Corporation bank (CorpBank).

ICRA has rating outstanding of [ICRA]AA- (pronounced double A minus) on the Rs.200.00 crore lower tier-II bonds and [ICRA]A1+ on the Rs.30,000.00 crore Certificate of Deposits Programme of CorpBank. The outlook on the long-term rating is negative.

Rationale

ICRA has withdrawn the rating outstanding on the Rs.500.00 crore lower tier-II bonds of CorpBank at the request of the bank, as the same has been redeemed in full and there are no dues outstanding towards the said lower tier-II bonds.

Link for the latest detailed rationale: [Last rating rationale dated October 12, 2017.](#)

Links to applicable criteria:

[ICRA's Credit Rating Methodology for Banks](#)

About the Bank:

Corpbank, established in 1906, is a mid-sized public sector bank with the Government of India and Life Insurance Corporation holding stakes of 70.76% and 18.91% respectively as on December 31, 2017. Headquartered in Mangalore, the bank had about 2,524 branches (as of December 2017). The bank's total net worth stood at about Rs. 9,834 crore (net off revaluation reserves) as at end December 2017.

For FY2017, the bank reported a net profit of Rs. 561 crore on a total asset base of Rs. 2.478 lakh crore as on March 31, 2017 as against a net loss of Rs. 506 crore in FY2016 on asset base of Rs. 2.348 lakh crore as on March 31, 2016.

For 9MFY2018, the bank reported net loss of Rs. 2215.5 crore on a total asset base of Rs. 2.414 lakh crore as on December 31, 2017 as against a net profit of Rs. 401.2 crore for 9MFY2017 on a total asset base of Rs. 2.526 lakh crore as of December 31, 2016.

¹ For complete rating scale and definitions, please refer to ICRA's website (www.icra.in) or other ICRA rating publications

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

	Current Rating (FY2019)			Chronology of Rating History for the past 3 years			
	Instrument	Type	Amount Rated (Rs. crore)	Date & Rating in FY2019 Apr 2018	Date & Rating in FY2018 Oct 2017	Date & Rating in FY2017 Oct 2016	Date & Rating in FY2016 Apr 2016
1	Lower Tier-II Bonds	Long term	200.00	[ICRA]AA- (Negative) (Withdrawn)	[ICRA]AA- (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Stable)
2	Lower Tier-II Bonds	Long term	300.00	[ICRA]AA- (Negative) (Withdrawn)	[ICRA]AA- (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Stable)
3	Lower Tier-II Bonds	Long term	200.00	[ICRA]AA- (Negative)	[ICRA]AA- (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Stable)
4	Certificate of Deposits	Short term	30,000.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating
INE112A09026	Lower Tier-II Bonds	19-Mar-2008	9.30%	19-Mar-2018	200.00	Withdrawn*
INE112A09034		27-Mar-2008	9.40%	27-Mar-2018	300.00	Withdrawn*
INE112A09042		3-Dec-2008	10.80%	3-Dec-2018	200.00	[ICRA]AA-(Negative)
-	Certificate of Deposit	NA	NA	7-365 days	30,000.00	[ICRA]A1+

Source: CorpBank, *Bonds were redeemed fully and there are no amount outstanding against the rated instruments

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