

केंद्रीय कार्यालय

INVESTORS RELATION DIVISION

Central Office

CO:IRD:2026:27:193

Date: 23rd October, 2026

National Stock Exchange of India Limited Listing Department, Exchange Plaza, Plot No. C/1, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051 Scrip Code-CENTRALBK	BSE Limited Corporate Relationship Dept., Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001 Scrip Code-532 885
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Dear Sir/Madam,

Sub: Transcript of Bank's Conference/Earnings call held on 19th October, 2026.

We enclosed herewith the transcript of Conference/Earnings call hosted by Bank with the Analysts/Institutional Investors on 19th October, 2026 on Financial Results of the Bank for the Second Quarter and Half Year ended 30th September, 2026.

The copy of same is made available on the Bank's website under the following web link:
<https://www.centralbank.bank.in/en/investor-relations>

This information is furnished in terms of Regulation 46(2) and Regulation 30 of the SEBI (LODR) Regulations, 2015.

Please take the above on your record.

Thanking you.

Yours faithfully,

For **Central Bank of India**

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BHAGWAT

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Company Secretary & Compliance Officer

Encl.: As above



“Central Bank of India Q2 FY2027 Earnings call”

October 19, 2026



Management: Shri Kalyan Kumar – Managing Director & Chief Executive Officer

Shri M. V. Murali Krishna - Executive Director

Shri Mahendra Dohare - Executive Director

Shri E. Ratan Kumar - Executive Director

Shri Vivek Kumar – Chief Financial Officer

Moderator: Shri Siddharth Rajpurohit - Systematix Institutional Equities



*Central Bank of India
October 19, 2026*

Moderator: Ladies and gentlemen, good day and welcome to Central Bank of India Earnings Call for Q2 FY2027 financial results. Please note all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Please note that this conference is being recorded. With that, I hand over the call to Mr. Siddharth Rajpurohit from Systematix Institutional Equities. Thank you and over to you.

Siddharth Rajpurohit: Thank you Swapnil. Good morning everyone and welcome to Central Bank of India's Q2 FY2027 post results earnings call. From the management today we have Shri Kalyan Kumar, MD and CEO; Shri M. V. Murali Krishna, Executive Director; Shri Mahendra Dohare, Executive Director; Shri E. Ratan Kumar, Executive Director and Shri Vivek Kumar, Chief Financial Officer. I thank the management for giving us the opportunity and also congratulate the team for a very strong result. I am handing over now the call to MD, Shri Kalyan Kumar, for his opening remarks. Thank you.

Kalyan Kumar: Thank you. My colleagues on the Board, Shri Murali Krishna Ji, Shri Dohare Ji, Shri Ratan Kumar Ji, my senior team present here, and all the analysts connected through VC. Good morning. First of all, I congratulate each one of you for this good Q2 2027 result. Your beloved bank, Central Bank of India's total business has been actually grown by 20.54% to Rs.8,89,541 Crores and total domestic deposits increased by 14.41% to Rs.5,08,509 Crores. CASA deposit also stands at 44.65% of total deposits. Global advances increased by 29.83% to Rs.3,81,032 Crores, in which domestic advances stood at Rs.3,72,939 Crores, growth of 27% year-on-year. We have opened GIFT City Branch on June 29, 2026, which contributed in overseas advance of Rs.8093 Crores and in this process we have given guidance for business growth 14% to 15% and we have achieved 20.54%, in deposit growth our guidance was 10% to 12% and we have achieved 14.41%, in advances growth our guidance was 14% to 16% and we have achieved 29.83%. CASA guidance was 48% plus or minus 1%. Here, due to obvious reason, due to FCNR(B) mobilization and other aspects, we could not meet the market guidance, and we closed at 44.65%, but towards RAM sector, Retail, Agriculture and MSME, as you know, Central Bank of India is having its 65% branches in rural and semi-urban area. The RAM being our bread and butter for the organization, in which business grew by 21.11%. The individual sector-wise growth is also very good. In retail we reached to Rs.1,12,299 Crores with a growth of 24.49% year-on-year. In agriculture we reached to Rs.67,778 Crores with a growth of 19.92% and in MSME we reached to Rs.74,196 Crores, with a growth of 17.36% year-on-year basis. Actually, our guidance to market was RAM-to-corporate credit ratio 65:35 plus or minus 5% and we have closed at 68:32 and that ratio actually also aligns with our market guidance which we have given.

Towards our efficiency side also, business per employee has improved to Rs.25.26 Crores on year-on-year basis as against Rs.21.48 Crores for the quarter ended September 2025. In

profitability, year-on-year basis for September 2026 quarter, net profit for the quarter has increased by 21% to Rs.1469 Crores up from Rs.1213 Crores previous year. Operating profit for the quarter stood at Rs.2268 Crores from Rs.1786 Crores with a growth of 27%. Net interest income grew by 26.28% on year-on-year basis to Rs.4146 Crores in Q2 FY2027 as against Rs.3283 Crores in Q2 FY2026. Total income for Q2 FY2027 improved by approximately 15% and reached to Rs.11,737 Crores for Q2 FY2027. Cost-to-income ratio, though there is improvement but still it is on higher side it is 58.95% for Q2 FY2027 as against 62.42% Q2 FY2026. Cost-to-income ratio, we have given guidance for less than 56%, but here we could not match the guidance and closed at 58.95%. Major highlight, I would like to make that apart from stock cost that is 37.65%, there was 113-basis point improvement in other operating expenses year-on-year basis. Then as quarter-on-quarter also, it will give you comfort that quarter-on-quarter basis also, net profit grew by 11%, Rs.145 Crores in absolute terms to Rs.1469 Crores. Operating profit grew by 3.75% i.e. Rs.82 Crores in absolute terms to Rs.2268 Crores, net interest income grew by approximately 6% Rs.232 Crores in absolute terms to Rs.4146 Crores, interest income grew by approximately 7% Rs.666 Crores in absolute terms to Rs.10,357 Crores, ROA improved by 3-basis points and stood at 1.03%. Here I would like to mention NIM, we have given guidance of above 3% and we have maintained at 3.01% and slippage ratio we have given guidance of less than 0.25% and it is 0.24%.

Then regarding asset quality also our gross NPA stood at 2.39% that is also aligned with our guidance given to the market that it will be below 2.50%. Net NPA stood at 0.31%, also there is an improvement of 17-basis points and that is also in alliance with our guidance to the market. Provision coverage ratio stood at 97.16% and regarding slippage ratio, as I told, for the quarter, it is 1.24%, and it is well within our guidance of 1.25% on quarter-on-quarter basis. In that way, I can tell you on almost all the parameters of efficiency except cost-to-income ratio, business-per-branch, and CD ratio, Bank is on track. I will highlight that liquidity coverage ratio improved to 156% and overall improvement in almost all the efficiency parameters and business numbers. Now, I really thank all our stakeholders, including our customers, regulators, governments, and all you beloved shareholders and stakeholders of this great organization, Central Bank of India. This was my initial remark, I conclude here. Now I am open to the questions.

Moderator:

Thank you so much Sir. Ladies and gentlemen, we will now begin with the question-and-answer session. Anyone who wishes to ask a question may click on the raise hand icon from the participants tab on your screen. We will wait for a few minutes until the question queue assembles. We are taking our first question now. We have Mr. Ashok Ajmera of Ajcon Global. Mr. Ajmera, please unmute your microphone and go ahead with your question. Mr.



*Central Bank of India
October 19, 2026*

Ajmera, we are waiting for your connection. Please go ahead with your question now. Please unmute your microphone and go ahead.

Ashok Ajmera: Can you hear me now?

Moderator: Yes.

Kalyan Kumar: Ajmera ji, you are not audible now.

Moderator: Mr. Ajmera, would you like to try one more time? We are unable to hear you. Alright. We will move to our next registered member. We have Mr. Sushil Choksey of Indus Equity. Mr. Choksey, please unmute your microphone and go ahead.

Sushil Choksey: Congratulations to team Central Bank for excellent performance and sustainable guidance. Sir, I was looking at your business mix and can you throw some color, you guided on the CD ratio and the business mix for the second half, but can you see within RAM where are you seeing growth or it is per ticket average housing loans, car loans, which are growing or any other segment like gold loan, which is becoming a major force at Central Bank and you will have a very ambitious target, that is what I hear from the marketplace.

Kalyan Kumar: Yes, thank you Mr. Choksey for asking this very good question. Regarding business mix, we have seen ratio of corporate and our RAM is 38:68. It aligns with actually our guidance given to 65:35 plus or minus 5% and growth of RAM sector was 21%. We reached the level of Rs.2,54,273 Crores and within which retail has grown by 24.49%, agriculture has grown by approximately 20%, MSME has grown by approximately 17%. So, good growth in all these three segments and rightly pointed out by you, this is going to continue because Central Bank of India is having its 65% branches in rural and semi urban area, which gives us this capability to support this important part of Indian economy. We will continue to grow with that, but rightly said by you, two latest growth engine in previous quarter, it was also there but here during last two days October 15, 2026 and October 16, 2026 we have mid-term strategy meet with our all general managers and regional heads, collectively we brainstormed regarding revisiting our strategies towards focus areas and how to grow and not only next half year but in longer term also. There we have important growth engine for gold loan side. We are going to open, customize 116 gold loan branches where our TAT would be maximum 30 minutes and within that all customization is being done. In gold loan portfolio, we are planning to add a good amount of business, not only in next quarter but also next year I can tell you. Another focus area is SHG. We are having tie-up arrangement with the 26 states NRLM and those are actually good opportunity to give great linkage to those SHG members that return is also very good in the SHG side and also there is very good opportunity to support these segments. In that way, the gold loan and SHGs are going to be the focus area. Apart from housing loan,

our more than 50% advances under retail comes from housing loan. This is going to be the flag carrier now also. Car loan also, better dealer tie-up, both builder tie-up and car dealer tie-up are going on. More and more CASA accounts, salary accounts, we are focusing upon in this quarter and actually, planning we have done for centering into the educational issues, the religious trusts, hospitals and other transport operators in a big way because we have established our marketing setup at different places. 300 marketing officers we have recruited in our bank, so with that workforce available and different products available for different segments of customers, those CASA customers will give an opportunity for particularly salary account customer, good opportunity for cross-selling of personal loan also. These are going to be our priority in next quarter. Thank you.

Sushil Choksey:

Sir, I would ask you if you could give me if there is an uptick in average ticket in gold loan not only because of price but the borrowing pattern and the same for housing loan and car loan because a lot of traditional Indians are moving from small cars to SUVs, the similar way gold prices have moved up and housing market is also 10% to 20% up on a national average basis, so is the number of loans increasing or the average ticket is increasing?

Kalyan Kumar:

Both I will give you one example, very recently in home loan, Rs.22 Crores green home loan we have provided and even ticket size is not a bar for us, no restrictions is there. Now, I can tell you, average ticket size is increasing day-by-day for housing loan and car loan also. So, depending upon our credit underwriting and utility of borrower, that is never a bar and naturally, we are more focusing on the good builder side where better ticket size is available, but as we are having our branches at rural semi-urban, where lower ticket sizes, up to Rs.30 lakhs it is totally online process now and above Rs.30 lakhs, normal underwriting part is there and ticket size, as you are saying, that it is going to be our priority as we have geared up our CPAC also. We have revisited CPAC structure so that they are in a position to take even big ticket loan, not only in a housing loan or car loan processing, but also for MSME loan, 32 places we have identified. Separate team managers are posted so that they can even underwrite the higher ticket size MSME loan also. It is both, I will say, numbers of customers and also ticket size wise also good number of customers will underwrite with the strength which Central Bank of India is having now.

Sushil Choksey:

Sir, two questions. How do you see CASA growing from here till March end and the deposit base? I know your guidance number would be 12% to 14%, 15% but strength of Central Bank has always been CASA. If you look historically over last 15 years or 10 years despite being in PCA that time also deposit was our strength and the franchisee is very strong in western region. How are we strengthening further cross-selling this CASA base? You said about salary accounts, but what other factors including digitization, digital apps, cross-selling, you have tied up with multiple insurance as well as mutual funds, you may be tying up for

brokerage houses, so to enhance Central Bank strength with certain multiple new ventures, and second, what is the corporate pipeline looking from now? I understand we are very good at RAM, but a balance of 65:32, 65:35, or 62:38 what area of business are we focusing on corporate book too and the third question would be your outlook on treasury?

Kalyan Kumar:

Yes, regarding CASA growth, rightly said by you, people love Central Bank of India, having 115 years in service to the nation, therefore, it is being reflected in our CASA numbers also. I will give you one number. Our CASA has grown by 9.23%. We have crossed Rs.2,26,774 Crores, growth of 9.23%. Savings deposit has grown by 9.32% and current account deposits also has grown with the kind of initiatives we have taken for CASA growth. As I told you, we have multiple customer acquisition centers and government business centers also we have opened. In that way, we are geared up to play whatever strength we are having. Geographically, you also told western side we have good presence, but we are having good presence in Bihar, Uttar Pradesh, and also Maharashtra side. These are the areas, Madhya Pradesh also we are having good number of branches and good presence, 2658 branches out of 4622 branches of Central Bank of India are having CASA percentage 50% and more. That is the strength Central Bank of India is deriving due to its geographical presence and the initiative which we have taken since last one year. Setting up of the customer acquisition centers, government business centers, placement of the 300 additional marketing officers, 200 to 250 marketing officers were already there. This 500, 600 marketing team and now we have also started wealth management. It is just the beginning, and we have recruited some marketing officer at a wealth segment and we are going in a big way, from next January to June quarter, it may come in force fully, but now we have started, those things also will support our bank in not only mobilizing good CASA accounts, but also maintaining those CASA accounts with us. The CASA is the strength of this organization and with the initiatives which we have taken certainly it is going to continue. In June or so, we are going to start with our credit card franchise, which will support in mobilizing salary accounts and all. No doubt, if salary account increases then you have a good opportunity for cross-selling for all the retail products and also selling of other ancillary business and everything would be there. Cash management services also is going to be launched very soon. Two modules already launched, other modules in next few months we are going to launch that will support us in mobilizing current account from our corporates and also new customers. Regarding your second question, Corporate is approximately 7000 crores we are having undisbursed sanctions that we are having, and under process is 5000 Crores and under consideration, 11,000 crores. So corporate loan book, 24,000 loan book under consideration we are having. In the very near future, we are sure that we will get good traction in this corporate You see, previous year our corporate book was 83,000 Crores, this year it has grown by 44%, 1,18,666 Crores that is good growth and major area was actually roads, infrastructure, and also data center, technology side. All these things were our focus area, LRD. These were our focus area. Agri,

food processing, also some finances to NBFC, hospitality sector, so these were actually major area where we focused and in coming quarter also we are going to focus upon. Regarding treasury, as treasury yield is hardening. We ended by more than 7%, 7.19% yield during September 30, 2026 period. Now also it is progressing higher, 7.25%, 7.40%, so that actually, due to global turmoil and also rising interest rate scenario, rising inflation, and also having US rate of 5.35% plus that scenario actually does not bring comfort towards better treasury income. If you see our AFS, previous quarter from Rs.843 Crores to this quarter Rs.1023 Crores there was a reduction. Mark-to-market challenge was there and in the coming scenario also, we are observing as yield is getting increased in that circumstances from treasury there are challenges. Though our treasury team has done a good job, they earned Rs.56 Crores by selling IPOs, by participating in IPOs and also, in the higher yield condition, the reinvestment side also, we will reinvest our maturing the securities and all to get better benefit. The outlook of treasury is the best opportunity. Market is not good you are aware because in AFS side, which is more exposed to market condition, is a challenge and it is, in my opinion, is going to continue in near future also, but building our portfolio judiciously and look not only driving the interest rate but also understanding properly and building our portfolio and reinvesting the things and the opportunity available within the law. I feel that treasury outlook would be challenged but it will contribute to the profitability as it has contributed this quarter also.

Moderator: Thank you so much Sir. Mr. Choksey if you have any more questions you can rejoin the queue. We will take our next question now. We have Mr. Ashok Ajmera back in the queue here from Ajcon Global. Mr. Ajmera, please go ahead again.

Ashok Ajmera: Sorry, Sir. There was some technical problem and I have missed some of your replies also. Can you hear me now?

Kalyan Kumar: Yes, Ajmera Ji. You are always welcome.

Ashok Ajmera: Sir, congratulations for a very good set of numbers and the Bank is really doing very well, even under your leadership also. Sir, going forward, like most of the questions, initially your address you have answered, but one is that on the ECL provisioning I might have missed your answer, that how prepared we are, what is the total quantum will be to be provided, can you give some color on that, Sir, some information?

Kalyan Kumar: Yes, Ajmera ji. Actually, ECL provisioning, previous quarter also I told Rs.1525 Crores for Stage 1, Stage 2 we have provided till now and Stage 3 100% provision is there and Bank is prepared for meeting this requirement. Models are being prepared, data, quality, and all those aspects we are working and we expect that we have given guidance in this quarter, approximately Rs.5000 to Rs.5500 Crores may be required and with the kind of profit Central

Bank of India is garnering, we are sure that it is not going to be a challenge for Central Bank of India for meeting ECL requirement scheduled for implementation from April 1, 2027.

Ashok Ajmera:

Point well taken Sir. Sir, we are doing very well in the retail side of the loans even our home loan rates are also very, very competitive, going forward I might have missed your answer what is the plan of increasing the corporate book and where do we stand and what is the average yield now we are expecting from the corporate book and what is the sanction pipeline and the proposals which are in pipeline?

Kalyan Kumar:

Previous year if you see our corporate book in September 2025 was Rs.83,000 Crores and this September 2026 we have closed at Rs.1,18,666 Crores with a growth of 42% and out of total book 32% comes from this corporate side. There is increase year-on-year, which is 42% in corporate book size and actually, regarding pipeline, pending disbursement is Rs.7000 plus Crores and a proposal of Rs.5200 plus Crores is under process and Rs.11,000 Crores are under consideration. They may come in the NBG and all. Approximately Rs.24,000 Crores, corporate loan book, at present, we are actually having. So we will have good growth in corporate side. Regarding the credit yield, this year, overall, average yield was 7.87% on advances. Major areas that we are focusing upon, is renewable energy, roads, and also data center, some exposure in real estate, hospitality, and manufacturing segment, NBFC, agri-food processing, logistic side, these are the major areas where actually we are focusing upon in this quarter and coming quarter.

Ashok Ajmera:

Very good, sir. Coming to the recoveries, recovery from the written off book has been decent. So going forward, what do we expect? We expect some more major bounty from this. What is our total written-off book balance outstanding and how much we expect on an average in percentage terms? Secondary on the recovery is, that old aviation account, so what is the status there, are that additional collateral which we had of 1200 Crores or 1500 Crores odd, whether that has been realized and how much recovery has already taken place and how much more we do expect to recover from that account sir?

Kalyan Kumar:

See, recovery in written off was Rs.485 Crores in this quarter good number we have got. If I talk about the pool, it is Rs.31,301 Crores. We are having ample pool now also written off accounts from where we can actually recover good significant amount. Previous year you have seen more than 2,000 to 2,700 Crores we have recovered for the full year. This year also I find sufficient ground and sufficient resources available to recover 2,500 plus Crores in this segment. Regarding answering your aviation sector account, recovery is expected of Rs.700 Crores through SARFAESI and the auction process is going on, and we have got bidder also. We may get Rs.700 Crores in this aviation account in this current quarter or next quarter. There are some big accounts, and smaller accounts also, from where we will improve our

recovery numbers. I can assure you that kind of book and things available with us recovery numbers are going to be better than what we have done in this quarter. I am fully confident about that.

Ashok Ajmera:

Very good, sir. On the recovery for the small account under the OTS, how are we framing our policies and are we liberal to get at least those accounts where 100% provision has already been made and the securities are minimal? What is our emphasis of recovering on those small recoveries which may make a good amount in the absolute terms?

Kalyan Kumar:

Thank you Ajmera ji for asking this question. See, smaller accounts for that special OTS scheme we have got approved from our Board and it is very transparent process. We are coming with this technological capability, we call it E-OTS and here aid of NPA and availability of security and provision. These are the logic to which system itself derives that this amount if you pay, OTS would be done through digital process and branch assisted process, this we are going to implement very soon. There is another scheme which is called Kisan Rin Mochan scheme. Through BCA scheme, small value accounts, we are recovering a good amount in a very transparent manner. And you are right, because we deal with retail business. Put a number under slippage, under Rs.10 lakh segment. There are all these major electronic OTS, and this Kisan Rin Mochan scheme through BC agents and all these things are going to be very effective tool and support us in recovering the desired amount as per regulatory guidelines and cleaning up our books. So, our focus is also there and auctioning the property available for collateral security are there. I am giving you one example. Previous year, total auction of properties was 485. This half year we reached that number. Very effective monitoring of SARFAESI process is also actually bringing both customers on the negotiation table, through OTS mode also. we are recovering significant amount and closing those accounts through OTS also. That way I can tell you from recovery side, the asset quality which we are observing 2.39 and 0.31 net NPA, it is going to be continuously, you will find improvement in these numbers in coming days.

Moderator:

Thank you so much, sir. Mr. Ajmera, if you have any more questions, you can rejoin the queue. You can click on the raise hand icon again if you wish to ask a question. We will move to our next participant. Before that reminding all the participants, if you have any questions, please click on the raise hand icon from the participants tab on your screen. We are taking your next question now. We have Mr. Rajesh Agarwal of AUM Capital Markets. Mr. Agarwal, please unmute your microphone and go ahead.

Rajesh Agarwal:

Thank you, sir. Good morning, Mr. Kalyan.

Kalyan Kumar:

Good morning.

- Rajesh Agarwal:** From the last few quarters, we have been tracking Central Bank and let me congratulate you for the kind of numbers that you have given in the last quarter and followed by this quarter. It was really good, I would say. And I would say we are very satisfied with the kind of numbers because we have recommended to so many of our clients. There was just one query which I would like to have a clarification like reported gross NPA, net NPA, slippages, they all improved, yet provisions went up. Can you throw some light on the breakdown of the provisioning, whether into standard assets or floating or technical? Why this specific provisions went up and which segment, maybe specifically retail, MSME or unsecured loan, where the reasons for this higher provision? And the last one would be, what is your credit cost guidance for FY2027?
- Kalyan Kumar:** Yes, thank you Rajesh Agarwal ji for your good words for Central Bank of India. You are right, our gross NPA, net NPA, and slippage ratio are under control and provisions have increased actually and credit cost also, you see, 0.53% in this quarter. Though they are well within, because credit costs we have given guidance of that need to remain up to 0.75%, it is 0.53%, and PCR is 97.16%, that is also well within our guidance given to the market. But reason, what you have asked, actually you know, we must build enough provision in good times for facing any challenges or anything which may come in future. It is very resilient and I will say the resilient approach which Bank has taken. And for that purpose, you must have been observing that our provision coverage ratio has increased since last quarter. That is the main reason. Otherwise, another one important reason, our standard advances also have grown significantly because previous year, September 2025, Provision on Standard Advances was 30 or 37, now it is 399. That increase is there. So these are the reason behind increase in credit cost side. Hope I have answered your question Rajesh Agarwal ji.
- Rajesh Agarwal:** Thank you sir. Thank you so much and best wishes for future quarters too. Thank you so much sir.
- Kalyan Kumar:** Thank you.
- Moderator:** Thank you Mr. Agarwal. Requesting participants to please click on the raise hand icon from the participants tab on your screen. We will take our next question. We have Mr. Ashlesh Sonje of Kotak Securities. Please unmute your microphone, Mr. Sonje. Yes, please go ahead.
- Ashlesh Sonje:** Hi, team. Good morning. Sir, few questions from my side. Firstly, on the ECL, you have reported a credit cost of roughly 50-basis points in this quarter. Do you have a sense of how much your credit cost will be next year after you have transitioned to the ECL regime?
- Kalyan Kumar:** Yes, Ashlesh, thanks for this question. Actually ECL, we are preparing, I understand. The banks which are having better credit underwriting would have better control over the credit

cost. And this year credit cost 0.53 is actually, you must have observed, the answer which I have just now given to Rajesh Agarwal ji. We have just to give you comfort and make you understand in a better way how Central Bank of India is prepared or preparing itself to face the consequences of implementation of ECL, that will give you answer. March 2025, our slippage ratio was 1.47, March 2026 is came down to 1.16. And this quarter, it is 0.24. And for half year, it is 0.41 to 0.45. What I mean to say, we are preparing ourselves, graduating ourselves to take challenge of ECL, starting from better credit underwriting quality. So, there we are having one processing centers, that we call CPAC, Credit Processing and Approval Center, which is normally all Regional office, have the CPAC setup. Earlier in principle approval concept was not there. You all are aware that in branches, credit generating skills are very rare. Therefore, all branches, whatever leads they are generating, they will send to the credit processing centers at Regional office, they will give in principle sanction and also the role of this underwriting quality, after that monitoring of those advances, monitoring and match mandates and also proper alignment with the field force, field owners, street persons, and also regional collection centers, head office, war room, and all the technological capability also for generating early warning signal alerts and acting upon those alerts in a very structured way we have implemented these aspects. Therefore, credit monitoring division is doing a good job in maintaining good asset quality, starting from underwriting to post-trade monitoring also. So in that way, I can tell you next year also I am expecting quarter-on-quarter basis, it is going to remain less than 0.75%, up to 0.75% only. This guidance which we have given, we are going to maintain this guidance next year also. Ashlesh, Hope I have answered your question.

Ashlesh Sonje:

Understood, sir. One follow-up there. On the ECL one-time transition, you indicated that the quantum is roughly Rs.5000 Crores. That would be taken as a direct hit to the net worth on the 1st of April. Is that understanding correct?

Kalyan Kumar:

Actually, see, our total requirement will be Rs.5,000 Crores to Rs.5,500 Crores. Out of that Rs.1,525 Crores, already we have kept an additional provision. So difference only we will have to take. And the way we are making profit, it will not be a bigger call. And options given by regulator both taking one-time hit or staggered, we will discuss together and we will take a call on this. Currently, I am not in a position to comment on this part whether we will take one time hit or will stagger it.

Ashlesh Sonje:

Understood sir. And just one last thing, the ROA seems to have improved quite a bit over the past few quarters. Can we assume that this ROA will remain let us say about 1% for the foreseeable future?

- Kalyan Kumar:** I am fully confident that ROA is going to be above 1%. The guidance which we have given, I am still agreeing to it, and I am sure because 25-basis point, repo rate has increased. We have maintained our deposit, cost of deposit at 4.60% and yield on advances 7.87%. Now we are focusing upon gold loan side, SHG side, these are the growth engines where we are focusing upon, apart from our retail, agriculture, MSME. Our 61% loan book are linked to external benchmarking. In rising rate scenario, which we expect, our books are going to be more it is going to benefit our book size. In that way I am sure that our ROA is going to remain above that.
- Ashlesh Sonje:** Kalyan, this expectation holds true for let us say next year also FY2028, FY2029, is that an endeavor you have?
- Kalyan Kumar:** See, our endeavors are like that, but situations are changing very fast. It would not be prudent to comment upon for next year, because you know, things are changing very fast. Global conditions are also impacting. Within the country also, some broad condition, El Nino effect, all these things are there. But I am confident about the strategies which we have taken and the strength, Central Bank of India is having. In CASA side, mobilization of low-cost deposits while other organizations are struggling. Our growth is still more than 9%. The low-cost deposits mobilization is not a challenge for us. And the advances side also, this external benchmarking rate, 61% books are belonging to that. Gold loan would have very good traction always. And SHG also good yield is there. Therefore, I am hopeful that our ROA is going to remain above one.
- Ashlesh Sonje:** Understood. Perfect, sir. Thank you very much for answering my questions.
- Kalyan Kumar:** Thank you, Ashlesh.
- Moderator:** Thank you so much. Requesting participants to click on the raise hand icon from your participants tab on your screen. We are taking your next question now. We have Mr. Deepak Kala of Trimurti Enterprise Private Limited. Please go ahead.
- Deepak Kala:** Good morning, sir. First of all, congratulations for such good numbers. Sir, my question is on yield on advances. When I see the yield on advances for bank, it is comparatively lower when we compared it with other banks. So could you please tell me the steps we are taking to increase the yield on advances?
- Kalyan Kumar:** Deepak actually thanks for this question. You are right. Yield on advances is 7.87%. As I told you, this is the actually for this quarter also and in earlier quarter also if you see, our more than 61% book are linked to external benchmark that is repo rate. And previous year 125-basis point reduction was there in reference lending rate and that has impacted our book very

high. And if you see the cost of repo rate side as it is contract based, it takes time, it comes with lag when it gets stabilized. The norm is 4.60 and as you can see, yield on advances, that is why we were able to manage NIM above 3 and ROA more than 1. So yield on advances that is why we were biggest impacted. Our portfolio actually impacted due to those rate cuts. But in coming days, when rates are going to increase, so it will benefit in improvement in yield on advances, one thing. And another aspect, which is also very important, gold loan. More than 8.5% is the average yield which we derive from the gold loan side. And we have built book Rs.41,000 Crores. That is good growth and with that kind of initiative gold loan sale we have established under direct leadership of our executive director business. And gold loan, it is going to be because 86 branches we are having in South India. We are focusing upon Chennai and Hyderabad, these two zones on gold loan side. That will also support as improvement in yield. SHG, more than 26 states we are having tie up with NRLM. There also credit linkage with SHG, there also good return and less NPA is there that is why these are the focus area when I am expecting that yield on advances will increase in coming quarters.

Deepak Kala:

Sir, thank you for the answer. One more follow-up. I want to know about the investment in technology the Bank is making because when I compare the apps of our Bank and when I compare it with the apps of let us say the biggest bank in India, so there is some difference in the technology and interface.

Kalyan Kumar:

Deepak, actually see, current customers wants very good technological platform. There is no second thought about it. And where mobile banking and other technological like internet banking, like all these user experience is very important. For that purpose, we have created new banking emerging department, NBET. And the person who can understand customer's requirement, he is heading that division. He was earlier heading our biggest zone. Just we have given them this opportunity to lead this division so that a person who have better understanding about user experience so that we can bring fine-tuned changes, which is desired from the customer's perspective. It is our topmost priority, what you are indicating, I understand. And that area, if not improved, then all the improvements, we cannot sustain. That also, I agree with you. For CASA or any other user experience is very much important. But that I can tell you and a lot of initiatives we are taking in digital side also. 45 journeys already we have launched, we are revisiting also, so that looking to the change customer choice or also having better alternatives, provided by our competitors. We are also fine tuning all those journeys and channels to improve in their experience that is top most priority, next quarter you will find significant improvement in these areas also.

Deepak Kala:

Thank you for the answer, sir. That is it from my side.

Kalyan Kumar:

Thanks Deepak.

- Moderator:** Thank you. We will take our next question. Now we have Siddharth Rajpurohit of Systematix Institutional Equities. Siddharth, please go ahead.
- Siddharth Rajpurohit:** Thank you for the opportunity. So, our NIM has come down say 5-basis point this quarter, but the repo rates have started to move up. So what is our assumption? Will our margins also improve from Q3?
- Kalyan Kumar:** As I told our advances book, total advances book 68% is RAM segment. Out of those 61% linked to external benchmark and there if repo rate, reference rate increases, then certainly there will be positive impact on yield of our portfolio. Therefore, there are every likelihood that margin will increase in this increasing rate scenario.
- Siddharth Rajpurohit:** And sir, how do you see, sir, our gross slippages are kind of hovering down for the last three quarters. But what is your understanding, sir, how do you see the implications of El Nino if one state has declared drought and others could also. So how do you see this scenario evolving? Do you see any impact on the collections in the rural areas?
- Kalyan Kumar:** First of all, in this quarter, we did not sense any such kind of stress signals. Recovery is very good including agricultural side also, except some places like Pune, there was slippage in agricultural segments. There might be other reasons for it, but apart from that, we did not find any signal of distress in asset quality in rural area. That is why there is significant drop in slippage in number and thanks to the vertical CRMD for taking all the corrective steps and proactive steps rather, and also field soldier and technology integration, war room, better coordination that has really supported us in maintaining slippage ratio. Regarding your question of El Nino impact on drought in the country, right, this is a right impact, but we have to look at in future how it actually progresses. Current time, based upon my experience of this quarter, I cannot comment that there might be big challenge, but how I pan out in coming quarter and afterwards regarding this drought let data come then I will be in a position to comment about it.
- Siddharth Rajpurohit:** Okay sir. There was a reversal in provision in the investment part in the SRs. Can you throw more light on that sir? Reversal of provisions.
- Kalyan Kumar:** Mr. Bhaskar, General Manager - Treasury will answer this question.
- Dr. G. Bhaskar:** Good afternoon. This one is mainly on account of we have received some amount as a part payment. We have received some amount as a part payment. That is why the provision made is lower when compared to the previous quarter. However, we made 100% on that one. So outstanding is reduced. So we have seen the reversal in the provision.



Moderator: Thank you so much. Ladies and gentlemen, this concludes the Central Bank of India Q2 FY2027 Earnings Call. Thank you all for your participation. You can now click on the leave icon to exit the meeting. Thank you everyone.