



Tata Capital Ltd

RESULTS
FY 2022-23

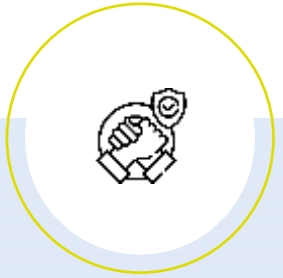




Our Purpose

Responsible financial partner
fulfilling India's aspirations

Our Six Purpose Pillars



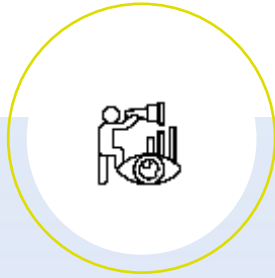
Lead with Trust

We respect and reinforce the trust that is placed in us. **We are the partner the country can rely on**



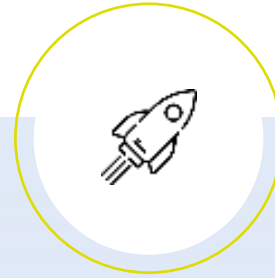
Better Together

We actively collaborate with customers, partners, employees, group companies, communities; **their success is our success**



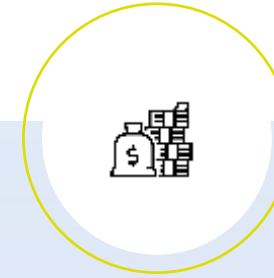
Future ready

We innovate and leverage technology to anticipate, serve and shape future needs; **setting the path for others to follow**



Faster forward

We bring speed and simplicity; **accelerating the pace at which the future becomes the present**



Capital & More

We serve the customer through the life-cycle of needs; **We are facilitators and counsellors in helping customers achieve their dreams**



Delivering Delight

We go above and beyond to care and make people happy; **We deliver delight to all stakeholders**

Our Vision



**To be a leading organization on Growth, Shareholder Returns,
Customer Experience and be an Employer of Choice**

Tata Capital:

Flagship Financial Services Company of the Tata Group



INR 1,20,940 Cr

Loan book

76%

Secured book

3.3 Mn+

Customers

438

Branches



Profitable since inception



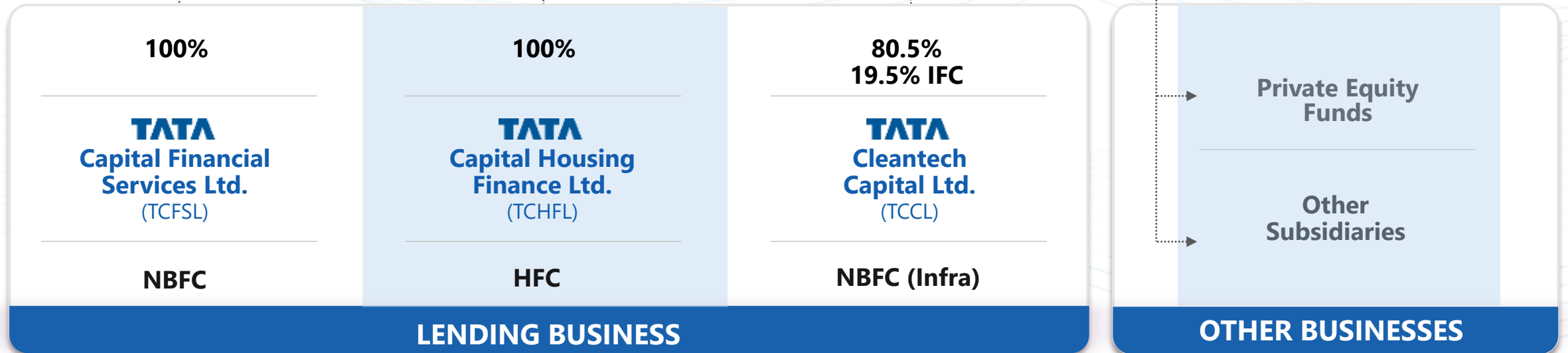
Rated AAA by Crisil, ICRA, India Ratings

Corporate Structure



TATA CAPITAL

Count on us



Note: On 28th Mar 2023, the Board of Directors have approved the merger by way of a Scheme of Arrangement of TCFSL and TCCL with Tata Capital. The Scheme will become effective upon fulfilment of all the conditions set out in the Scheme including approvals from the NCLT and other regulators

Business Segments

LENDING BUSINESS



Consumer

2W, Used Auto, Personal Loans, Business Loans, Commercial Vehicle, Construction Equipment, Consumer Durables, Micro Loans



Housing

Home Loans, Loan against property, Affordable Housing Loans



SME

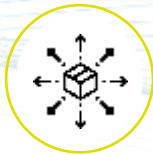
Channel Finance, Leasing, Invoice Discounting, Factoring, Term Loans, Working Capital loans



Corporate Finance

Term Loans, Structured Finance & Syndication, Construction Finance, Cleantech Financing

DISTRIBUTION, ADVISORY & INVESTING BUSINESS



Distribution

Insurance & Credit Cards



Wealth Management

Wealth management services & distribution



Moneyfy

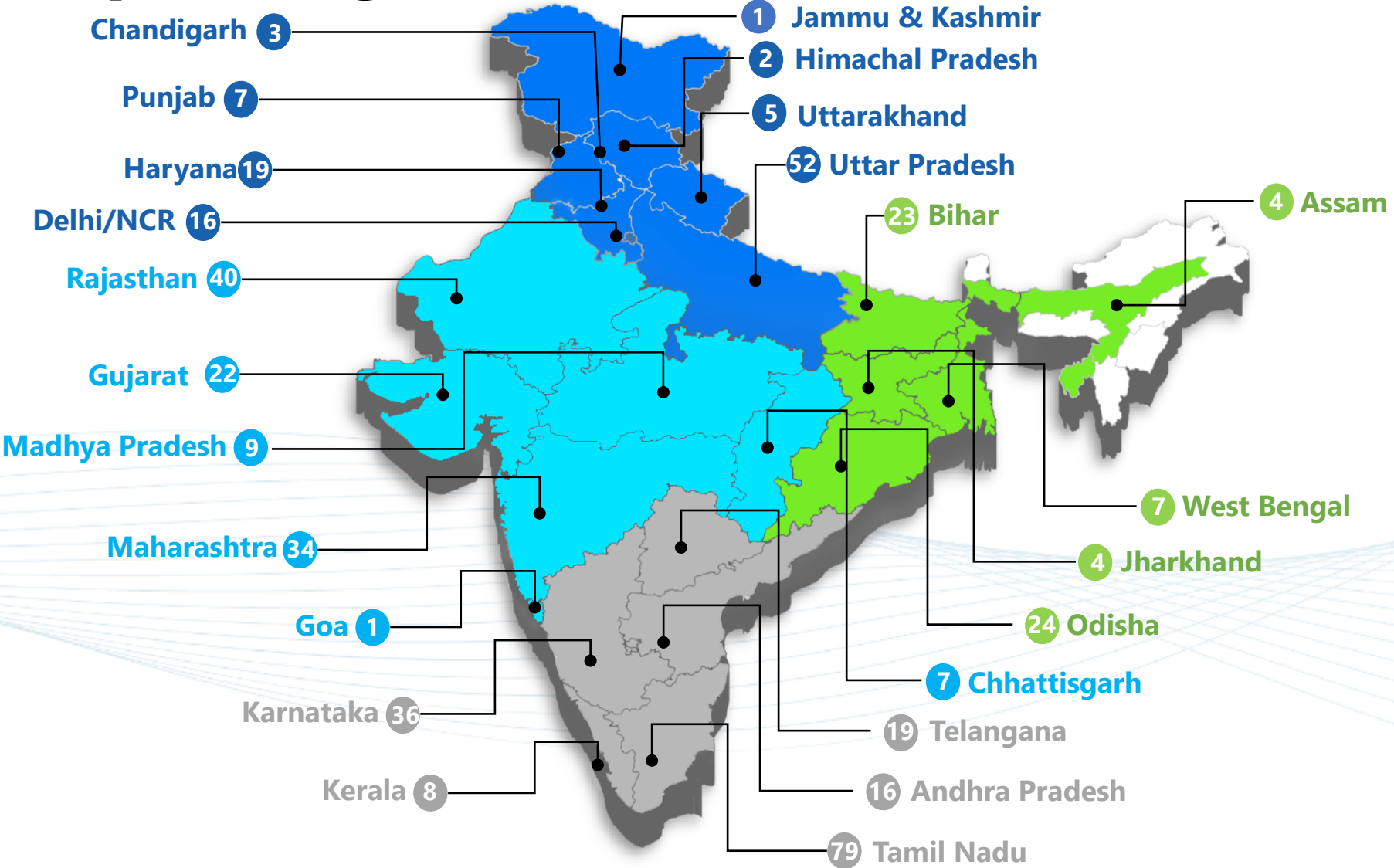
Digital financial planning platform



Private Equity

Growth Fund, Healthcare Fund, Opportunities Fund

Expanding reach



Total Count: 438

171 branches added in FY23

Target to double our reach over next 2 years

Brand Campaign: Palak Jhapkao, Loan paaoo



TWO-WHEELER LOANS



HOME LOANS



BUSINESS LOANS



PERSONAL LOANS

Launched our brand campaign through a series of advertisements, wherein each film showcased a humorous situation where the protagonist's needs are met within blink of an eye by availing Tata Capital's quick loans

Tata Capital – Official Partners with Tata WPL

EK SOCH KO
हराना है



TATA
CAPITAL

OFFICIAL PARTNER



- Tata Capital associated with the inaugural edition of the Tata WPL as official partners
- Launched a **digital & TV campaign** challenging the thought process that women cannot play cricket!

'Digital' @ heart of our transformation

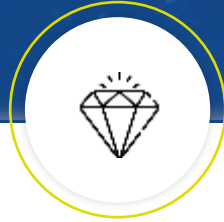


Reimagining customer experience

Revamped new website & logged-in section

Enabling unified customer experience and seamless e2e digital journeys

Increased Business from Direct to Customer Channel



Bringing delight to service

Continued Instant self-service focus, higher servicing from Digital platforms

Enhanced Multi-lingual capability

Using conversational service capabilities

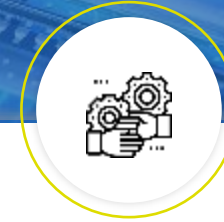
Enhanced & improved communication engine



Rethinking how we operate

Using intelligent automation across the lending value chain to continually improve cost efficiencies

Leveraging data and analytical models to improve metrics across businesses & functions



Simplifying partner journeys

'Smart Assist' platform enabling e2e seamless journeys

95% adoption across all products

Enabling better partner productivity, convenient supervision and ability to serve anytime, anywhere



Embracing ecosystems for growth

Leverage partnerships – Tata Digital, Fintech ecosystem and broader Group – to launch digital first products across, retail, mortgage & channel finance

Analytics across customer lifecycle



Better conversion and pricing



Improve cross-sell & Products per Customer



Increase Straight through decision making



Improve collection efficiency



Drive productivity and efficiency

Acquisition & Cross-sell

Leads from existing base & group ecosystem

Prospect Marketing

Pre-approved offers

Segmentation and profitability models

Underwriting & Disbursement

Decision scorecards

Decision tree for policy refinement

Risk based pricing

Channel scorecards

Lifecycle Management & Retention

Bureau Watch

Proactive retention models

Pricing Model/CLTV/ Customer risk profiling

Early warning signals

Collection & Recovery

Scorecards built using LR/DT/ML algorithms

Models used for allocation, self cure, representation strategy, X bucket and flow bucket collections, Settlement and Repo

Driving **businesses digitally**



Customer Acquisition

95%

customers onboarded through digital platforms

37%

growth in pre-approved disbursals for the year

54%

PL disbursed through online channels

100+

Partnerships across ecosystem



Process Transformation

81%

of retail logins use scorecard

100%

2W cases decided via scorecards

180+

APIs used across ecosystem

27L+

ops transactions handled by bots for the year



Customer Experience

76%

Digital Adoption

7L+

service requests handled digitally for the quarter

100+

services on digital channels

92%

Channel Finance drawdown through online channels



Collections

92%

collections through digital

35+

models used across collections management

100%

Digital app enabled collections workforce

49%

Digital payments through BBPS



Financial Performance

(Consolidated)



Key takeaways [1/2]



Reported strong growth momentum – Highest-ever disbursements in FY23; up by 42% Y-o-Y



Crossed the INR 20,000 Cr quarterly disbursements mark during FY23 for the 1st time



Loan book grew by 28% Y-o-Y (+8% Q-o-Q) to INR 1,20,940 Cr



Retail + SME constitutes 80% of the total loan book



Highest-ever PAT of INR 2,975 Cr - displayed sharp growth of 80% Y-o-Y in FY23 driven by healthy NIM+OR (%) growth while keeping the operational and credit costs under check



RoE, including one-time gains of INR 561 Cr, is 23.0% in FY23; excluding this, RoE is 17.3% (up from 15.6% in FY22)

Key takeaways [2/2]



Credit costs stood at 0.5% in FY23; lower by 47% on a Y-o-Y basis supported by superior asset quality and strong collection efficiencies



Asset quality as of Mar'23 remained among best in class with GNPA at 1.7% (Mar'22: 1.9%), NNPA at 0.4% (Mar'22: 0.6%), and PCR at 77% (Mar'22: 71%)



Our total loan loss provisions stood at 2.7% of the loan book as on Mar'23. The same is 2.2x of provisions required as per IRAC norms



Continue to reimagine digital assets with new features / designs / journeys & content and invest significantly in our core systems / technologies, to provide best-in-class customer experience



Strengthen core technologies & digital capabilities, leverage partnerships and participate in ecosystem activities to expand distribution, target new segments and improve cross-sell

Performance Highlights – FY23

FY23
(Y-o-Y change)

INR 75,099 Cr
↑ 42%

INR 1,20,940 Cr
↑ 28%

INR 7,023 Cr
↑ 34%

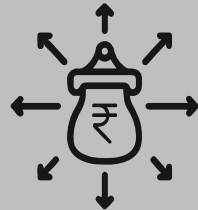
0.4%
↓ 20 bps

INR 2,975 Cr
↑ 80%

23.0%
↑ 740 bps



Disbursals



Loan Book



Income



Net NPA



PAT



RoE

INR 52,784 Cr

INR 94,349 Cr

INR 5,253 Cr

0.6%

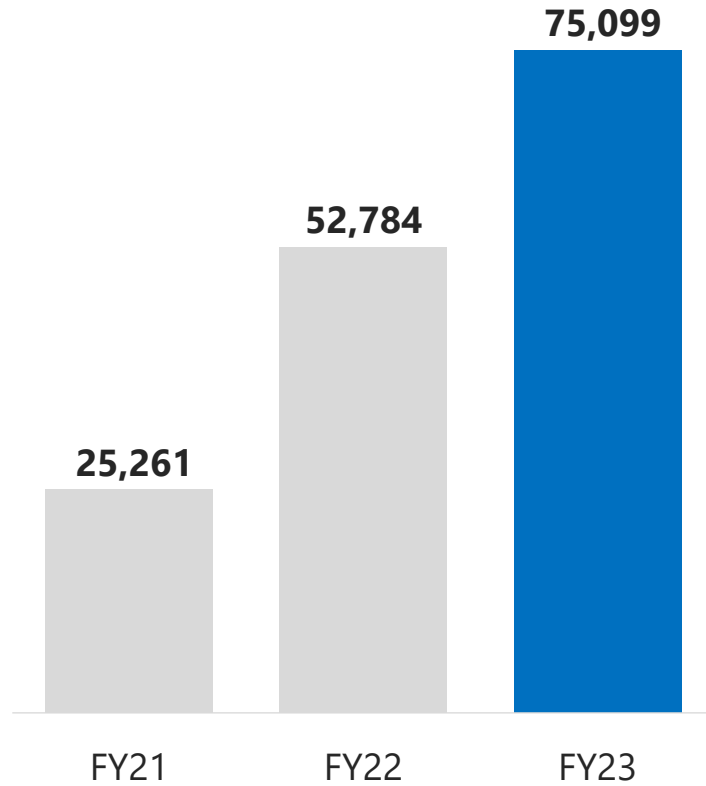
INR 1,648 Cr

15.6%

FY22

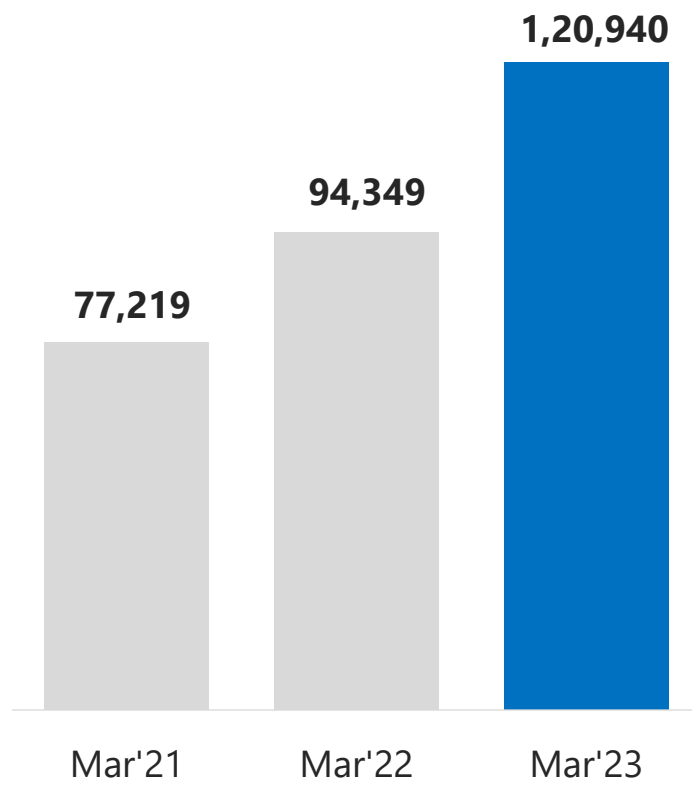
Disbursals & Loan Book

Disbursals: 42% YoY Growth in FY23

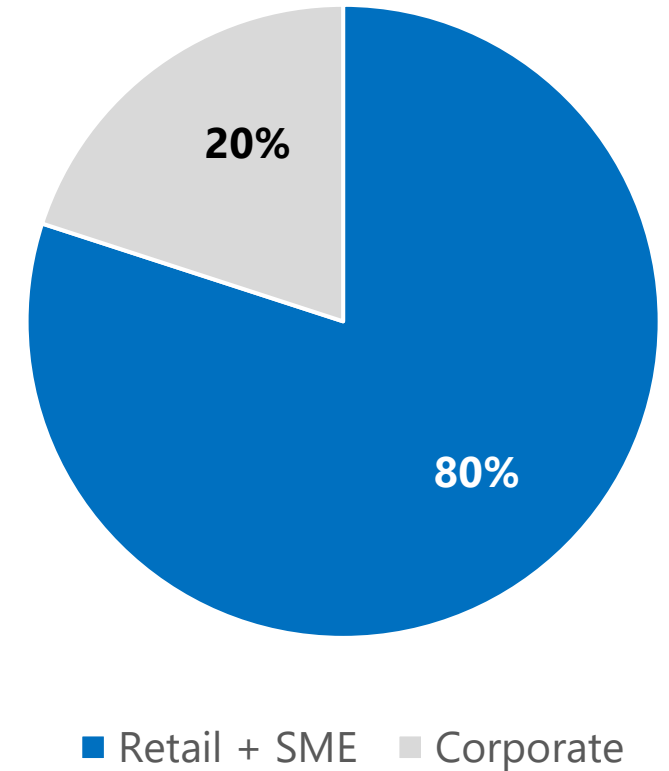


Numbers in INR Cr

Loan Book: 28% YoY Growth

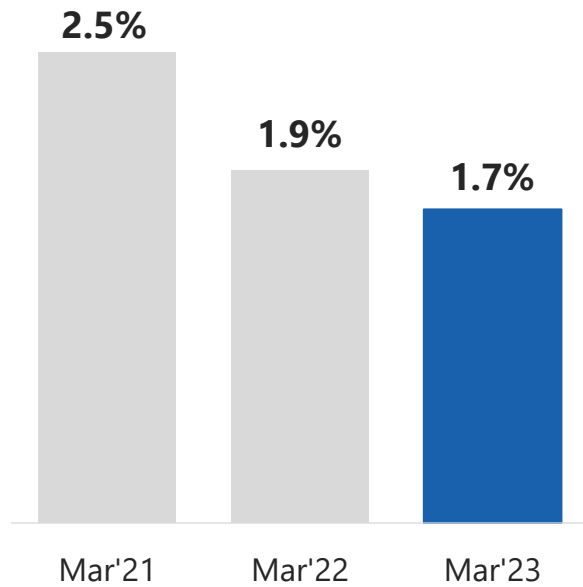


Retail + SME Loan Book: 80%

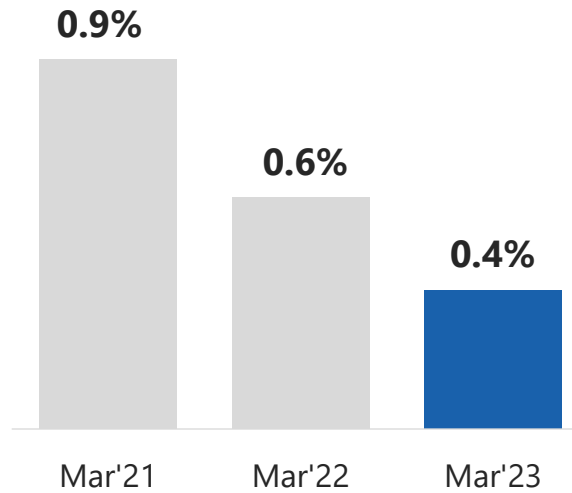


Asset Quality

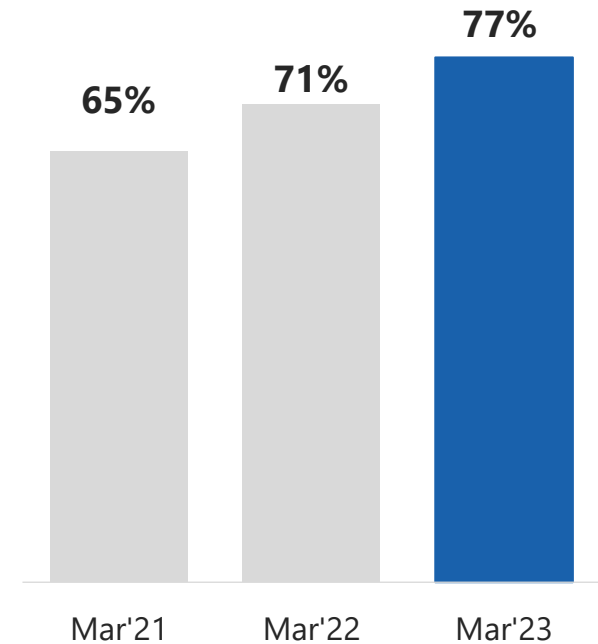
Gross Stage III (%)



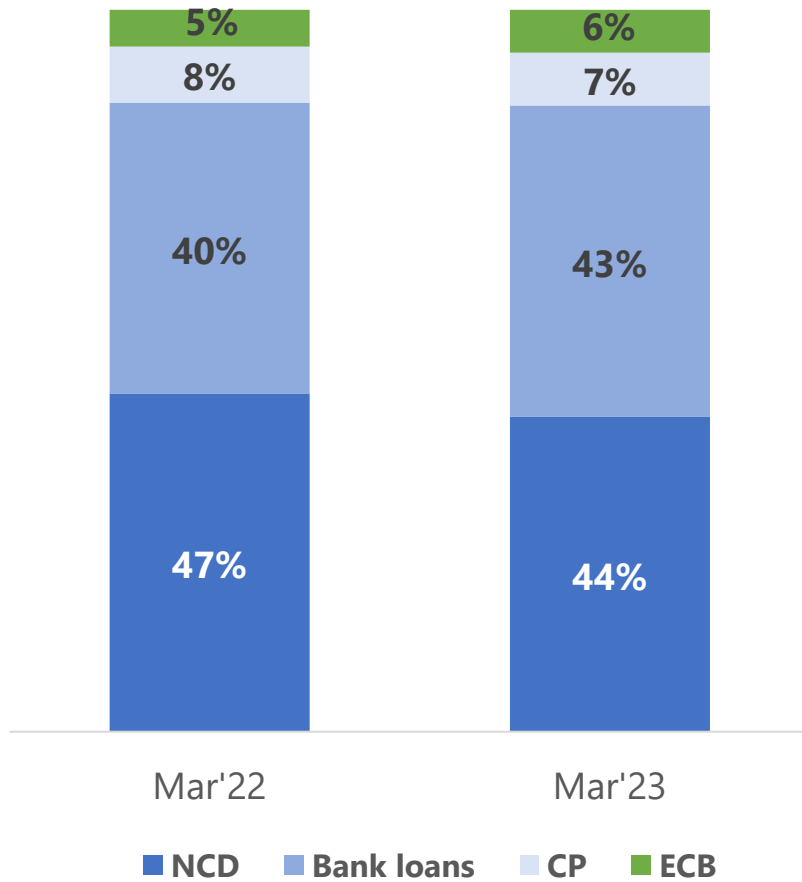
Net Stage III (%)



PCR (%)



Liability Mix



Well articulated capital **raising plan with a focus on raising more granular, sticky liabilities; diversified funding mix** including ECBs as well as public NCDs



Maintained **adequate liquidity** along with a **well managed ALM**

Credit ratings
Rated AAA by

CRISIL
An S&P Global Company



ICRA
A MOODY'S INVESTORS
SERVICE COMPANY

**IndiaRatings
& Research**
A Fitch Group Company

Financial Performance

INR Cr	FY 22	FY 23	Y-o-Y Growth
Disbursals	52,784	75,099	42%
Loan book	94,349	1,20,940	28%
NIM + Fee	4,863	6,272	29%
Investment Income	390	751	92%
NIM + Other Revenue	5,253	7,023	34%
Operating expenses	1,986	2,684	35%
Credit cost	1,029	548	~
Profits before tax	2,238	3,790	69%
Profits after tax	1,648	2,975	80%

Ratios (%)	FY 22	FY 23
Credit cost	1.3%	0.5%
Return on assets	2.0%	2.9%
Return on equity	15.6%	23.0%

PAT includes one-time gains of INR 561 Cr; without the gain, RoE is 17.3%

Awards & Recognition



'Asset Finance Company of the Year' & 'Best Mobile Initiative – The Mutual Fund Company' at Annual NBFC & Fintech Excellence Awards 2023



ET BFSI Excellence award – Microfinance Team 2023



Best BFSI Brand- Economic Times Best BFSI Brands 2022



CII – Digital Transformation Awards, 2022



Best in class Wealthtech Solution Award at Global Fintech Awards 2022



Green Urja award – Top Private financing institution for RE and EE 2023



Audit Excellence Award at Annual Banking & Finance Audit Conclave, 2023



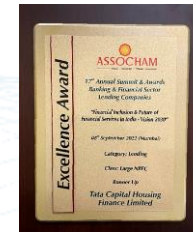
The CSR Journal Excellence Awards (Environment)– 5th Edition, 2023



Best Digital Strategy (BFSI) – Search Engine Marketing, 2022



Risk Management Team of the Year at CRO Leadership Summit, 2022



Excellence Award under 'Lending' category by ASSOCHAM, 2022



Green Earth Care Award, 2022



Recognised as 'Most Ethical Procurement Company', Procurement Leadership Awards, 2023

Impacting Lives



Climate Action

Water security
Renewable energy

~193,500
lives impacted



Health

Cancer Care
Treatment
Eradication of
curable blindness

~ 351,500
lives impacted



Education | Skilling

Scholarships
Quality Primary
Education
Financial Literacy

~ 323,000
lives impacted

868,000+
beneficiaries through
our programs

- Aligned to our group focus areas and Sustainable Development Goals (SDGs)
- Benefits the Socially and Economically underprivileged and Affirmative Action Communities
- Trusted partners to deploy

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