



TATA CAPITAL
Count on us

Tata Capital Limited

Results update

Q3 FY21-22



Our Purpose

Responsible financial partner
fulfilling India's aspirations

Our Five 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 partners, employees, customers, 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.**



Capital & More

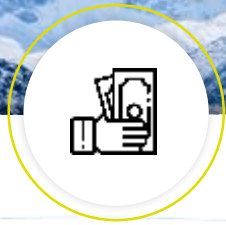
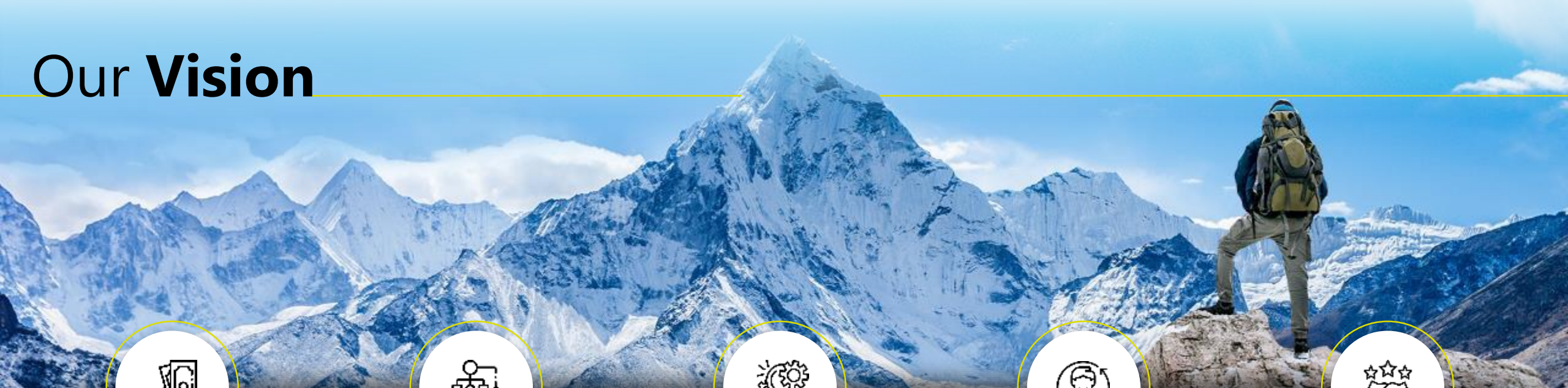
We serve the customer through the life-cycle of needs; **We are facilitators and counsellors in helping customers achieve their dreams.**



Delivering Delight

We go above and beyond expectations, by bringing speed & simplicity in all our interactions; **We deliver delight to all stakeholders.**

Our Vision



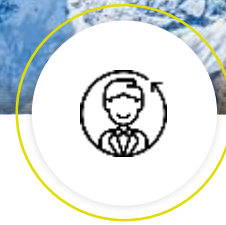
Among the leading diversified non-banking financial services companies



Build a sustainable business model delivering better than market growth & 15%+ RoE



Lead with Technology, differentiate on experience and be among the lowest cost providers



Be the employer of choice offering unparalleled growth opportunities



Leveraging Group synergies and building a strong partner ecosystem

Tata Capital

Flagship Financial Services Company of the Tata Group



INR 86,784 Cr

Loan book

80%+

Secured book

2.5 Mn+

Customers

239

Branches



Profitable since inception



Rated AAA by all leading Rating agencies

Corporate Structure



TATA CAPITAL

Count on us

100%

TATA
Capital Financial
Services Ltd.

NBFC

100%

TATA
Capital Housing
Finance Ltd.

HFC

80.5%
19.5% IFC,W

TATA
Cleantech
Capital Ltd.

NBFC (Infra)

Private Equity
Funds

Other
Subsidiaries

LENDING BUSINESS

OTHER BUSINESSES

Business Segments

LENDING BUSINESS



Consumer

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



Housing

Home Loans, Loan against property, Affordable Housing Loans



SME

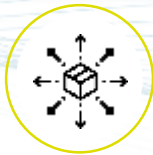
Channel Finance, Leasing, Invoice Discounting, Term Loans, Working Capital loans



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

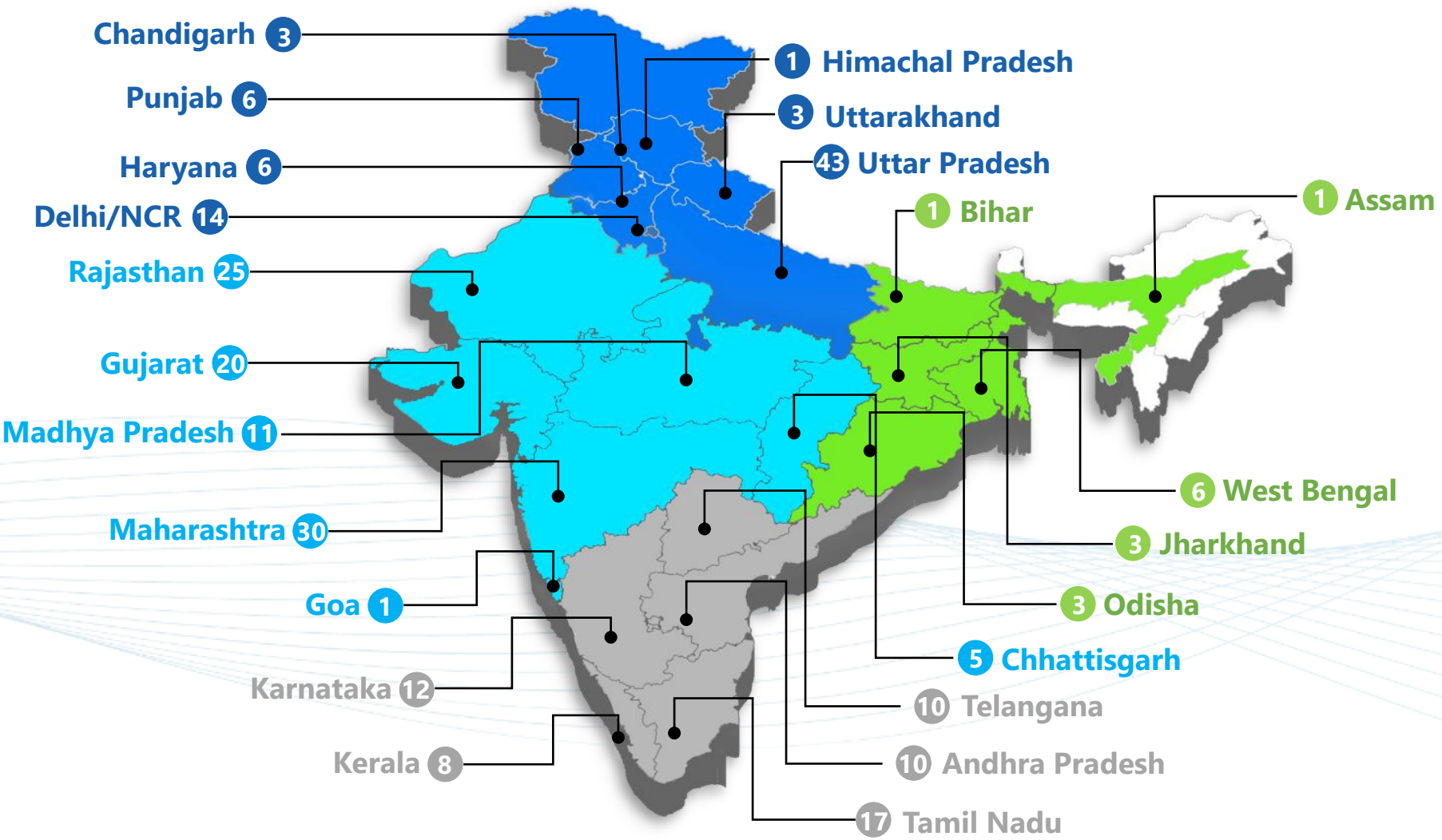
Digital financial planning platform



Private Equity

Growth Fund, Healthcare Fund, Opportunities Fund

Expanding Reach



Added 59 new branches during Q3FY22 taking the total count to 239 as of Dec'21

Target to reach **300+** branches by Mar'23

Focus on **Tier-II and Tier III**

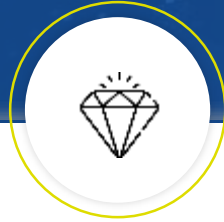
'Digital' @ heart of our transformation



Reimagining customer experience

Enhancing Digital Platforms for higher traffic and activation

Enabling unified customer experience and seamless e2e digital journeys



Bringing delight to service

Shifting customer engagement to seamless self-service options

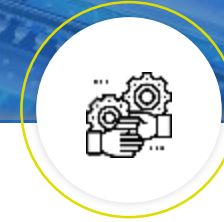
85%+ service requests are available digitally; 50% customer requests served digitally



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

Revamped Partner Platforms to enable e2e seamless journeys

Enabling multiple utilities and features to enhance experience; Adoption over 95% across all products



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

~30 scorecards built using LR/DT/ML algorithms

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



Q3 FY21-22

Financial Performance (Consolidated)



Highlights

Q3 FY22

y-o-y change

INR 14,349 Cr

↑ 98%

INR 86,784 Cr

↑ 13%

INR 1,480 Cr

↑ 31%

INR 436 Cr

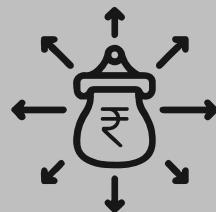
↑ 99%

0.8%

↓ 20 bps



Disbursals



Loan Book



Income



PAT



Net NPA

INR 36,191 Cr

↑ 128%

INR 86,784 Cr

↑ 13%

INR 3,873 Cr

↑ 19%

INR 924 Cr

↑ 52%

0.8%

↓ 20 bps

9M FY22

y-o-y change

Key takeaways [1/3]



Strong recovery in disbursements⁽¹⁾ - Higher by 80% compared to the pre-Covid level (Q3 FY20)



Recorded highest ever disbursements in the retail segment in the month of Dec'21. Total Q3 FY22 disbursements were at INR 14,349 Cr, ~2x of same quarter last year



Loan book stood at INR 86,784 Cr; up 13% y-o-y. Growth was evenly spread across all segments



Retail constitutes 62% of loan book and 80%+ of book continues to be secured



No significant impact of third wave and the Company expects Q4 AUM growth to remain strong

Key takeaways [2/3]



Continued expansion of pan-India footprint: 59 new branches added during current quarter



NIM + Fee income improved by 40bps y-o-y in 9M FY22; aided by better product mix, increase in book size and lower cost of funds



Ongoing efforts to automate processes to augment productivity and increase operating leverage



Bounce rates and collection efficiencies across products recovered back to pre-Covid levels and continues to improve



GNPA declined to 2.2% as on Dec'21 from 2.5% as on Mar'21; over the same period, NNPA reduced from 0.9% to 0.8%. PCR remains healthy at 63%+

Key takeaways [3/3]



Loan losses in Q3FY22 were lower by 57% compared to Q3FY21. For the 9M period, loan losses were lower by 14%



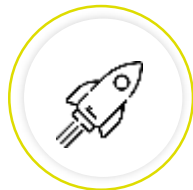
No significant impact of the RBI circular dated 12th Nov'21 – “Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications”



Continue to maintain adequate provisions including management overlay to cover risks in the loan book. Our total loan loss provisions as on 31st Dec'21 stood at 3.5% of the loan book



Significant investments in our core systems and technologies to further enhance experience for customers and partners

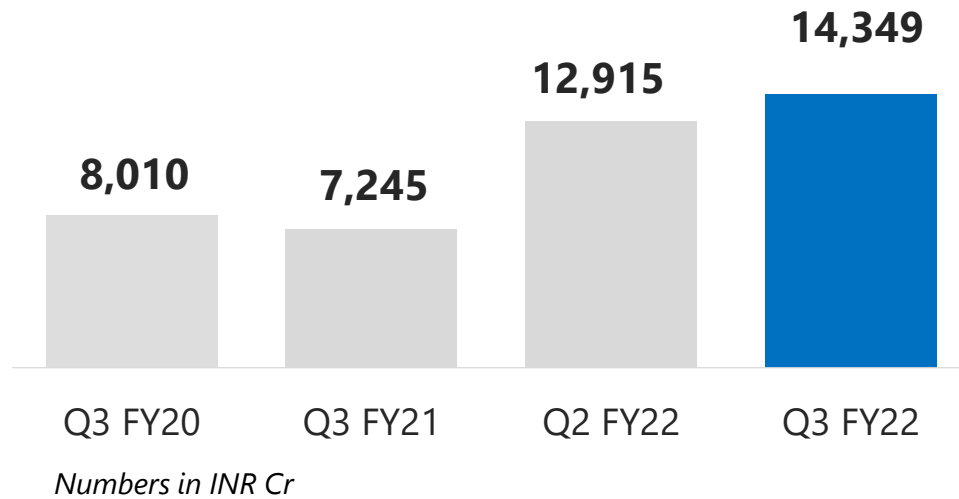


Launch of new digital assets and upgradation of existing assets to expand the distribution reach, target new customer segments and improve cross-sell

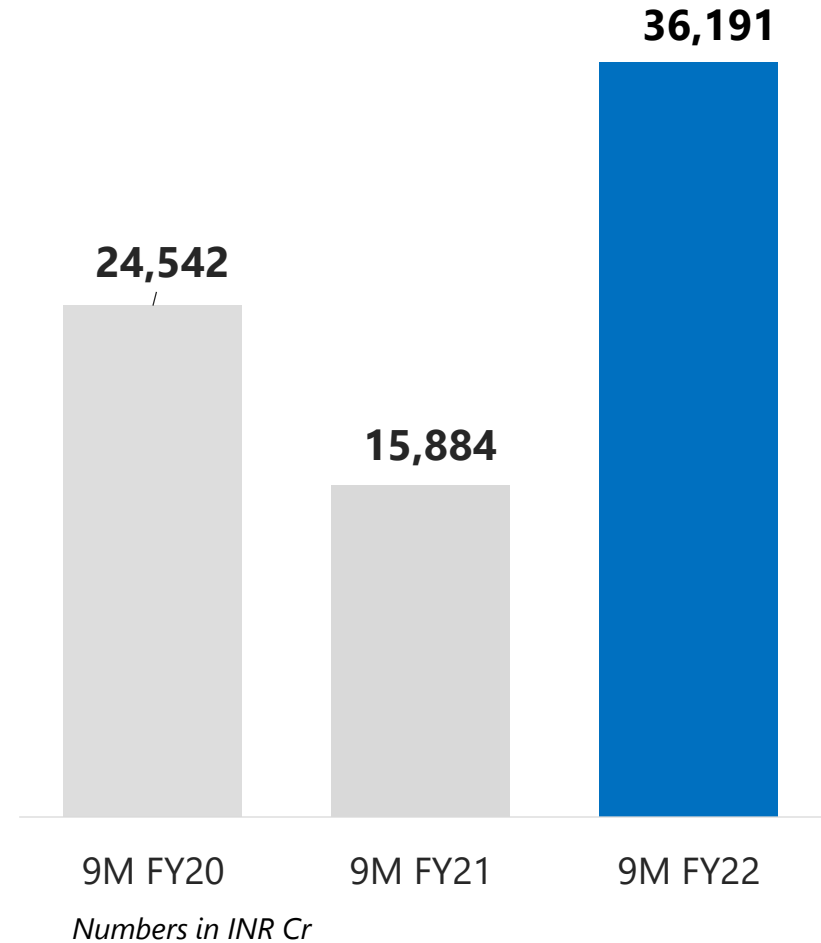
Disbursals: Witnessing steady growth

Quarter : 98% YoY Growth

**80% higher than
Pre-covid levels**

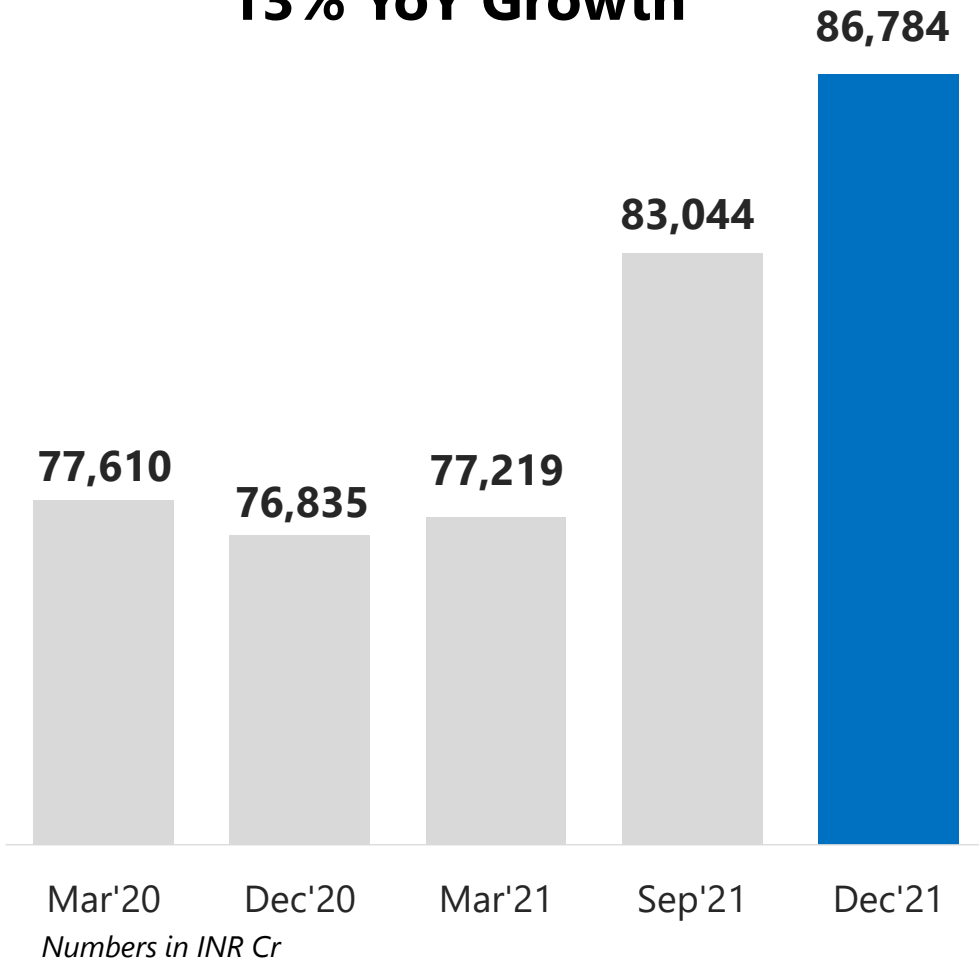


9M : 128% YoY Growth

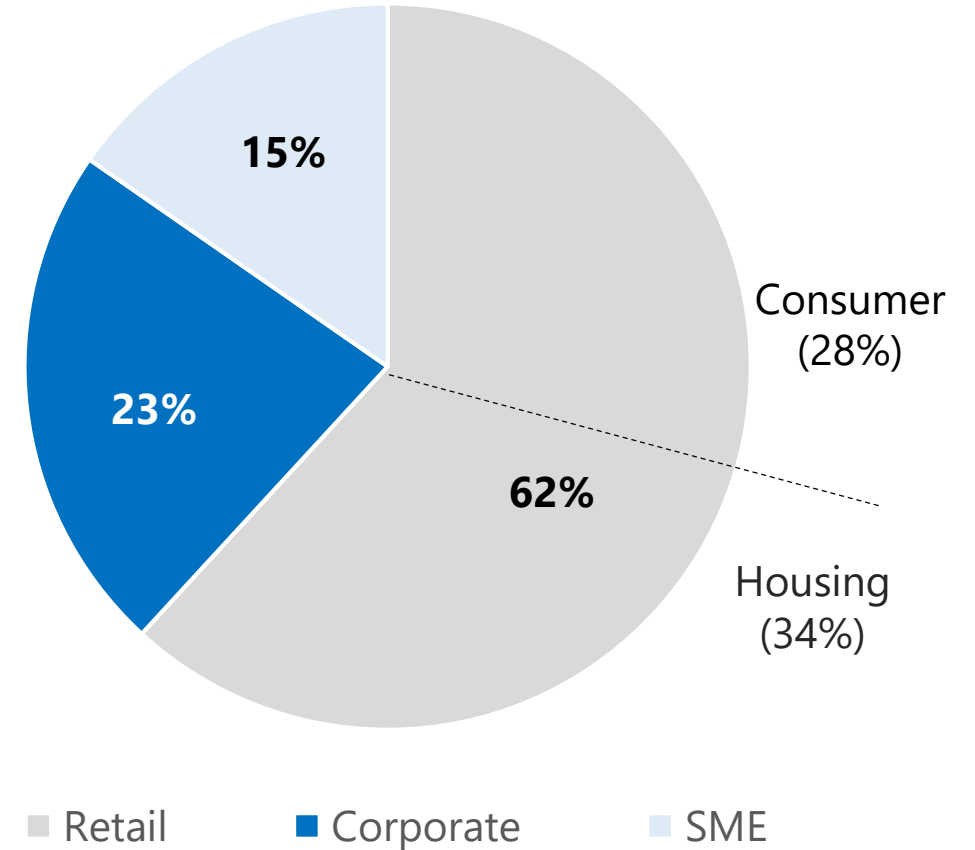


Loan Book: On a high growth trajectory

13% YoY Growth

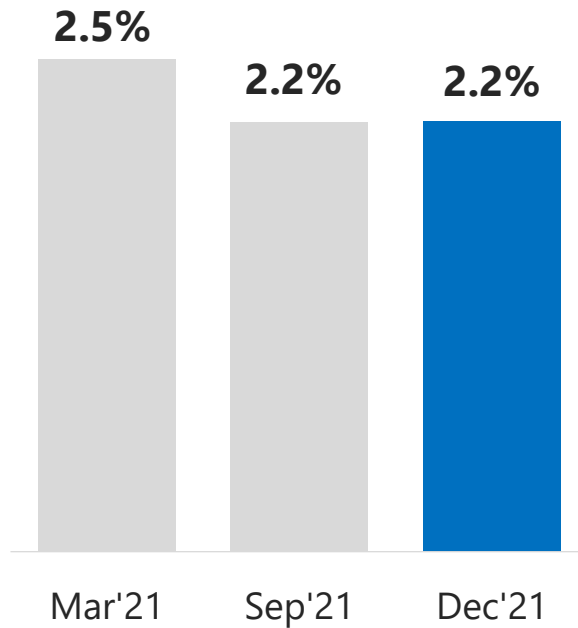


62% Retail Book

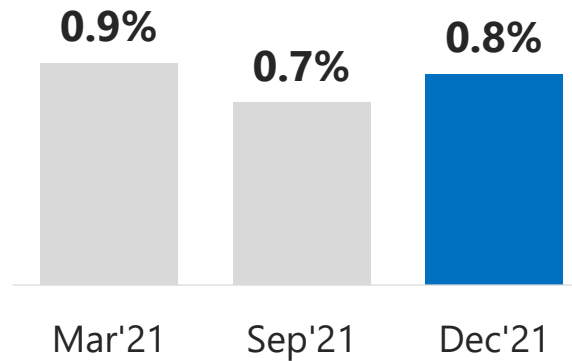


Asset quality: No significant impact of RBI circular

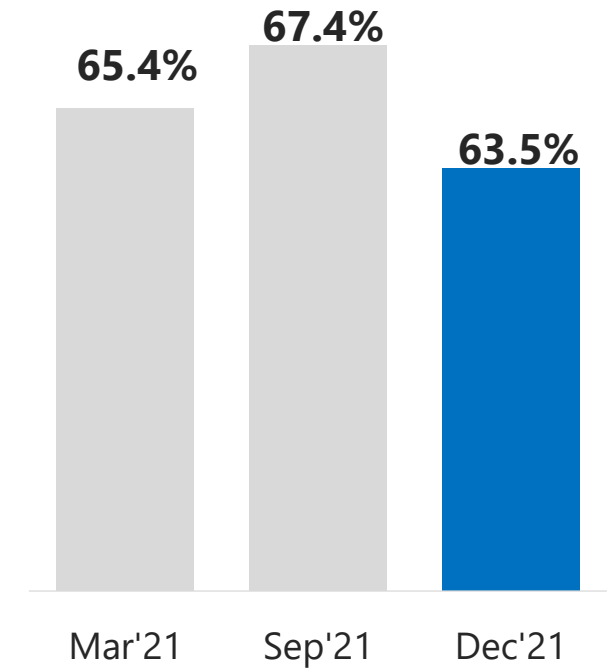
Gross Stage III (%)



Net Stage III (%)



PCR (%)



Financial Performance

INR Cr	Q3 FY20	Q3 FY21	Q3 FY22	Y-o-Y Growth	9M FY20	9M FY21	9M FY22	Y-o-Y Growth
Disbursals	8,010	7,245	14,349	98%	24,542	15,884	36,191	128%
Loan book	79,093	76,835	86,784	13%	79,093	76,835	86,784	13%
NIM + Other Revenue	925	1,126	1,480	31%	2,814	3,266	3,873	19%
Operating expenses	415	369	531	44%	1,357	1,118	1,388	24%
Operating profits	510	757	949	25%	1,457	2,148	2,485	16%
Credit cost	257	468	202	-57%	896	1,237	1,068	-14%
Profits before tax	253	290	747	158%	561	911	1,417	56%
Profits after tax	171	219	436	99%	368	607	924	52%
Ratios (%)	Q3 FY20	Q3 FY21	Q3 FY22		9M FY20	9M FY21	9M FY22	
NIM + Other Revenue	5.1%	5.5%	6.1%		5.1%	5.6%	6.0%	
NNPA	0.6%	1.0%	0.8%		0.6%	1.0%	0.8%	
Return on Equity	7.5%	9.4%	16.2%		6.1%	8.8%	11.9%	

Awards & Recognition



Marketing Campaign of the Year 2021



'Karz nahi Farz bhi' wins Marketing Campaign of the year 2021



Winner – Service Sector Large Category at 16th CII (WR) SHE Excellence & Innovation Award 2021



Finnoviti Award 2020 for its Digital Lending Platform to SMEs



'Bronze' award at the ACEF Awards



Won 'Best employee engagement program' & 'Best L&D initiative' - Human Excellence Awards 2021



TCL Healthcare Fund wins "Healthcare Fund of the Year" 2019 & 2020 both



'Innovation and Emerging Technologies Award 2020' – Procurement



Won 'Overall excellence in Procurement' - 4th Leadership Summit & Awards 2021



Voicebot TIA won Best Use of AI at 'India DigiPlus Awards 2020'



Multiple awards at Drivers of Digital (DOD) Awards 2020



Tata Capital recognized for its EHS Practices - CII-EHS Excellence Awards 2019



'Best NBFC in the Pre-Owned Auto Loans' category 2019



'Prarambh' featured in the Dun and Bradstreet's HR Best Practices 2019



Best People Insight Employee Engagement Company Award : Best L&D Leader of the Year Award 2019



DMA Asia ECHO Award for 'Best Use of Website'



ABP News BFSI Award in the Quick Loan Approval Category 2019



Golden Peacock Award 2019

Impacting Lives



Health

Cancer Care
Treatment

Eradication of
curable blindness

~ 240,000

lives impacted



Education

Scholarships

Quality Primary
Education

Financial Literacy

~ 235,000

lives impacted



Climate Action

Water security

Renewable energy

~ 60,000

lives impacted



Skilling

BFSI

~ 15,000

lives impacted

550,000+

beneficiaries through
our programs

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

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