# Central Bank of India – Q1FY27

## Result Update (18.07.2026)

AJCONGLOBAL
YOUR FRIENDLY FINANCIAL ADVISORS

**"Strong loan growth and improved profitability drive earnings performance of the Bank"**

## Ajcon Global's observations & views

1. The bank's improving loan mix, better liquidity deployment and stable asset quality position it well to sustain earnings momentum over the medium term.
2. The ongoing focus on recoveries, fee-based income expansion and operational efficiency is positive, as these initiatives should support profitability while strengthening the bank's balance sheet and return ratios.

## Q1FY27 RESULT ANALYSIS

1) **Net interest income** fell by 2.20% QoQ to Rs. 3914 Crores in Q1FY27 against Rs 4002 Crores in Q4FY26 and was up by 15.70% YoY against Rs. 3383 Crores in Q1FY26.
2) **Operating profit** increased by 4.29% QoQ to Rs. 2186 Crores in Q1FY27 against Rs 2096 Crores in Q4FY26 and was down by 5.12% YoY against Rs. 2304 Crores in Q1FY26.
3) **Net Profit** rose by 82.87% QoQ to Rs. 1324 Crores in Q1FY27 against Rs. 724 Crores in Q4FY26 and also, went up by 13.26% YoY from Rs. 1169 Crores in Q1FY26.
4) **NIM** fell to 3.06% in Q1FY27 against 3.25% in Q4FY26 and 3.16% in Q1FY26.
5) **Cost of deposits** dipped to 4.60% in Q1FY27 from 4.69% in Q4FY26 and 4.93% in Q1FY26.
6) **Cost of Funds** decreased to 4.65% in Q1FY27 from 4.72% in Q4FY26 and also, down from 4.95% in Q1FY26.
7) **Yield on Advances** increased to 7.89% in Q1FY27 as against 7.78% in Q4FY26 but decreased from 8.58% in Q1FY26.
8) **Total business** rose by 2.57% QoQ to Rs. 833320 Crores in Q1FY27 against Rs. 812439 Crores in Q4FY26 and was up by 18.29% YoY against Rs. 704485 Crores in Q1FY26.

## KEY FINANCIAL INDICATORS – Q1FY27

| | |
|---|---|
| CMP (17.07.2026) | : Rs. 31.66 |
| Face Value | : Rs. 10 |
| Book value per share | : Rs. 40.41 |
| Market Capitalisation | : Rs. 28,692.94 Crs. |
| Capital Adequacy Ratio | : 18.28% |
| Global C/D ratio | : 74.10% |
| CASA ratio | : 46.61% |
| Net Interest Margin (NIM) | : 3.06% |
| Cost / Income ratio | : 55.40% |
| Gross NPA | : 2.60% |
| Net NPA | : 0.49% |
| PCR | : 95.86% |
| Slippage ratio | : 0.29% |
| Return on Assets (Annualised) | : 1.00% |
| Return on Equity (Annualised) | : 14.92% |

9) **Total deposits** increased by 2.36% QoQ to Rs. 478972 Crores in Q1FY27 against Rs. 467923 Crores in Q4FY26. Also, it rose by 11.68% YoY from Rs. 428890 Crores in Q1FY26.
10) **Gross Advances** increased by 2.85% QoQ to Rs. 354348 Crores in Q1FY27 against Rs. 344516 Crores in Q4FY26 and also grew by 28.58% YoY from Rs. 275595 Crores in Q1FY26.
11) **Total Non-Interest Income** decreased by 14.17% sequentially to Rs 987 Crores in Q1FY27 from Rs 1150 crores in Q4FY26 and was also down by 44.27% YoY compared to Rs 1171 Crores in Q1FY26.
12) **Fee based income** was down by 25.65% QoQ to Rs 487 Crores in Q1FY27 from Rs 655 Crores in Q4FY26 but was up by 9.93% YoY from Rs 443 Crores in Q1FY26.
13) **Treasury income** increased by 2966.67% QoQ to Rs 276 Crores in Q1FY27 from Rs 9 Crores in Q4FY26 and was down by 58.43% YoY compared to Rs 664 Crores in Q1FY26.
14) **Cost/Income ratio** dropped to 55.40% in Q1FY27 against 59.31% in Q4FY26 and inched up slightly against 55.30% in Q1FY26.
15) **The total Government guaranteed advances** increased by 150% QoQ to Rs. 12260 Crores in Q1FY27 against Rs.4900 Crores in Q4FY26 and increased by 134% YoY from Rs.5230 Crores in Q1FY26.
16) **CASA ratio** fell to 46.61% in Q1FY27 from 47.30% in Q4FY26 and 46.88% in Q1FY26, respectively.
17) **Credit/Deposit (C/D) ratio** rose to 74.10% in Q1FY27 against 73.80% in Q4FY26 and 64.43% in Q1FY26, respectively.
18) **Return on assets (ROA)** rose to 1.00% in Q1FY27 against 0.56% in Q4FY26 and was slightly down against 1.02% in Q1FY26.
19) **Fresh slippages** fell to Rs. 939 Crores in Q1FY27 against Rs. 1301 Crores in Q4FY26 but increased against Rs 839 Crores in Q1FY26. Recovery + Upgradation increased to Rs. 572 Crores in Q1FY27 against Rs. 461 Crores in Q4FY26 but was down from Rs 712 Crores in Q1FY26.
20) **Gross NPA ratio** improved to 2.60% in Q1FY27 against 2.67% in Q4FY26 and 3.13% in Q1FY26, respectively. Net NPA ratio remained flat QoQ and YoY, at 0.49% in Q1FY27.
21) **Total standard restructured assets** declined to Rs. 3818 Crores in Q1FY27 against Rs. 3999 Crores in Q4FY26 and Rs. 4948 Crores in Q1FY26.
22) **Credit cost** decreased to 0.40% in Q1FY27 from 0.52% in Q4FY26 and 0.68% in Q1FY26, respectively.
23) **Provision Coverage ratio** fell to 95.86% in Q1FY27 from 95.97% in Q4FY26 and 97.02% in Q1FY26, respectively.
24) **The Bank's Capital Adequacy ratio** increased to 18.28% in Q1FY27 against 17.91% in Q4FY26 and 17.66% in Q1FY26, respectively.

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## Management Comments

25) In response to an analyst query on guidance for the year, Mr. Kalyan Kumar, the MD & CEO of the bank reiterated the bank's FY27 guidance of 11–12% deposit growth and 14–16% advances growth, supported by strong traction in the RAM segment and opportunities in renewable energy, data centres, infrastructure and gold loans. He noted that the current RAM-corporate mix of 68:32 remains well within the bank's guidance range of 65:35 (±5%). He also maintained guidance of NIM above 3% and ROA above 1%, while highlighting continued improvement in operating efficiency and profitability metrics.
26) Addressing an analyst's query on recoveries, the MD & CEO guided for recoveries of ₹2,200–2,500 crore from technically written-off accounts in FY27, supported by one-time settlements, NCLT resolutions and sale of secured assets. He also highlighted the bank's focus on accelerating recoveries through property auctions, expos and consultant-led monetization initiatives, with a target to sell 600–700 properties during the year. On the Go Air account, he noted that the bank has already recovered ₹515 crore through the CGTMSE guarantee mechanism and is pursuing further recovery through the auction of a land parcel scheduled for August 2026.
27) On the transition to the Expected Credit Loss (ECL) framework, Mr. Kalyan Kumar stated that the bank has already created Stage 1 and Stage 2 provisions of ₹1,525 crore, while the total ECL requirement is estimated at ₹4,500–5,000 crore. He further added that the bank is well-positioned to meet the provisioning requirement and transition to the ECL framework from 1 April 2027 while maintaining a healthy capital adequacy ratio.
28) In response to an analyst's queries on liquidity and credit growth, the MD & CEO clarified that the decline in the LCR and Net Stable Funding Ratio (NSFR) reflects the bank's efforts to deploy excess liquidity more efficiently, supported by an improvement in the credit-deposit ratio from 64% to 74%, while remaining comfortably above regulatory thresholds. Addressing asset quality concerns amid strong loan growth, he highlighted that advances growth was driven by both corporate and RAM segments, while continued improvement in slippages and a low stress ratio on recent disbursements demonstrate the bank's disciplined underwriting and monitoring standards.
29) While replying to queries on deposits and margins, Mr. Kalyan Kumar stated that the term deposit book has largely been repriced, with the cost of deposits moderating to 4.60%. He further indicated that the bank expects the yield on advances to improve from 7.89% currently to around 8.0% by FY27-end, supported by a higher share of gold loans and self-help group (SHG) lending.
30) On liability mobilization and government-backed lending schemes, the MD & CEO stated that the bank has mobilized FCNR deposits of US$8.4 million and is targeting US$400 million by September 2026. He also highlighted the bank's participation under the ECLGS scheme, with sanctions of ₹4,646 crore and disbursements of ₹3,693 crore across 27,567 accounts.
31) Responding to an analyst about cost to income, Mr. Kalyan Kumar reiterated the bank's target of reducing the cost-to-income ratio below 56%, supported by initiatives to enhance fee-based income through forex, trade finance, insurance and customer acquisition efforts, alongside structured cost optimization measures. He also highlighted plans to establish dedicated wealth management, credit card, NRI and marketing verticals, leveraging the bank's customer base of over 8.3 crore to drive cross-selling opportunities and strengthen non-interest income.
32) On the bank's insurance ventures, Mr. Kalyan Kumar said that the Bank holds a 26% stake in Generali Central Life Insurance and Generali Central Non-Life Insurance, with a total investment of ₹627 crore. He added that both businesses are now stable and expected to support fee-based income.
33) On the GIFT City business, the MD & CEO said the bank is targeting deposits of about US$200 million and a trade finance book of US$500 million over the next few years, with the new unit actively engaging with existing and prospective customers to build scale and support the bank's international business ambitions.