



August 9, 2023

National Stock Exchange of India Limited

Exchange Plaza, Plot No.C/1, G Block
Bandra Kurla Complex
Bandra (E), Mumbai – 400051

Dear Sir / Ma'am,

Subject: Disclosure under Regulation 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) - Notice convening the Meeting of the Equity Shareholders of Tata Capital Limited (“the Company”)

Reference: In the matter of Scheme of Arrangement amongst Tata Capital Financial Services Limited and Tata Cleantech Capital Limited with Tata Capital Limited and their respective shareholders (“**the Scheme**”) under the provisions of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 (“**Act**”) and other applicable provisions.

Pursuant to Regulation 51 read with Para A of Part B of Schedule III of the Listing Regulations and other regulations, as applicable, please find enclosed the Notice along with the Explanatory Statement (including the annexures) of the Meeting of the Equity Shareholders of the Company to be held on Friday, September 15, 2023 at 11:00 a.m. (IST) through Video Conference / Other Audio Visual Means (“**VC / OAVM**”) (“**the Meeting**”) pursuant to order of the Hon'ble National Company Law Tribunal, Mumbai Bench (“**NCLT**”) dated August 02, 2023 (“**Order**”) for the purpose of considering, and if thought fit, approving the Scheme.

The details pertaining to remote e-voting, e-voting during the Meeting and to attend the Meeting through VC/OAVM have been set out in the Notice.

The Notice along with the Explanatory Statement (including the annexures) are also available on the website of the Company at www.tatacapital.com.

Further, we would like to inform you that the NCLT has dispensed with the holding of the meeting of Unsecured Creditors (including Non-Convertible Debenture holders) of the Company based on reasons set out in the Order.

We request you to take the aforesaid on records.

Thanking you.

**Yours faithfully,
For Tata Capital Limited**

**Sarita Kamath
Head – Legal & Compliance and Company Secretary**

Enclosures as above

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tata Capital Limited

Corporate Identification Number (CIN) U65990MH1991PLC060670
Registered Office: 11th floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg,
 Lower Parel, Mumbai, Maharashtra - 400013
Tel: 022 6606 9000 **Website:** www.tatacapital.com

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF TATA CAPITAL LIMITED PURSUANT TO THE ORDER DATED AUGUST 2, 2023 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

Meeting Details:

| | |
|--|--|
| Day | : Friday |
| Date | : September 15, 2023 |
| Time | : 11:00 a.m. |
| Mode | : Video Conference ("VC") or Other Audio Visual Means ("OAVM") |
| Cut-off date for remote e-voting | : September 8, 2023 |
| Commencement of remote e-voting period | : September 12, 2023 at 9:00 a.m. |
| End of remote e-voting period | : September 14, 2023 at 5:00 p.m. |

INDEX

| Sr. No. | Contents | Page Nos. |
|---------|--|-----------|
| 1. | Notice convening the Meeting of the Equity shareholders of Tata Capital Limited (" TCL " or " Company " or " Transferee Company ") under the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench (" NCLT ") pursuant to Sections 230 to 232 of the Companies Act, 2013 (" Act ") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (" Merger Rules "). | 3 - 11 |
| 2. | Explanatory Statement under Sections 230 to 232 and Section 102 read with Rule 6 of the Merger Rules and other applicable provisions, if any. | 12 - 25 |
| 3. | Scheme of Arrangement amongst Tata Capital Financial Services Limited (" TCFSL " or " Transferor Company 1 ") and Tata Cleantech Capital Limited (" TCCL " or " Transferor Company 2 ") with the Company and their respective shareholders under the provisions of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 (" Act ") and other applicable provisions, enclosed as Annexure 1 . | 26 - 61 |
| 4. | Reports adopted by the Board of Directors of the Company, TCFSL and TCCL enclosed as Annexures 2A, 2B and 2C respectively. | 62 - 79 |
| 5. | Pre-Scheme and expected post-Scheme shareholding pattern of the Company, enclosed as Annexure 3 . | 80 - 83 |
| 6. | Pre-Scheme shareholding pattern of TCFSL and TCCL, enclosed as Annexures 4A and 4B respectively. | 84 - 85 |
| 7. | Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken against the Company, its promoters and directors and details of other investigations/ proceedings which have been filed against the Company enclosed as Annexure 5 . | 86 - 90 |
| 8. | Complaints Report dated May 17, 2023 submitted by the Company to the National Stock Exchange of India Limited, enclosed as Annexure 6 . | 91 - 92 |
| 9. | Certificates from the Statutory Auditors of the Company to the effect that the accounting treatment, if any, proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act, enclosed as Annexure 7 . | 93 - 99 |
| 10. | Observation Letter issued by NSE to the Company enclosed as Annexure 8 . | 100 - 102 |
| 11. | Joint Valuation Report of the Company and TCCL dated March 28, 2023 issued by SSPA & Co., Chartered Accountants, Registered Valuers and Ernst & Young Merchant Banking Services LLP, Registered Valuer for the Scheme in relation to the Share Exchange Ratio, enclosed as Annexure 9 . | 103 - 117 |

| | | |
|-----|---|-----------|
| 12. | Joint Valuation Report of the Company and TCCL dated March 28, 2023 issued by SSPA & Co., Chartered Accountants, Registered Valuers and Ernst & Young Merchant Banking Services LLP, Registered Valuer for the Scheme in relation to the Non-Convertible Debentures, enclosed as Annexure 10 . | 118 - 125 |
| 13. | Valuation Report dated March 28, 2023 issued by SSPA & Co., Chartered Accountants, Registered Valuer for the Scheme in relation to Equity Shares of TCFSL, enclosed as Annexure 11 . | 126 - 132 |
| 14. | Valuation Report dated March 28, 2023 issued by SSPA & Co., Chartered Accountants, Registered Valuer for the Scheme in relation to Non-Convertible Debentures of TCFSL, enclosed as Annexure 12 . | 133 - 140 |
| 15. | Fairness Opinion Report dated March 28, 2023 issued by SEBI registered independent Merchant Banker viz. SBI Capital Markets Limited in respect of Share Exchange Ratio of the Company enclosed as Annexure 13 . | 141 - 154 |
| 16. | Fairness Opinion Report dated March 28, 2023 issued by SEBI registered independent Merchant Banker viz. SBI Capital Markets Limited in respect of Non-Convertible Debentures of the Company, enclosed as Annexure 14 . | 155 - 168 |
| 17. | Fairness Opinion Report dated March 28, 2023 issued by SEBI registered independent Merchant Banker viz. Fortress Capital Management Services Pvt. Ltd. in respect of Equity Shares of TCFSL, enclosed as Annexure 15 . | 169 - 174 |
| 18. | Fairness Opinion Report dated March 28, 2023 issued by SEBI registered independent Merchant Banker viz. Fortress Capital Management Services Pvt. Ltd. in respect of Non-Convertible Debentures of TCFSL, enclosed as Annexure 16 . | 175 - 180 |
| 19. | Fairness Opinion Report dated March 28, 2023 issued by SEBI registered independent Merchant Banker viz. Saffron Capital Advisors Private Limited in respect of Equity Shares of TCCL enclosed as Annexure 17 . | 181 - 185 |
| 20. | Fairness Opinion Report dated March 28, 2023 issued by SEBI registered independent Merchant Banker viz. Saffron Capital Advisors Private Limited in respect of Non-Convertible Debentures of TCCL enclosed as Annexure 18 . | 186 - 189 |
| 21. | Audited financial results of TCFSL, TCCL and TCL as on March 31, 2023 are enclosed as Annexures 19A, 19B and 19C respectively. | 190 - 230 |

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

CA (CAA)/178/MB-IV/2023

Form No. CAA. 2

[Pursuant to Section 230(3) of the Companies Act, 2013 and
Rule 6 and 7 of the Companies (Compromises, Arrangements and
Amalgamations) Rules, 2016]

In the matter of the Companies Act, 2013

AND

In the matter of Sections 230 to 232 read with Section 66 of
the Companies Act, 2013 and Rules made there under and
other applicable provisions of the Companies Act, 2013

AND

In the matter of Scheme of Arrangement amongst
Tata Capital Financial Services Limited ("**TCFSL**" or
Transferor Company 1") and Tata Cleantech Capital
Limited ("**TCCL**" or "**Transferor Company 2**") with Tata
Capital Limited ("**TCL**" or "**Transferee Company**") and
their respective shareholders ("**the Scheme**" / "**Scheme of
Arrangement**").

TATA CAPITAL LIMITED,)
CIN: U65990MH1991PLC060670)
is a public limited company incorporated under the Companies)
Act, 1956 having, its registered office at 11th Floor, Tower A,)
Peninsula Business Park, Ganpatrao Kadam Marg, Lower)
Parel, Mumbai 400013, Maharashtra, India.)...Third Applicant Company/ Transferee Company

NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS OF TATA CAPITAL LIMITED

To,
**The Equity Shareholders of
Tata Capital Limited**

NOTICE is hereby given that by an order dated August 2, 2023 (the "**Order**") in the abovementioned Company Application, the Mumbai Bench of the Hon'ble NCLT has directed *inter alia*, a meeting to be held on Friday, September 15, 2023 through Video-Conferencing or Other Audio-Visual Means ("**VC/OAVM**") of the Equity Shareholders of Tata Capital Limited, for the purpose of considering, and if thought fit, approving with or without modification, the Scheme of Arrangement amongst Tata Capital Financial Services Limited and Tata Cleantech Capital Limited with the Company and their respective shareholders under the provisions of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 ("**Act**") and other applicable provisions of the Act.

In pursuance of the said Order and as directed therein, further Notice is hereby given that the said meeting of the Equity Shareholders of the Company ("**Tribunal Convened Meeting**" or "**Meeting**") will be convened and held through VC/OAVM in compliance with Secretarial Standard-2 ("**SS-2**"), the applicable provisions of the Act and circulars thereunder, on Friday, September 15, 2023 at 11:00 a.m. (IST), at which date and time, the Equity Shareholders of the Company are requested to attend through VC/OAVM.

A copy of the Scheme, the Explanatory Statement under Section 102, Sections 230 to 232 and other applicable provisions of the Act and Rule 6 of the Merger Rules, along with the enclosures as indicated in the index, are enclosed. The Notice of this Meeting, together with the documents accompanying the same, is being sent through email to Equity Shareholders whose e-mail addresses are registered/ available with the Company / Registrar and Transfer Agent / Depository Participant / Depositories as on August 4, 2023 and the physical copies will be provided to those Equity Shareholders who request for the same. A copy of this Notice and the accompanying documents, including the Scheme, will be hosted on the website of the Company at www.tatacapital.com, the website of National Securities Depository Limited at www.evoting.nsdl.com being the Depository appointed by the Company to provide remote e-voting /e-voting and other facilities for the Meeting and the website of National Stock Exchange of India Limited ("NSE") at www.nseindia.com.

A copy of the Scheme along with the Explanatory Statement can be obtained free of charge, from the date of dispatch of Notice upto the date of the Meeting on any day (except Saturday, Sunday and public holidays) during business hours from the Registered Office of the Company or by sending a request, along with details of your shareholding in the Company, by e-mail at investors@tatacapital.com.

As per the directions of the Hon'ble NCLT, Ms. Varsha Purandare, Independent Director and Chairperson of the Audit Committee of the Company has been appointed as the Chairperson of the Meeting including for any adjournments thereof. The Hon'ble NCLT has appointed Mr. P.N. Parikh (Membership No. FCS 327 and CP No. 1228), failing him, Ms. Jigyasa Ved (Membership No. FCS 6488 and CP No. 6018), failing her, Mr. Mitesh Dhaliwala (Membership No. FCS 8331 and CP No. 9511) of M/s. Parikh and Associates, Practicing Company Secretaries as Scrutinizer for the Meeting, including any adjournments thereof, to scrutinize the process of remote e-voting prior to the Meeting as well as e-voting during the Meeting, to ensure that it is fair and transparent. The Scheme, if approved at the Meeting, will be subject to the subsequent approval of the Hon'ble NCLT and such other approvals, permission and sanctions of regulatory or other authorities, as may be necessary and as contemplated in the Scheme.

TAKE NOTICE that in accordance with the Orders and provisions of Section 108 and other applicable provisions of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Company has engaged the services of NSDL for the purpose of providing facility of e-voting for the Meeting.

Accordingly, voting by Equity Shareholders of the Company shall be carried out through (a) remote e-voting prior to the Meeting and (b) e-voting during the meeting.

TAKE FURTHER NOTICE that the Equity Shareholders shall have the facility and option of voting during the Meeting and in addition to the same, the Equity Shareholders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes through remote e-voting prior to the Meeting during the period commencing from 9:00 a.m. (IST) on September 12, 2023 and ending at 5:00 p.m. (IST) on September 14, 2023. The voting rights of Equity Shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on September 8, 2023, being the cut-off date ("**Cut-off Date**"). A person whose name is recorded in the Register of Members maintained by the Company or in the Register of Beneficial Owners maintained by Depositories as on the Cut-off Date only, shall be entitled to vote on the proposed resolution. A person who is not an Equity Shareholder as on the Cut-off Date, should treat the Notice for information purpose only. The Equity Shareholders opting to cast their votes by remote e-voting or e-voting during the Meeting are requested to read the instructions in the Notes of this Notice for further details on remote e-voting and e-voting during the Meeting.

TAKE FURTHER NOTICE that in pursuance of Sections 112 and 113 of the Act read with Rule 10 of the Merger Rules, where a body corporate is a member, authorized representatives of the body corporate may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided an authority letter/power of attorney by the Board of Directors or a certified true copy of the resolution passed by its Board of Directors or other governing body of such corporate authorizing such person to attend and vote through remote e-voting or e-voting during the Meeting as its representative, is emailed to the Scrutinizer at cs@parikhassociates.com and to the Company at investors@tatacapital.com not later than 48 (forty eight) hours before the time scheduled for holding the Meeting.

The Equity Shareholders are requested to consider, and if thought fit pass, with or without modification(s), the following Resolutions with requisite majority:

"RESOLVED THAT in terms of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the rules, circulars and notifications made thereunder as may be applicable, and relevant provisions of other applicable laws, the provisions of the Memorandum of Association and Articles of Association of the Company, and subject to the approval of the Hon'ble National Company Law Tribunal, (**hereinafter referred to as "Hon'ble Tribunal" / "NCLT"**) and/or such other forum or authority as may be vested with the appellate jurisdiction in this regard and such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by the Board to exercise its powers including the powers conferred by this Resolution) the proposed Scheme of Arrangement amongst Tata Capital Financial Services Limited ("**TCFSL**" or "**Transferor Company 1**") and Tata Cleantech Capital Limited ("**TCCL**" or "**Transferor Company 2**") with the Company ("**Transferee Company**") and their respective shareholders ("**the Scheme**"), as per the draft enclosed with this Notice, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem desirable, appropriate or necessary, to give effect to this Resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, at any time and for any reason whatsoever, which may be required and/or imposed by the Hon'ble Tribunal or its Appellate Authority(ies) while sanctioning the arrangement embodied in the Scheme or by any regulatory or statutory authority(ies), or as may be required for the purpose of resolving any doubts or difficulties that may arise including passing

such accounting entries or making adjustments in the books of accounts of the Company as considered necessary, while giving effect to the Scheme, as the Board may deem fit and proper, without being required to seek any further approval of the Equity Shareholders and the Equity Shareholders shall be deemed to have given their approval thereto expressly by authority under this Resolution.

RESOLVED FURTHER THAT the Board may delegate all or any of its powers herein conferred to any Director(s) and / or officer(s) and / or employee(s) of the Company, to give effect to this Resolution, if required, as it may in its absolute discretion deem fit, necessary or desirable, without any further approval from the Equity Shareholders of the Company.”

Sd/-
Varsha Purandare
DIN: 05288076
Chairperson appointed for the Meeting

Date: August 7, 2023
Place: Mumbai

Registered Office:

11th Floor, Tower A, Peninsula Business Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai 400013, Maharashtra, India.
Tel: +91 22 6606 9000
CIN: U65990MH1991PLC060670

NOTES:


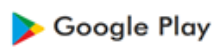


1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated August 2, 2023, the Meeting of the Equity Shareholders of the Transferee Company is being conducted through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") facility to transact the business set out in the Notice convening this Meeting. The Meeting will be conducted in compliance with the provisions of the Act, SS-2 and the requirements prescribed by various circulars issued by the Ministry of Corporate Affairs for holding general meetings through VC / OAVM and providing facility of e-voting ("MCA Circulars"). Accordingly, the meeting of the Equity Shareholders of the Company will be convened on Friday, September 15, 2023, at 11:00 a.m. (IST), through VC/OAVM, for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme. In accordance with the MCA circulars the deemed venue of the Meeting shall be Registered Office of the Company.
2. The Statement pursuant to Sections 102, 230 to 232 of the Act read with other applicable provisions of the Act, and Rule 6 of the Merger Rules is annexed to this Notice.
3. As per the directions provided in the Order of the Hon'ble NCLT, and in compliance with the MCA Circulars, the Notice of the Meeting and the accompanying documents mentioned in the Index are being sent ONLY through electronic mode via e-mail to those Equity Shareholders whose e-mail addresses are registered with the Company / Registrar and Transfer Agent / Depository Participant(s) ("DP") / Depositories as on August 4, 2023. Physical copy of this Notice alongwith accompanying documents will be sent to those Equity Shareholders who request for the same.
4. The Notice convening the Meeting will be published through advertisement in (i) Business Standard in English language and (ii) Navshakti in Marathi language having wide circulation in Maharashtra i.e., the state where the Registered Office of the Company is situated, indicating the day, date, place and time of the Meeting and stating that the copy of the Scheme, the Notice and the Explanatory Statement required to be furnished pursuant to Section 102 read with Sections 230 to 232 of the Act read with Rule 11 of the Merger Rules can be obtained free of charge by sending a request to the Company at investors@tatacapital.com.
5. The Equity Shareholders may note that the aforesaid documents are also available on the website of the Company at www.tatacapital.com, on the website of NSE at www.nseindia.com and on the website of NSDL at www.evoting.nsdl.com.
6. Facility to join the Meeting shall be opened thirty minutes before the scheduled time of the Meeting. The Members will be able to view the live proceedings of the Meeting on the NSDL's e-voting website at www.evoting.nsdl.com. The facility of participation at the Meeting through VC/OAVM will be made available to Members on a first come first served basis as per MCA Circulars.
7. Pursuant to the provisions of the Act, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote at the meeting on his/her behalf and the proxy need not be a member of the company. Since this meeting is being held through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available and hence the proxy form, route map and attendance slip are not annexed to this Notice.

8. In accordance with the requirements of Sections 112 and 113 of the Act read with Rule 10 of the Merger Rules, where a body corporate is a member, authorized representative of the body corporate may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided an authority letter/power of attorney by the Board of Directors or a certified true copy of the resolution passed by its Board of Directors or other governing body of such corporate authorizing such person to attend and vote at the Meeting as its representative, is emailed to the Scrutinizer at cs@parikhassociates.com with a copy marked to the Company at investors@tatacapital.com not later than 48 (forty-eight) hours before the time scheduled for holding the Meeting.
9. The attendance of the Equity Shareholders joining the Meeting through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act. Further, in terms of the Order, in case the required quorum for the Meeting is not present at the commencement of the Meeting, then the Meeting shall be adjourned by 30 (thirty) minutes and thereafter, the Equity Shareholders present shall be deemed to constitute the quorum.
10. Equity Shareholders shall have the option to vote electronically ("e-voting") either before the Meeting ("remote e-voting") or during the Meeting. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (e-voting) Rules, 2014 and any amendments thereto, MCA Circulars and in accordance with the regulatory requirements or as prescribed by the Hon'ble NCLT, the facility for remote e-voting and e-voting during the Meeting in respect of the business to be transacted at the Meeting is being provided by the Company through NSDL. Necessary arrangements have been made by the Company with NSDL to facilitate remote e-voting and e-voting during the Meeting.
11. Voting rights shall be reckoned on the paid-up value of the equity shares registered in the name of the Members/list of Beneficial Owners maintained by the Depositories as on the Cut-off Date.
12. ONLY a person, whose name is recorded in the Register of Members maintained by the Company / Registrar and Transfer Agents or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date (i.e. September 8, 2023) shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an Equity Shareholder as on the Cut-off Date should treat the Notice for information purpose only.
13. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the Meeting.
14. It is clarified that casting of votes by remote e-voting (prior to the Meeting) does not disentitle Members from attending the Meeting. However, after exercising right to vote through remote e-voting prior to the Meeting, a Member shall not vote again at the Meeting. In case the shareholders cast their vote via both the modes i.e. remote e-voting prior to the Meeting as well as e-voting during the Meeting, then voting done through remote e-voting before the Meeting shall prevail once the vote on a resolution is cast by the shareholder, whether partially or otherwise. The shareholder shall not be allowed to change it subsequently.
15. **Instructions for e-voting and joining the Meeting through VC / OAVM are, as under:**
 - A. **Process and manner for Members voting through Electronic means**
 - (i) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means in respect of the business set out in the Notice. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the meeting will be provided by NSDL. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date of September 8, 2023, shall be entitled to avail the facility of remote e-voting as well as e-voting at the Meeting. Any recipient of the Notice who has no voting rights as on the Cut-off Date, shall treat this Notice as intimation only.
 - (ii) A person who has acquired the equity shares and has become a Member of the Company after the dispatch of the Notice and prior to the Cut-off Date i.e. September 8, 2023, shall be entitled to exercise his/her vote electronically i.e. remote e-voting by following the procedure mentioned in this part.
 - (iii) The facility of voting through electronic means would also be made available at the Meeting and the Members present in the meeting through VC/OAVM facility who have not already cast their votes by remote e-voting shall be able to exercise their right of voting through e-voting system during the Meeting. The Members who have already cast their vote by remote e-voting prior to the Meeting, may also attend/participate in the Meeting through VC/OAVM but shall not be entitled to cast their vote again.
 - (iv) The remote e-voting module on the day of the Meeting shall be disabled by NSDL for voting, 15 minutes after the conclusion of the Meeting.
 - (v) The procedure and instructions for remote e-voting and joining the Meeting on NSDL e-voting System are, as follows:

Step 1: Access to NSDL e-Voting system

I. Login method for e-Voting and joining virtual meeting for Individual shareholders holding shares in demat mode

- a) In terms of SEBI Circular dated December 9, 2020 on e-voting facility, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are accordingly, advised to update their mobile number and email id in their demat accounts in order to access the e-voting facility.
- b) Login method for Individual shareholders holding shares in demat mode is given below:

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding shares in demat mode with NSDL. | <ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-Voting” under e-voting services and you will be able to see e-voting page. Click on options available against the Company name or “e-voting service provider - NSDL” and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp. 3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on options available against the Company name or “e-voting service provider - NSDL” and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>   </div> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> |

| | |
|---|--|
| <p>Individual Shareholders holding shares in demat mode with Central Depository Services (India) Limited (“CDSL”)</p> | <ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| <p>Individual Shareholders (holding shares in demat mode) login through their Depository Participants</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once you login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL depository site after successful authentication, wherein you can see e-voting feature. Click on options available against the Company name or “e-Voting service provider-NSDL” and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p> |

Important note:

Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

- c) Helpdesk for Individual shareholders holding shares in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|---|---|
| <p>Individual Shareholders holding shares in demat mode with NSDL</p> | <p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call on: 022-48867000 / 022-24997000</p> |
| <p>Individual Shareholders holding shares in demat mode with CDSL</p> | <p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33</p> |

II. Login Method for e-voting for shareholders other than Individuals viz. Institutions and Corporate shareholders holding shares in demat mode and for shareholders holding shares in physical mode

- a) Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- b) Once the home page of e-voting system is launched, click on the icon “Login” which is available under “Shareholders /Member/Creditors” section.
- c) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

d) Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| For Members who hold shares in demat account with NSDL | 8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| For Members who hold shares in demat account with CDSL | 16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****. |
| For Members holding shares in Physical Form | EVEN Number followed by Folio Number registered with the company For example, if Folio number is 001*** and EVEN is 101456 then user ID is 101456001***. |

e) Details of Password for shareholders other than Individual shareholders are, given below:

- If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-voting system for the first time, you will need to retrieve the “initial password” which was communicated to you. Once you retrieve your “initial password”, you need to enter the “initial password” and the system will force you to change your password.
- How to retrieve your “initial password”?
 - I. If your email ID is registered in your demat account or with the Company, your “initial password” is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or Folio number for shares held in physical form. The pdf file contains your “User ID” and your “initial password”.
 - II. If your email ID is not registered, please follow steps mentioned below in Point No. B - Process for those shareholders whose email ids are not registered.

f) If you are unable to retrieve or have not received the “initial password” or have forgotten your password:

- Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- “Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/Folio number, your PAN, your name and your registered address.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

g) After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

h) Click on “Login” button.

i) After you click on the “Login” button, Home page of e-voting will open.

Step 2 - Cast your vote electronically and Join the MEETING on NSDL e-voting system

- a) After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
- b) Select “EVEN” of the Company for which you wish to cast your vote during the remote e-voting period or for casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
- c) Now you are ready for e-voting as the Voting page opens.

- d) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- e) Upon confirmation, the message “Vote cast successfully” will be displayed.
- f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- g) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

B. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this Notice:

- (i) If you are a Shareholder holding shares in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by an email to investors@tatacapital.com.
- (ii) If you are a Non- Individual Shareholder viz. Institutions and Corporate Shareholders holding shares in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by an email to investors@tatacapital.com.
- (iii) Alternatively shareholder/members may also send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- (iv) If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (I) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding shares in demat mode.

C. Instructions for Members for attending the meeting through VC / OAVM

- (i) Member will be provided with a facility to attend the Meeting through VC/OAVM through the NSDL e-voting system. Members may access the same by following the steps mentioned above for “Access to NSDL e-voting system”. After successful login, you can see link of “VC/OAVM link” placed under “Join Meeting” menu against the Company name. You are requested to click on VC/OAVM link placed under “Join Meeting” menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned above in the Notice to avoid last minute rush.
- (ii) Members can participate in meeting through Laptop / Desktop / Mobile devices, however, for better experience and smooth participation, it is advisable to join the Meeting through Laptops connected through broadband. Further, the Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting. Please note that Participants connecting from Mobile devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- (iii) Members who would like to express their views or ask questions during the Meeting may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio Number, PAN, Mobile number at investors@tatacapital.com between September 5, 2023 (9:00 a.m.) to September 7, 2023 (5:00 p.m.). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Meeting.

D. General Information for the Members

- (i) Any person holding shares in physical form and non-individual shareholder, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the Cut-off Date i.e. September 8, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or at investors@tatacapital.com. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on 022-48867000 / 022-24997000. In case of Individual Shareholder holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of September 8, 2023 may follow steps mentioned in the Notice of this Meeting under “Access to NSDL e-Voting system”.

- (ii) It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

Sd/-

Varsha Purandare

DIN: 05288076

Chairperson appointed for the Meeting

Date: August 7, 2023

Place: Mumbai

Registered Office:

11th Floor, Tower A, Peninsula Business Park,

Ganpatrao Kadam Marg, Lower Parel,

Mumbai 400013, Maharashtra, India.

Tel: +91 22 6606 9000

CIN: U65990MH1991PLC060670

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

CA (CAA)/178/MB-IV/2023

In the matter of the Companies Act, 2013

AND

In the matter of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and Rules made there under and other applicable provisions of the Companies Act, 2013

AND

In the matter of Scheme of Arrangement amongst Tata Capital Financial Services Limited ("**TCFSL**" or "**Transferor Company 1**") and Tata Cleantech Capital Limited ("**TCCL**" or "**Transferor Company 2**") with Tata Capital Limited ("**TCL**" or "**Transferee Company**") and their respective shareholders ("**the Scheme**" / "**Scheme of Arrangement**").

TATA CAPITAL LIMITED,)
 CIN: U65990MH1991PLC060670)
 is a public limited company incorporated under the Companies)
 Act, 1956 having its registered office at 11th Floor, Tower A,)
 Peninsula Business Park, Ganpatrao Kadam Marg, Lower)
 Parel, Mumbai 400013, Maharashtra, India.)...Third Applicant Company/ Transferee Company

EXPLANATORY STATEMENT UNDER SECTIONS 230 TO 232 AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 AND OTHER APPLICABLE LAWS

I. Meeting for the Scheme:

This is a Statement accompanying the Notice convening the meeting of the Equity Shareholders of Tata Capital Limited as per the directions given by the Hon'ble NCLT vide its Order dated August 2, 2023 passed in the Company Scheme Application No. CA (CAA)/178/MB-IV/2023. The Meeting is scheduled to be held on Friday, September 15, 2023 at 11:00 a.m. (IST), through VC/OAVM for the purpose of considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement amongst Tata Capital Financial Services Limited ("**TCFSL**" or "**Transferor Company 1**") and Tata Cleantech Capital Limited ("**TCCL**" or "**Transferor Company 2**") with Tata Capital Limited ("**TCL**" or "**Transferee Company**") and their respective shareholders ("**Scheme**") under the provisions of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 ("**Act**") and other applicable provisions.

The Equity Shareholders of the Company would be entitled to vote by remote e-voting prior to the Meeting or by e-voting during the Meeting. The quorum of the Meeting shall be as per Section 103 of the Act present through VC / OAVM.

In terms of the said Order, the Hon'ble NCLT has appointed Ms. Varsha Purandare, Independent Director and Chairperson of the Audit Committee of the Company as the Chairperson of the Meeting and Mr. P.N. Parikh (Membership No. FCS 327 and CP No. 1228), failing him, Ms. Jigyasa Ved (Membership No. FCS 6488 and CP No. 6018), failing her Mr. Mitesh Dhaliwala (Membership No. FCS 8331 and CP No. 9511) of M/s. Parikh and Associates, Practicing Company Secretaries as the Scrutinizer of the Meeting.

The Scheme provides for:

- (i) The amalgamation of TCFSL into the Transferee Company, the dissolution of TCFSL without winding up and the consequent cancellation of the equity shares held by the Transferee Company in TCFSL, in accordance with this Scheme;
- (ii) The amalgamation of TCCL into the Transferee Company, the dissolution of TCCL without winding up and the consequent cancellation of all the equity shares held by the Transferee Company in TCCL which shall be affected as a part of the Scheme and issue of New Shares, as provided in Clause 14 of the Scheme, to the Eligible Members (as provided in the Scheme) (other than the Transferee Company) as per the approved valuation report, in accordance with Part II of the Scheme; and
- (iii) Upon the Scheme becoming effective, the securities premium available with the Transferee Company i.e., after consolidation of the securities premium of the Transferor Companies with the Transferee Company on account of amalgamation, would be reduced against the negative balance in the capital reserve (arising on amalgamation). This consequential capital reduction of the Transferee Company shall be effected as an integral part of this Scheme itself and not under a separate procedure, in terms of Section 52(1) read with Section 66 of the Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act, or any other applicable provisions, confirming the reduction.

A copy of the Scheme is enclosed as **Annexure 1**.

II. **Need, Rationale and Benefits of the Scheme of Arrangement:**

TCL, being a Core Investment Company (“CIC”), has four Indian subsidiary companies viz. TCFSL, Tata Capital Housing Finance Limited (“TCHFL”), TCCL and Tata Securities Limited (“TSL”). TCFSL, TCHFL and TCCL are primarily engaged in the business of lending. TCFSL and TCCL are registered with the RBI as a Non-Banking Financial Companies (“NBFC”) and TCHFL is registered with National Housing Bank as a Housing Finance Company. TSL is currently engaged in the business of distribution of Mutual Fund units in the capacity of an AMFI registered distributor. Each of the entities cater to distinct segments and offer different products. It is now proposed to consolidate the businesses of TCFSL and TCCL at the TCL level, for creation of a larger unified entity and, to that extent, reduce the number of registered replace with NBFCs within the Tata Capital Group to achieve optimal and efficient utilization of capital, enhance operational and management efficiencies and have a simplified organizational structure.

Thus, the amalgamation of the Transferor companies with the Transferee Company pursuant to this Scheme would, *inter-alia*, have the following benefits:

- (i) Consolidation of businesses would help in achieving simplified organizational structure, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale;
- (ii) Lead to the creation of a larger unified entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively;
- (iii) Reduction in the number of NBFCs within the group, resulting in lesser overheads including administrative, managerial, and other expenditure, optimal utilization of resources, and provide a common governance structure;
- (iv) Consolidation of the businesses carried on by them is strategic in nature and will generate significant business synergies thereby enhancing stakeholders’ value;
- (v) The Companies have a proven track record in the respective businesses of credit and consolidating those will lead to pooling of knowledge and expertise and align with the business plans which will enable the group to meet its long-term objectives;
- (vi) Greater financial strength and flexibility for the merged entity.

III. **Details as per Rule 6(3) of the Merger Rules:**

- (a) Details of the NCLT order which directs the calling, convening and conducting of the Meeting:

Please refer to Paragraph No. I of this Explanatory Statement for date of the Order and the date, time and venue of the Tribunal Convened Meeting.

- (b) Details of Companies involved in the Scheme of Arrangement:

A. **Tata Capital Limited**

| | |
|--|---|
| Date of Incorporation | March 08, 1991 |
| Corporate Identification Number | U65990MH1991PLC060670 |
| Permanent Account Number | AADCP9147P |
| Type of Company | Public Limited Company |
| Registered Office | 11 th floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013 |
| Email Address | investors@tatacapital.com |
| Name of the stock exchange(s) where securities of the Company are listed | The Non-Convertible Debentures and Commercial Papers of TCL are listed on National Stock Exchange of India Limited (“NSE”). |

B. **Tata Capital Financial Services Limited**

| | |
|--|--|
| Date of Incorporation | November 19, 2010 |
| Corporate Identification Number | U67100MH2010PLC210201 |
| Permanent Account Number | AADCT6631L |
| Type of Company | Public Limited Company |
| Registered Office | 11 th floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013 |
| Name of the stock exchange(s) where securities of the Company are listed | The Non-Convertible Debentures and Commercial Papers of TCFSL are listed on NSE and BSE Limited. |

C. Tata Cleantech Capital Limited

| | |
|--|---|
| Date of Incorporation | September 27, 2011 |
| Corporate Identification Number | U65923MH2011PLC222430 |
| Permanent Account Number | AAECT0148D |
| Type of Company | Public Limited Company |
| Registered Office | 11 th floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai, Maharashtra - 400013 |
| Name of the stock exchange(s) where securities of the Company are listed | The Non-Convertible Debentures and Commercial Papers of TCCL are listed on NSE. |

(c) Other particulars of **TCL or the Company** as per Rule 6(3) of the Merger Rules:

(i) Summary of the main objects as per the Memorandum of Association and main business carried on by TCL:

TCL is registered with the RBI as a Systemically Important Core Investment Company (“**CIC-ND-SI**”). TCL has also been classified as a Middle Layer NBFC (“**NBFC-ML**”), as per the Scale Based Regulations of RBI. TCL is a holding company, holding investments in its subsidiaries and other group companies.

The extracts of main objects of TCL as per the Memorandum of Association have been reproduced below for the perusal of the Equity Shareholders:

“(A) THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:-

- To carry on the business of a leasing company, hire purchase company and finance company and to undertake and or arrange or syndicate all types of business relating to financing of consumers, individuals, industry or corporates, for all kinds of vehicles, aircrafts, ships, machinery, plants, two-wheelers, tractors and other farm equipments, consumer durables, equipment, renewable energy equipment/infrastructure, construction equipment, housing equipment, capital equipment, office equipment, their spares and components, real estate, infrastructure work or activity, including used/refurbished products, as also services of every kind and description, computers, storage tanks, toll roads, communication satellites, communication lines, factories, rolling stock, moveable and immovable property, to engage in all forms of securitisation, installment sale and/or deferred sale relating to goods or materials, to purchase the book debts and receivables of companies and to lend or give credit against the same, to undertake real estate business, to borrow, to transact business as promoters, financiers, monetary agents, to carry out the business of a company established with the object of financing industrial enterprises and to arrange or provide financial and other facilities independently or in association with any person, Government, Financial Institutions, Banks, Industrial Companies or any other agency, in the form of lending or advancing money by way of loan, working capital finance, refinance, project finance or in any other form, whether with or without security, to institutions, bodies corporate, firms, associations, societies, trusts, authorities, industrial enterprises and to arrange or provide facilities for the purposes of infrastructure development work or for providing infrastructure facilities or engaging in activities and to raise and provide venture capital and promote or finance the promotion of joint stock companies, to invest in, to underwrite, to manage the issue of, and to trade in their shares or other securities.*
- To promote the formation and mobilization of capital, to manage capital, savings and investment, to act as a discount and acceptance house and purchase, finance, re-finance, co-accept, discount and re-discount bills of exchange(s) or any other kind of trade or financial bills or credit instruments, to act as or carry on the business of consultants, advisers, managers, experts and technical collaborators in matters pertaining to, without prejudice to the generality of the foregoing, portfolio management services, syndication of loans, counselling and tie-up for project and working capital, finance, syndication of financial arrangements whether in domestic or international markets, mergers and amalgamations, asset reconstruction or recovery, wealth management, infrastructure finance, corporate re-structuring, corporate planning & strategic planning, foreign currency lending or borrowing, project planning and feasibility, investment counselling, setting up of joint ventures, finances, management, marketing of financial and money market instruments and products, prospecting and projecting of businesses and valuation of undertakings, business concerns, assets, concessions, properties or rights or any other business area and to employ experts for any of these purposes and to promote or act as Investment Bankers, Merchant Bankers, Portfolio Investment Managers, Lead Managers or Co-Managers, Market Makers, Book Runners and further perform any other kind of role as an Intermediary or Advisor in the Securities Market.*
- To render services as brokers, commission agents, importers and exporters, and to act as trustees, executors, administrators, managers, agents or attorney, to carry on the business of retail and institutional distribution of the schemes of the Mutual Funds or any other financial products issued by Banks, Mutual Funds or any*

financial intermediary, to contract for, and negotiate and issue and participate in funding any public and private loans and advances, underwriting contracts, mortgages, equity participation, cash credits, overdrafts and other financial facilities.

- 3A. To act as money changers, brokers, dealers, agents, buyers and sellers of all foreign exchange in the form of currencies, travellers' cheques, cards (pre-paid, credit or debit), bonds, notes instruments, papers, documents, subject to the approval of the Reserve Bank of India and other competent authorities, wherever, necessary; to take positions, hold and trade on the movement of foreign currencies on behalf of customers or otherwise, to hold, operate and transact in foreign currencies and/or exchange by maintaining foreign currency bank accounts or otherwise, and to issue or act as agents for travellers' cheques, cards (pre-paid, credit or debit), phone cards and all instruments in any currency, subject to all rules, regulations and approvals as may be necessary and to deal in documents related to import or export trade, payables or receivables or securities either within or outside India; to engage in the foreign exchange money changing business, money transfer services in foreign exchange, either in the form of foreign currency notes / coins or travellers' cheques, cards (pre-paid, credit or debit) or any other negotiable instruments to or from India or abroad; to deal in currency or exchange options, swaps, futures, in foreign or Indian currencies in direct or derivative forms in India or abroad on the Company's own behalf or on behalf of its clients; to manage, acquire, hold, exchange, dispose of monies, foreign exchange, investments, funds, pools relating to and/or emanating from India or elsewhere on its own behalf or on behalf of its clients, customers, dealers, brokers, agents, trusts, funds, Government or other bodies; to do the business of broking in exchange, currencies.
- 3B. To set-up, promote and / or acquire company or companies for the purpose of carrying on the business of asset management and / or investment management for mutual funds, including offshore mutual funds, investment pools and other persons or bodies of persons, whether incorporated or not, and activities related thereto and to act as sponsor or co-sponsors and to undertake financial and commercial obligations required to constitute and / or settle any trust or any other undertaking in order to establish any mutual fund or trust in and / or outside India, subject to the requisite approvals of the concerned Statutory Authorities, with a view to issue units, stocks, securities, certificates or other documents, based on or representing any or all assets appropriated for the purposes of any such trust or any other investment vehicle and to hold or dispose of any such units, stocks, securities, certificates or other documents to settle and regulate any such trust or any other investment vehicle."

- (ii) Details of change of name, registered office and objects of the Company during the last 5 (five) years:
- Change of Name: There has been no change in the name during the last 5 (five) years.
 - Change of Registered Office: There has been no change of Registered Office address during the last 5 (five) years.
 - Change of Objects: There has been no change in the objects as listed in the Memorandum of Association of the Company during the last 5 (five) years.
- (iii) Details of the capital structure of the Company including authorized, issued, subscribed and paid-up share capital:
- The share capital structure of the Company as on March 31, 2023:

| Particulars | Amount in Rupees |
|--|------------------------|
| Authorised Capital | |
| 4,75,00,00,000 Equity shares of Rs. 10 each | 47,50,00,00,000 |
| 3,25,00,00,000 Preference shares of Rs. 1,000 each | 32,50,00,00,000 |
| Total | 80,00,00,00,000 |
| Issued, Subscribed and Paid-up | |
| 3,56,01,19,841 Equity shares of Rs. 10 each | 35,60,11,98,410 |
| 1,06,97,250 Cumulative Redeemable Preference Share of Rs. 1,000 each | 10,69,72,50,000 |
| Total | 46,29,84,48,410 |

- (iv) Details of promoters and directors of the Company along with their addresses:
- Details of Promoters of TCL are as follows:

| Sr. No. | Name of Promoter | Address |
|---------|---------------------------|--|
| 1. | Tata Sons Private Limited | Bombay House, 24, Homi Mody Street, Fort, Mumbai - 400 001 |

- b. Details of Directors of TCL are as follows:

| Sr. No. | Name of the Director | Designation | Address |
|---------|------------------------|----------------------------------|--|
| 1. | Mr. Saurabh Agrawal | Chairman, Non-Executive Director | 2103, Artesia Building, Hind Cycle Marg, Worli, Mumbai - 400 030 |
| 2. | Mr. F N Subedar | Non-Executive Director | 1, Wadia Building, 6 Babulnath Road, Mumbai - 400 007 |
| 3. | Ms. Varsha Purandare | Independent Director | Flat No. 906, Building A, Yuthika Society, Sr. No. 89, Veerbhadra Nagar, Baner, Pune - 411 045 |
| 4. | Ms. Malvika Sinha | Independent Director | 104 Chitrakoot, Altamount Road, Mumbai - 400 026 |
| 5. | Mr. Mathew Cyriac | Independent Director | 11-B, Madhuban, 8 Jagannath Bhosale Marg, Nariman Point Mumbai - 400 021 |
| 6. | Mr. V S Radhakrishnan | Independent Director | Flat No. 1908, The Imperial, North Tower, B B. Nahashe Marg, Tardeo, Mumbai - 400 034 |
| 7. | Ms. Aarthi Subramanian | Non-Executive Director | No. 21D, 54 th Street, 9 th Avenue, Ashok Nagar, Chennai - 600 083 |
| 8. | Mr. Rajiv Sabharwal | Managing Director & CEO | C - 183, Kalpataru Sparkle, N. Dharmadhikari Road, Gandhinagar, Bandra East, Mumbai - 400 051 |

- (v) Details of the date of the Board Meeting of the Company at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Board of Directors of the Company approved the Scheme at its Meeting held on March 28, 2023. Details of the manner in which the Directors of the Company voted at its meeting are as follows:

| Sr. No. | Name of the Director | Voted in favour/ against/ abstained |
|---------|------------------------|-------------------------------------|
| 1. | Mr. Saurabh Agrawal | In favour |
| 2. | Mr. F N Subedar | In favour |
| 3. | Ms. Varsha Purandare | In favour |
| 4. | Ms. Malvika Sinha | In favour |
| 5. | Ms. Aarthi Subramanian | In favour |
| 6. | Mr. Rajiv Sabharwal | In favour |

The details of the shareholding of the Directors and Key Managerial Personnel of the Company on March 31, 2023 is as follows:

| Sr. No. | Name | Designation | Number of shares held in TCL |
|---------|-------------------|---|------------------------------|
| 1. | Mr. F N Subedar | Non-Executive Director | 2,46,783 |
| 2. | Mr. Rakesh Bhatia | Chief Financial Officer | 50,777 |
| 3. | Ms. Sarita Kamath | Head - Legal & Compliance and Company Secretary | 53,994 |

- (vi) Disclosure about the effect of the Scheme on the various stakeholders of the Company:

- a. Effect on the shareholders (promoter and non-promoter), Key Managerial Personnel, Directors, Debenture holders, creditors, staff or employees:

The effect of the Scheme on the shareholders (promoter and non-promoter), Key Managerial Personnel, Directors, Debenture holders, creditors, staff or employees has been set out in the report adopted by the Board of Directors of Company pursuant to the provisions of Section 232(2)(c) of the Act which is attached as Annexure 2A to this statement.

- b. Effect on the Debenture Trustee:

The Debenture Trustee appointed for the respective series of debentures shall continue to remain the debenture trustee and shall not be affected by the Scheme.

- c. Effect of the Depositors and Deposit Trustee: Not Applicable.

(vii) Amount due to Unsecured Creditors:

The amount due to unsecured creditors, as on March 31, 2023, is approximately ₹ 3,37,110 lakh.

(d) Other particulars of TCFSL or the Transferor Company 1 as per Rule 6(3) of the Merger Rules:

(i) Summary of the main objects as per the Memorandum of Association and main business carried on by TCFSL:

TCFSL is *inter-alia* carrying on the business of lending, leasing, factoring, hire purchase and financing. It is registered with the RBI as a Systemically Important Non-Banking Financial (“**Non-Deposit Accepting or Holding**”) Company (“**NBFC-ND-SI**”) and is categorized as an Investment & Credit Company. TCFSL has also been classified as an Upper Layer NBFC (“**NBFC-UL**”) by the RBI, vide press release dated September 30, 2022 as per the Scale Based Regulations.

The extracts of main objects of TCFSL as per the Memorandum of Association have been reproduced below:

“(A) THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:-

1. *To carry on the business of a leasing company, hire purchase company and finance company and to undertake and or arrange or syndicate all types of business relating to financing of consumers, individuals, industry or corporates, for all kinds of vehicles, aircrafts, ships, machinery, plants, two-wheelers, tractors and other farm equipments, consumer durables, equipment, renewable energy equipment/infrastructure, construction equipment, housing equipment, capital equipment, office equipment, their spares and components, real estate, infrastructure work or activity, including used/refurbished products, as also services of every kind and description, computers, storage tanks, toll roads, communication satellites, communication lines, factories, rolling stock, moveable and immoveable property, to engage in all forms of securitisation, instalment sale and/or deferred sale relating to goods or materials, to purchase the book debts and receivables of companies and to lend or give credit against the same, to undertake real estate business, to borrow, to transact business as promoters, financiers, monetary agents, to carry out the business of a company established with the object of financing industrial enterprises and to arrange or provide financial and other facilities independently or in association with any person, Government, Financial Institutions, Banks, Industrial Companies or any other agency, in the form of lending or advancing money by way of loan, working capital finance, refinance, project finance or in any other form, whether with or without security, to institutions, bodies corporate, firms, associations, societies, trusts, authorities, industrial enterprises and to arrange or provide facilities for the purposes of infrastructure development work or for providing infrastructure facilities or engaging in infrastructure activities and to raise and provide venture capital and promote or finance the promotion of joint stock companies, to invest in, to underwrite, to manage the issue of, and to trade in their shares or other securities.*
2. *To promote the formation and mobilization of capital, to manage capital, savings and investment, to act as a discount and acceptance house and purchase, finance, re-finance, co-accept, discount and re-discount bills of exchange(s) or any other kind of trade or financial bills or credit instruments, to act as or carry on the business of consultants, advisers, managers, experts and technical collaborators in matters pertaining to, without prejudice to the generality of the foregoing, portfolio management services, syndication of loans, counselling and tie-up for project and working capital, finance, syndication of financial arrangements whether in domestic or international markets, mergers and amalgamations, asset reconstruction or recovery, wealth management, infrastructure finance, corporate re-structuring, corporate planning & strategic planning, foreign currency lending or borrowing, project planning and feasibility, investment counselling, setting up of joint ventures, finances, management, marketing of financial and money market instruments and products, prospecting and projecting of businesses and valuation of undertakings, business concerns, assets, concessions, properties or rights or any other business area and to employ experts for any of these purposes and to promote or act as Investment Bankers, Merchant Bankers, Portfolio Investment Managers, Lead Managers or Co-Managers, Market Makers, Book Runners and further perform any other kind of role as an Intermediary or Advisor in the Securities Market.*
3. *To render services as brokers, commission agents, importers and exporters, and to act as trustees, executors, administrators, managers, agents or attorney, to carry on the business of retail and institutional distribution of the schemes of the Mutual Funds or any other financial products issued by Banks, Mutual Funds or any financial intermediary, to contract for, and negotiate and issue and participate in funding any public and private loans and advances, underwriting contracts, mortgages, equity participation, cash credits, overdrafts and other financial facilities.*
4. *To act as money changers, brokers, dealers, agents, buyers and sellers of all foreign exchange in the form of currencies, travellers’ cheques, cards (pre-paid, credit or debit), bonds, notes, instruments, papers, documents, subject to the approval of the Reserve Bank of India and other competent authorities, wherever necessary; to take positions, hold and trade on the movements of foreign currencies on behalf of customers or otherwise, to hold, operate and transact in foreign currencies and/or exchange by maintaining foreign currency bank accounts or otherwise, and to issue or act as agents for travellers’*

cheques, cards (pre-paid, credit or debit), phone cards and all instruments in any currency, subject to all rules, regulations and approvals as may be necessary and to deal in documents related to import or export trade, payables or receivables or securities either within or outside India; to engage in the foreign exchange money changing business, money transfer services in foreign exchange, either in the form of foreign currency notes / coins or travellers' cheques, cards (pre-paid, credit or debit) or any other negotiable instruments to or from India or abroad; to deal in currency or exchange options, swaps, futures, in foreign or Indian currencies in direct or derivative forms in India or abroad on the Company's own behalf or on behalf of its clients; to manage, acquire, hold, exchange, dispose of monies, foreign exchange, investments, funds, pools relating to and/or emanating from India or elsewhere on its own behalf or on behalf of its clients, customers, dealers, brokers, agents, trusts, funds, Government or other bodies; to do the business of broking in exchange, currencies."

- (ii) Details of change of name, registered office and objects of TCFSL during the last 5 (five) years:
- Change of Name: There has been no change in the name during the last 5 (five) years.
 - Change of Registered Office: There has been no change of Registered Office address during the last 5 (five) years.
 - Change of Objects: There has been no change in the objects as listed in the Memorandum of Association of the Company during the last 5 (five) years.

- (iii) Details of the capital structure of the TCFSL including authorized, issued, subscribed and paid-up share capital:
- The share capital structure of TCFSL as on March 31, 2023:

| Particulars | Amount in Rupees |
|---|------------------------|
| Authorised Capital | |
| 2,50,00,00,000 Equity shares of Rs. 10 each | 25,00,00,00,000 |
| 3,00,00,00,000 Preference shares of Rs. 10 each | 30,00,00,00,000 |
| Total | 55,00,00,00,000 |
| Issued, Subscribed and Paid-up | |
| 1,71,88,46,458 Equity shares of Rs. 10 each | 17,18,84,64,580 |
| Total | 17,18,84,64,580 |

- (iv) Details of promoters and directors of TCFSL along with their addresses:

- Details of Promoters of TCFSL are as follows:

| Sr. No. | Name of Promoter | Address |
|---------|----------------------|---|
| 1. | Tata Capital Limited | 11 th floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai, Maharashtra - 400013 |

- Details of Directors of TCFSL are as follows:

| Sr. No. | Name of Directors | Designation | Address |
|---------|-----------------------|------------------------|---|
| 1. | Mr. Rajiv Sabharwal* | Executive Chairman | C - 183, Kalpataru Sparkle, N. Dharmadhikari Road, Gandhinagar, Bandra East, Mumbai - 400 051 |
| 2. | Mr. F N Subedar | Non-Executive Director | 1, Wadia Building, 6 Babulnath Road, Mumbai - 400 007 |
| 3. | Ms. Varsha Purandare | Independent Director | Flat No. 906, Building A, Yuthika Society, Sr No. 89, Veerbhadra Nagar, Baner, Pune 411 045 |
| 4. | Ms. Malvika Sinha | Independent Director | 104 Chitrakoot, Altamount Road, Mumbai - 400 026 |
| 5. | Mr. V S Radhakrishnan | Independent Director | 5B, Madhuban, 8 Jagannath Bhonsle Marg, Nariman Point Mumbai - 400021 |

* Non-Executive Director appointed as an Executive Chairman of TCFSL with effect from July 18, 2023.

- (v) Details of the date of the Board Meeting of TCFSL at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Board of Directors of TCFSL approved the Scheme at its Meeting held on March 28, 2023. Details of the manner in which the Directors of TCFSL voted at its meeting are as follows:

| Sr. No. | Name of Directors | Designation | Voted in favour/ against/ abstained |
|---------|---------------------------|------------------------|-------------------------------------|
| 1. | Mr. Rajiv Sabharwal * | Non-Executive Director | In favour |
| 2. | Mr. F N Subedar | Non-Executive Director | In favour |
| 3. | Ms. Varsha Purandare | Independent Director | In favour |
| 4. | Ms. Malvika Sinha | Independent Director | In favour |
| 5. | Mr. Sarosh Kersi Amaria # | Managing Director | In favour |

* Non-Executive Director appointed as an Executive Chairman of TCFSL with effect from July 18, 2023.

Ceased to be Managing Director of TCFSL with effect from July 18, 2023.

The details of the shareholding of the Directors and Key Managerial Personnel of TCFSL on March 31, 2023 is as follows:

| Sr. No. | Name | Designation | Number of shares held in TCFSL* |
|---------|---|-------------------------|---------------------------------|
| 1. | Tata Capital Limited jointly with Mr. Rajiv Sabharwal | Non- Executive Director | 1 |
| 2. | Tata Capital Limited jointly with Mr. Sarosh Amaria | Managing Director # | 1 |

* Shares are held jointly in order to meet the minimum shareholder requirement as required under the Act.

Ceased to be the Managing Director of TCFSL with effect from July 18, 2023.

- (vi) Disclosure about the effect of the Scheme on the various stakeholders of TCFSL:
- Effect on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, creditors, staff or employees: The effect of the Scheme on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, creditors, staff or employees has been set out in the report adopted by the Board of Directors of Company pursuant to the provisions of Section 232(2)(c) of the Act which is attached as Annexure 2B to this statement.
 - Effect on the Debenture Trustee: The Debenture Trustee appointed for the respective series of debentures shall continue to remain the debenture trustee and shall not be affected by the Scheme.
 - Effect of the Depositors and Deposit Trustee: Not Applicable.

- (vii) Amount due to Unsecured Creditors:

The amount due to Unsecured Creditors, as on March 31, 2023, is approximately ₹ 13,13,280 lakhs

- (e) Other particulars of **TCCL or the Transferor Company 2** as per Rule 6(3) of the Merger Rules:

- (i) Summary of the main objects as per the Memorandum of Association and main business carried on by TCCL:

TCCL is *inter-alia* carrying on the business of providing cash flow-based finance and advisory services for projects in renewable energy, energy efficiency, waste management, water management and other infrastructure projects. It is registered with the RBI as a Systemically Important Non-Banking Financial (“**Non-Deposit Accepting or Holding**”) Company (“**NBFC-ND-SI**”) categorized as an Infrastructure Finance Company. TCCL has also been classified as a Middle Layer NBFC (“**NBFC-ML**”) by the RBI, as per the Scale Based Regulations.

The extracts of main objects of TCCL as per the Memorandum of Association have been reproduced below:

“(A) THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:-

- To carry on the business of investing, lending, leasing, hire purchase and of a finance company and to undertake and or arrange or syndicate all forms of financing in the areas of renewable energy, including without limitation to nonconventional sources such as tidalwave, wind, solar, biomass, cogen, hydro, geothermal, biological, biogas, renewable energy equipment / infrastructure, or by products derived from any such business or other renewable energy of every kind and description

and stoves, cookers, heaters, geysers, biogas plants, gas and steam turbines, boilers, generators, alternators, and other renewable energy devices and appliances of every kind and description, energy efficiency, including without limitation to energy efficiency equipment, process, infrastructure and development of urban infrastructure, water management, solid waste management, sustainable habitat, waste water treatment, water recycling including without limitation to water supply, distribution and related equipment, cleaner technologies and other areas related to sustainable environment and to arrange or provide financial and other facilities independently or in association with any person, Government, Financial Institutions, multilateral / international financial institutions, Banks, Industrial Companies or any other agency, in the form of lending or advancing money by way of loan, equity, convertible loans, working capital finance, refinance, project finance or in any other form, whether with or without security, to institutions, bodies corporate, firms, associations, societies, trusts, authorities, industrial enterprises and to arrange or provide facilities for the purposes of infrastructure development work or for providing infrastructure facilities or engaging in infrastructure activities and to raise and provide venture capital and promote or finance the promotion of joint stock companies, to invest in, to underwrite, to manage the issue of, and to trade in their shares or other securities.

2. *To promote the formation and mobilization of capital, to manage capital, savings and investment, to act as a discount and acceptance house and purchase, finance, re-finance, co-accept, discount and re-discount bills of exchange(s) or any other kind of trade or financial bills or credit instruments, to act as or carry on the business of consultants, advisers, managers, experts and technical collaborators in matters pertaining to, without prejudice to the generality of the foregoing, portfolio management services, syndication of loans, counselling and tie-up for project and working capital, finance, syndication of financial arrangements whether in domestic or international markets, mergers and amalgamations, asset reconstruction or recovery, advisors, fund managers to trust, fund vehicles, wealth management, infrastructure finance, corporate re-structuring, corporate planning & strategic planning, foreign currency lending or borrowing, project planning and feasibility, investment counselling, setting up of joint ventures, finances, management, marketing of financial and money market instruments and products, prospecting and projecting of businesses and valuation of undertakings, business concerns, assets, concessions, properties or rights or any other business area and to employ experts for any of these purposes and to promote or act as Investment Bankers, Merchant Bankers, Portfolio Investment Managers, Lead Managers or Co-Managers, Market Makers, Book Runners and further perform any other kind of role as an Intermediary or Advisor in the Securities Market in the areas of renewable energy, energy efficiency, water management, waste management, cleaner technologies and other areas related to sustainable environment.*
3. *To render services as brokers, commission agents, buy, sell, supply, exchange, market, trade and deal in renewable energy, energy efficiency, water management and instruments related to renewable energy, energy efficiency and water management in accordance with the provisions of applicable law and negotiate and issue and participate in funding any public and private loans and advances, underwriting contracts, mortgages, equity participation, cash credits, overdrafts and other financial facilities.*
4. *To set-up, promote and / or acquire company or companies or other entities for the purpose of carrying on the business of asset management and / or investment management for mutual funds, including offshore mutual funds, investment pools and other persons or bodies of persons, whether incorporated or not, and activities related thereto and to act as sponsor or co-sponsors or settlor or Investment Manager and to undertake financial and commercial obligations required to constitute and / or settle any trust or any other undertaking in order to establish any fund, mutual fund or Alternative Investment Fund or trust in and / or outside India in any of the areas of Infrastructure Projects / Sectors or infrastructural facilities and / or similar activities including but not limited to renewal energy, climate change, energy efficiency, water management or other activities which promote or relate to infrastructure development or any activities relating thereto or connected therewith, subject to the requisite approvals of the concerned Statutory Authorities, with a view to issue units, stocks, securities, certificates or other documents, based on or representing any or all assets appropriated for the purposes of any such trust or any other investment vehicle and to hold or dispose of any such units, stocks, securities, certificates or other documents to settle and regulate any such trust or any other investment vehicle and to engage in any other activities relating to any of the foregoing as permitted under the applicable laws.”*

(ii) Details of change of name, registered office and objects of TCCL during the last 5 (five) years:

- a. Change of Name: There has been no change in the name during the last 5 (five) years.
- b. Change of Registered Office: There has been no change of Registered Office address during the last 5 (five) years.
- c. Change of Objects: Clause 4 was inserted in the Memorandum of Association vide Special Resolution passed by the Shareholders at its Annual General Meeting held on August 17, 2020.

(iii) Details of the capital structure of the TCCL including authorized, issued, subscribed and paid-up share capital:

a. The share capital structure of the TCCL as on March 31, 2023:

| Particulars | Amount in Rupees |
|---|-----------------------|
| Authorised Capital | |
| 50,00,00,000 Equity shares of Rs. 10 each | 5,00,00,00,000 |
| Total | 5,00,00,00,000 |
| Issued, Subscribed and Paid-up | |
| 45,92,85,639 Equity shares of Rs. 10 each | 4,59,28,56,390 |
| Total | 4,59,28,56,390 |

(iv) Details of promoters and directors of TCCL along with their addresses:

a. Details of Promoters of TCCL are as follows:

| Sr. No. | Name of Promoter | Address |
|---------|----------------------|---|
| 1. | Tata Capital Limited | 11 th floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai, Maharashtra - 400013 |

b. Details of Directors of TCCL are as follows:

| Sr. No. | Name of Directors | Designation | Address |
|---------|-----------------------------|-------------------------|---|
| 1. | Ms. Varsha Vasant Purandare | Independent Director | Flat No. 906, Building A, Yuthika Society, Sr No. 89, Veerbhadra Nagar, Baner, Pune 411 045 |
| 2. | Mr. Sujit Kumar Varma | Independent Director | Flat No. 1006, Tower 2, Casa Grande, Senapati Bapat Marg, Lower Parel Mumbai - 400013. |
| 3. | Mr. Lodewijk Govaerts | Non- Executive Director | Groenburgwal 4-II, 1011 HV, Amsterdam, The Netherlands. |
| 4. | Mr. Rajiv Sabharwal | Non- Executive Director | C-183, Kalpataru Sparkle, N. Dharmadhikari Road, Gandhinagar, Bandra East, Mumbai - 400051 |
| 5. | Mr. Manish Chourasia | Managing Director | Flat No. 306, Block A, Oberoi Exquisite, Aba Karmarkar Road, Oberoi Garden City, Goregaon - East, Mumbai - 400063 |

(v) Details of the date of the Board Meeting of TCCL at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Board of Directors of TCCL approved the Scheme at its Meeting held on March 28, 2023. Details of the manner in which the Directors of TCCL voted at its meeting are as follows:

| Sr. No. | Name of Directors | Designation | Voted in favour/ against/ abstained |
|---------|-----------------------------|-------------------------|-------------------------------------|
| 1. | Ms. Varsha Vasant Purandare | Independent Director | In favour |
| 2. | Mr. Sujit Kumar Varma | Independent Director | In favour |
| 3. | Mr. Lodewijk Govaerts | Non- Executive Director | In favour |
| 4. | Mr. Rajiv Sabharwal | Non- Executive Director | In favour |
| 5. | Mr. Manish Chourasia | Managing Director | In favour |

The details of the shareholding of the Directors and Key Managerial Personnel of TCCL on March 31, 2023 is as follows:

| Sr. No. | Name | Designation | Number of shares held in TCCL* |
|---------|---|-------------------------|--------------------------------|
| 1. | Tata Capital Limited jointly with Mr. Rajiv Sabharwal | Non- Executive Director | 1 |
| 2. | Tata Capital Limited jointly with Mr. Behzad Bhesania | Chief Financial Officer | 1 |

* Shares are held jointly in order to meet the minimum shareholder requirement as required under the Act.

(vi) Disclosure about the effect of the Scheme on the various stakeholders of TCCL:

- a. Effect on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, creditors, staff or employees: The effect of the Scheme on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, creditors, staff or employees has been set out in the report adopted by the Board of Directors of the Company pursuant to the provisions of Section 232(2)(c) of the Act which is attached as Annexure 2C to this statement.
- b. Effect on the Debenture Trustee: The Debenture Trustee appointed for the respective series of debentures shall continue to remain the Debenture Trustee and shall not be affected by the Scheme.
- c. Effect of the Depositors and Deposit Trustee: Not Applicable.

(vii) Amount due to Unsecured Creditors:

The amount due to Unsecured Creditors, as on March 31, 2023, is approximately ₹ 79,449 lakh

IV. Other Details regarding the Scheme as per Rule 6(3) of the Merger Rules:

- a. Relationship subsisting between Parties to the Scheme:
 - i. TCFSL is a wholly owned subsidiary company of the Transferee Company.
 - ii. TCCL is a joint venture between TCL and International Finance Corporation, with equity holding in the ratio of 80.50:19.50. Hence, TCCL is a subsidiary of the Transferee Company.
- b. Appointed date, effective date, record date and other considerations for the Scheme:
 - i. **Appointed Date (as defined in the Scheme):** Appointed Date under the Scheme means the opening of business on April 1, 2023 or such other date as determined by the Board .
 - ii. **Effective Date (as defined in the Scheme):** Effective Date under the Scheme means the last of the dates on which all the conditions and matters referred to in Clause 22 of the Scheme occur or have been fulfilled or waived in accordance with this Scheme. Any references in the Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective date.
 - iii. **Record date (as defined in the Scheme):** Record date under the Scheme means a mutually agreed date to be fixed by the respective Board of Directors of the Transferor Company 2 and the Transferee Company for the purposes of determining the shareholders of the Transferor Company 2 to whom equity shares of Transferee Company would be allotted pursuant to the amalgamation in accordance with Clause 14.1 of the Scheme.
 - iv. **Share Exchange Ratio:** The shares of the Transferor Companies held by the Transferee Company (either directly or through nominees) shall stand cancelled, upon the Scheme becoming effective. Further, 4 (four) equity shares of face value of Rs. 10/- each of Transferee Company shall be issued and allotted as fully paid-up for every 5 (five) equity shares of the face value of Rs. 10/- each fully paid-up held by other Members in Transferor Company 2.
 - v. **Details of capital restructuring:** As per the Scheme, there is no capital restructuring. However, the Transferee Company shall issue and allot its 4 (four) equity shares of face value of Rs. 10/- each for every 5 (five) equity shares of the face value Rs. 10/- each fully paid-up held in Transferor Company 2 except for shares already held by Transferee Company which shall stand extinguished as per Clause 14 of the Scheme.

Upon the Scheme becoming effective, the securities premium available with the Transferee Company i.e., after consolidation of the securities premium of the Transferor Companies with the Transferee Company on account of amalgamation, would be reduced against the negative balance in the capital reserve (arising on amalgamation). This consequential capital reduction of the Transferee Company shall be effected as an integral part of this Scheme itself and not under a separate procedure, in terms of Section 52(1) read with Section 66 of the Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act, or any other applicable provisions, confirming the reduction.
 - vi. **Details of debt structuring:** No debt restructuring of the Transferee Company or Transferor Company 1 or Transferor Company 2 is envisaged in the Scheme.
 - vii. **Summary of Valuation Report and Fairness Opinion:**
 - i. The Share Exchange Ratio of the Company and TCCL for the purpose of Scheme has been fixed on the basis of the Joint Valuation Report of the Company and TCCL dated March 28, 2023 issued by SSPA & Co., Chartered Accountants, Registered Valuer and Ernst & Young Merchant Banking Services LLP, Registered Valuer for the Scheme in relation to the Equity Share. The said Valuation report is annexed as **Annexure 9**. The Valuation Report provides for fair Equity Share Exchange Ratio as:

“4 (four) equity shares of TCL of ₹ 10/- each fully paid-up for every 5 (five) equity shares of TCCL of ₹ 10/- each fully paid-up.”

- ii. The NCD Exchange Ratio of the Company and TCCL for the purpose of Scheme has been fixed on the basis of Joint Valuation Report of the Company and TCCL dated March 28, 2023 issued by SSPA & Co., Chartered Accountants, Registered Valuer and Ernst & Young Merchant Banking Services LLP, Registered Valuer for the Scheme in relation to the Non-Convertible Debenture. The said Valuation Report is annexed as **Annexure 10**. The Valuation Report provides for fair NCD Exchange Ratio as:
“For every 1 (One) NCD of TCCL 1(One) NCD of TCL of equivalent face and paid-up value, coupon rate, tenure, redemption price and quantum and nature of security offered, etc.”
- iii. The Share Exchange Ratio of the Company and TCFSL for the purpose of Scheme has been fixed on the basis of the Valuation Report dated March 28, 2023 issued by SSPA & Co., Chartered Accountants, Registered Valuer for the Scheme in relation to Equity shares of TCFSL. The said Valuation Report is annexed as **Annexure 11**. The said Valuation Report considered the below as fair and no valuation approaches were undertaken as they were not relevant;
“No shares of TCL are proposed to be issued nor any payment is proposed to be made in cash by TCL in consideration of merger of TCFSL with TCL as TCFSL is a wholly owned subsidiary of TCL as on date.”
- iv. The NCD Exchange Ratio of the Company and TCFSL for the purpose of Scheme has been fixed on the basis of valuation report dated March 28, 2023 issued by SSPA & Co., Chartered Accountants, Registered Valuer for the Scheme in relation to the Non-Convertible Debenture of TCFSL. The said Valuation report is annexed as **Annexure 12**. The Valuation Report provides for fair NCD Exchange Ratio as:
“For every 1 (One) NCD of TCFSL 1 (One) NCD of TCL of equivalent face and paid-up value, coupon rate, tenure, redemption price and quantum and nature of security offered, etc.”
- v. The Fairness Opinion issued by SEBI registered independent Merchant Banker viz. SBI Capital Markets Limited (“SBICAPS”) as on March 28, 2023 on the basis of Joint Valuation Report of the Company and TCCL dated March 28, 2023 issued by SSPA & Co. (appointed by TCL) and Ernst & Young Merchant Banking Services LLP (appointed by TCCL) for the Scheme in relation to Equity Shares is annexed as **Annexure 13**. The report provides that the Share Exchange Ratio as provided in the referred Joint Valuation Report is fair and reasonable to the best of their professional understanding based on the facts, information and explanation available with them.
- vi. The Fairness Opinion was issued by SEBI registered independent Merchant Banker viz. SBICAPS on March 28, 2023 on the basis of Joint Valuation Report of the Company and TCCL dated March 28, 2023 issued by SSPA & Co. (appointed by TCL) and Ernst & Young Merchant Banking Services LLP (appointed by TCCL) for the Scheme in relation to Non-Convertible Debenture is annexed as **Annexure 14**. The report provides that the Exchange Ratio as provided by the referred Joint Valuation Report is fair and reasonable to the best of their professional understanding based on the facts, information, and explanation available with them.
- vii. The Fairness Opinion issued by SEBI registered independent Merchant Banker viz. Fortress Capital Management Services Private Limited on March 28, 2023 on the basis of Valuation report dated March 28, 2023 issued by SSPA & Co., Chartered Accountants, Registered Valuer for the Scheme in relation to Equity Shares of TCFSL is annexed as **Annexure 15**. The report provides that the conclusion as provided by the referred Valuation Report is fair and reasonable to the best of their professional understanding based on the facts, information, and explanation available with them.
- viii. The Fairness Opinion issued by SEBI registered independent Merchant Banker viz. Fortress Capital Management Services Private Limited on March 28, 2023 on the basis of Valuation report dated March 28, 2023 issued by SSPA & Co., Chartered Accountants, Registered Valuer for the Scheme in relation to Non-Convertible Debentures of TCFSL is annexed as **Annexure 16**. The report provides that the Exchange Ratio as provided by the referred Valuation Report is fair and reasonable to the best of their professional understanding based on the facts, information, and explanation available with them.
- ix. The Fairness Opinion issued by SEBI registered independent Merchant Banker viz. Saffron Capital Advisors Private Limited on March 28, 2023 on the basis of Joint Valuation Report of the Company and TCCL dated March 28, 2023 issued by SSPA & Co. (appointed by TCL) and Ernst & Young Merchant Banking Services LLP (appointed by TCCL) for the Scheme in relation to Equity Shares of TCCL is annexed as **Annexure 17**. The report provides that the Share Exchange Ratio as provided by the referred Valuation Report is fair and reasonable to the best of their professional understanding based on the facts, information, and explanation available with them.
- x. The Fairness Opinion issued by SEBI registered independent Merchant Banker viz. Saffron Capital Advisors Private Limited on March 28, 2023 on the basis of Joint Valuation Report of the Company and TCCL dated March 28, 2023 issued by SSPA & Co. (appointed by TCL) and Ernst & Young Merchant Banking Services LLP (appointed by TCCL) for the Scheme in relation to Non-

Convertible Debentures of TCCL is annexed as **Annexure 18**. The report provides that the Exchange Ratio as provided by the referred Valuation Report is fair and reasonable to the best of their professional understanding based on the facts, information, and explanation available with them.

viii. Auditors' Certificate on conformity of accounting treatment specified in the Scheme with Accounting Standards:

The Auditors of the Company have confirmed that the accounting treatment specified in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Act. The certificates are enclosed as **Annexure 7**.

ix. Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken, against the Company, its promoters and directors of the Company and investigation or proceedings, if any, pending against the company under the Act are included at **Annexure 5**.

x. Details of approvals, sanctions or no-objection(s) from regulatory or any other governmental authorities required, received or pending for the purpose of the Scheme:

i. NSE vide its Observation Letter dated July 10, 2023 has provided its No Objection for the Scheme to TCL. Copy of said letter is enclosed as **Annexure 8**

ii. RBI vide its letter dated July 04, 2023 has provided its No Objection for the Scheme.

iii. Certified copy of the order passed by the NCLT Mumbai Bench in Company Application No. C.A. (CAA) 178/MB/2024 pronounced on August 2, 2023.

The Scheme, if approved at the Meeting, will be subject to the subsequent approval of the Hon'ble NCLT and such other approvals, permission, and sanctions of regulatory or other authorities, as may be necessary and as contemplated in the Scheme.

xi. Brief background and salient features of the Scheme:

Please refer Point No. (II) on Need, Rationale and Benefits of the Scheme of Amalgamation.

V. Details of the availability of the following documents for obtaining extract from or for making/obtaining copies of or for inspection:

Electronic copy of following documents will be available for inspection/obtaining extract or for making copies in the "Investor Information" section of the website - www.tatacapital.com.

- a) Certified Copy of Order dated August 2, 2023 passed by the Hon'ble NCLT, Mumbai Bench, in Company Scheme Application No. CA (CAA)/178/MB-IV/2023, directing *inter alia* the calling, convening and conducting of the Meeting of Equity Shareholders and Preference Shareholders of the Transferee Company;
- b) Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2023;
- c) Audited Standalone and Consolidated Financial Statements of TCFSL for the financial year ended March 31, 2023;
- d) Audited Standalone Financial Statements of TCCL for the financial year ended March 31, 2023;
- e) Scheme of Arrangement amongst Tata Capital Financial Services Limited and Tata Cleantech Capital Limited with the Company and their respective shareholders under the provisions of Sections 230 to 232 read with Section 66 of the Act and other applicable provisions;
- f) Certificates of the Statutory Auditors of the Company confirming that the accounting treatment specified in the Scheme is in compliance with Section 133 of the Act and applicable accounting standards;
- g) Joint Valuation Report dated of the Company and TCCL dated March 28, 2023 issued by SSPA & Co., Chartered Accountants, Registered Valuer and Ernst & Young Merchant Banking Services LLP, Registered Valuer for the Scheme in relation to the Share Exchange Ratio;
- h) Joint Valuation Report of the Company and TCCL dated March 28, 2023 issued by SSPA & Co., Chartered Accountants and Ernst & Young Merchant Banking Services LLP, Registered Valuer for the Scheme in relation to the Non-Convertible Debenture;
- i) Valuation Report dated March 28, 2023 issued by SSPA & Co., Chartered Accountants, Registered Valuer for the Scheme in relation to Equity Shares of TCFSL;
- j) Valuation Report dated March 28, 2023 issued by SSPA & Co., Chartered Accountants, Registered Valuer for the Scheme in relation to Non-Convertible Debentures of TCFSL;
- k) Fairness Opinion issued by SBI Capital Markets Limited, an independent SEBI Registered Category-1 Merchant Banker appointed by the Transferee Company in respect of Share Exchange Ratio of the Company;
- l) Fairness Opinion issued by SBI Capital Markets Limited, an independent SEBI Registered Category-1 Merchant

Banker appointed by the Transferee Company in respect of Non-Convertible Debentures of the Company;

- m) Fairness Opinion Report dated March 28, 2023 issued by SEBI registered independent Merchant Banker viz. Fortress Capital Management Services Private Limited in respect of Non-Convertible Debentures of TCFSL;
- n) Fairness Opinion report dated March 28, 2023 issued by SEBI registered independent merchant banker viz. Fortress Capital Management Services Private Limited in respect of Non-Convertible Debentures of TCFSL;
- o) Fairness Opinion Report dated March 28, 2023 issued by SEBI registered independent Merchant Banker viz. Saffron Capital Advisors Private Limited in respect of Equity Shares of TCCL;
- p) Fairness Opinion Report dated March 28, 2023 issued by SEBI registered independent Merchant Banker viz. Saffron Capital Advisors Private Limited in respect of Non-Convertible Debentures of TCCL;
- q) Observation Letter dated July 10, 2023 issued by NSE;
- r) Reports adopted by the respective Board of Directors of the Transferor Companies and Transferee Company, pursuant to the provisions of Section 232(2)(c) of the Act;
- s) Resolution passed by the Board of Directors of the Company dated March 28, 2023, approving the Scheme;
- t) Complaints Report dated May 17, 2023 submitted by the Company to NSE;
- u) All other documents displayed on the website of the Transferee Company at www.tatacapital.com;
- v) All other documents referred to or mentioned in the Statement to this Notice.

The above documents shall be available for obtaining extract from or for making copies of by the Members at the Registered Office of the Transferee Company on all working days, between Monday to Friday except public holidays, between 10:30 a.m. (IST) to 4:00 p.m. (IST) up to the date of the Meeting.

Considering the rationale and benefits, the Board of Directors of the Transferee Company recommends the Scheme for approval of the Shareholders, as it is in the best interest of the Company and its stakeholders.

Sd/-

Varsha Purandare

DIN: 05288076

Chairperson appointed for the Meeting

Date: August 7, 2023

Place: Mumbai

Registered Office:

11th Floor, Tower A, Peninsula Business Park,

Ganpatrao Kadam Marg, Lower Parel,

Mumbai 400013, Maharashtra, India

Tel: +91 22 6606 9000

CIN: U65990MH1991PLC060670

SCHEME OF ARRANGEMENT

AMONGST

TATA CAPITAL FINANCIAL SERVICES LIMITED

AND

TATA CLEANTECH CAPITAL LIMITED

WITH

TATA CAPITAL LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

**UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES MADE THERE UNDER**

1. PREAMBLE

This Scheme of Arrangement (“**the Scheme**”) is presented under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013, and Rules made thereunder, as may be applicable, for amalgamation of Tata Capital Financial Services Limited (“**TCFSL**” or “**Transferor Company 1**”) and Tata Cleantech Capital Limited (“**TCCL**” or “**Transferor Company 2**”) with Tata Capital Limited (“**TCL**” or “**Transferee Company**”) and their respective shareholders, followed by reduction of the securities premium of TCL and various other matters consequential, incidental, supplementary or otherwise integrally connected therewith.

2. BACKGROUND OF THE COMPANIES

2.1 TATA CAPITAL FINANCIAL SERVICES LIMITED (“**TCFSL**” or “**Transferor Company 1**”) having CIN U67100MH2010PLC210201, is a public limited company incorporated on 19th November 2010 and having its registered office at 11th floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai, Maharashtra - 400013. It is registered with the Reserve Bank of India (RBI) as a Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Company (NBFC-ND-SI) and is categorized as an Investment & Credit Company. TCFSL has also been classified as an Upper Layer NBFC (“**NBFCUL**”) by the RBI, vide press release dated 30th September 2022 as per the Scale Based Regulations. It is a wholly owned subsidiary of the Transferee Company. TCFSL is inter-alia carrying on the business of lending, leasing, factoring, hire purchase and financing. Certain non-convertible debentures and commercial papers issued by TCFSL are listed on the BSE Limited and the National Stock Exchange of India Limited.

2.2 TATA CLEANTECH CAPITAL LIMITED (“**TCCL**” or “**Transferor Company 2**”) having CIN U65923MH2011PLC222430, is a public limited company incorporated on 27th September 2011 and having its registered office at 11th floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai, Maharashtra - 400013. It is registered with the RBI as a Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Company (NBFC-ND-SI) categorized as an Infrastructure Finance Company. TCCL has also been classified as a Middle Layer NBFC (“**NBFC-ML**”) by the RBI, as per the Scale Based Regulations. TCCL is a joint venture between TCL and International Finance Corporation, with equity holding in the ratio of 80.50:19.50. TCCL is inter-alia carrying on the business of providing cash flow-based finance and advisory services for projects in renewable energy, energy efficiency, waste management, water management and other

infrastructure projects. Certain non-convertible debentures and commercial papers issued by TCCL are listed on the National Stock Exchange of India Limited.

2.3 TATA CAPITAL LIMITED (“TCL” or “Transferee Company”) having CIN U65990MH1991PLC060670, is a public limited company incorporated on 8th March 1991 and having its registered office at 11th floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai, Maharashtra - 400013. It is registered with the RBI as a Systemically Important Core Investment Company (“CIC ND SI”). TCL has also been classified as a Middle Layer NBFC (“NBFC-ML”), by the RBI, as per the Scale Based Regulations. TCL is a holding company, holding investments in its subsidiaries and other group companies. Certain non-convertible debentures and commercial papers issued by TCL are listed on the National Stock Exchange of India Limited. Further TCL has also issued cumulative redeemable preference shares.

(Transferor Company 1 and Transferor Company 2 are hereinafter collectively referred to as the “Transferor Companies”. Transferee Company together with the Transferor Companies are hereinafter collectively referred to as the “Companies”).

3. RATIONALE FOR THE SCHEME

TCL, being a CIC, has four Indian subsidiary companies viz. TCFSL, Tata Capital Housing Finance Limited (“TCHFL”), TCCL and Tata Securities Limited (“TSL”). TCFSL, TCHFL and TCCL are primarily engaged in the business of lending. TCFSL and TCCL are registered with the RBI as a NBFC ND SI and TCHFL is registered with National Housing Bank as a Housing Finance Company. TSL is currently engaged in the business of distribution of Mutual Fund units in the capacity of an AMFI registered distributor. Each of the entities cater to distinct segments and offer different products. It is now proposed to consolidate the businesses of TCFSL and TCCL at the TCL level, for creation of a larger unified entity and, to that extent, reduce the number of registered non-banking financial companies (NBFCs) within the Tata Capital Group to achieve optimal and efficient utilization of capital, enhance operational and management efficiencies and have a simplified organizational structure.

Thus, the amalgamation of the Transferor Companies with the Transferee Company pursuant to this Scheme would, inter-alia, have the following benefits:

- i. Consolidation of businesses would help in achieving simplified organizational structure, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale;

- ii. Lead to the creation of a larger unified entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively;
- iii. Reduction in the number of NBFCs within the group, resulting in lesser overheads including administrative, managerial, and other expenditure, optimal utilization of resources, and provide a common governance structure;
- iv. Consolidation of the businesses carried on by them is strategic in nature and will generate significant business synergies thereby enhancing stakeholders' value;
- v. The Companies have a proven track record in the respective businesses of credit and consolidating those will lead to pooling of knowledge and expertise and align with the business plans which will enable the group to meet its long-term objectives;
- vi. Greater financial strength and flexibility for the merged entity.

4. TREATMENT OF THE SCHEME FOR THE PURPOSE OF INCOME TAX ACT, 1961

This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme is/are inconsistent with the provisions of Section 2(1B) of the Income Tax Act, 1961, the provisions of Section 2(1B) of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with provisions of Section 2(1B) of the Income Tax Act, 1961 and such modification would not affect other parts of the Scheme.

5. PARTS OF THE SCHEME:

The Scheme is divided into following parts:

Part I : Deals with definitions and share capital;

Part II : Deals with the amalgamation of Transferor Companies with the Transferee Company;

Part III : Deals with the reduction of securities premium of Transferee Company

Part IV : Deals with the general clauses, terms and conditions as applicable to this Scheme.

This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

PART I - DEFINITIONS AND SHARE CAPITAL

1 Definitions

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1 **“Act” or “the Act”** means the Companies Act, 2013 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.
- 1.2 **“Accounting Standards”** means the Indian Accounting Standards as notified under Section 133 of the Act read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, issued by the Ministry of Corporate Affairs and the other accounting principles generally accepted in India;
- 1.3 **“Applicable Law”** shall mean any applicable law, statute, ordinance, rule, regulation, guideline or policy having the force of law;
- 1.4 **“Appointed Date”** means opening business hours of 1st of April 2023 or such other later date as the Board may decide
- 1.5 **“Board of Directors” or “Board”** in relation to the Transferor Companies and the Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 1.6 **“Book Value(s)”** shall, for the purpose of Part II, mean the value(s) of the assets and liabilities of the Transferor Companies, as appearing in its books of accounts, at the close of the business as on the day immediately preceding the Appointed Date;
- 1.7 **“Competent Authority”** means the National Company Law Tribunal (“NCLT”) or the National Company Law Appellate Tribunal (“NCLAT”) having jurisdiction at Mumbai, as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of amalgamation, compromise or reconstruction of companies under the relevant provisions of the Act.
- 1.8 **“Effective Date”** means the last of the dates on which all the conditions and matters referred to in Clause 22 of the Scheme occur or have been fulfilled or waived in accordance with this Scheme/Applicable Law. Any references in the Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective Date.

- 1.9 “**GST**” means goods and services tax and shall include any statutory modifications, re-enactments or amendments thereof and the rules made thereunder, for the time being in force;
- 1.10 “**Governmental Authority**” means any supra-national, national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, legislative body, departmental or public body or authority, board, branch, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, or any stock exchange of India or any other country including the Registrar of Companies, Regional Director, Competition Commission of India, Reserve Bank of India, Insurance Regulatory and Development Authority of India, Securities and Exchange Board of India, Stock Exchanges, NCLT, Maharashtra Real Estate Regulatory Authority and such other sectoral regulators or authorities as may be applicable;
- 1.11 “**IT Act**” shall mean the Income-Tax Act, 1961 or any modifications or reenactments or amendments thereof from time to time;
- 1.12 “**Listed CPs**” shall mean the Commercial Papers issued by the Transferor Companies which are listed on the Stock Exchange(s);
- 1.13 “**Listed NCDs**” shall mean the non-convertible debentures issued by Transferor Companies and listed on the Stock Exchanges, the details of which, as on 31st December 2022, are set out in **Annexure A** to the Scheme;
- 1.14 “**RBI**” shall mean the Reserve Bank of India;
- 1.15 “**Record Date**” means a mutually agreed date to be fixed by the respective Board of Directors of the Transferor Company 2 and the Transferee Company for the purposes of determining the shareholders of the Transferor Company 2 to whom equity shares of Transferee Company would be allotted pursuant to the amalgamation in accordance with Clause 14.1 of this Scheme;
- 1.16 “**Registrar of Companies**” or “**RoC**” means the Registrar of Companies at Mumbai, Maharashtra;
- 1.17 “**Scale Based Regulations**” means Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs, issued by RBI dated October 22, 2021 and as amended from time to time, including circulars issued by RBI from time to time

- 1.18 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Arrangement in its present form as submitted to the Competent Authority or this Scheme with such modification(s), if any made, as per Clause 20 of the Scheme.
- 1.19 **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.20 **“Stock Exchanges”** means the BSE Limited and/ or the National Stock Exchange of India Limited individually and collectively;
- 1.21 **“Tax” or “Taxes”** means any and all taxes (direct or indirect), surcharges, fees, levies, duties, tariffs, refund, credits, imposts and other charges of any kind in each case in the nature of a tax, imposed by any Governmental Authority (whether payable directly or by withholding), including taxes based upon or measured by income, windfall or other profits, gross receipts, property, sales, severance, branch profits, customs duties, withholding tax, tax deducted at source (TDS), tax collected at source (TCS), self-assessment tax, advance tax, service tax, GST, stamp duty, transfer tax, value-added tax, minimum alternate tax, banking cash transaction tax, securities transaction tax, taxes withheld or paid in a foreign country, customs duty and registration fees (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto).
- 1.22 **“Undertaking”** means and includes:
- 1.22.1 all the assets and properties of the Transferor Companies as on the Appointed Date as a going concern and shall include without limitation the entire business, all the properties (whether movable or immovable, freehold or leasehold, or leave and licensed or right of way and all documents of title, rights, easements in relation thereto including panchnamas, declarations, receipts, tangible or intangible), plant and machinery, buildings and structures, including any advances for acquisition of land, allotment letters, sanctions, approvals, permits granted by any government or any other authority, applications made to any Governmental Authority, fees, charges, payments of any nature made to any Governmental Authority including Unique Identification Authority of India (“**UIDAI**”), offices, residential and other premises, capital work in progress, vehicles, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, deposits, stocks, preliminary expenses, pre-operative expenses, assets, investments of all kinds and in all forms (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates, security receipts, units of mutual funds), inventory, actionable claims, current assets (including inventories, bills of exchange, credits), written off accounts, earnest

monies and sundry debtors, margin money deposits, securitization receivables, capital advances, cash balances with banks (including cash and bank balances deposited with any banks or entities), loans, advances, contingent rights or benefits, benefits of assets or properties or other interests held in trust, receivables, benefit of any deposits, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, guarantees, authorizations, approvals, agreements, contracts, leases, licenses (to the extent transferable under Applicable Laws), registrations, tenancies, benefits of all taxes including but not limited to advance taxes and taxes deducted at source, tax related assets/credits, including but not limited to service tax input credits, GST credits or set-offs, advance tax, self-assessment tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted/collected at source and tax refunds, contingent rights or benefits, receivables, including dividend declared or interest accrued thereon, exemptions, benefits, incentives, privileges and rights under state tariff regulations and under various laws, loan agreements, titles, interests, trade and service names and marks, track record, patents, copyrights, logos, corporate names, brand names, domain names and other intellectual property and all registrations, goodwill, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information belonging to or utilized for the business and activities of the Transferor Companies, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves (viz. securities premium, retained earnings, general reserve, capital reserve, special reserve, capital redemption reserve and any other reserve), provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, test reports, computer programmes, drawing manuals, data, databases including databases for procurement, commercial or management, quotations, product registrations, dossiers, list of present and former borrowers, lenders and suppliers including service providers, other borrower information, customer credit information, customer/ supplier pricing information, and all other books and records, whether in physical or electronic form, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, all earnest monies and/or security deposits paid by the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the

control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and wherever situated (hereinafter referred to as the “**Assets**”);

1.22.2 any of the present and future contingent liabilities of the Transferor Companies including all debts including Listed NCDs and Listed CPs (secured and unsecured), loans (whether denominated in rupees or a foreign currency and whether secured or unsecured), all guarantees, assurances, commitments, term deposits, time and demand liabilities, borrowings, bills payable, interest accrued and all other duties, liabilities, undertakings and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, known or unknown, due or which may become due, whenever or however arising (including, without limitation whether arising out of contract or tort based on negligence or strict liability) (including any post-dated cheque or guarantees, letters of credit, letters of comfort or other instruments which may give rise to a contingent liability in whatever form).

1.22.3 without prejudice to the generality of the above sub clauses, the Undertaking of the Transferor Companies shall include all the Transferor Companies contracts, agreements, operation and maintenance contracts, loan agreements, trustee agreements, security documents with respect to lending and financial contracts, approvals attached to the security documents, rights and benefits under any agreement, title deeds, insurance contracts and policies, term sheets, credit assessment memoranda, KYC documents, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, bids, tenders, expressions of interest, letters of intent, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/panchnamas, equipment purchase agreements, agreements with customers, purchase and other agreements with suppliers/manufacturers of goods/service providers, other arrangements, undertakings, assets, including licenses, permits, authorizations, quota rights, trade marks, patents and other industrial and intellectual properties, import quotas, telephones, telex, facsimile and other communication facilities, rights and benefits of all agreements, guarantees including guarantees given by the state government(s), deeds, insurance policies , any scheme (including any scheme for benefit of employees) and all other interests, rights and powers of every kind, nature and description whatsoever,

privileges and all other rights, liberties, easements, advantages, benefits and approvals of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor Companies.

- 1.22.4 all the employees on the payroll of Transferor Companies as on the Effective Date.
- 1.22.5 all deposits and balances with government, quasi – government, local and other authorities and bodies, customers, and other persons, paid by the Transferor Companies, directly or indirectly
- 1.22.6 all the legal, taxation and other proceedings of whatsoever nature viz. both existing and future proceedings including all pending direct tax and indirect tax litigations
- 1.22.7 For the avoidance of any doubt, it is clarified that the NBFC licenses of the Transferor Companies, shall be surrendered and shall not be transferred to or vested in the Transferee Company after effectuation of the Scheme, in accordance with applicable regulatory requirements of the RBI.

2 INTERPRETATION

- 2.1 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other Applicable Laws, rules, regulations, bye laws, as the case may be, including any statutory modifications or re-enactments thereof from time to time.
- 2.2 References to clauses, recitals and schedules, unless otherwise provided, are to clauses, recitals and schedules of and to this Scheme.
- 2.3 The headings herein shall not affect the construction of this Scheme.
- 2.4 Unless the context otherwise requires, reference to any law or to any provision thereof shall include references to (i) any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted; (ii) any law or any provision which replaces it, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision; (iii) all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated); and (iv) all statutory instruments or orders made pursuant to a statutory provision.
- 2.5 The singular shall include the plural and vice versa; and references to one gender include all genders.

- 2.6 Reference to days, months and years are to calendar days, calendar months and calendar years respectively.
- 2.7 Any reference to 'writing' shall include printing, typing, lithography and other means of reproducing words in visible form.
- 2.8 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 2.9 References to a person include any individual, firm, body corporate (whether or not incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).

3 DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Competent Authority or made as per Clause 20 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

4 SHARE CAPITAL

- 4.1 The share capital of TCFSL as at 31st March 2022 is as under:

| Particulars | Amount in Rupees |
|---|-------------------------|
| Authorised Capital | |
| 2,50,00,00,000 Equity shares of Rs. 10 each | 25,00,00,00,000 |
| 3,00,00,00,000 Preference shares of Rs. 10 each | 30,00,00,00,000 |
| Total | 55,00,00,00,000 |
| Issued, Subscribed and Paid-up | |

| | |
|---|------------------------|
| 1,65,98,72,100 Equity shares of Rs. 10 each | 16,59,87,21,000 |
| Total | 16,59,87,21,000 |

The revised share capital of TCFSL as on the date of the Board Meeting held for approving the Scheme is as under:

| Particulars | Amount in Rupees |
|---|-------------------------|
| Authorised Capital | |
| 2,50,00,00,000 Equity shares of Rs. 10 each | 25,00,00,00,000 |
| 3,00,00,00,000 Preference shares of Rs. 10 each | 30,00,00,00,000 |
| Total | 55,00,00,00,000 |
| Issued, Subscribed and Paid-up | |
| 1,71,88,46,458 Equity shares of Rs. 10 each | 17,18,84,64,580 |
| Total | 17,18,84,64,580 |

4.2 The share capital of TCCL as at 31st March 2022 is as under:

| Particulars | Amount in Rupees |
|---|-------------------------|
| Authorised Capital | |
| 50,00,00,00,000 Equity shares of Rs.10 each | 5,00,00,00,000 |
| Total | 5,00,00,00,000 |
| Issued, Subscribed and Paid-up | |
| 45,92,85,639 Equity shares of Rs.10 each | 4,59,28,56,390 |
| Total | 4,59,28,56,390 |

Further, there has been no change in the share capital of TCCL post 31st March 2022 till the date of the Board Meeting held for approving the Scheme.

4.3 The share capital of TCL as at 31st March 2022 is as under:

| Particulars | Amount in Rupees |
|--|-------------------------|
| Authorised Capital | |
| 4,75,00,00,00,000 Equity shares of Rs. 10 each | 47,50,00,00,000 |
| 3,25,00,00,000 Preference shares of Rs. 1,000 each | 32,50,00,00,000 |
| Total | 80,00,00,00,000 |

| | |
|--|------------------------|
| Issued, Subscribed and Paid-up | |
| 3,51,61,67,744 Equity shares of Rs. 10 each | 35,16,16,77,440 |
| 1,10,99,200 Cumulative Redeemable Preference Share of Rs. 1,000 each | 11,09,92,00,000 |
| Total | 46,26,08,77,440 |

The revised share capital of TCL as on the date of the Board Meeting held for approving the Scheme is as under:

| Particulars | Amount in Rupees |
|--|-------------------------|
| Authorised Capital | |
| 4,75,00,00,000 Equity shares of Rs. 10 each | 47,50,00,00,000 |
| 3,25,00,000 Preference shares of Rs. 1,000 each | 32,50,00,00,000 |
| Total | 80,00,00,00,000 |
| Issued, Subscribed and Paid-up | |
| 3,56,01,19,841 Equity shares of Rs. 10 each | 35,60,11,98,410 |
| 1,06,97,250 Cumulative Redeemable Preference Share of Rs. 1,000 each | 10,69,72,50,000 |
| Total | 46,29,84,48,410 |

- 4.4 The equity shares of the Transferor Companies and the Transferee Company are not listed on any Stock Exchange. The preference shares of the Transferee Company are not listed on any Stock Exchange.

PART II

AMALGAMATION OF TRANSFEROR COMPANIES WITH THE TRANSFEE COMPANY

5 TRANSFER AND VESTING

With effect from the Appointed Date and upon this Scheme coming into effect:

- 5.1 The Transferor Companies along with its Undertaking shall stand merged with and be vested in the Transferee Company, as a going concern, without any further act or instrument and pursuant to the

provisions of Sections 230 to 232 of the Act and Section 2(1B) of the IT Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme. The transfer/vesting as aforesaid shall be subject to the existing charges/hypothecation over or in respect of the assets or any part thereof of the Transferor Companies, provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Companies which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further or additional security after the amalgamation has become effective or otherwise; it being clarified that (A) charges which are in the nature of floating charges will continue to operate as per the terms of the existing security documents (including the ranking thereof) with reference to the applicable assets of the Transferee Company (including those transferred to it as part of the Undertaking) and all such existing charges of the same ranking shall rank *pari passu inter se* (B) this provision will not preclude the process of replacement or supplementing of assets by the Transferee Company in accordance with the terms of the existing security documents. Further, the Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or other financial assistance availed /to be availed by the Transferor Companies or the Transferee Company it being clarified that this will not preclude the replacement or supplementing of assets by the Transferee Company in accordance with the terms of the existing security documents.

- 5.2 Without prejudice to the generality of Clause 5.1 above, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances of the Undertakings, of whatsoever nature and wherever situate, whether or not included in the books of the Transferor Companies shall, subject to the provisions of this Clause 5 in relation to the mode of vesting and pursuant to provisions of Sections 230 to 232 of the Act and without any further act, deed, matter or thing, be and stand transferred to and vested in or shall be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interests, authorities of the Transferee Company. The relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants under all relevant lease/ license or rent agreements and shall, in accordance with the terms of such agreements, refund the security deposits and advance/ prepaid lease/ license fee to the Transferee Company. The mutation and substitution of title to the immovable properties shall, upon this Scheme becoming effective and with effect from the Appointed Date, be made and duly recorded in the name

of the Transferee Company pursuant to sanction of this Scheme by the NCLT and upon the coming into effect of this Scheme in accordance with the terms hereof.

- 5.3 It is expressly provided that in respect of such of the assets of the Transferor Companies as are moveable in nature or are otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Companies by physical delivery and shall become the property of the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act.
- 5.4 In respect of such of the assets other than those referred to in Sub-Clause 5.3 above, they shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act and shall form an integral part of the Undertaking.
- 5.5 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Companies are a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Companies to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies to be carried out or performed.
- 5.6 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, benefits, licenses (to the extent transferrable under Applicable Laws as mentioned earlier), consents, allotment letters, sanctions, approvals, permissions and authorities, etc. as described in Clause 1.22.1 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and be deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 232 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, rights, titles, interests, benefits, licenses, consents, allotment letters, sanctions, approvals, permissions and authorities, etc. of the Transferee Company.
- 5.7 All bank accounts which relate to the Transferor Companies (as may be identified by the Board of Directors of the Transferor Companies) shall stand transferred to the Transferee Company by virtue of the Scheme and the Transferee Company shall be entitled to continue to operate such bank accounts

in the name of the respective Transferor Companies. In addition, the Transferee Company shall be entitled to and the bankers of the Transferee Company shall allow maintaining of bank accounts in the name of the Transferor Companies by the Transferee Company for such time as may be determined to be necessary by the Transferor Companies and the Transferee Company for presentation and deposition of cheques and other negotiable instruments, payment orders, NACH mandates, ECS debit mandates that have been issued in the name of the Transferor Companies. All cheques and other negotiable instruments, payment orders, NACH mandates, ECS debit mandates and any other payment instruments which are in the name of the Transferor Companies received or presented for encashment after the Effective Date shall be accepted by the bankers of the Transferee Company and shall be credited to the bank account(s) vested in the Transferee Company if presented by the Transferee Company. Similarly, it is hereby expressly clarified that any legal proceedings filed by the Transferor Companies in relation to cheques and negotiable instruments, payment orders, NACH mandates, ECS debit mandates received or presented for encashment which are in the name of the Transferor Companies shall be instituted, or as the case may be, continued by or against the Transferee Company after the coming into effect of the Scheme.

- 5.8 All Taxes paid including but not limited to advance taxes, prepaid taxes and tax deducted at source, unutilized MAT credit under the provisions of the IT Act, including its continuing benefits, any other tax incentives, by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same and shall be deemed to be the rights/claims of the Transferee Company upon Scheme becoming effective. All unavailed credits, set offs, claims for refunds under any State VAT Acts, GST Acts, CST Acts, Central Excise and Service Tax provisions, GST provisions or any other State or Central statutes regardless of the period to which they may relate, shall stand transferred to the benefit of and shall be available in the hands of the Transferee Company without restrictions under the respective provisions.
- 5.9 From the Effective Date, all the invoicing and compliance would be done by TCL post obtaining all requisite GST registrations, wherever so required. To the extent such set of registrations are not effective as on the Effective Date, for such intervening period, TCL would undertake the invoicing and compliance using the GST registrations of TCFSL and TCCL, as the case may be, to ensure compliance with law and timely discharge of GST liability.
- 5.10 All liabilities, reserves (viz. securities premium, retained earnings, general reserve, capital reserve, special reserve, capital redemption reserve and any other reserves) debts, duties and obligations of the Transferor Companies shall, without any further act or deed, also stand transferred to the Transferee

Company, pursuant to the applicable provisions of the Act, so as to become as from the Appointed Date, the liabilities, debts, duties and obligations of the Transferee Company.

- 5.11 All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the “**said Liabilities**”) shall be and stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowings of the Transferor Companies shall without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent mentioned in Clause 5.1 above.
- 5.12 Without prejudice to the foregoing provisions of this clause, upon the coming into effect of the Scheme, all non-convertible debentures (“**NCDs**”) (including Listed NCDs), commercial papers (“**CPs**”) (including Listed CPs), external commercial borrowings, bonds or other debt securities and other instruments of like nature (“**Debt Securities**”) taken by the Transferor Companies shall pursuant to the provisions of Sections 230-232 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities of the Transferee Company on the same terms and conditions (including same rights, interests and benefits) as applicable to the Transferor Companies and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company as if it was the issuer of such Debt Securities, so transferred and vested. Subject to the requirements, if any, imposed or concessions, if any, by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, the Listed NCDs and the Listed CPs shall be vested in the Transferee Company, shall continue to be listed and/or admitted to trading on the relevant Stock Exchanges, where the NCDs, and CPs are currently listed, subject to applicable regulations and prior approval requirements. The Board of Directors of the Companies shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing. For the sake of completeness, it is

clarified that all terms thereof will remain the same for the holders and there will be no transfer, reissue or swap of the security/ instrument from the perspective of the holders thereof.

- 5.13 All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company to the extent they are outstanding on the Effective Date.
- 5.14 All inter party transactions between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e., between the Transferor Companies with the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 5.15 The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation/ notices in favour of any other party to any contract or arrangement to which the Transferor Companies are party of any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Companies and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Companies to be carried out or performed.
- 5.16 Any legal or other proceedings by or against Transferor Companies pending on the Effective Date and relating to the Undertaking (including property rights, powers, liabilities, obligations and duties) of Transferor Companies shall be continued and enforced by or against the Transferee Company, in the same manner and to the same extent as it would or might have been continued and enforced by or against the Transferor Companies.
- 5.17 All regulatory or other proceedings of like nature or cause of actions against the Transferor Companies pending and/or arising, before, on, or after, the Appointed Date shall not abate or be discontinued or be in any way prejudicially affected by reason of anything contained in this Scheme but shall be initiated, continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been initiated, continued and enforced against the Transferor Companies without any further act, instrument, deed, matter or thing being made, done or executed. The Transferee Company will have all such regulatory or other proceedings initiated by or against the Transferor

Companies referred to in this clause, transferred in its name and to have the same continued, prosecuted and enforced by or against the Transferee Company, to the exclusion of the Transferor Companies.

- 5.18 Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the IT Act, service tax law, indirect tax laws and other tax laws and to claim refunds and/or credits for taxes paid under the IT Act and other tax laws, etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.
- 5.19 All the past track record of the respective Transferor Companies shall be deemed to be the track record of the Transferee Company for all purposes, including commercial and regulatory purposes.
- 5.20 Any recognition under any regulation of the Transferor Companies would be deemed to be such recognition for the Transferee Company.

6 CONTRACTS, DEEDS, BONDS, CERTIFICATES AND OTHER INSTRUMENTS

- 6.1 Subject to other provisions of this Scheme, the Transferee Company shall accept all acts, deeds and things relating to the Undertaking of the Transferor Companies done and executed by and/or on behalf of the Transferor Companies on or after the Appointed Date as acts, deeds and things done and executed by and/or on behalf of the Transferee Company.
- 6.2 Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, leases, insurance policies, certificates and other instruments of whatsoever nature relating to the Undertaking to which the Transferor Companies are a party and subsisting or having effect on or before the Effective Date shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if, instead of the Transferor Companies, the Transferee Company had at all material times been a party thereto.
- 6.3 On this Scheme finally taking effect as aforesaid:
- (i) All the agreements, guarantees, approvals, consents, permissions, licenses (to the extent transferrable under Applicable Laws), sanctions, leases and the like entered into with and/or given by, as the case may be, the various Central/ State Governments, statutory or regulatory body or agencies or third parties to the Transferor Companies shall, without any further act, deed, matter or thing, stand transferred to and vested in the Transferee Company;

- (ii) All business activities engaged in by the Transferor Companies shall be continued by the Transferee Company; and
- (iii) The Transferor Companies shall stand dissolved without winding up.

7 LEGAL, TAXATION AND OTHER PROCEEDINGS

- 7.1 Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal or courts), by or against the Transferor Companies, under any statute, pending on the Appointed Date, shall be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against, as the case may be, the Transferee Company.
- 7.2 The Transferee Company shall have all legal, taxation or other proceedings initiated by or against the Transferor Companies referred to in Clause 7.1 above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Transferee Company, as a successor of the Transferor Companies.

8 SECURITISATION TRANSACTIONS

- 8.1 In respect of any direct assignment and/or securitisation transactions entered into by the Transferor Companies prior to the Appointed Date, it is clarified that:
- a. All Minimum Retention Requirement positions (whether in the form of investments in securities or otherwise) shall stand transferred and shall comprise part of the Undertaking being transferred to the Transferee Company in terms of this Scheme; and
 - b. All credit enhancement exposures/ obligations of the Transferor Companies (including without limitation the related fixed deposits, if any) and/or collection and servicing agent obligations of the Transferor Companies shall stand transferred to the Transferee Company in terms of the Scheme.
- 8.2 Pursuant to the Scheme, the Transferor Companies will transfer inter alia, the entire portfolio of loan assets comprised in the Undertaking. Accordingly, in the context of fresh direct assignment or securitisation transactions undertaken by the Transferor Companies after the Appointed Date and/or by the Transferee Company after the Effective Date, the holding period of such asset on the books of the Transferor Companies and the Transferee Company shall be aggregated for the purposes of the applicable minimum holding period requirements.

9 SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 5 above and the continuance of proceedings by or against Transferor Companies under Clause 7 above shall not affect any transaction or proceedings in relation to the Undertaking already concluded by Transferor Companies on and after the Appointed Date till the Effective Date, to the end and intent that Transferee Company accepts and adopts all acts, deeds and things done and executed by Transferor Companies in respect thereto as done and executed on behalf of Transferee Company.

10 TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

10.1 With effect from the Appointed Date and upto and including the Effective Date:

- (i) the Transferor Companies shall be deemed to have been carrying on and shall carry on all business and activities and stand possessed of the properties, for and on account of and in trust for the Transferee Company, including but without limitation, investment in subsidiaries/other companies and payment of advance income tax and subsequent installments of income tax, GST, excise and other statutory levies, etc. The Companies shall carry on business and activities including raising of debt and issuance of capital, declaration and payment of dividend in the ordinary course of business by complying with Applicable Laws.
- (ii) all incomes, profits, benefits and incentives or losses accruing to the Transferor Companies or losses arising or incurred by it relating to the Undertaking shall, for all purposes, be treated as the incomes, profits, benefits and incentives or losses, as the case may be, of the Transferee Company;
- (iii) the Transferee Company shall have the right to claim refund of payment of the taxes arising on account of transactions entered into between the Transferor Companies and the Transferee Company between the Appointed Date and the Effective Date.
- (iv) Compliances undertaken between the Appointed Date and the Effective Date by the Transferor Companies under all Applicable Laws shall be deemed to have been undertaken and complied by the Transferee Company to the extent required under Applicable Law.

11 TRANSFEROR COMPANIES STAFF, WORKMEN AND EMPLOYEES

11.1 Upon this Scheme becoming effective, all staff, executives, workmen and other employees of the Transferor Companies (herein after referred to as “**Employees**”) as on the Effective Date, shall deemed to have become Employees of the Transferee Company without interruption of service or break in

service as a result of the amalgamation of the Transferor Companies with the Transferee Company and on the basis of continuity of service with reference to the Transferor Companies from the Appointed Date or their respective joining date, whichever is later on the same terms and conditions and which shall not be less favorable than those on which they are engaged by the Transferor Companies. The services of such Employees with the Transferor Companies upto the Effective Date shall be taken into account for the purpose of all benefits to which the Employees may be eligible under the Applicable Laws. For the purpose of payment of any compensation, gratuity and other terminal benefits, the uninterrupted past services of such Employees with the Transferor Companies and such benefits to which the Employees are entitled in the Transferor Companies shall also be taken into account, and paid (as and when payable) by the Transferee Company.

- 11.2 Upon this Scheme becoming effective, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of the Employees if any made by the Transferor Companies from the Appointed Date to the Effective Date, shall be deemed to be made by Transferee Company in accordance with the provisions of such schemes or funds and Applicable Law.
- 11.3 It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall be entitled to the employment policies and shall be entitled to avail of any schemes and benefits (including employee stock options, if any) that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company from the Effective Date. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Transferor Companies with any employee of the Transferor Company.
- 11.4 In so far as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by the Transferor Companies for its Employees or to which the Transferor Companies are contributing for the benefit of its Employees (collectively referred to as the “**Funds**”) are concerned, the Funds or such part thereof as relates to the Employees (including the aggregate of all the contributions made to such Funds for the benefit of the Employees, accretions thereto and the investments made by the Funds in relation to the Employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. As the Transferee Company has its own funds in respect of any of the employee benefits referred to above, the Funds shall, subject

to the necessary approvals and permissions and at the discretion of the Transferee Company, be transferred to / merged with the relevant funds of the Transferee Company or at the sole discretion of the Transferee Company, maintained as separate funds by the Transferee Company. Pending the transfer as aforesaid, the funds of the Employees of the Transferor Companies may be continued to be deposited in the existing relevant funds of the Transferor Companies. Without prejudice to the foregoing, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to (a) retain separate trusts or funds within the Transferee Companies for the erstwhile funds of the Transferor Companies; or (b) merge the pre-existing funds of the Transferor Companies with other similar funds of the Transferee Company.

11.5 In relation to those Employees for whom the Transferor Companies are making contributions to the government provident fund or other employee benefit fund, the Transferee Company shall stand substituted for the Transferor Companies, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Companies as the case may be in relation to such schemes/ Funds shall become those of the Transferee Company.

12 VALIDITY OF EXISTING RESOLUTIONS

Upon the coming into effect of the Scheme, the resolutions (passed by the respective Boards and / or shareholders), if any, of the Transferor Companies relating to the Undertaking, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have monetary limits or other limits approved under the provisions of the Act, or any other applicable statutory provisions, the said limits as are considered necessary by the Board of Directors of the Transferee Company shall be added to the limits, if any, under resolutions passed by the Board of Directors and/or the Shareholders of the Transferee Company and the aggregate of the said two limits shall constitute the revised limit for the Transferee Company, for the relevant purpose and/or under the relevant provisions of the Act.

13 TREATMENT OF TAXES

The Transferee Company shall be entitled to, amongst others, file or revise income tax returns, TDS returns, wealth tax returns, service tax returns, goods and service tax returns and other statutory returns, if required, claim credit for / in respect of all Taxes paid (including but not limited to value- added tax,

income-tax, service tax and goods and service tax, whether or not recorded in the books of accounts of Transferor Companies) including receipt of refund, credit, etc., if any, pertaining to the Transferor Companies as may be required consequent to implementation of this Scheme.

14 CONSIDERATION

14.1 Upon coming into effect of this Scheme and in consideration of the amalgamation, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company 2 whose names are recorded in the register of members as a member of the Transferor Company 2 (except for shares already held by Transferee Company which shall stand extinguished as mentioned in Clause 14.3 below) on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Transferee Company, fully paid up equity shares, free and clear from all encumbrances together with all rights and benefits attaching thereto in the following ratio:

“4 equity shares of face value of Rs. 10/- each of Transferee Company shall be issued and allotted as fully paid up for every 5 equity shares of the face value of Rs. 10/- each fully paid up held in Transferor Company 2” (“Share Exchange Ratio”)

14.2 As the Transferee Company along with joint shareholders holds the entire equity share capital of the Transferor Company 1, on amalgamation, neither will any consideration be paid nor shall any shares be issued by the Transferee Company in consideration of amalgamation of Transferor Company 1.

14.3 The shares of the Transferor Companies held by the Transferee Company shall stand extinguished upon the Scheme becoming effective.

14.4 The Transferee Company shares to be issued by the Transferee Company to the shareholders of the Transferor Company 2 in accordance with above clause shall be hereinafter referred to as **“New Equity Shares”**

14.5 The New Equity Shares of the Transferee company to be allotted and issued to equity shareholders of the Transferor Company 2 as provided in Clause 14.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu in all respects with the then existing equity shares of the Transferee Company after the Effective Date

including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date.

- 14.6 If any shareholder of the Transferor Company 2 is entitled to New Equity Shares in accordance with Clause 14.1 above such that it amounts to a fractional entitlement, the Transferee Company shall round off the said fractional entitlement to the nearest integer, and the Transferee Company shall issue and allot New Equity Shares to such shareholders of the Transferor Company 2.
- 14.7 The issue and allotment of the New Equity Shares by the Transferee Company to the shareholders of the Transferor Company 2 as provided in this Scheme is an integral part hereof and shall be deemed to have been carried out pursuant to and in accordance with all provisions of the Act and other Applicable Laws. It is clarified that the approval of the members of the Transferee Company to this Scheme shall be deemed to be their consent/ approval for the issue and allotment of the New Equity Shares.
- 14.8 If any consolidation, stock split, sub division, reorganization, reclassification or other similar action in relation to the share capital of the Transferor Company 2 or the Transferee Company occurs after the date of approval of the Scheme by the Board of the Transferor Company 2 and the Board of the Transferee Company, and on or before the Effective Date, the share exchange ratio mentioned under Clause 14.1 above shall be subject to equitable adjustments determined by the Boards of the Transferor Company 2 and the Transferee Company.

15 CANCELLATION OF SHARE CAPITAL OF TRANSFEROR COMPANIES

Upon the Scheme coming into effect, all the shares of the Transferor Companies held by the Transferee Company (either directly and/or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued, or no payment/consideration shall be made whatsoever by the Transferee Company in lieu of cancellation of such shares held of the Transferor Companies.

16 ACCOUNTING TREATMENT

On the Scheme taking effect, the Transferee Company shall account for amalgamation of the Transferor Companies with the Transferee Company in its books of accounts as under:

- 16.1 Amalgamation of the Transferor Companies with the Transferee Company shall be accounted for in accordance with accounting prescribed under “pooling of interest” method in Appendix C of Indian

Accounting Standard (IND AS) 103 as specified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015 or any other relevant or related requirement under the Companies Act, as may be applicable.

- 16.2 All assets, reserves and liabilities recorded in the books of the Transferor Companies as on the Appointed Date and transferred to and vested in the Transferee Company pursuant to the Scheme shall be recorded by the Transferee Company at their respective book values and in the same form.
- 16.3 The identity of the reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies.
- 16.4 The Transferee Company shall credit to its share capital account, the aggregate face value of the equity shares issued by it pursuant this Scheme.
- 16.5 The inter-corporate investments / deposits / loans and advances and other receivables / payables between the Transferee Company and the Transferor Companies will stand cancelled and there shall be no further obligation in that behalf.
- 16.6 The excess of or deficit, in the value of the assets over the value of the liabilities of the Transferor Companies vested in the Transferee Company pursuant to this Scheme as recorded in the books of account of the Transferee Company shall after adjusting the aggregate face value of the shares issued by the Transferee Company to the members of the Transferor Companies pursuant to this Scheme and the amounts recorded in terms of para 16.2 above, be adjusted in capital reserves in the books of Transferee Company.
- 16.7 In case of any differences in accounting policy between the Transferee Company and the Transferor Companies, accounting policies followed by the Transferee Company shall prevail and the impact of the same shall be quantified and appropriately adjusted in accordance with the accounting policies followed by the Transferee Company to ensure that the financial statements reflect the financial position on the basis of consistent accounting policy.

17 COMBINATION OF AUTHORISED CAPITAL

- 17.1 Upon the Scheme becoming effective, the authorised share capital of TCL / Transferee Company shall stand increased without any further act, instrument or deed on the part of TCL (including payment of

stamp duty and fees payable to the Registrar of Companies (Mumbai)), by the authorised share capital of Transferor Companies.

- 17.2 Pursuant to the Scheme becoming effective and consequent upon the amalgamation of the Transferor Companies into Transferee Company, the Authorised Share Capital of the Transferee Company will be as under:

| Authorised Share Capital | Amount in Rupees |
|--|-------------------------|
| 7,750,000,000 Equity shares of Rs.10 each | 77,500,000,000 |
| 32,500,000 Preference Shares of Rs. 1,000 each | 32,500,000,000 |
| 3,000,000,000 Preference Shares of Rs. 10 each | 30,000,000,000 |
| Total | 140,000,000,000 |

- 17.3 Pursuant to the consolidation and increase of the Authorised Share Capital as prescribed under Clause 17, the Memorandum of Association of the Transferee Company (relating to the Authorised Share Capital) shall, without any requirement of further act, instrument or deed, be and stand modified and amended, such that Clause V of the Memorandum of Association shall be replaced by the following:

The Authorised Capital of the Company is Rs.1,40,00,00,00,000/- (Rupees Fourteen Thousand Crores) divided into 7,75,00,00,000 (Seven Hundred and Seventy five Crores) Equity Shares of Rs.10/- (Rupees Ten) each, 3,25,00,000 (Three Crore Twenty-five Lakhs) Preference Shares of Rs.1,000/- (Rupees One Thousand) each and 3,00,00,00,000 (Three Hundred Crores) Preference Shares of Rs.10/- (Rupees Ten) each.

For the avoidance of doubt, it is clarified that, in case, the authorised share capital of the Transferee Company, Transferor Company 1 and Transferor Company 2 undergoes any change, either as a consequence of any corporate actions or otherwise, then Clause V of the Memorandum of Association of the Transferee Company shall automatically stand modified / adjusted automatically accordingly to take into account the effect of such change.

- 17.4 It is clarified that the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the abovementioned amendments and the increase of Authorised Share Capital of the Transferee Company pursuant to Clause 17 and no further resolution (s) under Sections 4, 13, 14 and 61 and all other applicable provisions of the Act, if any, would be required to be separately passed

- 17.5 In accordance with Section 232(3)(i) of the Act and Applicable Law, the stamp duties and/or fees (including registration fee) paid on the Authorised Share Capital of the Transferor Companies shall be

utilized and applied to the increased Authorised Share Capital of the Transferee Company pursuant to Clauses 17 and no stamp duties and/or fees would be payable for the increase in the Authorised Share Capital of the Transferee Company to the extent of the Authorised Share Capital of the Transferor Companies. The Transferee Company shall file requisite forms with the Registrar of Companies, Maharashtra, Mumbai.

PART III

REDUCTION OF SECURITIES PREMIUM OF THE TRANSFEE COMPANY

18 REDUCTION OF SECURITIES PREMIUM OF THE TRANSFEE COMPANY

- 18.1 Immediately after Part II of the Scheme becoming effective, the securities premium available with the Transferee Company i.e., after consolidation of the securities premium of the Transferor Companies with the Transferee Company on account of amalgamation, would be reduced against the negative balance in the capital reserve (arising on amalgamation). This consequential capital reduction of the Transferee Company shall be effected as an integral part of this Scheme itself and not under a separate procedure, in terms of Section 52(1) read with Section 66 of the Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act, or any other applicable provisions, confirming the reduction. The consent of the shareholders of the Transferor Companies and the Transferee Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 52(1) read with Section 66 of the Act as well and no further compliances would be separately required.
- 18.2 For the sake of completeness, it is clarified that the rights/ interests of the shareholders shall remain unaltered.
- 18.3 The Transferee Company shall not be required to add the words "and reduced" as a suffix to its name consequent upon the reduction of capital under Clause 18 of this Part III above.
- 18.4 The reduction of capital of the Transferee Company, as above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

PART IV

GENERAL CLAUSES, TERMS AND CONDITIONS

19 APPLICATION TO COMPETENT AUTHORITY

The Transferor Companies and the Transferee Company shall respectively and/or jointly with all reasonable dispatch, apply to the Competent Authority for sanctioning this Scheme of Arrangement under Sections 230 to 232 read with Section 66 of the Act and for an order and/or orders under Section 232 of the Act for carrying this Scheme into effect.

20 MODIFICATION OR AMENDMENTS TO THE SCHEME

- 20.1 The Transferor Companies (by their Board of Directors) and the Transferee Company (by its Board of Directors) or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee or authorised representatives thereof, may, collectively or severally, make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations which the Competent Authority may deem fit to approve or impose and may give such directions as they may consider necessary to settle any questions or difficulty that may arise under the Scheme or in regard to its implementation or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder of the respective Company). In the event that any conditions are imposed by the Competent Authority which the Transferor Companies or the Transferee Company find unacceptable for any reason whatsoever then the Transferor Companies and/or the Transferee Company shall be entitled to withdraw from the Scheme.
- 20.2 For the purpose of giving effect to the Scheme or to any modification thereof, the Board of Directors and/or any Committee appointed by the Board and/ or any authorised representatives of the Transferee Company are hereby authorized to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.
- 20.3 In case, post approval of the Scheme by the NCLT, there is any confusion in interpretation of any clause of this Scheme, or otherwise, the Board of Directors of the respective Transferor Companies and Transferee Company shall jointly have complete power to take the most sensible interpretation so as to render the Scheme operational.

21 WITHDRAWAL OF THE SCHEME

The Companies shall be at liberty to withdraw from this Scheme at any point of time during the amalgamation process, as may be mutually agreed by the Board of Directors of the respective Companies prior to the Effective Date. In such a case the respective companies shall respectively bear their own cost or as may be mutually agreed by the Companies. Any such withdrawal by any of the Companies from the Scheme will not impact the over-all Scheme and will not affect the other Companies who are part of the Scheme. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, the Companies shall not be entitled to withdraw from the Scheme unilaterally without the prior written consent of the other. The shareholders of the respective Companies do hereby empower their respective Board of Directors at their absolute discretion to take necessary decisions in this behalf.

22 CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 22.1 The requisite(s) consent(s), approval(s) or permission(s) of statutory or regulatory authority(s) including RBI and Stock Exchanges, which by law may be necessary for the implementation of this Scheme, being obtained in accordance with the Scheme.
- 22.2 The Scheme being agreed to by the respective requisite majorities of the members and creditors of the Transferor Companies and the Transferee Company (subject to any dispensation that may be granted by the NCLT) and the requisite order and/or orders by the Competent Authority under Sections 230 and 232 of the Act referred to in Clause 19 hereof being obtained;
- 22.3 The certified or authenticated copies of the order of the Competent Authority referred to in Clause 19 above being filed with the Registrar of Companies, Maharashtra at Mumbai.

23 EFFECT OF NON-RECEIPT OF APPROVALS:

In the event of any of the said sanctions and approvals referred to in the preceding Clause 22 not being obtained and/ or the Scheme not being sanctioned by the Competent Authority, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued

pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

24 DISSOLUTION OF THE TRANSFEROR COMPANIES:

Upon this Part II of the Scheme becoming effective, the Transferor Companies, without any further act, instrument or deed, shall be dissolved without winding up in accordance with the provisions of Sections 230 to 232 of the Act.

25 EXPENSES CONNECTED WITH THE SCHEME:

25.1 Save and except as provided elsewhere in the Scheme, all costs, charges taxes, levies and other expenses including registration fee of any deed, in relation to or in connection with the negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of the Scheme shall be borne and paid by the Transferee Company.

25.2 In the event that this Scheme fails to take effect within such period or periods as may be decided by the Transferor Companies (by its Board of Directors) and the Transferee Company (by its Board of Directors), or the Scheme is rendered null and void, the Transferor Companies and Transferee Company shall bear their own costs and expenses incurred by them, in relation to or in connection with the Scheme.

26 GENERAL TERMS AND CONDITIONS:

26.1 The Transferor Companies and the Transferee Company shall, with all reasonable dispatch, make all applications / petitions under Sections 230 to 232 and other applicable provisions of the Act to the Competent Authority for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.

26.2 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any Committee of Directors or Officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.

26.3 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

- 26.4 If any part of this Scheme is invalid, ruled illegal by any Competent Authority(s) or authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.
- 26.5 Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, consent, contract, agreement and rights and benefits arising therefrom pertaining to the Transferor Companies are transferred, vested, recorded, effected and/ or perfected, in the records of any Governmental Authority or otherwise, in favour of the Transferee Company, the Transferee Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the property, asset, Consent, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the Consent, contract or agreement.
-

Details in relation to the Listed NCDs issued to the public as on 31st December 2022 of the Transferor Company 1

| Sr. No. | ISIN | Face Value | Tenure/Maturity (in no. of years) | Redemption date | Terms of Redemption | Redemption Amount | Redemption Premium | Redemption Discount | Early Redemption | Rate of dividend/coupon | Coupon Frequency | Put/Call Option Date | Notification time | Credit Ratings |
|---------|--------------|------------|-----------------------------------|--------------------|--|-------------------|--------------------|---------------------|------------------|-------------------------|------------------|----------------------|-------------------|--|
| 1 | INE306N07KE4 | 1000 | 5 Years | September 27, 2023 | The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date. | 768789000 | Nil | Nil | Nil | 8.80% | Annual | NA | NA | CRISIL AAA/Stable by CRISIL Limited & CARE AAA; Stable by CARE Ratings Limited |
| 2 | INE306N07KF1 | 1000 | 5 Years | September 27, 2023 | The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date. | 14570710000 | Nil | Nil | Nil | 8.90% | Annual | NA | NA | CRISIL AAA/Stable by CRISIL Limited & CARE AAA; Stable by CARE Ratings Limited |
| 3 | INE306N08284 | 1000 | 10 Years | September 27, 2028 | The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date. | 295490000 | Nil | Nil | Nil | 9.00% | Annual | NA | NA | CRISIL AAA/Stable by CRISIL Limited & CARE AAA; Stable by CARE Ratings Limited |
| 4 | INE306N08292 | 1000 | 10 Years | September 27, 2028 | The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date. | 3418488000 | Nil | Nil | Nil | 9.10% | Annual | NA | NA | CRISIL AAA/Stable by CRISIL Limited & CARE AAA; Stable by CARE Ratings Limited |
| 5 | INE306N07LJ1 | 1000 | 5 Years | August 26, 2024 | The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date. | 977140000 | Nil | Nil | Nil | 8.40% | Annual | NA | NA | CRISIL AAA/Stable by CRISIL Limited & CARE AAA; Stable by CARE Ratings Limited |
| 6 | INE306N07LKG | 1000 | 5 Years | August 26, 2024 | The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date. | 3409175000 | Nil | Nil | Nil | 8.50% | Annual | NA | NA | CRISIL AAA/Stable by CRISIL Limited & CARE AAA; Stable by CARE Ratings Limited |
| 7 | INE306N07LL7 | 1000 | 8 Years | August 26, 2027 | The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date. | 924814000 | Nil | Nil | Nil | 8.55% | Annual | NA | NA | CRISIL AAA/Stable by CRISIL Limited & CARE AAA; Stable by CARE Ratings Limited |
| 8 | INE306N07LM5 | 1000 | 8 Years | August 26, 2027 | The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date. | 6003935000 | Nil | Nil | Nil | 8.65% | Annual | NA | NA | CRISIL AAA/Stable by CRISIL Limited & CARE AAA; Stable by CARE Ratings Limited |
| 9 | INE306N08334 | 1000 | 10 Years | August 26, 2029 | The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date. | 46500000 | Nil | Nil | Nil | 8.75% | Annual | NA | NA | CRISIL AAA/Stable by CRISIL Limited & CARE AAA; Stable by CARE Ratings Limited |
| 10 | INE306N08342 | 1000 | 10 Years | August 26, 2029 | The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date. | 1726973000 | Nil | Nil | Nil | 8.85% | Annual | NA | NA | CRISIL AAA/Stable by CRISIL Limited & CARE AAA; Stable by CARE Ratings Limited |

Details in relation to the Listed NCDs issued on a private placement basis as on 31st December 2022 of the Transferor Company 2

| Sr. No. | Product Type | ISIN | Face Value | Tenure/Maturity (in no. of days) | Redemption date | Terms of Redemption | Redemption Amount | Redemption Premium | Redemption Discount | Principal Amount | Early Redemption | Rate of dividend/coupon | Coupon Frequency | Put/Call Option | Notification time | Remarks | Credit Rating | |
|---------|-------------------------|--------------|------------|----------------------------------|-----------------|--|-------------------|--------------------|---------------------|------------------|------------------|-------------------------|---|-----------------|-------------------|--|--------------------------|-----------------|
| | | | | | | | | | | | | | | | | | CRISIL | CARE |
| 1 | Secured NCD | INES87Q07141 | 1,000,000 | 2358 | 6/3/2024 | Bullet Payment | 100,000,000 | 0 | 0 | 100,000,000 | - | 8.1100% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |
| 2 | Secured NCD | INES87Q07216 | 1,000,000 | 1826 | 12/18/2023 | Rs. 60 Crore - 20th December, 2021, Rs. 60 Crore - 19th December, 2022, Rs. 60 Crore - 18th December, 2023 | 600,000,000 | 0 | 0 | 600,000,000 | - | 8.7350% | Annually & on Maturity | NA | NA | Total Issuance - 180 crore, Total Redeemed - 120 crore, Balance - 60 Crore | CRISIL AAA/Stable | CARE AAA/Stable |
| 3 | Secured MLD | INES87Q07224 | 100,000 | 1340 | 1/30/2023 | Bullet Payment | 72,900,000 | 0 | 0 | 72,900,000 | - | Coupon link | Coupon if any will be paid on redemption date | NA | NA | | CRISIL PP-MLD AAA/Stable | - |
| 4 | Secured MLD | INES87Q07224 | 100,000 | 1330 | 1/30/2023 | Bullet Payment | 27,800,000 | 0 | 0 | 27,800,000 | - | Coupon link | Coupon if any will be paid on redemption date | NA | NA | | CRISIL PP-MLD AAA/Stable | - |
| 5 | Secured MLD | INES87Q07224 | 100,000 | 1321 | 1/30/2023 | Bullet Payment | 32,100,000 | 0 | 0 | 32,100,000 | - | Coupon link | Coupon if any will be paid on redemption date | NA | NA | | CRISIL PP-MLD AAA/Stable | - |
| 6 | Secured MLD | INES87Q07224 | 100,000 | 1228 | 1/30/2023 | Bullet Payment | 150,200,000 | 0 | 0 | 150,200,000 | - | Coupon link | Coupon if any will be paid on redemption date | NA | NA | | CRISIL PP-MLD AAA/Stable | - |
| 7 | Secured MLD | INES87Q07224 | 100,000 | 1215 | 1/30/2023 | Bullet Payment | 105,400,000 | 0 | 0 | 105,400,000 | - | Coupon link | Coupon if any will be paid on redemption date | NA | NA | | CRISIL PP-MLD AAA/Stable | - |
| 8 | Secured MLD | INES87Q07224 | 100,000 | 1147 | 1/30/2023 | Bullet Payment | 100,000,000 | 0 | 0 | 100,000,000 | - | Coupon link | Coupon if any will be paid on redemption date | NA | NA | | CRISIL PP-MLD AAA/Stable | - |
| 9 | Secured MLD | INES87Q07224 | 100,000 | 1134 | 1/30/2023 | Bullet Payment | 130,000,000 | 0 | 0 | 130,000,000 | - | Coupon link | Coupon if any will be paid on redemption date | NA | NA | | CRISIL PP-MLD AAA/Stable | - |
| 10 | Secured NCD | INES87Q07232 | 1,000,000 | 3651 | 7/13/2029 | Bullet Payment | 1,400,000,000 | 0 | 0 | 1,400,000,000 | - | 8.7500% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |
| 11 | Secured NCD | INES87Q07240 | 1,000,000 | 3653 | 10/16/2029 | Bullet Payment | 600,000,000 | 0 | 0 | 600,000,000 | - | 8.6500% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |
| 12 | Secured NCD | INES87Q07257 | 1,000,000 | 1827 | 12/5/2024 | Bullet Payment | 250,000,000 | 0 | 0 | 250,000,000 | - | 8.3500% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |
| 13 | Secured NCD | INES87Q07263 | 1,000,000 | 1096 | 2/17/2023 | Bullet Payment | 2,000,000,000 | 0 | 0 | 2,000,000,000 | - | 8.0000% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | - |
| 14 | Secured NCD | INES87Q07273 | 1,000,000 | 2648 | 9/10/2027 | Bullet Payment | 1,750,000,000 | 0 | 0 | 1,750,000,000 | - | 8.0000% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |
| 15 | Secured MLD | INES87Q07299 | 100,000 | 1095 | 7/20/2023 | Bullet Payment | 750,000,000 | 0 | 0 | 750,000,000 | - | Coupon link | Coupon if any will be paid on redemption date | NA | NA | | CRISIL PP-MLD AAA/Stable | - |
| 16 | Secured NCD | INES87Q07315 | 1,000,000 | 1064 | 11/30/2023 | Bullet Payment | 2,000,000,000 | 0 | 0 | 2,000,000,000 | - | 5.4000% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | - |
| 17 | Secured NCD | INES87Q07323 | 1,000,000 | 730 | 5/19/2023 | Bullet Payment | 2,000,000,000 | 0 | 0 | 2,000,000,000 | - | 3M Thill | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | - |
| 18 | Secured NCD | INES87Q07331 | 1,000,000 | 1094 | 7/26/2024 | Bullet Payment | 3,600,000,000 | 0 | 0 | 3,600,000,000 | - | 3M Thill | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | - |
| 19 | Secured NCD | INES87Q07349 | 1,000,000 | 1094 | 11/15/2024 | Bullet Payment | 3,000,000,000 | 0 | 0 | 3,000,000,000 | - | 5.9500% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | - |
| 20 | Secured NCD | INES87Q07356 | 1,000,000 | 1095 | 6/20/2025 | Bullet Payment | 500,000,000 | 0 | 0 | 500,000,000 | - | 7.6200% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | - |
| 21 | Secured MLD | INES87Q07364 | 1,000,000 | *14 | 6/25/2024 | Bullet Payment | 2,296,000,000 | 0 | 0 | 2,296,000,000 | - | Coupon link | Coupon if any will be paid on redemption date | NA | NA | | CRISIL PP-MLD AAA/Stable | - |
| 22 | Secured MLD | INES87Q07380 | 1,000,000 | 912 | 5/30/2025 | Bullet Payment | 500,000,000 | 0 | 0 | 500,000,000 | - | Coupon link | Coupon if any will be paid on redemption date | NA | NA | | CRISIL PP-MLD AAA/Stable | - |
| 23 | Secured MLD | INES87Q07380 | 1,000,000 | 898 | 5/30/2025 | Bullet Payment | 1,610,000,000 | 0 | 0 | 1,610,000,000 | - | Coupon link | Coupon if any will be paid on redemption date | NA | NA | | CRISIL PP-MLD AAA/Stable | - |
| 24 | Secured MLD | INES87Q07398 | 1,000,000 | 945 | 7/28/2025 | Bullet Payment | 500,000,000 | 0 | 0 | 500,000,000 | - | Coupon link | Coupon if any will be paid on redemption date | NA | NA | | CRISIL PP-MLD AAA/Stable | - |
| 25 | Sub-Debt - Tier-II Bond | INES87Q08016 | 1,000,000 | 3653 | 5/10/2029 | Bullet Payment | 500,000,000 | 0 | 0 | 500,000,000 | - | 9.1800% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |
| 26 | Sub-Debt - Tier-II Bond | INES87Q08016 | 1,000,000 | 3634 | 5/10/2029 | Bullet Payment | 500,000,000 | 0 | 0 | 500,000,000 | - | 9.1800% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |
| 27 | Sub-Debt - Tier-II Bond | INES87Q08016 | 1,000,000 | 3604 | 5/10/2029 | Bullet Payment | 500,000,000 | 0 | 0 | 500,000,000 | - | 9.1800% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |
| 28 | Sub-Debt - Tier-II Bond | INES87Q08024 | 1,000,000 | 3653 | 11/13/2029 | Bullet Payment | 500,000,000 | 0 | 0 | 500,000,000 | - | 8.8000% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |
| 29 | Sub-Debt - Tier-II Bond | INES87Q08024 | 1,000,000 | 3571 | 11/13/2029 | Bullet Payment | 1,000,000,000 | 0 | 0 | 1,000,000,000 | - | 8.8000% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |
| 30 | Sub-Debt - Tier-II Bond | INES87Q08024 | 1,000,000 | 3550 | 11/13/2029 | Bullet Payment | 500,000,000 | 0 | 0 | 500,000,000 | - | 8.8000% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |
| 31 | Sub-Debt - Tier-II Bond | INES87Q08032 | 1,000,000 | 3650 | 7/26/2030 | Bullet Payment | 500,000,000 | 0 | 0 | 500,000,000 | - | 7.7500% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |
| 32 | Sub-Debt - Tier-II Bond | INES87Q08032 | 1,000,000 | 3572 | 7/26/2030 | Bullet Payment | 500,000,000 | 0 | 0 | 500,000,000 | - | 7.7500% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |
| 33 | Sub-Debt - Tier-II Bond | INES87Q08032 | 1,000,000 | 3508 | 7/26/2030 | Bullet Payment | 500,000,000 | 0 | 0 | 500,000,000 | - | 7.7500% | Annually & on Maturity | NA | NA | | CRISIL AAA/Stable | CARE AAA/Stable |

Details in relation to the listed NCDs issued on a private placement basis as on 31st December 2022 of the Transferee Company

| Sr. No. | Product Type | ISIN | Face Value | Tenure/Maturity (in no. of days) | Redemption date | Terms of Redemption | Redemption Amount | Redemption Premium | Redemption Discount | Principal Amount | Early Redemption | Rate of dividend/coupon | Coupon Frequency | Put/Call Option Date | Notificati on time | Credit Rating | |
|---------|---------------|-------------|------------|----------------------------------|-----------------|---------------------|-------------------|--------------------|---------------------|------------------|------------------|-------------------------|--|----------------------|--------------------|-------------------|-----------------|
| | | | | | | | | | | | | | | | | CRISIL | ICRA |
| 1 | Unsecured NCD | INE97608318 | 1,000,000 | 1237 | 6/28/2023 | Bullet Payment | 1,250,000,000 | 0 | 0 | 1,250,000,000 | - | 8.3800% | Annually on 28th day of June every | NA | NA | CRISIL AAA/Stable | - |
| 2 | Unsecured NCD | INE97608326 | 1,000,000 | 1130 | 3/13/2023 | Bullet Payment | 1,250,000,000 | 0 | 0 | 1,250,000,000 | - | 8.3300% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 3 | Unsecured NCD | INE97608342 | 1,000,000 | 1826 | 8/4/2025 | Bullet Payment | 1,500,000,000 | 0 | 0 | 1,500,000,000 | - | 7.2200% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | ICRA AAA/Stable |
| 4 | Unsecured NCD | INE97608342 | 1,000,000 | 1826 | 8/4/2025 | Bullet Payment | 250,000,000 | 0 | 0 | 250,000,000 | - | 7.2200% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | ICRA AAA/Stable |
| 5 | Unsecured NCD | INE97608342 | 1,000,000 | 1826 | 8/4/2025 | Bullet Payment | 100,000,000 | 0 | 0 | 100,000,000 | - | 7.2200% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | ICRA AAA/Stable |
| 6 | Unsecured NCD | INE97608342 | 1,000,000 | 1826 | 8/4/2025 | Bullet Payment | 100,000,000 | 0 | 0 | 100,000,000 | - | 7.2200% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | ICRA AAA/Stable |
| 7 | Unsecured NCD | INE97608342 | 1,000,000 | 1826 | 8/4/2025 | Bullet Payment | 100,000,000 | 0 | 0 | 100,000,000 | - | 7.2200% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | ICRA AAA/Stable |
| 8 | Unsecured NCD | INE97608359 | 1,000,000 | 1095 | 8/4/2023 | Bullet Payment | 500,000,000 | 0 | 0 | 500,000,000 | - | 6.7000% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 9 | Unsecured NCD | INE97608359 | 1,000,000 | 1095 | 8/4/2023 | Bullet Payment | 750,000,000 | 0 | 0 | 750,000,000 | - | 6.7000% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 10 | Unsecured NCD | INE97608359 | 1,000,000 | 1095 | 8/4/2023 | Bullet Payment | 1,000,000,000 | 0 | 0 | 1,000,000,000 | - | 6.7000% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 11 | Unsecured NCD | INE97608359 | 1,000,000 | 1095 | 8/4/2023 | Bullet Payment | 600,000,000 | 0 | 0 | 600,000,000 | - | 6.7000% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 12 | Unsecured NCD | INE97608359 | 1,000,000 | 1095 | 8/4/2023 | Bullet Payment | 150,000,000 | 0 | 0 | 150,000,000 | - | 6.7000% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 13 | Unsecured NCD | INE97608367 | 1,000,000 | 1036 | 12/28/2023 | Bullet Payment | 3,000,000,000 | 0 | 0 | 3,000,000,000 | - | 6.7899% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 14 | Unsecured NCD | INE97608375 | 1,000,000 | 1160 | 4/30/2024 | Bullet Payment | 1,000,000,000 | 0 | 0 | 1,000,000,000 | - | 6.7942% | Annually on 30th day of April every year & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 15 | Unsecured NCD | INE97608375 | 1,000,000 | 798 | 4/30/2024 | Bullet Payment | 3,000,000,000 | 0 | 0 | 3,000,000,000 | - | 6.7942% | Annually on 30th day of April every year & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 16 | Unsecured NCD | INE97608383 | 1,000,000 | 759 | 2/16/2024 | Bullet Payment | 700,000,000 | 0 | 0 | 700,000,000 | - | 6.4912% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 17 | Unsecured NCD | INE97608383 | 1,000,000 | 759 | 2/16/2024 | Bullet Payment | 50,000,000 | 0 | 0 | 50,000,000 | - | 6.4912% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 18 | Unsecured NCD | INE97608383 | 1,000,000 | 759 | 2/16/2024 | Bullet Payment | 400,000,000 | 0 | 0 | 400,000,000 | - | 6.4912% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 19 | Unsecured NCD | INE97608383 | 1,000,000 | 759 | 2/16/2024 | Bullet Payment | 300,000,000 | 0 | 0 | 300,000,000 | - | 6.4912% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 20 | Unsecured NCD | INE97608383 | 1,000,000 | 759 | 2/16/2024 | Bullet Payment | 50,000,000 | 0 | 0 | 50,000,000 | - | 6.4912% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 21 | Unsecured NCD | INE97608383 | 1,000,000 | 759 | 2/16/2024 | Bullet Payment | 1,550,000,000 | 0 | 0 | 1,550,000,000 | - | 6.4912% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 22 | Unsecured NCD | INE97608383 | 1,000,000 | 759 | 2/16/2024 | Bullet Payment | 300,000,000 | 0 | 0 | 300,000,000 | - | 6.4912% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 23 | Unsecured NCD | INE97608383 | 1,000,000 | 759 | 2/16/2024 | Bullet Payment | 150,000,000 | 0 | 0 | 150,000,000 | - | 6.4912% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 24 | Unsecured NCD | INE97608383 | 1,000,000 | 759 | 2/16/2024 | Bullet Payment | 500,000,000 | 0 | 0 | 500,000,000 | - | 6.4912% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 25 | Unsecured NCD | INE97608391 | 1,000,000 | 1130 | 3/28/2025 | Bullet Payment | 1,500,000,000 | 0 | 0 | 1,500,000,000 | - | 6.7000% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 26 | Unsecured NCD | INE97608391 | 1,000,000 | 1130 | 3/28/2025 | Bullet Payment | 600,000,000 | 0 | 0 | 600,000,000 | - | 6.7000% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 27 | Unsecured NCD | INE97608391 | 1,000,000 | 1130 | 3/28/2025 | Bullet Payment | 300,000,000 | 0 | 0 | 300,000,000 | - | 6.7000% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |
| 28 | Unsecured NCD | INE97608391 | 1,000,000 | 1130 | 3/28/2025 | Bullet Payment | 600,000,000 | 0 | 0 | 600,000,000 | - | 6.7000% | Annually & on Maturity | NA | NA | CRISIL AAA/Stable | - |

Latest audited financials along with notes to accounts and any audit qualifications - please refer to following URL on the website of the Company:

<https://www.tatacapital.com>

An auditors' certificate certifying the payment/ repayment capability of the resultant entity - please refer to following URL on the website of the Company:

<https://www.tatacapital.com>

Fairness report - Please refer to following URL on the website of the Company: <https://www.tatacapital.com>

Safeguards for the protection of holder of NCDs

Taking into consideration (i) the report submitted by the Audit Committee recommending the draft Scheme, (ii) the Valuation Reports issued by the independent registered valuer and (iii) the Fairness Opinions issued by SEBI registered independent merchant banker the proposed entitlement ratio as recommended by the Registered Valuer and certified as fair by the Merchant Banker was approved by the Board.

Thus, the Scheme envisages that the holders of NCDs of Transferor Companies will become holders of NCDs of Transferee Company at exactly the same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, respectively. Therefore, the Scheme will not have any adverse impact on the holders of the NCDs and thus adequately safeguards interests of the holders of the NCDs.

Exit offer to the dissenting holders of NCDs

The Scheme envisages that the holders of NCDs of Transferor Companies will become holders of NCDs of Transferee Company on the same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security. The NCDs of the Transferor and Transferee Companies will continue to be freely tradable and listed on Stock Exchanges thereby providing liquidity to the holders of NCDs.



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TATA CAPITAL LIMITED AT ITS MEETING HELD ON MARCH 28, 2023, EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT FOR AMALGAMATION OF TATA CAPITAL FINANCIAL SERVICES LIMITED AND TATA CLEANTECH CAPITAL LIMITED WITH TATA CAPITAL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS, ON EACH CLASS OF SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, DEBENTURE HOLDERS, CREDITORS, EMPLOYEES AND DIRECTORS

A. Background:

1. The Board of Tata Capital Limited (“TCL” or “**Transferee Company**” or “**Company**”) at its meeting held on March 28, 2023, approved the Scheme of Arrangement for amalgamation of Tata Capital Financial Services Limited (“TCFSL” or “**Transferor Company 1**”) and Tata Cleantech Capital Limited (“TCCL” or “**Transferor Company 2**”) with the Company and their respective shareholders (“**Scheme**”), to be implemented under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and the rules made thereunder (“**Act**”) and other applicable provisions, if any, of the Act.
2. Pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103, dated July 29, 2022, as amended from time to time (“SEBI Circular”) and as per Section 232(2)(c) of the Act, a report from the Board of the Company explaining the effect of the Scheme on each class of shareholders (promoters and non - promoter shareholders), key managerial personnel (“**KMPs**”), debenture holders, creditors, employees and directors of the Company, setting out, among other things, the share exchange ratio, specifying any special valuation difficulties, is required to be adopted by the Board. Such report is then required to be appended with the notice of the meeting of shareholders and creditors if ordered by the jurisdictional National Company Law Tribunal.

Further, pursuant to the requirements of the SEBI Circular, the Board is required to also comment on impact of the scheme on the holder of Non-Convertible Debentures / Non Convertible Preference Shares, safeguards for the protection of the holders of NCDs / NCRPs and exit offer to the dissenting shareholders of NCDs / NCRPS, if any.

Accordingly, this report of the Board is prepared to comply with the aforesaid requirements.

3. While deliberating on the Scheme, the Board, inter-alia, considered and took on record the following documents:
 - (a) A draft of the proposed Scheme.
 - (b) Joint Valuation report dated March 28, 2023, issued by SSPA & Co. and Ernst & Young Merchant Banking Services LLP, Registered Valuers, describing the methodology adopted by them in arriving at the share exchange ratio in relation to the amalgamation.

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



- (c) Joint Valuation Report dated March 28, 2023 issued by SSPA & Co. and Ernst & Young Merchant Banking Services LLP, Registered Valuers with respect to the Non Convertible Debentures.
 - (d) Fairness Opinion dated March 28, 2023 issued by SBI Capital Markets Limited, Independent Merchant Banker, registered with SEBI on the valuation report issued by the Registered Valuers for the purpose of providing opinion in respect of the share exchange ratio.
 - (e) Fairness Opinion March 28, 2023 issued by SBI Capital Markets Limited, Independent Merchant Banker, registered with SEBI on the valuation report issued by the Registered Valuers with respect to the Non Convertible Debentures.
 - (f) Draft Auditor's certificate issued by M/s. KKC & Associates LLP, Chartered Accountants, Statutory Auditors of the Company ("**Accounting Treatment Certificate**"), to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Act.
 - (g) Audit Committee's approval dated March 28, 2023, recommending the Scheme.
 - (h) Other presentations, reports, documents and information pertaining to the draft Scheme made available or circulated to the Board.
4. The Scheme, amongst others, contemplates the following arrangements:
- (a) Amalgamation of Transferor Company 1 and Transferor Company 2 with the Transferee Company in the manner set out in Part II of the Scheme.
 - (b) Reduction of securities premium of the Transferee Company after the amalgamation of the Undertaking in the manner set out in Part III of the Scheme.

5. Rationale of the Scheme:

TCL, being a CIC, has four Indian subsidiary companies viz. TCFSL, Tata Capital Housing Finance Limited ("TCHFL"), TCCL and Tata Securities Limited ("TSL"). TCFSL, TCHFL and TCCL, are primarily engaged in the business of lending. TCFSL and TCCL are registered with RBI as a NBFC ND SI and TCHFL is registered with National Housing Bank as a Housing Finance Company. TSL is currently engaged in the business of distribution of Mutual Fund units in the capacity of an AMFI registered distributor. Each of the entities cater to distinct segments and offer different products. It is now proposed to consolidate the businesses of TCFSL and TCCL at the TCL level, for creation of a larger unified entity and, to that extent, reduce the number of registered non-banking financial companies (NBFCs) within the Tata Capital Group to achieve optimal and efficient utilization of capital, enhance operational and management efficiencies and have a simplified organizational structure.

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



Thus, the amalgamation of the Transferor Companies with the Transferee Company pursuant to this Scheme would, inter-alia, have the following benefits:

- i. Consolidation of businesses would help in achieving simplified organizational structure, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale;
- ii. Lead to the creation of a larger unified entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively;
- iii. Reduction in the number of NBFCs within the group, resulting in lesser overheads including administrative, managerial, and other expenditure, optimal utilization of resources, and provide a common governance structure;
- iv. Consolidation of the businesses carried on by them is strategic in nature and will generate significant business synergies thereby enhancing stakeholders' value;
- v. The Transferor and Transferee Companies have a proven track record in the respective businesses of credit and consolidating those will lead to pooling of knowledge and expertise and align with the business plans which will enable the group to meet its long-term objectives;
- vi. Greater financial strength and flexibility for the Transferee Company.

B. Effect of the Scheme on equity shareholders (promoter and non-promoter shareholders), Key Managerial Personnel, debenture holders, creditors, employees and Directors of the Company:

1. Effect on each class of shareholders (promoter and non-promoter shareholders):

Pursuant to the Scheme, the entire Undertaking (as defined in the Scheme) of the Transferor Company 1 and Transferor Company 2 shall be merged with the Transferee Company.

Upon the Scheme becoming effective and upon amalgamation of Transferor Company 1 and Transferor Company 2 with the Transferee Company in terms of this Scheme, the Transferee Company shall issue and allot its equity shares to the members of the Transferor Company 2 whose names appear in the register of members of the Transferor Company 2 (except for shares already held by the Transferee Company) as on record date in the following proportion viz.:

“4 (four) equity shares of face value of Rs. 10/- each of Transferee Company shall be issued and allotted as fully paid up for every 5 (five) equity shares of the face value of Rs. 10/- each fully paid up held in Transferor Company 2”

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



The said share exchange ratio is arrived at after taking into consideration the valuation reports issued by joint valuers, SSPA & Co. and Ernst & Young, Registered Valuers, which has been duly considered by the Board of Directors of the Company and the Board has come to the conclusion that the said share exchange ratio is fair and reasonable.

The equity shares so issued and allotted as provided above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank *pari-passu* in all respects with the equity shares of the Transferee Company as set out in the Scheme.

As the Transferee Company along with joint shareholders holds the entire equity share capital of the Transferor Company 1, on amalgamation, neither any consideration will be paid, nor any shares shall be issued by the Transferee Company in consideration of amalgamation. The shares of the Transferor Companies held by the Transferee Company shall stand extinguished upon the Scheme becoming effective.

2. Effect on the KMPs and Directors of the Company:

The Scheme would not have any effect on the KMPs and Directors of the Company.

The KMPs and Directors of the Company and their respective relatives may be deemed to be concerned and / or interested in the Scheme only to the extent of their shareholding in the Company (if any), or to the extent the said KMPs / Directors are the partners, directors, members of the companies, firms, association of persons, body corporates and / or beneficiary of the trust that holds shares in the Company, as applicable.

3. Effect and impact on the holders of debentures and safeguards for the protection of the debenture holders:

There will not be any impact on the debenture holders of the Company pursuant to the Scheme. The current debenture holders will continue to be served by the Transferee Company

Thus, the Scheme envisages that the holders of NCDs of TCFSL and TCCL will become holders of NCDs of TCL at exactly the same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN respectively. Therefore, the Scheme will not have any adverse impact on the holders of the NCDs and thus adequately safeguards interests of the holders of the NCDs.

4. Exit offer to the dissenting holders of the debentures of the Company:

The same will be guided by the respective disclosure documents.

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



5. Effect on the creditors:

Under the Scheme, there is no arrangement with the creditors (secured or unsecured) of the Company. No compromise is offered under the Scheme to any of the creditors of the Company. The liability of the creditors of the Company, under the Scheme, is neither being reduced nor being extinguished.

6. Effect on staff or employees:

Under the Scheme, no rights of the staff and employees of the Company are being affected. The services of the staff and employees of the Company shall continue on the same terms and conditions prior to the proposed Scheme.

C. Conclusion

While deliberating the Scheme, the Board has considered its impact on each of the shareholders, (promoters and non-promoter shareholders), key managerial personnel, directors, debenture holders, creditors and employees. The Scheme is in the best interest of the shareholders (promoters and non-promoter shareholders), key managerial personnel, directors, debenture holders, creditors and employees of the Company and there shall be no prejudice caused to them in any manner by the Scheme.

By order of the Board

For **Tata Capital Limited**

RAJIV

SABHARWAL

Digitally signed by
RAJIV SABHARWAL
Date: 2023.04.05
21:17:09 +05'30'

Rajiv Sabharwal
Managing Director & CEO
DIN: 00057333

Date: April 4, 2023

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



Annexure 2A

ADDENDUM TO REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TATA CAPITAL LIMITED AT ITS MEETING HELD ON MARCH 28, 2023, EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT FOR AMALGAMATION OF TATA CAPITAL FINANCIAL SERVICES LIMITED AND TATA CLEANTECH CAPITAL LIMITED WITH TATA CAPITAL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS, ON EACH CLASS OF SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, DEBENTURE HOLDERS, CREDITORS, EMPLOYEES AND DIRECTORS

Exit offer to the dissenting holders of the debentures of the Company:

The NCDs of the Company will continue to be freely tradable and listed on the Stock Exchange, thereby providing liquidity to holders of NCDs of the Company.

For Tata Capital Limited

RAJIV
SABHAR
WAL

Digitally signed
by RAJIV
SABHARWAL
Date:
2023.04.28
19:49:28 +05'30'

Rajiv Sabharwal
Managing Director & CEO
DIN: 00057333

Date: April 28, 2023

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TATA CAPITAL FINANCIAL SERVICES LIMITED AT ITS MEETING HELD ON MARCH 28, 2023, EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT FOR AMALGAMATION OF TATA CAPITAL FINANCIAL SERVICES LIMITED AND TATA CLEANTECH CAPITAL LIMITED WITH TATA CAPITAL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS, ON EACH CLASS OF SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, DEBENTURE HOLDERS, CREDITORS, EMPLOYEES AND DIRECTORS

A. Background:

1. The Board of Tata Capital Financial Services Limited (“**TCFSL**” or “**Transferor Company 1**” or “**Company**”) at its meeting held on March 28, 2023, approved the Scheme of Arrangement for amalgamation of the Company and Tata Cleantech Capital Limited (“**TCCL**” or “**Transferor Company 2**”) with Tata Capital Limited (“**TCL**” or “**Transferee Company**”) and their respective shareholders (“**Scheme**”), to be implemented under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and the rules made thereunder (“**Act**”) and other applicable provisions, if any, of the Act.
2. Pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103, dated July 29, 2022, as amended from time to time and as per Section 232(2)(c) of the Act, a report from the Board of the Company explaining the effect of the Scheme on each class of shareholders (promoters and non-promoter shareholders), key managerial personnel (“**KMPs**”), debenture holders, creditors, employees and directors of the Company, setting out, among other things, the share exchange ratio, specifying any special valuation difficulties, is required to be adopted by the Board. Such report is then required to be appended with the notice of the meeting of shareholders and creditors if ordered by the jurisdictional National Company Law Tribunal.

Further, pursuant to the requirements of the SEBI Circular, the Board is required to also comment on impact of the scheme on the holder of Non-Convertible Debentures / Non Convertible Preference Shares, safeguards for the protection of the holders of NCDs / NCRPS and exit offer to the dissenting shareholders of NCDs / NCRPS, if any.

Accordingly, this report of the Board is prepared to comply with the aforesaid requirements.

TATA CAPITAL FINANCIAL SERVICES LIMITED

Corporate Identity Number U67100MH2010PLC210201

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



3. While deliberating on the Scheme, the Board, inter-alia, considered and took on record the following documents:
- (a) A draft of the proposed Scheme;
 - (b) Valuation report dated March 28, 2023, as issued by SSPA & Co., Chartered Accountants, Registered Valuers, as the Independent Registered Valuer, recommending that no shares of TCL will be issued to the shareholders of the Company pursuant to the Scheme as the Company is a wholly owned subsidiary of TCL;
 - (c) Valuation report dated March 28, 2023, as issued by SSPA & Co., Chartered Accountants, Registered Valuers with respect to the Non Convertible Debentures.
 - (d) Fairness Opinion dated March 28, 2023 issued by Fortress Capital Management Services Pvt. Ltd., Independent Merchant Banker, registered with SEBI on the valuation report as issued by the Registered Valuers;
 - (e) Fairness Opinion dated March 28, 2023 issued by Fortress Capital Management Services Pvt. Ltd., Independent Merchant Banker, registered with SEBI on the valuation report issued by the Registered Valuers with respect to the Non Convertible Debentures;
 - (f) Draft Auditor's certificate issued by Walker Chandiok & Co LLP, Chartered Accountants and M M Nissim & Co. LLP, Chartered Accountants, Joint Statutory Auditors of the Company ("**Accounting Treatment Certificate**"), to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Act;
 - (g) Audit Committee's approval dated March 28, 2023, recommending the Scheme; and
 - (h) Other presentations, reports, documents and information pertaining to the draft Scheme made available or circulated to the Board.
4. The Scheme, amongst others, contemplates the following arrangements:
- (a) Amalgamation of Transferor Company 1 and Transferor Company 2 with the Transferee Company in the manner set out in Part II of the Scheme.
 - (b) Reduction of securities premium of the Transferee Company after the amalgamation of the Undertaking in the manner set out in Part III of the Scheme.

TATA CAPITAL FINANCIAL SERVICES LIMITED

Corporate Identity Number U67100MH2010PLC210201

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



5. Rationale of the Scheme:

TCL, being a CIC, has four Indian subsidiary companies viz. TCFSL, Tata Capital Housing Finance Limited (“TCHFL”), TCCL and Tata Securities Limited (“TSL”). TCFSL, TCHFL and TCCL, are primarily engaged in the business of lending. TCFSL and TCCL are registered with RBI as a NBFC ND SI and TCHFL is registered with National Housing Bank as a Housing Finance Company. TSL is currently engaged in the business of distribution of Mutual Fund units in the capacity of an AMFI registered distributor. Each of the entities cater to distinct segments and offer different products. It is now proposed to consolidate the businesses of TCFSL and TCCL at the TCL level, for creation of a larger unified entity and, to that extent, reduce the number of registered non-banking financial companies (NBFCs) within the Tata Capital Group to achieve optimal and efficient utilization of capital; enhance operational and management efficiencies and have a simplified organizational structure.

Thus, the amalgamation of the Transferor Companies with the Transferee Company pursuant to this Scheme would, inter-alia, have the following benefits:

- i. Consolidation of businesses would help in achieving simplified organizational structure, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale;
- ii. Lead to the creation of a larger unified entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively;
- iii. Reduction in the number of NBFCs within the group, resulting in lesser overheads including administrative, managerial, and other expenditure, optimal utilization of resources, and provide a common governance structure;
- iv. Consolidation of the businesses carried on by them is strategic in nature and will generate significant business synergies thereby enhancing stakeholders’ value;
- v. The Transferor and Transferee Companies have a proven track record in the respective businesses of credit and consolidating those will lead to pooling of knowledge and expertise and align with the business plans which will enable the group to meet its long-term objectives;
- vi. Greater financial strength and flexibility for the Transferee Company.

TATA CAPITAL FINANCIAL SERVICES LIMITED

Corporate Identity Number U67100MH2010PLC210201

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



B. Effect of the Scheme on equity shareholders (promoter and non-promoter shareholders), Key Managerial Personnel, debenture holders, creditors, employees and Directors of the Company:

1. Effect on each class of shareholders (promoter and non-promoter shareholders):

Upon the Scheme coming into effect, all the shares of the Transferor Company 1 held by the Transferee Company (either directly or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new share shall be issued or no payment or consideration shall be made by the Transferee Company in lieu of cancellation of such shares of the Transferor Company 1.

2. Effect on the KMPs and Directors of the Company:

The Scheme would not have any effect on the KMP's and Directors of the Company.

The KMPs and Directors of the Company and their respective relatives may be deemed to be concerned and / or interested in the Scheme only to the extent of their shareholding in the Company (if any), or to the extent the said KMPs / Directors are the partners, directors, members of the companies, firms, association of persons, body corporates and / or beneficiary of the trust that holds shares in the Company, as applicable.

3. Effect and impact on the holders of debentures and safeguards for the protection of the debenture holders:

There will not be any impact on the debenture holders of the Company pursuant to the Scheme. The current debenture holders will continue to be served by the Transferee Company.

Thus, the Scheme envisages that the holders of NCDs of TCFSL and TCCL will become holders of NCDs of TCL at exactly the same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, respectively. Therefore, the Scheme will not have any adverse impact on the holders of the NCDs and thus adequately safeguards interests of the holders of the NCDs.

4. Exit offer to the dissenting holders of the debentures of the Company:

The same will be guided by the respective disclosure documents.

5. Effect on the creditors:

Under the Scheme, there is no arrangement with the creditors (secured or unsecured) of the Company. No compromise is offered under the Scheme to any of the creditors of the Company. The liability of the creditors of the Company, under the Scheme, is neither being reduced nor being extinguished.

TATA CAPITAL FINANCIAL SERVICES LIMITED

Corporate Identity Number U67100MH2010PLC210201

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



6. Effect on staff or employees:

Under the Scheme, no rights of the staff and employees of the Company are being affected. The services of the staff and employees of the Company shall continue on the same terms and conditions prior to the proposed Scheme in case of transfer of employees as part of the Scheme.

C. Conclusion

While deliberating the Scheme, the Board has considered its impact on each of the shareholders, (promoters and non-promoter shareholders), key managerial personnel, directors, debenture holders, creditors and employees. The Scheme is in the best interest of the shareholders (promoters and non-promoter shareholders), key managerial personnel, directors, debenture holders, creditors and employees of the Company and there shall be no prejudice caused to them in any manner by the Scheme.

By order of the Board

For **TATA CAPITAL FINANCIAL SERVICES LIMITED**

SAROSH KERSI AMARIA
Digitally signed by
SAROSH KERSI AMARIA
Date: 2023.04.04 23:28:32
+05'30'

Sarosh Amaria
Managing Director
DIN: 08733676

Date: April 4, 2023

TATA CAPITAL FINANCIAL SERVICES LIMITED

Corporate Identity Number U67100MH2010PLC210201

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



Annexure 2B

ADDENDUM TO REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TATA CAPITAL FINANCIAL SERVICES LIMITED AT ITS MEETING HELD ON MARCH 28, 2023, EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT FOR AMALGAMATION OF TATA CAPITAL FINANCIAL SERVICES LIMITED AND TATA CLEANTECH CAPITAL LIMITED WITH TATA CAPITAL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS, ON EACH CLASS OF SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, DEBENTURE HOLDERS, CREDITORS, EMPLOYEES AND DIRECTORS

Exit offer to the dissenting holders of the debentures of the Company:

The NCDs of the Company will continue to be freely tradable and listed on the Stock Exchange, thereby providing liquidity to holders of NCDs of the Company.

For Tata Capital Financial Services Limited

SAROSH
KERSI AMARIA

Digitally signed by
SAROSH KERSI AMARIA
Date: 2023.04.28
20:40:21 +05'30'

Sarosh Amaria
Managing Director
DIN: 08733676

Date: April 28, 2023

TATA CAPITAL FINANCIAL SERVICES LIMITED

Corporate Identity Number U67100MH2010PLC210201

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TATA CLEANTECH CAPITAL LIMITED AT ITS MEETING HELD ON MARCH 28, 2023, EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT FOR AMALGAMATION OF TATA CAPITAL FINANCIAL SERVICES LIMITED AND TATA CLEANTECH CAPITAL LIMITED WITH TATA CAPITAL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS, ON EACH CLASS OF SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, DEBENTURE HOLDERS, CREDITORS, EMPLOYEES AND DIRECTORS

A. Background:

1. The Board of Tata Cleantech Capital Limited (“**TCCL**” or “**Transferor Company 2**” or “**Company**”) at its meeting held on March 28, 2023, approved the Scheme of Arrangement for amalgamation of Tata Capital Financial Services Limited (“**TCFSL**” or “**Transferor Company 1**”) and TCCL with Tata Capital Limited (“**TCL**” or “**Transferee Company**”) and their respective shareholders (“**Scheme**”), to be implemented under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and the rules made thereunder (“**Act**”) and other applicable provisions, if any, of the Act.
2. Pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103, dated July 29, 2022 (as amended from time to time) and as per Section 232(2)(c) of the Act, a report from the Board of the Company explaining the effect of the Scheme on each class of shareholders (promoters and non-promoter shareholders), key managerial personnel (“**KMPs**”), debenture holders, creditors, employees and directors of the Company, setting out, among other things, the share exchange ratio, specifying any special valuation difficulties, is required to be adopted by the Board. Such report is then required to be appended with the notice of the meeting of shareholders and creditors if ordered by the jurisdictional National Company Law Tribunal.

Further, pursuant to the requirements of the SEBI Circular, the Board is required to also comment on impact of the scheme on the holder of Non-Convertible Debentures / Non-Convertible Preference Shares, safeguards for the protection of the holders of NCDs / NCRPS and exit offer to the dissenting shareholders of NCDs / NCRPS, if any.

Accordingly, this report of the Board is prepared to comply with the aforesaid requirements. .

3. While deliberating on the Scheme, the Board, inter-alia, considered and took on record the following documents:
 - (a) A draft of the proposed Scheme;

TATA CLEANTECH CAPITAL LIMITED

Corporate Identification Number U65923MH2011PLC222430

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



- (b) Joint valuation report dated March 28, 2023 issued by SSPA & Co., Registered Valuers appointed by TCL and Ernst & Young Merchant Banking Services LLP, Registered Valuers appointed by TCCL, recommending the share exchange ratio for issue of Equity Shares to the members of TCCL as on Record Date (except for shares already held by TCL and/or its nominees) by TCL, pursuant to the Scheme.
 - (c) Joint valuation report dated March 28, 2023 issued by SSPA & Co., Registered Valuers appointed by TCL and Ernst & Young Merchant Banking Services LLP, Registered Valuers appointed by TCCL, with respect to the Non Convertible Debentures.
 - (d) Fairness Opinion dated March 28, 2023 issued by Saffron Capital Advisors Private Limited, Independent Merchant Banker, registered with SEBI on the share exchange ratio as recommended by the Registered Valuers.
 - (e) Fairness Opinion dated March 28, 2023 issued by Saffron Capital Advisors Private Limited, Independent Merchant Banker, registered with SEBI with respect to the valuation report issued by Registered Valuers on the Non Convertible Debentures issued by TCCL.
 - (f) Draft Auditor's certificate issued by M/s Mukund M Chitale & Co Chartered Accountants Statutory Auditors of the Company ("**Accounting Treatment Certificate**"), to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Act;
 - (g) Audit Committee's approval dated March 28, 2023, recommending the Scheme.
 - (h) Other presentations, reports, documents and information pertaining to the draft Scheme made available or circulated to the Board.
4. The Scheme, amongst others, contemplates the following arrangements:
- (a) Amalgamation of Transferor Company 1 and Transferor Company 2 with the Transferee Company in the manner set out in Part II of the Scheme.
 - (b) Reduction of securities premium of the Transferee Company after the amalgamation of the Undertaking in the manner set out in Part III of the Scheme.

TATA CLEANTECH CAPITAL LIMITED

Corporate Identification Number U65923MH2011PLC222430

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



5. Rationale of the Scheme:

TCL, being a CIC, has four Indian subsidiary companies viz. TCFSL, Tata Capital Housing Finance Limited (“TCHFL”), TCCL and Tata Securities Limited (“TSL”). TCFSL, TCHFL and TCCL, are primarily engaged in the business of lending. TCFSL and TCCL are registered with RBI as a NBFC ND SI and TCHFL is registered with National Housing Bank as a Housing Finance Company. TSL is currently engaged in the business of distribution of Mutual Fund units in the capacity of an AMFI registered distributor. Each of the entities cater to distinct segments and offer different products. It is now proposed to consolidate the businesses of TCFSL and TCCL at the TCL level, for creation of a larger unified entity and, to that extent, reduce the number of registered non-banking financial companies (NBFCs) within the Tata Capital Group to achieve optimal and efficient utilization of capital; enhance operational and management efficiencies and have a simplified organizational structure.

Thus, the amalgamation of the Transferor Companies with the Transferee Company pursuant to this Scheme would, inter-alia, have the following benefits:

- i. Consolidation of businesses would help in achieving simplified organizational structure, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale;
- ii. Lead to the creation of a larger unified entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively;
- iii. Reduction in the number of NBFCs within the group, resulting in lesser overheads including administrative, managerial, and other expenditure, optimal utilization of resources, and provide a common governance structure;
- iv. Consolidation of the businesses carried on by them is strategic in nature and will generate significant business synergies thereby enhancing stakeholders’ value;
- v. The Transferor and Transferee Companies have a proven track record in the respective businesses of credit and consolidating those will lead to pooling of knowledge and expertise and align with the business plans which will enable the group to meet its long-term objectives;
- vi. Greater financial strength and flexibility for the Transferee Company.

B. Effect of the Scheme on equity shareholders (promoter and non-promoter shareholders), Key Managerial Personnel, debenture holders, creditors, employees and Directors of the Company:

1. Effect on each class of shareholders (promoter and non-promoter shareholders):

Upon the Scheme coming into effect, all the shares of TCCL held by TCL (either directly or through nominees) shall stand cancelled without any further application, act or deed.

TATA CLEANTECH CAPITAL LIMITED

Corporate Identification Number U65923MH2011PLC222430

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



Further, Equity Shares of TCL shall be issued to other member(s) of TCCL as per the exchange ratio determined based on the Valuation Report and the Fairness opinion.

2. Effect on the KMPs and Directors of the Company:

The Scheme would not have any effect on the KMP's and Directors of the Company.

The KMPs and Directors of the Company and their respective relatives may be deemed to be concerned and / or interested in the Scheme only to the extent of their shareholding in the Company (if any), or to the extent the said KMPs / Directors are the partners, directors, members of the companies, firms, association of persons, body corporates and / or beneficiary of the trust that holds shares in the Company, as applicable.

3. Effect and impact on the holders of debentures and safeguards for the protection of the debenture holders:

There will not be any impact on the debenture holders of the Company pursuant to the Scheme. The current debenture holders will continue to be served by the Transferee Company.

Thus, the Scheme envisages that the holders of NCDs of TCFSL and TCCL will become holders of NCDs of TCL at exactly the same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, respectively. Therefore, the Scheme will not have any adverse impact on the holders of the NCDs and thus adequately safeguards interests of the holders of the NCDs.

4. Exit offer to the dissenting holders of the debentures of the Company:

The same will be guided by the respective disclosure documents.

5. Effect on the creditors:

Under the Scheme, there is no arrangement with the creditors (secured or unsecured) of the Company. No compromise is offered under the Scheme to any of the creditors of the Company. The liability of the creditors of the Company, under the Scheme, is neither being reduced nor being extinguished.

6. Effect on staff or employees:

Under the Scheme, no rights of the staff and employees of the Company are being affected. The services of the staff and employees of the Company shall continue on the same terms and conditions prior to the proposed Scheme in case of transfer of employees as part of the Scheme.

C. Conclusion

While deliberating the Scheme, the Board has considered its impact on each of the shareholders, (promoters and non-promoter shareholders), key managerial personnel, directors, debenture holders, creditors and employees. The Scheme is in the best

TATA CLEANTECH CAPITAL LIMITED

Corporate Identification Number U65923MH2011PLC222430

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



interest of the shareholders (promoters and non-promoter shareholders), key managerial personnel, directors, debenture holders, creditors and employees of the Company and there shall be no prejudice caused to them in any manner by the Scheme.

By order of the Board

For **TATA CLEANTECH CAPITAL LIMITED**

**MANISH
CHOURASIA** Digitally signed by
MANISH CHOURASIA
Date: 2023.04.05
10:32:10 +05'30'

**Manish Chourasia
Managing Director
DIN: 03547985**

Date: April 4, 2023

TATA CLEANTECH CAPITAL LIMITED

Corporate Identification Number U65923MH2011PLC222430

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



Annexure 2C

ADDENDUM TO REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TATA CLEANTECH CAPITAL LIMITED AT ITS MEETING HELD ON MARCH 28, 2023, EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT FOR AMALGAMATION OF TATA CAPITAL FINANCIAL SERVICES LIMITED AND TATA CLEANTECH CAPITAL LIMITED WITH TATA CAPITAL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS, ON EACH CLASS OF SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, DEBENTURE HOLDERS, CREDITORS, EMPLOYEES AND DIRECTORS

Exit offer to the dissenting holders of the debentures of the Company:

The NCDs of the Company will continue to be freely tradable and listed on the Stock Exchange, thereby providing liquidity to holders of NCDs of the Company.

For Tata Cleantech Capital Limited

**Manish Chourasia
Managing Director**

April 28, 2023

TATA CLEANTECH CAPITAL LIMITED

Corporate Identification Number U65923MH2011PLC222430

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6182 8282 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



Shareholding Pattern of Tata Capital Limited pre and post Scheme of Arrangement amongst Tata Capital Financial Services Limited (“Transferor Company 1”) and Tata Cleantech Capital Limited (“Transferor Company 2”) with Tata Capital Limited (“Transferee Company” or “Company”) and their respective shareholders (“Scheme”) as on 31st March 2023

| Sr. No. | Description | Name of Equity Shareholder | Pre- arrangement | | Post- arrangement | |
|------------|--|----------------------------|----------------------|-------|-----------------------|-------|
| | | | No. of equity shares | % | No. of equity shares* | % |
| (A) | Shareholding of Promoter and Promoter Group | | | | | |
| 1 | Indian | | | | | |
| (a) | Individuals/ Hindu Undivided Family | | - | - | - | - |
| (b) | Central Government/ State Government(s) | | - | - | - | - |
| (c) | Bodies Corporate | Tata Sons Private Limited | 3,36,86,83,388 | 94.62 | 3,36,86,83,388 | 92.76 |

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



| | | | | | | |
|------------|--|--|-----------------------|--------------|-----------------------|--------------|
| (d) | Financial Institutions/ Banks | | - | - | - | - |
| (e) | Any Others | | - | - | - | - |
| | Sub Total(A)(1) | | 3,36,86,83,388 | 94.62 | 3,36,86,83,388 | 92.76 |
| 2 | Foreign | | | | | |
| (a) | Individuals (Non-Residents Individuals/ Foreign Individuals) | | - | - | - | - |
| (b) | Bodies Corporate | | - | - | - | - |
| (c) | Institutions | | - | - | - | - |
| (d) | Any Others | | - | - | - | - |
| | Sub Total(A)(2) | | - | - | - | - |
| | Total Shareholding of Promoter and Promoter Group(A)= (A)(1)+(A)(2) | | 3,36,86,83,388 | 94.62 | 3,36,86,83,388 | 92.76 |
| (B) | Public shareholding | | | | | |
| 1 | Institutions | | | | | |
| (a) | Mutual Funds/ UTI | | - | - | - | - |

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



| | | | | | | |
|----------|--|--|--------------------|-------------|---------------------|-------------|
| (b) | Financial Institutions Banks | | - | - | - | - |
| (c) | Central Government/ State Government(s) | | - | - | - | - |
| (d) | Venture Capital Funds | | - | - | - | - |
| (e) | Insurance Companies | | - | - | - | - |
| (f) | Foreign Institutional Investors | | - | - | - | - |
| (g) | Foreign Venture Capital Investors | | - | - | - | - |
| (h) | Any Other | | | | | |
| | 1) TCL Employee Welfare Trust | | 5,30,39,007 | 1.49 | 5,30,39,007 | 1.46 |
| | 2) Multilateral Financial Institutions | | - | - | 7,16,48,559 | 1.97 |
| | Sub-Total (B)(1) | | 5,30,39,007 | 1.49 | 12,46,87,566 | 3.43 |
| 2 | Non-institutions | | | | | |
| (a) | Bodies Corporate | | 11,57,38,600 | 3.25 | 11,57,38,600 | 3.19 |
| (b) | Individuals | | - | - | - | - |

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



| | | | | | | |
|------------|---|--|-----------------------|-------------|-----------------------|-------------|
| I | Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh | | 18,01,103 | 0.05 | 18,01,103 | 0.05 |
| II | ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh. | | 2,08,57,743 | 0.59 | 2,08,57,743 | 0.57 |
| (c) | Any Other | | - | - | - | - |
| | Sub-Total (B)(2) | | 13,83,97,446 | 3.89 | 13,83,97,446 | 3.81 |
| (B) | Total Public Shareholding(B)= (B)(1)+(B)(2) | | 19,14,36,453 | 5.38 | 26,30,85,012 | 7.24 |
| | TOTAL (A)+(B) | | 3,56,01,19,841 | 100 | 3,63,17,68,400 | 100 |
| (C) | Shares held by Custodians and against which DRs have been issued | | - | - | - | - |
| | GRAND TOTAL (A)+(B)+(C) | | 3,56,01,19,841 | 100 | 3,63,17,68,400 | 100 |

Note:

- a) Above mentioned post shareholding pattern has been computed considering the share exchange ratio provided in the Scheme.

For Tata Capital Limited

SARITA GANESH KAMATH
 Digitally signed by SARITA GANESH KAMATH
 Date: 2023.08.07 14:32:31 +05'30'

Sarita Kamath
Head – Legal & Compliance and Company Secretary

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



SHAREHOLDING PATTERN OF TATA CAPITAL FINANCIAL SERVICES LIMITED
AS ON MARCH 31, 2023

| EQUITY SHARES (Face Value: Rs. 10) | | | | |
|---|--|-----------------------|------------------------|-----------------------|
| Sr. No. | Name of the Member | No. of Shares | Amount (Rs.) | Percentage (%) |
| 1. | Tata Capital Limited | 1,71,88,46,452 | 17,18,84,64,520 | 99.99 |
| 2. | Tata Capital Limited J/w Mr. Rajiv Sabharwal | 1 | 10 | } 0.01 |
| 3. | Tata Capital Limited J/w Mr. Sarosh Amaria | 1 | 10 | |
| 4. | Tata Capital Limited J/w Mr. Avijit Bhattacharya | 1 | 10 | |
| 5. | Tata Capital Limited J/w Mr. Kiran Joshi | 1 | 10 | |
| 6. | Tata Capital Limited J/w Ms. Sarita Kamath | 1 | 10 | |
| 7. | Tata Capital Limited J/w Mr. Rakesh Bhatia | 1 | 10 | |
| | TOTAL PAID – UP SHARE CAPITAL | 1,71,88,46,458 | 17,18,84,64,580 | |

Certified True Copy
For Tata Capital Financial Services Limited

SONALI
 BHUSHAN
 PUNEKAR

Digitally signed by SONALI
 BHUSHAN PUNEKAR
 Date: 2023.04.08 16:20:34
 +05'30'

Sonali Puneekar
Company Secretary

TATA CAPITAL FINANCIAL SERVICES LIMITED

Corporate Identity Number U67100MH2010PLC210201

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



Annexure 4B

**SHAREHOLDING PATTERN OF TATA CLEANTECH CAPITAL LIMITED
AS ON MARCH 31, 2023**

| EQUITY SHARES (Face Value: Rs. 10) | | | |
|---|----------------------|---------------------|-----------------------|
| Name of the Member | No. of Shares | Amount (Rs.) | Percentage (%) |
| Tata Capital Limited | 36,97,24,934 | 10 | 80.50 |
| International Finance Corporation | 8,95,60,699 | 10 | 19.50 |
| Tata Capital Limited Jointly with Mr. Rajiv Sabharwal | 1 | 10 | 0.00 |
| Tata Capital Limited Jointly with Mr. Rakesh Bhatia | 1 | 10 | 0.00 |
| Tata Capital Limited Jointly with Mr. Kiran Joshi | 1 | 10 | 0.00 |
| Tata Capital Limited Jointly with Mr. Behzad Bhesania | 1 | 10 | 0.00 |
| Tata Capital Limited Jointly with Mr. Avijit Bhattacharya | 1 | 10 | 0.00 |
| Tata Capital Limited Jointly with Ms. Sarita Kamath | 1 | 10 | 0.00 |
| Total | 45,92,85,639 | | 100.00 |

For Tata Cleantech Capital Limited

RAJESH
DEVIDAS
GOSIA

Digitally signed by
RAJESH DEVIDAS GOSIA
Date: 2023.08.07
16:29:23 +05'30'

Rajesh Gosia
Company Secretary

TATA CLEANTECH CAPITAL LIMITED

Corporate Identification Number U65923MH2011PLC222430

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken against the Company, its promoters and directors and details of other investigations/ proceedings which have been filed against the Company under the Companies Act, 2013

Transferee Company (“Tata Capital Limited/TCL”)

I. Income Tax

- i. The Transferee Company has ongoing disputes with income tax authorities relating to multiple issues of disallowances on completion of assessment proceedings under the Income-tax Act, 1961, such as, disallowance under section 14A of the Income-tax Act, 1961 for expenditure incurred in relation to exempt income and other disallowances. These matters are pending before the Commissioner of Income Tax (Appeals) and the Bombay High Court.
- ii. Most of these disputes and/or disallowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years.
- iii. As at June 30, 2023, the tax (including interest) in respect of disputes pending in appeal amounted to Rs. 60.90 crore.
- iv. The details of significant disputes are as below:
 - a. Amount of Rs. 195 crores have been disallowed under section 14A of the Income-tax Act, 1961 in assessments, towards expenditure incurred in relation to exempt income, resulting in tax impact of Rs. 56 crores.
 - b. Other disallowances / additions of Rs. 12 crores under various sections of the Income-tax Act, 1961, resulting in tax impact of Rs.4.90 crores.
- v. As at June 30, 2023, the demands outstanding under the Income tax act is Rs.19.39 crores (March 31, 2023: Rs. 19.39 crores).

II. Indirect Tax (VAT)

- i. As at June 30, 2023, the total sales tax demands that are being contested by the Transferee Company amounted to Rs. 0.41 crores (March 31, 2023 Rs. 0.41 crores)
- ii. The detail of significant dispute is as below:
 - a. Disallowance of input tax credit due to non-reflection of input tax credit against company’s TIN for Delhi and West Bengal States for financial year 2011-12 amounting to Rs. 0.31 crores. These cases are pending before the first appellate authority.
- iii. As at June 30, 2023, the demands outstanding under the various State VAT act is Rs.0.31 crores (March 31, 2023: Rs. 0.31 crores).

Transferor Company 1 (“Tata Capital Financial Services Limited/TCFSL”)

I . Income Tax

- i. The Transferor Company 1 has ongoing disputes with income tax authorities relating to multiple issues of disallowances on completion of assessment proceedings under the Income-tax Act, 1961, such as, disallowance of interest paid on perpetual debentures and disallowance under section 14A of the Income-tax Act, 1961 for expenditure incurred in relation to exempt income and other disallowances. These matters are pending before the Commissioner of Income Tax (Appeals) and the Bombay High Court.
- ii. Most of these disputes and/or disallowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years.
- iii. As at June 30, 2023, the tax (including interest) in respect of disputes pending in appeals amounted to Rs. 91.95 crore (March 31, 2023: Rs. 91.95 crore).
- iv. The details of significant disputes are as below:
 - a. Amount of Rs. 246.9 crores towards the interest on perpetual debentures disallowed in assessments, resulting in tax impact of Rs. 79.8 crores.
 - b. Amount of Rs. 28.4 crores have been disallowed under section 14A of the Income-tax Act, 1961 in assessments, towards expenditure incurred in relation to exempt income, resulting in tax impact of Rs. 10.1 crores.
- v. As at June 30, 2023, the demands outstanding under the Income tax act is Rs. 67.67 crores (March 31, 2023: Rs. 67.67 crores).

II . Indirect Taxes (VAT/GST)

- i. As at June 30, 2023, the total sales tax / GST demands that are being contested by the Transferor 1 Company amounted to Rs. 18.12 crores (March 31, 2023 Rs. 17.94 crores).
- ii. The details of significant disputes are as below:
 - a. Disallowance of input tax credit due to non-reflection of input tax credit against company’s TIN / GSTIN for various States for financial year 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 and 2019-20 amounting to Rs.9.5 crores.
 - b. Disallowance of transitional input tax credit of Rs.5.67 crore claimed in GST for financial year 2017-18, being unutilised closing balance of VAT input tax credit on motor vehicles given on lease in Maharashtra State. The appeal is pending before first appellate authority.
- iii. As at June 30, 2023, the demands outstanding under the various State VAT / CST Act and GST Acts is Rs.12.54 crores (March 31, 2023: Rs.12.75 crores).

III. Other proceedings:

- i. Mr. Nishant Bhutada (the “Complainant”), the promoter of TCFSL’s Borrowers-Kanchan Motors and Magic Motors, has filed two criminal complaints for defamation through his other companies Nishant Motors and Shaurya Motors before the Nashik district court and the Pimpalnagar magistrate court against some of the then directors and employees of TCFSL alleging damage to their reputation by reason of issuance of a letter by TCFSL to the OEMs and lenders relating to default of Kanchan Motors and Magic Motors. Quashing Petitions have been filed for discharge of the criminal proceedings before the Bombay High Court as all disputes have been settled between the parties.
- ii. Paras PropTech Private Limited (the “Complainant”), the corporate guarantor for a loan advanced by TCFSL to Raj Sneh Auto Wheels (“Borrower”), has filed a case for criminal breach of trust and cheating against some of the then directors and employees of TCFSL alleging withholding of property documents pertaining to property mortgaged to TCFSL despite repayment of the outstanding amount due from the Borrower. Thereafter, TCFSL had entered into a settlement with the Borrower and the said mortgaged property and documents have been released. TCFSL has filed a quashing petition before the High Court of Allahabad which has been admitted and a stay has been granted on the lower court proceedings.
- iii. In respect of a loan advanced by TCFSL to Shree Krishna Forging, a first information report (“FIR”) has been registered against the representative of TCFSL based on the complaint of Mr. Sanjay Kumar Ghanghoriya (to whom the land and machinery which were provided as security to TCFSL for the loan were sold) alleging criminal trespass and forceful entry into the factory premises, mischief and theft of machinery. TCFSL has filed a quashing petition before the High Court of Jharkhand. In two other criminal complaints of a similar nature filed by Mr. Amit Kumar, Partner of Shree Krishna Forgings, TCFSL had filed quashing petitions before the High Court wherein orders that no coercive steps should be taken had been passed.
- iv. A complaint was filed by one Sushma Rishi (“Complainant”) alleging that accused nos. 1 & 2 namely Sushil Vohra (since deceased) and Mr. Rahul Vora offered to extend a friendly loan to her, subject to registration of her property in their name. She further alleged that the accused then got the Complainant’s property registered in their own name and later, without her knowledge, mortgaged the said property to TCFSL (accused no. 3). The Complainant has alleged that the accused have all acted in collusion to dispossess the complainant of her own property through SARFAESI proceedings. Currently, after repayment of the loan of TCFSL, the disputed property has been conveyed back by accused no. 2 to the Complainant; accused no. 2 has filed an application for compounding of the matter with the Complainant which is pending.

- v. The complainant in this case, one Krishan Kumar Garg, has alleged that Pramod Kumar Rathod (“Borrower”), in view of his business losses, offered to sell to the complainant his property (which was mortgaged to TCFSL) against the complainant making direct payment to TCFSL towards closure of the Borrower’s loans. The complainant made direct repayment of Rs.46 lakh to TCFSL against part of the dues of the Borrower. TCFSL, upon default of the Borrower in respect of the remaining dues, repossessed and sold the said mortgaged property to a third party. The complainant has alleged that TCFSL, despite the payments made by the complainant, transferred the property to a third party and has levelled allegations of conspiracy with false representations with a view to cheat/defraud and causing of wrongful loss to the complainant. TCFSL has filed a writ for quashing of the FIR and has secured a stay on arrest; the matter is pending for listing.
- vi. One Guruswamy Ganga Naikar, the auction purchaser, has filed a private complaint against TCFSL and seven others alleging that he participated in an online auction process conducted by TCFSL through a platform and, upon being the successful bidder, paid Rs.8 lakh for purchase of 4 vehicles (dumpers). He alleged that he later found the vehicles not to be in roadworthy condition. One of the accused has filed a Writ Petition before the Bombay High Court for quashing of the FIR and the complaint is stayed.
- vii. Mrs. B Shruthi, the complainant was a co-applicant to a loan from TCFSL taken by her husband (the applicant). Due to a subsequent family dispute, the complainant gave a request to TCFSL to remove her name from the loan application claiming that she never consented to nor signed the loan application. Based on her request, her name was removed by TCFSL as co-applicant. However, the complainant has filed a complaint against several other financiers on cheating and other grounds where the name of TCFSL is also included. The matter is under investigation by the police.
- viii. The borrower, Mr. P. K. Kuriakose availed Loan against property from TCFSL and failed to pay the EMIs as per the repayment schedule. The borrower approached TCFSL for settlement of the case by accepting payment from a third party. The borrower then executed an Agreement for Sale in respect of the mortgaged property in favour of one Indel Corporation Private Limited (“Indel”) without taking any NOC from TCFSL. Post realization of payment, Mr. P. K. Kuriakose asked TCFSL not to release the property documents to Indel because of some dispute. Indel has filed a complaint against the borrower, the Managing Director and some employees of TCFSL for not releasing the mortgage documents in its favour alleging that all the accused conspired and are trying to sell the property to a third party at a higher price. TCFSL has filed a writ petition for quashing the FIR which is pending for listing.
- ix. In respect of a leasing facility granted by TCFSL to Llyods Engineering, the Additional Director General, Department of Revenue Intelligence, Zonal unit Lucknow had issued Show cause notice dated 31.07.2020 to TCFSL being the lessor and owner of the leased asset being Track Mobile. This show cause notice was challenged before the Principal Commissioner, Customs, Kolkata who has passed an order dated 15.02.2021 stating (a) the differential duty liability to the tune of Rs.1,86,71,164/- along with applicable interest under

Section 28AA of the Customs Act, 1962; (b) that he has confiscated the goods (Track Mobile) but allowed redemption of the same on payment of fine to the tune of Rs.2,00,000/- in terms of Section 125 of the Customs Act, 1962 for incorrect classification of the asset. TCFSL has challenged this order before Calcutta High Court and obtained interim stay on the order of the Principal Commissioner, Customs. "

Transferor Company 2 ("Tata Cleantech Capital Limited/TCCL")

I. Income Tax

- i. The Transferor Company 2 has ongoing disputes with income tax authorities relating to disallowance of deduction claimed under section 36(1)(viii) of the Income-tax Act, 1961 and penalty levied under section 270A of the Income-tax Act, 1961. These matters are pending before the Commissioner of Income Tax (Appeals).
- ii. As at June 30, 2023, the tax (including interest and penalty) in respect of disputes pending in appeal amounted to Rs. 4.7 crores (March 31, 2023: Rs. 4.7 crores).
- iii. The detail of significant dispute is as below:
 - a. The deduction of Rs. 7.5 crores claimed under section 36(1)(viii) of the Income-tax Act, 1961 for the special reserve has been disallowed in assessment, resulting in tax impact of Rs. 4.5 crores.

As at June 30, 2023, the demands outstanding under the Income tax act is Rs. 4.7 crores (March 31, 2023: Rs. 4.7 crores).



May 17, 2023

To,
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Ref: Paragraph A (7) of Part- I of Chapter XII of SEBI Operational Circular no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022, as amended from time to time (“SEBI Operational Circular – Debt”)

Sub: Report of Complaints/Comments received by Tata Capital Limited on the draft Scheme of Arrangement for amalgamation of Tata Capital Financial Services Limited and Tata Cleantech Capital Limited with Tata Capital Limited and their respective shareholders (“Scheme”)

We refer to our application letter dated April 4, 2023, seeking No-Objection letter on the draft Scheme of Arrangement for amalgamation of Tata Capital Financial Services Limited (“TCFSL”) and Tata Cleantech Capital Limited (“TCCL”) with Tata Capital Limited (“TCL”) and their respective shareholders (“Scheme”), pursuant to Clause 59A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In connection with the above application, please find enclosed the Report on Complaints / Comments received by TCL on the draft Scheme as per paragraph A (7) of Part I of Chapter XII of the SEBI Operational Circular - Debt.

We request you to take the same on record and consider our application favourably.

For **TATA CAPITAL LIMITED**

SARITA GANESH
KAMATH

Digitally signed by SARITA
GANESH KAMATH
Date: 2023.05.17 17:39:57
+05'30'

Sarita Kamath
Head – Legal and Compliance & Company Secretary

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013



Report of Complaints/Comments received by Tata Capital Limited on the draft Scheme of Arrangement for amalgamation of Tata Capital Financial Services Limited and Tata Cleantech Capital Limited with Tata Capital Limited and their respective shareholders.

Period of Complaints Report: May 3, 2023 to May 13, 2023

Part A

| Sr. No. | Particulars | Number |
|----------------|--|----------------|
| 1. | Number of complaints received directly | Nil |
| 2. | Number of complaints forwarded by Stock Exchange(s) / SEBI | Nil |
| 3. | Total Number of complaints/comments received (1+2) | Nil |
| 4. | Number of complaints resolved | Not Applicable |
| 5. | Number of complaints pending | Not Applicable |

Part B

| Sr. No. | Name of complainant | Date of Complaint | Status (Resolved/pending) |
|----------------|----------------------------|--------------------------|----------------------------------|
| Not Applicable | | | |

For **TATA CAPITAL LIMITED**

SARITA GANESH
KAMATH

Digitally signed by SARITA
GANESH KAMATH
Date: 2023.05.17 17:40:38
+05'30'

Sarita Kamath
Head – Legal and Compliance & Company Secretary

May 17, 2023

TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670

11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

Tel 91 22 6606 9000 Web www.tatacapital.com

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

kkc & associates llp

Chartered Accountants
(formerly Khimji Kunverji & Co LLP)

0304/2023/DiSh

To
The Board of Directors,
Tata Capital Limited
11th Floor, Tower A,
Peninsula Business Park,
Ganpatrao Kadam Marg,
Lower Parel,
Mumbai, Maharashtra - 400013
India

Independent auditor's certificate on the proposed accounting treatment included in the draft Scheme of Arrangement pursuant to Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ('the Act') and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

1. This certificate is issued in accordance with the terms of our engagement letter with Tata Capital Limited ("the Company" or "the Transferee Company").
2. We, KKC & Associates LLP (formerly Khimji Kunverji & Co LLP), the statutory auditors of the Company, have been approached by the Company to provide the certificate, in accordance with the Act, Securities and Exchange Board of India ('SEBI') Regulations, in particular as required under SEBI Circular SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated 29 July 2022 (as updated on 1 December 2022) as amended from time to time, as to whether:
 - 2.1 the prescribed accounting treatment specified in the proposed Scheme of Arrangement amongst Tata Capital Financial Services Limited ("TCFSL" or "the Transferor Company 1") and Tata Cleantech Capital Limited ("TCCL" or "the Transferor Company 2") with Tata Capital Limited ("the Transferee Company") and their respective shareholders ("the Scheme") in terms of provisions under Sections 230 to 232 read with Section 66 of the Act, is in accordance with the provisions of the Scheme and in compliance with the accounting standards notified under Section 133 of the Act, read with relevant rules issued thereunder ("the applicable accounting standards") and other generally accepted accounting principles in India.
3. The certified draft of the Scheme has been furnished to us by the management of the Company for the purpose of this certificate. A certified true copy of the proposed accounting treatment included in the said draft Scheme, as attached in Appendix I to this certificate, has been stamped & initialed by us for identification purpose only.

Management's Responsibility

4. The responsibility for the preparation of the Scheme, and its compliance with the relevant laws and regulations, including the applicable accounting standards and other generally accepted accounting principles in India, is that of the management/ Board of Directors of the Companies involved in the Scheme. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013, India
T: +91 22 6143 7333 E: info@kkcllp.in W: www.kkcllp.in LLPIN: AAP-2267



Suite 52, Bombay Mutual Building, Sir Phirozshah Mehta Road, Fort, Mumbai 400001, India

kkc & associates llp

Chartered Accountants
(formerly Khimji Kunverji & Co LLP)

5. The Management is also responsible for ensuring that the Company complies with the requirements of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder, and the applicable accounting standards, in relation to the Scheme and for providing all relevant information to the National Company Law Tribunal, the BSE Limited ('the BSE'), the National Stock Exchange of India Limited ('the NSE').

Auditor's Responsibility

6. Pursuant to the requirements of the Act, our responsibility is to examine and provide a reasonable assurance whether the proposed accounting treatment contained in Appendix 1 to this certificate, complies with the applicable accounting standards and other generally accepted accounting principles and also to review the books of account and other relevant records of the Company so as to comment on the Company's capability to pay interest/instalments of principal. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
7. Accordingly, the following verification procedures have been performed by us:
- Review of the proposed accounting treatment as contained in the Appendix 1 to this certificate in terms of requirements of proviso to Section 230(7) and Section 232(3) of the Act.
 - Obtaining the draft unaudited financial information, as certified by the management of the Company, containing the effect to the entries prescribed in the Scheme so as to broadly review the combined financial information of the entities involved in the Scheme.
 - Reviewing the audit reports of the Transferor Company 1 and Transferor Company 2 (together referred to as 'Transferor Companies') for the year ended 31 March 2022 and limited review reports for the quarters ended 30 June 2022, 30 September 2022 and 31 December 2022 for any qualification/adverse comment pertaining to the 'going concern' status of all the Transferor companies;
 - Obtaining management certified financial results of the Transferor Companies for the period and as at 31 December 2022;
 - Broadly reviewing the Asset Liability Management ('ALM') report as at 31 December 2022 of all companies for testing liquidity mismatch, if any, pertaining to asset/liabilities of the Transferor Companies;
 - Making suitable inquiries and obtained relevant representations from the management of the Company pertaining to the subject matters of this certificate.
8. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013, India
T: +91 22 6143 7333 E: info@kkcllp.in W: www.kkcllp.in LLPIN: AAP-2267

Suite 52, Bombay Mutual Building, Sir Phirozshah Mehta Road, Fort, Mumbai 400001, India



kkc & associates llp

Chartered Accountants
(formerly Khimji Kunverji & Co LLP)

10. Based on our verification procedures conducted as narrated in para 7 above and according to the information and explanations given to us, along with the representations provided by the Management of the Company, we report that :
- Pursuant to the requirements of proviso to sub-section (7) of Section 230 and sub-section (3) of Section 232 of the 2013 Act, wherever applicable read with SEBI Circular SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated 29 July 2022 (as updated on 1 December 2022), in our opinion, the proposed accounting treatment as contained in the Appendix hereto is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder, and all the applicable accounting standards and other generally accepted accounting principles in India and is in accordance with the provisions of the draft Scheme.
 - Having regard to the combined financial information of the Companies involved in the Scheme, considering that none of the auditors of the Transferor Companies have reported on existence of any material uncertainty pertaining to these Companies' going concern or solvency matters in their audit reports for the year ended 31 March 2022, in our opinion, the resultant entity is capable of payment of interest / repayment of principal. We, however, state that this is not an assurance as to the future viability of the Transferee Company. We further state that our reporting is based on the facts up to the date of this certificate and we neither give any guarantee nor any assurance that all liabilities will get discharged by the resultant company as and when they fall due.

Restriction on distribution or use

11. Our work was performed solely to assist the Company in meeting its responsibilities in relation to compliance with the requirements of the provisions pertaining to accounting treatment in SEBI (Listing Obligations and Disclosure Requirements), 2015, Sections 230 to 232 of the Act read with Section 66 of the Act and the Rules for onward submission to BSE, NSE and National Company Law Tribunal along with the Scheme. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are in no way changed by, any other role we may have as auditors of the Company or otherwise.
12. This certificate is issued at the request of the Company for the aforesaid purpose and may not be suitable for any other purpose. Hence, the same should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration No.: 105146 W/W100621

Divesh B Shah

Divesh B Shah

Partner

Membership No.: 168237

UDIN No.: 23168237BGZHAK6971



Place: Mumbai

Date: 28th March 2023

Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013, India
T: +91 22 6143 7333 E: info@kkcllp.in W: www.kkcllp.in LLPIN: AAP-2267

Suite 52, Bombay Mutual Building, Sir Phirozshah Mehta Road, Fort, Mumbai 400001, India



Appendix I

Relevant Extract of Proposed Accounting Treatment included in the Scheme of Arrangement pursuant to Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder

16 ACCOUNTING TREATMENT

On the Scheme taking effect, the Transferee Company shall account for amalgamation of the Transferor Companies with the Transferee Company in its books of account as under:

- 16.1 Amalgamation of the Transferor Companies with the Transferee Company shall be accounted for in accordance with accounting prescribed under “pooling of interest” method in Appendix C of Indian Accounting Standard (IND AS) 103 as specified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015 or any other relevant or related requirement under the Companies Act, as may be applicable.
- 16.2 All assets, reserves and liabilities recorded in the books of the Transferor Companies as on the Appointed Date and transferred to and vested in the Transferee Company pursuant to the Scheme shall be recorded by the Transferee Company at their respective book values and in the same form.



TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670
11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013
Tel 91 22 6606 9000 Web www.tatacapital.com
Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel
Mumbai 400 013



- 16.3 The identity of the reserves of Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Companies.
- 16.4 The Transferee Company shall credit to its share capital account, the aggregate face value of the equity shares issued by it pursuant this Scheme.
- 16.5 The inter-corporate investments / deposits / loans and advances between the Transferee Company and the Transferor Companies will stand cancelled and there shall be no further obligation in that behalf.
- 16.6 The excess of or deficit, in the value of the assets over the value of liabilities of the Transferor Companies vested in the Transferee Company pursuant to this Scheme as recorded in the books of account of the Transferee Company shall after adjusting the aggregate face value of the shares issued by the Transferee Company to the members of the Transferor Companies pursuant to this Scheme and the amounts recorded in terms of para 16.2 above, be adjusted in capital reserves in the books of Transferee Company.
- 16.7 In case of any differences in accounting policy between the Transferee Company and the Transferor Companies, accounting policies followed by the Transferee Company shall prevail and impact of the same shall be quantified and appropriately adjusted in accordance with the accounting policies followed by the Transferee Company to ensure the financial statements reflect the financial position on the basis of consistent accounting policy.



TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670
11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013
Tel 91 22 6606 9000 Web www.tatacapital.com
Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel
Mumbai 400 013



PART III

REDUCTION OF SECURITIES PREMIUM OF THE TRANSFEREE COMPANY

18 REDUCTION OF SECURITIES PREMIUM OF THE TRANSFEREE COMPANY

- 18.1 Immediately after Part II of the Scheme becoming effective, the securities premium available with the Transferee Company i.e., after consolidation of securities premium of the Transferor Companies with the Transferee Company on account of amalgamation, would be reduced against negative balance in capital reserve (arising on amalgamation). This consequential capital reduction of the Transferee Company shall be effected as an integral part of this Scheme itself and not under a separate procedure, in terms of Section 52(1) read with Section 66 of the Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act, or any other applicable provisions, confirming the reduction. The consent of the shareholders of the Transferor Companies and the Transferee Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of under the provisions of Section 52(1) read with Section 66 of the Act as well and no further compliances would be separately required.
- 18.2 For the sake of completeness, it is clarified that the rights/ interests of the shareholders shall remain unaltered
- 18.3 The Transferee Company shall not be required to add the words "and reduced" as a suffix to its name consequent upon the reduction of capital under Clause 18 of this Part III above.



TATA CAPITAL LIMITED

Corporate Identity Number U65990MH1991PLC060670
11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013
Tel 91 22 6606 9000 Web www.tatacapital.com
Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel
Mumbai 400 013



18.4 The reduction of capital of the Transferee Company, as above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

For Tata Capital Limited

A handwritten signature in black ink, appearing to read 'N. Lakshmi', written over a horizontal line.

Authorised Signatory

Place: Mumbai

Date: 28th March 2023



National Stock Exchange Of India Limited

Annexure 8

Ref: NSE/LIST/D/2023/0162

July 10, 2023

| | | |
|---|---|--|
| <p>The Company Secretary Tata Cleantech Capital Limited</p> <p>11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013</p> <p>Kind Attn.: Ms. Rajesh Gosia</p> | <p>The Company Secretary Tata Capital Financial Services Limited</p> <p>11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013.</p> <p>Kind Attn.: Ms. Sonali Puneekar</p> | <p>The Company Secretary Tata Capital Limited</p> <p>11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013.</p> <p>Kind Attn.: Ms. Sarita Kamath</p> |
|---|---|--|

Dear Sir/Madam,

Sub: Observation Letter for Draft Scheme of Arrangement amongst Tata Capital Financial Services Limited (Transferor Company 1) and Tata Cleantech Capital Limited (Transferor Company 2) with Tata Capital Limited (Transferee Company).

We are in receipt for Draft Scheme of Arrangement amongst Tata Capital Financial Services Limited (Transferor Company 1) and Tata Cleantech Capital Limited (Transferor Company 2) with Tata Capital Limited (Transferee Company) vide application dated April 06, 2023.

Based on our letter reference no. NSE/LIST/D/2023/0137_138_139 dated June 09, 2023, submitted to SEBI pursuant to Regulation 59A and 94A and Schedule XI of SEBI (LODR) Regulations 2015 and Chapter XII of the SEBI operational circular ref. no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022 (as amended from time to time) SEBI vide its letter dated July 05, 2023, has inter alia given the following comment(s) on the draft scheme of amalgamation:

- Companies involved in the scheme shall not make any misstatements or furnish false information with regard to disclosures to be made in draft scheme of amalgamation as per provisions of Chapter XII of operational circular, for listing obligations and disclosure requirements for Non-Convertible Securities, Securitized Debt Instruments and/or Commercial Papers.*
- Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed Company and the stock Exchanges.*

This Document is Digitally Signed

- d. *The listed entities involved in the proposed Scheme shall disclose the No-Objection letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.*
- e. *The company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the resultant Company, its promoters and directors, are disclosed in the Scheme filed before Hon'ble NCLT.*
- f. *Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the Scheme document.*
- g. *Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/tribunals shall be made without specific written consent of SEBI.*
- h. *The Companies involved in the Scheme shall ensure that the proposed scheme have complied with the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Covenants of the Debenture Trust Deeds entered with the Debenture Trustee(s) and any other relevant regulations and circulars.*
- i. *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No objection" in terms of Regulation 94A of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

This Document is Digitally Signed

Signer: DIPTI VIPIL CHINCHHEDE
Date: Mon, Jul 10, 2023 14:16:35 IST
Location: NSE

The validity of this “Observation Letter” shall be six months from July 10, 2023, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the DL-Scheme@nse.co.in

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL: <https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

This Document is Digitally Signed

| | |
|---|---|
| SSPA & CO. Chartered Accountants Registered Valuer Registration No. IBBI/RV-E/06/2020/126 1st Floor, "Arjun" Plot No. 6A, V.P. Road, Andheri (West), Mumbai – 400 058. | Ernst & Young Merchant Banking Services LLP Registered Valuer Registration No. IBBI/RV-E/05/2021/155 14th Floor, The Ruby, 29, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028. |
|---|---|

Dated: 28 March 2023

To,

| | |
|---|---|
| The Audit Committee and The Board of Directors, Tata Capital Limited 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013. | The Audit Committee and The Board of Directors, Tata Cleantech Capital Limited 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013. |
|---|---|

Sub: Recommendation of fair equity share exchange ratio for the proposed Merger of Tata Cleantech Capital Limited into Tata Capital Limited

Dear Sir / Madam,

We refer to our respective engagement letters dated 01 February 2023 of SSPA & CO., Chartered Accountants, ("SSPA") and dated 16 February 2023 of Ernst & Young Merchant Banking Services LLP ("EY"), whereby SSPA and EY are appointed by Tata Capital Limited ("Tata Capital" or "TCL") and Tata Cleantech Capital Limited ("Tata Cleantech" or "TCCL") respectively for recommendation of fair equity share exchange ratio for the proposed merger of TCCL into TCL ("Proposed Merger").

TCCL and TCL are hereinafter jointly referred to as "Companies" or "Clients" or "Valuation Subjects".

SSPA and EY are hereinafter jointly referred to as "Valuers" or "we" or "us" in this report.

The fair equity share exchange ratio for this report refers to number of equity shares of TCL which would be issued to the equity shareholders of TCCL pursuant to the Proposed Merger.

Our deliverable for this engagement would be a fair equity share exchange ratio report of number of equity shares of TCL which would be issued to the equity shareholders of TCCL pursuant to the Proposed Merger ("Fair Equity Share Exchange Ratio Report" or "Report"). For the purpose of this Report, we have considered the Valuation Date as 24 March 2023 ("Valuation Date").



COMPANIES' BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

TCL is a holding company which holds investments in its subsidiaries which are mainly engaged in lending. TCL is a subsidiary of Tata Sons Private Limited and is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("CIC"). TCL and its subsidiaries are engaged in lending and offering a wide array of products/services in financial services sector.

As on Valuation Date, TCL has the following material subsidiaries:

Tata Capital Financial Services Limited ("TCFSL") is a wholly owned subsidiary of TCL and is a Systemically Important Non-Deposit taking Non-Banking Financial Company ("NBFC-ND-SI"), holding a Certificate of Registration dated November 4, 2011, from the RBI. TCFSL's main areas of business include retail finance, SME and commercial finance.

Tata Capital Housing Finance Limited ("Tata Housing" or "TCHFL"), is a wholly owned subsidiary of TCL and is registered as a Housing Finance Company with the National Housing Bank ("NHB") to carry on housing finance activities. TCHFL primarily offers Home Loans and Affordable Housing Loans. TCHFL also provides Loans Against Property and Loans to Developers for constructing Residential and Commercial premises.

TCCL is a joint venture between TCL and International Finance Corporation ("IFC"), Washington D.C., USA, with equity holding in the ratio of 80.50:19.50. TCCL is registered with RBI as a NBFC-ND-SI. TCCL engages in the business of providing cash flow based finance and advisory services for projects in Renewable Energy, Energy Efficiency, Waste Management, Water Management, and other Infrastructure Projects. TCCL has been registered with the RBI as an Infrastructure Finance Company since October 15, 2015.

We understand that the management of the Companies (hereinafter referred to as "the Management") are contemplating merger of TCCL with TCL through a Scheme of Arrangement under the provisions of Sections 230-232 read with Section 66 and the other applicable provisions of the Companies Act, 2013 and Rules made there under ("Proposed Merger").

As per the scheme of arrangement, pursuant to Proposed Merger, the Undertaking of the TCCL (comprising of its business including various tangible and intangible assets) will get transferred and vested into TCL.

In this connection, the Audit Committee / Board of Directors of TCL and TCCL have appointed SSPA and EY respectively, Registered Valuers, to submit a joint valuation report recommending a Fair Equity Share Exchange Ratio, for issue of TCL's equity shares to the equity shareholders of TCCL for the Proposed Merger.

We understand that the appointed date for the Proposed Merger as per the draft scheme shall be opening business hours of 1 April 2023 or such other later date as the Board may decide..

The scope of our services is to conduct a relative (and not absolute) valuation of equity shares of the Valuation Subjects and report a Fair Equity Share Exchange Ratio for the Proposed Merger in accordance with internationally accepted valuation standards / ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountants of India as applicable.



The Valuers have been appointed severally and not jointly and accordingly owe responsibility to the respective company that has engaged them, under the terms of their respective engagement. The Valuers have worked independently in their analysis. The Valuers have independently arrived at different values per share of the Valuation Subjects. However, to arrive at the consensus on the Fair Equity Share Exchange Ratio for the Proposed Merger, appropriate minor adjustments, rounding off has been done in the values arrived at by the Valuers.

We have been provided with the Unaudited limited reviewed financials of TCL, TCCL, TCFSL, TCHFL and Tata AutoComp Systems Limited (“TACO”) for 9 months ended 31 December 2022. We have taken into consideration the current market parameters in our analysis and have made adjustments for additional facts made known to us till the date of our Report. The Management has informed us that there are no unusual/abnormal events in the Companies materially impacting their operating/financial performance till the Report date. Further, we have been informed that all material information impacting the Valuation Subjects have been disclosed to us.

We have relied on the above while arriving at the fair equity share exchange ratio for the Proposed Merger.

We have been informed that till the Proposed Merger becomes effective, neither Companies would declare any substantial dividends other than in the ordinary course of business.

We have been informed that, in the event that either of the Companies restructure their equity share capital by way of share split/consolidation/issue of bonus shares before the Proposed Merger becomes effective, the issue of shares pursuant to the fair equity share exchange ratio recommended in this Report shall be adjusted accordingly to take into account the effect of any such corporate actions.

This Report is our deliverable for the above engagement.

This Report is subject to the scope, assumptions, qualifications, exclusions, limitations, and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts.

SOURCES OF INFORMATION

In connection with this exercise, we have received/obtained the following information about the Valuation Subjects from the Management:

- Audited financial statements for the year ended 31 March 2022, 31 March 2021 and 31 March 2020 for TCL, TCFSL, TCHFL and TCCL.
- Audited financial statements for the year ended 31 March 2022 and 31 March 2021 for TACO.
- Unaudited limited reviewed financials for nine months ended 31 December 2022 for TCL, TCFSL, TCHFL and TCCL.
- Unaudited limited reviewed financials for nine months ended 31 December 2021 for TCL, TCFSL, TCHFL and TCCL.
- Unaudited financials for nine months ended 31 December 2022 and nine months ended 31 December 2021 for TACO.
- Financial projections of TCFSL, TCHFL and TCCL for the period from 1 January 2023 to 31 March 2025.
- Other relevant information and documents for the purpose of this engagement.



During the discussions with the Management, we have also obtained explanations, information, and representations, which we believed were reasonably necessary and relevant for our exercise. The Clients have been provided with the opportunity to review the draft report (excluding the recommended fair equity share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Report.

PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information
- Used data available in public domain related to the Companies and its peers
- Discussions (physical/over call) with the Management to understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis, historical financial performance, and business plan.
- Undertook Industry Analysis:
 - Research publicly available market data including economic factors and industry trends that may impact the valuation
 - Analysis of key trends and valuation multiples of comparable companies/comparable transactions using: Proprietary databases subscribed by us or our network firms
- Selection of internationally accepted valuation methodology/(ies) as considered appropriate by us.
- Arriving at valuation of Valuation Subjects in order to determine the fair equity share exchange ratio for the Proposed Merger



SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

This Report is subject to the limitations detailed in respective engagement letters. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

The recommendation contained herein is not intended to represent value at any time other than Report date. We have no obligation to update this Report.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date; (iii) Audited financial statements of TCL, TCFSL, TCHFL, TCCL and TACO for financial year ended 31 March 2022 (v) Unaudited limited reviewed financials of TCL, TCFSL, TCHFL and TCCL for nine months ended 31 December 2022, (vi) Unaudited financials of TACO for nine months ended 31 December 2022, and (vii) other information obtained by us from time to time. We have been informed that the business activities of TCL, TCFSL, TCHFL, TCCL, TACO and other investee companies have been carried out in the normal and ordinary course between 31 December 2022 (other than equity capital subscription via rights issue in TCL for INR 5,938 Mn, TCFSL for INR 4,000 Mn and TCHFL for INR 5,000 Mn between 15 March 2023 to 23 March 2023) and the Report date and that no material changes have occurred in their respective operations and financial position TCL, TCFSL, TCHFL, TCCL, TACO and other investee companies between 31 December 2022, other than rights issue and the Report date.

Valuation analysis and results are specific to the purpose of valuation and as per the agreed terms of the respective engagements. It may not be valid for any other purpose or as of any other date. Also, it may not be valid if done on behalf of any other entity.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic, and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. This Report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the fair equity share exchange ratio for the Proposed Merger. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The recommendation rendered in this Report only represent our recommendation based upon information furnished by the Companies and gathered from public domain (and analysis thereon) and the said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data. In accordance with the terms of our respective engagements, we have carried out relevant analyses and evaluations through discussions, calculations and such other means, as may be applicable and available, we have assumed and relied upon, without independently verifying (i) the accuracy



of the information that was publicly available, sourced from subscribed databases and formed a substantial basis for this Report and (ii) the accuracy of information made available to us by the Companies. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our valuation does not constitute as an audit or review in accordance with the auditing standards applicable in India, accounting / financial / commercial / legal / tax / environmental due diligence or forensic / investigation services and does not include verification or validation work. In accordance with the terms of our engagement / appointment letters and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical financials / financial information or individual assets or liabilities, provided to us regarding the Companies / subsidiary / associates / joint ventures / investee companies. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in such historical financials / financial statements. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the assumptions and information given by / on behalf of the Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis / results.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. This Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited / unaudited balance sheets of the Companies / subsidiary / associates / joint ventures / investee companies, if any. No investigation of Companies' (or their investee companies) claim to title of assets has been made for the purpose of this Report and Companies' (or their investee companies) claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. Our conclusion of value assumes that the assets and liabilities of the Valuation Subjects, reflected in their respective latest balance sheets remain intact as of the Report date.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Clients are the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the Clients from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this report. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Clients or Companies, their directors, employees or agents. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.

We do not provide assurance on the achievability of the results forecast by the Management/owners as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of the Management.

We have not carried out any physical verification of the assets and liabilities of the Valuation Subjects and take no responsibility for the identification of such assets and liabilities.



This Report does not look into the business/commercial reasons behind the proposed transaction nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The valuation analysis and result are governed by concept of materiality.

The fee for the engagement is not contingent upon the results reported.

We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.

It is understood that this analysis does not represent a fairness opinion. This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme of Arrangement, without our prior written consent. In addition, we express no opinion or recommendation as to how the shareholders of either company should vote at any shareholders' meeting(s) to be held in connection with the Proposed Merger.

Disclosure of RV Interest or Conflict, if any and other affirmative statements

We do not have any financial interest in the Clients, nor do we have any conflict of interest in carrying out this valuation.

Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation. Sufficient time and information was provided to us to carry out the valuation.



SHAREHOLDING PATTERN

TCL

The issued and subscribed equity share capital of TCL as of 31 December 2022 is INR 35,161.68 million consisting of 3,516,167,744 equity shares of face value of INR 10 each.

As on 23 March 2023, TCL issued additional shares of 43,952,097 equity shares of face value of INR 10 each, via rights issue at a share price of INR 135.1. Post the said rights issue, the issued and subscribed equity share capital as on 27 March 2023 is INR 35,601.20 million consisting of 3,560,119,841 equity shares.

The shareholding pattern is as follows:

| Shareholding Pattern as on 27 March 2023 | No. of Shares | % Shareholding |
|--|----------------------|----------------|
| Promoter & Group (Tata Sons & Group) | 3,458,139,706 | 97.14% |
| Other minority shareholders | 101,980,135 | 2.86% |
| Grand Total | 3,560,119,841 | 100.0% |

Source: Management

TCCL

The issued and subscribed equity share capital of TCCL as of 31 December 2022 is INR 4,592.9 million consisting of 459,285,639 equity shares of face value of INR 10 each. The shareholding pattern is as follows:

| Shareholding Pattern as on 27 March 2023 | No. of Shares | % Shareholding |
|--|--------------------|----------------|
| Promoter & Group (TCL) | 369,724,940 | 80.50% |
| International Finance Corporation | 89,560,699 | 19.50% |
| Grand Total | 459,285,639 | 100.0% |

Source: Management

APPROACH FOR RECOMMENDATION OF FAIR EQUITY SHARE EXCHANGE RATIO

The Proposed Merger contemplates the merger of TCCL into TCL. Arriving at the fair equity share exchange ratio for the Proposed Merger of TCCL into TCL would require determining the relative value of equity shares of TCCL and TCL. These values are to be determined independently, but on a relative basis for the Valuation Subjects, without considering the effect of the Proposed Merger.

Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for mergers and our reasonable judgment, in an independent and bona fide manner.

The Valuation Approach adopted by SSPA and EY is given in Annexure 1A and 1B respectively (Annexure 1A and 1B together referred to as Annexures).

BASIS OF FAIR EQUITY SHARE EXCHANGE RATIO

The basis of the merger of TCCL into TCL would have to be determined after taking into consideration all the factors and methods mentioned hereinabove. Though different values have been arrived at under each of



the above methods, for the purposes of recommending the fair equity share exchange ratio of equity shares it is necessary to arrive at a final value for each Valuation Subject. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the Valuation Subjects, but at their relative values to facilitate the determination of the fair equity share exchange ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approaches / methods.

The fair equity share exchange ratio has been arrived at on the basis of a relative equity valuation of Valuation Subjects based on the various approaches / methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Valuation Subjects, having regard to information base, key underlying assumptions and limitations.

In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by us and judgments taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. The determination of exchange ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single exchange ratio.

While we have provided our recommendation of the Fair Equity Share Exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Fair Equity Share Exchange Ratio. The final responsibility for the determination of the exchange ratio at which the Proposed Merger shall take place will be with the Board of Directors of the respective Companies who should take into account other factors such as their own assessment of the Proposed Merger and input of other advisors.

We have independently applied methods discussed in the Annexures, as considered appropriate, and arrived at the value per share of the Companies. To arrive at the consensus on the fair equity share exchange ratio for the Proposed Merger, suitable minor adjustments / rounding off have been done.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the following fair equity share exchange ratio:

For the Proposed Merger of TCCL into TCL:

4 (Four) equity shares of TCL of INR 10/- each fully paid up for every 5 (Five) equity shares of TCCL of INR 10/- each fully paid up.



It should be noted that we have not examined any other matter including economic rationale for the Proposed Transaction per se or accounting, legal or tax matters involved in the Proposed Transaction.

| | |
|---|--|
| <p>Respectfully submitted, SSPA & Co. Chartered Accountants ICAI Firm Registration No: 128851W IBBI Registered Valuer No.: IBBI/RV- E/06/2020/126</p> <p><i>Parag S. Ved</i></p>  <p>Parag Ved Partner ICAI Membership No. 102432 Registered Valuer No.: IBBI/RV/06/2018/10092 UDIN: 23102432BGUATH3980 Place: Mumbai Date: 28 March 2023</p> | <p>Respectfully submitted, Ernst & Young Merchant Banking Services LLP Registered Valuer Registration No. IBBI/RV-E/05/2021/155</p>  <p><i>Parag Mehta</i></p> <p>Parag Mehta Partner EYMBS/RV/2023/054</p> <p>Place: Mumbai Date: 28 March 2023</p> |
|---|--|

Annexure 1A- Approach to Valuation – SSPA

For the purpose of valuation, generally following approaches can be considered, viz,

- (a) the 'Cost' approach;
- (b) the 'Market' approach; and
- (c) the 'Income' approach

Each of the aforesaid approaches proceeds on different fundamental assumptions which have greater or lesser relevance and at times even no relevance, to a given situation. Thus, the approach to be adopted for a particular valuation exercise must be judiciously chosen.

Cost Approach

The Cost Approach reflects the amount that would be required currently to replace the service capacity of an asset; often referred to as current replacement cost. In the present case, the business of TCL and of TCCL are intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the Cost Approach is not adopted for the present valuation exercise.

Market Approach

Market Price Method

In the present case, the equity shares of both TCL and TCCL are not listed on any recognised stock exchange. Therefore, Market Price Method cannot be considered for valuation of equity shares of the Companies in the present case.

Comparable Companies Multiple Method

Under CCM method, the value of equity shares of companies is determined by using multiples derived from valuations of comparable companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully. In the present case, standalone TCL business has been valued based on EV/EBITDA multiple of comparable listed companies and TCFSL, TCHFL and TCCL have been valued based on the Price to Book Value Multiple of comparable listed companies to arrive their respective equity values.

Income Approach

Under Income Approach, equity shares of TCL, TCFSL, TCHFL and TCCL are valued using Discounted Cash Flow ('DCF') Method.

Under DCF method, the projected free cash flows to equity are discounted at the cost of equity. Cost of equity represents the rate of return on investment that is required by the equity shareholders. The sum of the discounted value of such free cash flows and discounted terminal value is the value of the business. Appropriate adjustments have been made for value of other assets and liabilities and contingent liabilities, after considering tax impact wherever applicable.



Recommendation of fair equity share exchange ratio for the proposed Merger of Tata Cleantech Capital Limited into Tata Capital Limited

The value as arrived above is divided by the outstanding number of equity shares to arrive at the value per equity share of TCL, TCFSL, TCHFL and TCCL.

Recommendation of Fair Equity Share Exchange Ratio:

Our exercise is to work out relative value of equity shares of TCL and of TCCL to facilitate the determination of a ratio of exchange. For this purpose, it is necessary to give appropriate weightage to the values arrived at under each approach.

As mentioned above, we have considered a combination of Market Approach and Income Approach for arriving at the relative value per equity share of TCL and of TCCL. The values under each of the approaches is given in the table below:

| Valuation Approach | TCCL (A) | | TCL (B) | |
|---|-----------------------|---------|-----------------------|---------|
| | Value per Share (INR) | Weights | Value per Share (INR) | Weights |
| Asset Approach* | NA | NA | NA | NA |
| Income Approach | 113.31 | 50% | 142.22 | 50% |
| Market Approach | 112.60 | 50% | 139.58 | 50% |
| Relative Value per Equity Share | 112.96 | | 140.90 | |
| Fair Equity Share Exchange Ratio (A:B) (Rounded off) | 1.25 : 1 | | | |

NA = Not Applied / Not Applicable

*Since, the business of TCL and TCCL are both intended to be continued on a 'going concern basis' and there is no intention to dispose off the assets, therefore the Asset (Cost) Approach is not adopted for the present valuation exercise.



Annexure 1B- Approach to Valuation – EY

There are primarily three approaches in valuation (viz., Cost Approach, Market Approach and Income Approach). For any valuation, all the approaches may not be relevant and therefore will not give a fair estimate of value. Hence, the approach most suitable for that specific business / company must be applied in the valuation exercise, based on the experience and common practices adopted by valuers.

According to IVS 104 “Fair Value is the estimated amount for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

We have adapted internationally accepted valuation standards and approaches in delivering our valuation conclusion. There are several principal valuation approaches under International Valuation Standard of which we have considered only those approaches to the extent, it is applicable and relevant.

The various approaches generally adopted in valuation are as under:

1. Income Approach: Discounted Cash Flow Method
2. Market Approach: Comparable Companies Market Multiple Method, Comparable Transactions Method and Market Price Method
3. Asset Approach: Net Asset Value Method

We have used the Income Approach (i.e. Discounted Cash Flow [“DCF”] Method) and Market Approach (i.e. Comparable Companies’ Market Multiples [“CCM”] Method) for valuation for TCCL. TCL derives its significant value from its operating subsidiaries and other investments and does not have any other significant business operations at standalone entity level. Accordingly, to value TCL we have used Asset Approach (i.e. Net Asset Value [NAV] method) adjusted for fair value of operating subsidiaries and other investments estimated as follows:

- (i) TCFSL, TCHFL and TCCL (which contribute majority of the value of TCL) using Income Approach (i.e. DCF Method) and Market Approach (i.e. CCM Method)
- (ii) Tata AutoComp Systems Ltd (“TACO”), investment of TCL, based on price of recent transaction in the company.
- (iii) Other insignificant investments have been valued using Cost Approach, Market Approach and at fair value recorded in the respective financial statements.

Income Approach - DCF method: Under the DCF method the projected free cash flows to the equity are discounted at the cost of equity. The sum of the discounted value of such free cash flows is the value of the equity. Such DCF analysis involves determining the following:

- *Estimating future free cash flows to equity:*

Free cash flows are the cash flows expected to be generated by the company that are available to equity providers.

- *Appropriate discount rate to be applied to cash flows i.e. the cost of equity:*

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to the equity shareholders. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.



We have used Discounted Cash Flow method for valuation of TCFSL, TCHFL and TCCL based on the business plan for the Valuation Subjects provided to us.

Market Approach - Market Price (MP) method: Under this method, the value of shares of a company is determined by taking the average of the market capitalization of the equity shares of such companies as quoted on a recognized stock exchange over reasonable periods of time where such quotations are arising from the shares being regularly and freely traded in an active market, subject to the element of speculative support that may be inbuilt in the market price.

As the equity shares of TCL and TCCL are not listed on any of the stock exchanges, Market Price method is not used for valuation of TCL and TCCL.

Market Approach - CCM method: Under this method, one attempts to measure the value of the shares / business of a company by applying the derived market multiple based on market quotations of comparable public / listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business. This valuation is based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. In the present valuation analysis, we have considered CCM method for arriving the value of TCFSL, TCHFL and TCCL.

Cost Approach – Net Asset Value (NAV) method: Under this approach, the net asset value method is considered, which is based on the underlying net assets and liabilities. In the present valuation analysis, as explained earlier, we have considered NAV method (adjusted for fair value of investment as explained above) for arriving the value per equity share of TCL.

Fair Valuation:

We have arrived at the fair value of equity shares of TCL and TCCL by applying equal weights to the value derived under Income Approach and Market Approach.



The computation of fair equity share exchange ratio for Merger of TCCL into TCL by EY is tabulated below:

| Valuation Approach | | | TCL (A) | | TCCL (B) | |
|---|------------------------------|---------------|-----------------------|--------|-----------------------|--------|
| | | | Value per Share (INR) | Weight | Value per Share (INR) | Weight |
| <u>Asset Approach - NAV method</u> | <u>Value per share (INR)</u> | <u>Weight</u> | 134.1 | 100%* | NA | NA |
| Underlying significant investments using DCF method | 138.2 | 50%* | | | | |
| Underlying significant investments using CCM method | 130.1 | 50%* | | | | |
| Income Approach – DCF method | | | NA | NA | 107.7 | 50% |
| Market Approach - CCM method | | | NA | NA | 106.1 | 50% |
| Relative Value per Share | | | 134.1 | | 106.9 | |
| Fair Equity Share Exchange Ratio (A/B) (Rounded) | | | 1.25 | | | |

* Majority of TCL's value is driven from TCFSL, TCHFL and TCCL which are valued using DCF method and CCM method and TCL, on standalone basis, does not have any other significant business operations. TACO, investment of TCL, is valued based on recent transaction price. Other investments are valued using cost approach, market approach and at fair value recorded in the respective financial statements, the total value of which is less than 10% to the total value of TCL. It may be noted that we have assigned 100% weight to NAV method however the fair value of underlying subsidiaries/investments, which has been considered to arrive at the NAV of TCL, is significantly based on DCF method and CCM method as presented in the table above.



| | |
|---|---|
| SSPA & CO. Chartered Accountants Registered Valuer Registration No. IBBI/RV-E/06/2020/126 1st Floor, "Arjun" Plot No. 6A, V.P. Road, Andheri (West), Mumbai – 400 058. | Ernst & Young Merchant Banking Services LLP Registered Valuer Registration No. IBBI/RV-E/05/2021/155 14th Floor, The Ruby, 29, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028. |
|---|---|

Dated: 28 March 2023

To,

| | |
|---|---|
| The Audit Committee and The Board of Directors, Tata Capital Limited 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013. | The Audit Committee and The Board of Directors, Tata Cleantech Capital Limited 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013. |
|---|---|

Sub: Valuation Report in relation to Non-Convertible Debentures for the proposed Merger of Tata Cleantech Capital Limited into Tata Capital Limited

Dear Sir / Madam,

We refer to our respective engagement letters dated 01 February 2023 of SSPA & CO., Chartered Accountants, ("SSPA") and dated 16 February 2023 and addendum dated 18 February 2023 of Ernst & Young Merchant Banking Services LLP ("EY"), whereby SSPA and EY are appointed by Tata Capital Limited ("Tata Capital" or "TCL") and Tata Cleantech Capital Limited ("Tata Cleantech" or "TCCL") respectively for recommendation of fair exchange ratio of Non-Convertible Debentures ("NCD") for the proposed merger of TCCL into TCL ("Proposed Merger").

TCCL and TCL are hereinafter jointly referred to as "Companies" or "Clients" or "Valuation Subjects".

SSPA and EY are hereinafter jointly referred to as "Valuers" or "we" or "us" in this report.

In connection with the Proposed Merger, the NCDs of TCCL will be transferred to TCL at exactly same terms as the respective NCDs of TCCL. Pursuant to the Proposed Merger, NCD holders of TCCL would hold NCDs of TCL.

Our deliverable for this engagement would be a report in relation to NCDs of TCL which will be held by NCD holders of TCCL pursuant to the Proposed Merger ("Report"). For the purpose of this Report, we have considered the Valuation Date as 24 March 2023 ("Valuation Date").



COMPANIES' BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

TCL is a holding company which holds investments in its subsidiaries which are mainly engaged in lending. TCL is a subsidiary of Tata Sons Private Limited and is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("CIC"). TCL and its subsidiaries are engaged in lending and offering a wide array of products/services in financial services sector.

As on Valuation Date, TCL has the following material subsidiaries:

Tata Capital Financial Services Limited ("TCFSL") is a wholly owned subsidiary of TCL and is a Systemically Important Non-Deposit taking Non-Banking Financial Company ("NBFC-ND-SI"), holding a Certificate of Registration dated November 4, 2011, from the RBI. TCFSL's main areas of business include retail finance, SME and commercial finance.

Tata Capital Housing Finance Limited ("Tata Housing" or "TCHFL"), is a wholly owned subsidiary of TCL and is registered as a Housing Finance Company with the National Housing Bank ("NHB") to carry on housing finance activities. TCHFL primarily offers Home Loans and Affordable Housing Loans. TCHFL also provides Loans Against Property and Loans to Developers for constructing Residential and Commercial premises.

TCCL is a joint venture between TCL and International Finance Corporation ("IFC"), Washington D.C., USA, with equity holding in the ratio of 80.50:19.50. TCCL is registered with RBI as a NBFC-ND-SI. TCCL engages in the business of providing cash flow based finance and advisory services for projects in Renewable Energy, Energy Efficiency, Waste Management, Water Management, and other Infrastructure Projects. TCCL has been registered with the RBI as an Infrastructure Finance Company since October 15, 2015.

We understand that the management of the Companies (hereinafter referred to as "the Management") are contemplating merger of TCCL with TCL through a Scheme of Arrangement under the provisions of Sections 230-232 read with Section 66 and the other applicable provisions of the Companies Act, 2013 and Rules made there under ("Proposed Merger").

In this connection, the Audit Committee / Board of Directors of TCL and TCCL have appointed SSPA and EY respectively, Registered Valuers, to submit a joint valuation report, in relation to NCDs of TCL which will be held by NCD holders of TCCL for the Proposed Merger.

We understand that the appointed date for the Proposed Merger as per the draft scheme shall be opening business hours of 1 April 2023 or such other later date as the Board may decide.

The scope of our services is to conduct a relative (and not absolute) valuation of NCDs of the Valuation Subjects and report a fair NCD Exchange Ratio for the Proposed Merger in accordance with internationally accepted valuation standards / ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountants of India as applicable.

The Valuers have been appointed severally and not jointly and accordingly owe responsibility to the respective company that has engaged them, under the terms of their respective engagement. The Valuers have worked independently in their analysis.



We have been provided with the Unaudited limited reviewed financials of TCL and TCCL for 9 months ended 31 December 2022 and also the details of NCDs issued by TCL and TCCL. We have taken into consideration the current market parameters in our analysis and have made adjustments for additional facts made known to us till the date of our Report. The Management has informed us that there are no unusual/abnormal events in the Companies materially impacting their operating/financial performance till the Report date. Further, we have been informed that all material information impacting the Valuation Subjects have been disclosed to us.

We have relied on the above while arriving at our recommendation for the Proposed Merger.

We have been informed that till the Proposed Merger becomes effective, neither Companies would declare any substantial dividends other than in the ordinary course of business.

This Report is our deliverable for the above engagement.

This Report is subject to the scope, assumptions, qualifications, exclusions, limitations, and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts.

SOURCES OF INFORMATION

In connection with this exercise, we have received/obtained the following information about the Valuation Subjects from the Management:

- Unaudited limited reviewed financials for nine months ended 31 December 2022 for TCL and TCCL.
- Details of NCDs of TCL and TCCL.
- Other relevant information and documents for the purpose of this engagement.

During the discussions with the Management, we have also obtained explanations, information, and representations, which we believed were reasonably necessary and relevant for our exercise. The Clients have been provided with the opportunity to review the draft report as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Report.

PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received details of terms of NCDs of TCL and TCCL such as credit rating, coupon rates, tenure, redemption price and quantum and nature of security.
- Discussions (physical/over call) with the Management to understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis, historical financial performance.
- Looked at the credit rating, coupon rates, tenure, redemption price and quantum and nature of security of TCL and TCCL to assess the difference in market yields of NCDs in order to determine the fair NCD exchange ratio for the Proposed Merger.



SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

This Report is subject to the limitations detailed in respective engagement letters. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

The recommendation contained herein is not intended to represent value at any time other than Report date. We have no obligation to update this Report.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date; (iii) terms of the NCDs including credit rating.

Valuation analysis and results are specific to the purpose of valuation and as per the agreed terms of the respective engagements. It may not be valid for any other purpose or as of any other date. Also, it may not be valid if done on behalf of any other entity.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic, and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. This Report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the recommendation for the Proposed Merger. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The recommendation rendered in this Report only represent our recommendation based upon information furnished by the Companies and gathered from public domain (and analysis thereon) and the said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data. In accordance with the terms of our respective engagements, we have carried out relevant analyses and evaluations through discussions, calculations and such other means, as may be applicable and available, we have assumed and relied upon, without independently verifying (i) the accuracy of the information that was publicly available, sourced from subscribed databases and formed a substantial basis for this Report and (ii) the accuracy of information made available to us by the Companies. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our valuation does not constitute as an audit or review in accordance with the auditing standards applicable in India, accounting / financial / commercial / legal / tax / environmental due diligence or forensic / investigation services and does not include verification or validation work. In accordance with the terms of our engagement / appointment letters and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical financials / financial information



or individual assets or liabilities, provided to us regarding the Companies / subsidiary / associates / joint ventures / investee companies. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in such historical financials / financial statements. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the assumptions and information given by / on behalf of the Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis / results.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. This Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited / unaudited balance sheets of the Companies / subsidiary / associates / joint ventures / investee companies, if any. No investigation of Companies' (or their investee companies) claim to title of assets has been made for the purpose of this Report and Companies' (or their investee companies) claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. Our conclusion of value assumes that the assets and liabilities of the Valuation Subjects, reflected in their respective latest balance sheets remain intact as of the Report date.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Clients are the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the Clients from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this report. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Clients or Companies, their directors, employees or agents. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.

We have not carried out any physical verification of the assets and liabilities of the Valuation Subjects and take no responsibility for the identification of such assets and liabilities.

This Report does not look into the business/commercial reasons behind the proposed transaction nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The valuation analysis and result are governed by concept of materiality.

The fee for the engagement is not contingent upon the results reported.

We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.

It is understood that this analysis does not represent a fairness opinion. This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.



This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme of Arrangement, without our prior written consent. In addition, we express no opinion or recommendation as to how the shareholders of either company should vote at any shareholders' meeting(s) to be held in connection with the Proposed Merger.

Disclosure of RV Interest or Conflict, if any and other affirmative statements

We do not have any financial interest in the Clients, nor do we have any conflict of interest in carrying out this valuation.

Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation. Sufficient time and information was provided to us to carry out the valuation.



SHAREHOLDING PATTERN

TCL

The issued and subscribed equity share capital of TCL as of 31 December 2022 is INR 35,161.68 million consisting of 3,516,167,744 equity shares of face value of INR 10 each.

As on 23 March 2023, TCL issued additional shares of 43,952,097 equity shares of face value of INR 10 each, via rights issue at a share price of INR 135.1. Post the said rights issue, the issued and subscribed equity share capital as on 27 March 2023 is INR 35,601.20 million consisting of 3,560,119,841 equity shares.

| Shareholding Pattern as on 27 March 2023 | No. of Shares | % Shareholding |
|--|----------------------|----------------|
| Promoter & Group (Tata Sons & Group) | 3,458,139,706 | 97.14% |
| Other minority shareholders | 101,980,135 | 2.86% |
| Grand Total | 3,560,119,841 | 100.0% |

Source: Management

TCCL

The issued and subscribed equity share capital of TCCL as of 31 December 2022 is INR 4,592.9 million consisting of 459,285,639 equity shares of face value of INR 10 each. The shareholding pattern is as follows:

| Shareholding Pattern as on 27 March 2023 | No. of Shares | % Shareholding |
|--|--------------------|----------------|
| Promoter & Group (TCL) | 369,724,940 | 80.50% |
| International Finance Corporation | 89,560,699 | 19.50% |
| Grand Total | 459,285,639 | 100.0% |

Source: Management

APPROACH FOR RECOMMENDATION

The Proposed Merger contemplates the merger of TCCL into TCL. It would require determining the relative value of NCDs of TCCL and the value of NCDs of TCL proposed to be held by NCD holders of TCCL.

The proposal is to transfer NCDs of TCCL to TCL with the same terms as that of current terms of the respective series of NCDs of TCCL including the coupon rates, tenure, redemption price and quantum and nature of security etc. and NCD holders of TCCL will become NCD holders of TCL post scheme is made effective.

Further, it is understood from the Management that considering the credit ratings of existing NCDs of TCL and TCCL, the existing market yields having same terms as that of current NCDs of TCCL will not be materially different from that of NCDs of TCL proposed to be held by NCD holders of TCCL.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, for the respective series of NCDs, we recommend the fair NCD exchange ratio of

For every 1 (One) NCD of TCCL 1(One) NCD of TCL of equivalent face and paid-up value, coupon rate, tenure, redemption price and quantum and nature of security offered, etc.

All NCDs of TCCL will be transferred to TCL with the same terms as that of current terms of the respective series of NCDs of TCCL.



Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for mergers and our reasonable judgment, in an independent and bona fide manner.

It should be noted that we have not examined the economic rationale for the Proposed Transaction per se nor accounting, legal or tax matters involved in the Proposed Transaction.

| | |
|---|--|
| <p>Respectfully submitted, SSPA & Co. Chartered Accountants ICAI Firm Registration No: 128851W IBBI Registered Valuer No.: IBBI/RV-E/06/2020/126</p> <p><i>Parag S. Ved</i></p>  <p>Parag Ved Partner ICAI Membership No. 102432 Registered Valuer No.: IBBI/RV/06/2018/10092 UDIN: 23102432 BGVATI3519 Place: Mumbai Date: 28 March 2023</p> | <p>Respectfully submitted, Ernst & Young Merchant Banking Services LLP Registered Valuer Registration No. IBBI/RV-E/05/2021/155</p>  <p><i>[Signature]</i></p> <p>Parag Mehta Partner EYMBS/RV/2023/053</p> <p>Place: Mumbai Date: 28 March 2023</p> |
|---|--|

SSPA & CO.
Chartered Accountants

1st Floor, " Arjun", Plot No. 6 A,
V. P. Road, Andheri (W),
Mumbai - 400 - 058 INDIA.
Tel.: 91 (22) 2670 4376 /77
91 (22) 2670 3682
Website : www.sspa.in

STRICTLY PRIVATE & CONFIDENTIAL

March 28, 2023

| | |
|--|---|
| <p>To, The Audit Committee and the Board of Directors, Tata Capital Financial Services Limited 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.</p> | <p>To, The Audit Committee and the Board of Directors, Tata Capital Limited 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.</p> |
|--|---|

Dear Sir(s)/ Madam(s),

Re: Valuation Report for the proposed merger of Tata Capital Financial Services Limited into Tata Capital Limited

We refer to the engagement letter dated February 01, 2023, whereby, SSPA & Co., Chartered Accountants (hereinafter referred to as 'SSPA' or 'Valuer' or 'We') has been appointed by the management of Tata Capital Financial Services Limited ('TCFSL' or 'Transferor Company') to issue a report for the purpose of Securities & Exchange Board of India ('SEBI') 's Master Circular on (I) Scheme of Arrangement by Listed Entities and (II) Relaxation under Sub rule (7) of Rule 19 of the Securities Contracts (Regulation) Rules, 1957 dated November 23, 2021 ("SEBI Scheme Circular-Equity") in relation to the proposed merger of TCFSL with Tata Capital Limited (hereinafter referred to as 'TCL' or 'Transferee Company').

TCFSL & TCL are hereinafter referred to as the Companies.

Our deliverable for this engagement would be to issue valuation report pursuant to SEBI Scheme Circular – Equity for the proposed merger of TCFSL with TCL ('Report'). For the purposes of this report, we have considered the Valuation Date as March 24, 2023 ('Valuation Date').

1. SCOPE AND PURPOSE OF THIS REPORT

1.1 We have been informed by the Management of TCFSL (hereinafter collectively referred to as 'the Management') that they are considering a proposal for the proposed merger of TCFSL with TCL (hereinafter referred to as 'Proposed Merger').



- 1.2 The aforesaid merger is proposed under a Scheme of Arrangement in accordance with the provisions of section 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 and the Rules made there under (hereinafter referred to as the 'Scheme') with effect from such date as mentioned in the Scheme.
- 1.3 We understand that the appointed date for the Proposed Merger as per the draft Scheme shall be opening business hours of April 01, 2023 or such other later date as the Board may decide ('Appointed Date').
- 1.4 Subject to necessary approvals, TCFSL would be amalgamated with TCL, with effect from Appointed Date.
- 1.5 In this regard, we have been requested to issue a Valuation Report pursuant to SEBI Scheme Circular – Equity for the Proposed Merger. The scope of our services is to provide a valuation report for the purpose of the SEBI Scheme Circular – Equity in relation to Proposed Merger in accordance with the ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountants of India as applicable.
- 1.6 No shares of TCL are proposed to be issued and allotted nor any payment is proposed to be made in cash to the shareholders of TCFSL on merger of TCFSL with TCL, since, TCFSL is a wholly owned subsidiary of TCL. Further, pursuant to the Scheme, the equity shares of TCFSL held by TCL shall stand extinguished upon the Scheme becoming effective.

2. BRIEF BACKGROUND

2.1. TATA CAPITAL LIMITED

TCL is a holding company which holds investments in its subsidiaries which are mainly engaged in lending. TCL is a subsidiary of Tata Sons Private Limited and is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("CIC"). TCL and its subsidiaries are engaged in lending and offering a wide array of products/services in financial services sector.

The issued, subscribed, and fully paid-up share capital of the Transferee Company as on March 27, 2023, is INR 3,560.12 crores comprising of 3,56,01,19,841 equity shares of INR 10 each fully paid up.

2.2. TATA CAPITAL FINANCIAL SERVICES LIMITED

TCFSL is a wholly owned subsidiary of TCL and is a Systemically Important Non-Deposit taking Non-Banking Financial Company ("NBFC-ND-SI"), holding a Certificate of Registration



dated November 4, 2011, from the RBI. TCFSL's main areas of business include retail finance, SME and commercial finance.

The issued, subscribed, and fully paid-up share capital of the Transferor Company as on March 27, 2023, is INR 1,718.84 crores comprising of 1,71,88,46,458 equity shares of INR 10 each fully paid up.

3. REGISTERED VALUER - SSPA & CO., CHARTERED ACCOUNTANTS

SSPA, is a partnership firm, located at 1st Floor, "Arjun", Plot No. 6A, V. P. Road, Andheri (West), Mumbai - 400 058, India. SSPA is engaged in providing various corporate consultancy services.

SSPA is a firm of practicing Chartered Accountants registered with The Institute of Chartered Accountants of India ('ICAI'). SSPA is also registered with the Insolvency and Bankruptcy Board of India ('IBBI'), as a Registered Valuer for asset class – 'Securities or Financial Assets' with Registration No. IBBI/RV-E/06/2020/126.

4. SOURCES OF INFORMATION

For the purpose of this exercise, we have relied upon the following sources of information received from the Management and information available in the public domain:

- (a) Draft Scheme
- (b) Limited reviewed financial statements of the Companies for the nine months period ended December 31, 2022.
- (c) Such other information and explanations as we required and which have been provided by the Management, including Management Representations.

5. PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this engagement, we have adopted the following procedures:

- (a) Reviewed the equity shareholding of TCFSL and TCL.
- (b) Reviewed the relevant clauses in the Scheme.

6. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS, AND DISCLAIMERS

- 6.1. Our report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents



referred to herein and in the context of the purpose for which it is made. Further, our report for the Proposed Merger is in accordance with ICAI Valuation Standards 2018 issued by The Institute of Chartered Accountants of India.

- 6.2. This report has been prepared for the Audit Committee and Board of Directors of TCFSL and TCL solely for the purpose of compliance with SEBI Scheme Circular – Equity for the Proposed Merger.
- 6.3. The report assumes that the Companies comply fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations.
- 6.4. The draft of the present report was circulated to the Management for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.
- 6.5. For the purpose of this exercise, we were provided with both written and verbal information including information detailed hereinabove in para 'Sources of Information'. Further, the responsibility for the accuracy and completeness of the information provided to us by the Companies and / or its auditors / consultants, is that of the Management. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Management that they have not omitted any relevant and material information about the Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our conclusions.
- 6.6. Our work does not constitute an audit, due diligence, or certification of these information referred to in this report including information sourced from public domain. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any information referred to in this report and the consequential impact on the present exercise. However, we have evaluated the information provided to us by the Companies through broad inquiry, analysis, and review. However, nothing has come to our attention to indicate that the information provided / obtained was materially misstated / incorrect or would not afford reasonable grounds upon which to base the report.
- 6.7. This report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the



Companies and any other matter, which may have an impact on the report including any significant changes that have taken place or are likely to take place in the financial position of the Companies. Events and transactions occurring after the date of this report may affect the report and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this report.

- 6.8. We are independent of the Companies and have no current or expected interest in the Companies or its assets. The fee paid for our services in no way influenced the results of our analysis.
- 6.9. Our report is not, nor should it be construed as our opining or certifying the compliance with the provisions of any law including companies, competition, taxation, and capital market related laws or as regards any legal implications or issues arising in India or abroad from the Proposed Merger.
- 6.10. Any person/party intending to provide finance/divest/invest in the shares/convertible instruments/business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- 6.11. The decision to carry out the Proposed Transaction (including consideration thereof) lies entirely with the parties concerned and our work and our finding shall not constitute a recommendation as to whether or not the parties should carry out the Proposed Merger.
- 6.12. Our Report is meant for the purpose mentioned in Para 1 only and should not be used for any purpose other than the purpose mentioned therein. It is exclusively for the use of the Company and may be submitted to the National Company Law Tribunal / regulatory /statutory authority for obtaining requisite approvals. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall SSPA assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 6.13. SSPA nor its partners, managers, employees make any representation or warranty, express or implied, as to the accuracy, reasonableness, or completeness of the information, based on which this report is issued. We owe responsibility only to the Company that has appointed us under the terms of the Engagement Letter. We will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions, or advice



given by any other person. In no event shall we be liable for any loss, damages, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or willful default on part of the client or companies, their directors, employees, or agents.

7. CONCLUSION

As mentioned in para 1.5 above and as per the draft Scheme, no shares of TCL are proposed to be issued nor any payment is proposed to be made in cash by TCL in consideration of merger of TCFSL with TCL as TCFSL is a wholly owned subsidiary of TCL as on date.

In our opinion, the above is fair, since TCFSL is a wholly owned subsidiary of TCL and therefore shareholders of TCL are the ultimate beneficial owners of TCFSL which they will continue to remain of the amalgamated entity i.e. TCL. Accordingly, valuation approaches as indicated in the format (as attached herewith as **Annexure I** to this report) as prescribed by circular number NSE/CML/2017/12 of NSE and LIST/COMP/02/2017-18 of BSE have not been undertaken as they are not relevant in the instant case.

Thanking you,
Yours faithfully,

For SSPA & CO.

Chartered Accountants

ICAI Firm registration number: 128851W

IBBI Registered Valuer No.: IBBI/RV-E/06/2020/126

Parag S. Ved



Parag Ved

Partner

ICAI Membership No. 102432

Registered Valuer No.: IBBI/RV/06/2018/10092

UDIN: 23102432BGUAJJ7624

Place: Mumbai

Date: March 28, 2023

Annexure I

For Merger of TCFSL with TCL

| Valuation Approach | TCFSL | | TCL | |
|---------------------------------|-----------------------|--------|-----------------------|--------|
| | Value per Share (INR) | Weight | Value per Share (INR) | Weight |
| Asset Approach | NA | NA | NA | NA |
| Income Approach | NA | NA | NA | NA |
| Market Approach | NA | NA | NA | NA |
| Relative value per share | NA | | NA | |

NA = Not Adopted/ Not Applicable

As explained in Para 7 above, TCFSL is wholly owned subsidiary of TCL, no additional equity shares will be issued in lieu of the existing equity shares of TCFSL and the existing issued and paid up equity share capital of TCFSL will be cancelled. Therefore, we have not carried out any valuation.



SSPA & CO.*Chartered Accountants*

1st Floor, "Arjun", Plot No. 6 A,

V. P. Road, Andheri (W),

Mumbai - 400 - 058 INDIA.

Tel.: 91 (22) 2670 4376 /77

91 (22) 2670 3682

Website : www.sspa.in

Dated: 28 March 2023

To,

| | |
|--|---|
| The Audit Committee and the Board of Directors, Tata Capital Financial Services Limited 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013. | The Audit Committee and the Board of Directors, Tata Capital Limited 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013. |
|--|---|

Sub: Valuation Report in relation to Non-Convertible Debentures for the proposed Merger of Tata Capital Financial Services Limited into Tata Capital Limited

Dear Sir / Madam,

We refer to our engagement letter dated 01 February 2023, whereby SSPA & CO., Chartered Accountants, ("SSPA") is appointed by Tata Capital Financial Services Limited ("TCFSL") for recommendation of fair exchange ratio of Non-Convertible Debentures ("NCD") for the proposed merger of TCFSL into Tata Capital Limited ("TCL") ("Proposed Merger").

TCFSL and TCL are hereinafter jointly referred to as "Companies" or "Valuation Subjects".

SSPA is hereinafter referred to as "Valuer" or "we" or "us" in this report.

In connection with the Proposed Merger, the NCDs of TCFSL will be transferred to TCL at exactly same terms as the respective NCDs of TCFSL. Pursuant to the Proposed Merger, NCD holders of TCFSL would hold NCDs of TCL.

Our deliverable for this engagement would be a report in relation to NCDs of TCL which will be held by NCD holders of TCFSL pursuant to the Proposed Merger ("Report"). For the purpose of this Report, we have considered the Valuation Date as 24 March 2023 ("Valuation Date").



COMPANIES' BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

TCL is a holding company which holds investments in its subsidiaries which are mainly engaged in lending. TCL is a subsidiary of Tata Sons Private Limited and is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("CIC"). TCL and its subsidiaries are engaged in lending and offering a wide array of products/services in financial services sector.

TCFSL is a wholly owned subsidiary of TCL and is a Systemically Important Non-Deposit taking Non-Banking Financial Company ("NBFC-ND-SI"), holding a Certificate of Registration dated November 4, 2011, from RBI.

We understand that the management of the Companies (hereinafter referred to as "the Management") are contemplating Proposed Merger of TCCL and TCFSL with TCL through a Scheme of Arrangement under the provisions of Sections 230-232 read with Section 66 and the other applicable provisions of the Companies Act, 2013 and Rules made there under.

In this connection, the Audit Committee / Board of Directors of TCFSL have appointed SSPA, Registered Valuer, to submit a valuation report in relation to NCDs of TCL which will be held by the NCD holders of TCFSL for the Proposed Merger.

We understand that the appointed date for the Proposed Merger as per the draft scheme shall be opening business hours of 1 April 2023 or such other later date as the Board may decide.

The scope of our services is to conduct a relative (and not absolute) valuation of NCDs of the Valuation Subjects and report a fair NCD Exchange Ratio for the Proposed Merger in accordance with ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountants of India as applicable.

We have been provided with the Unaudited limited reviewed financials of TCL and TCFSL for 9 months ended 31 December 2022 and also the details of NCDs issued by TCL and TCFSL. We have taken into consideration the current market parameters in our analysis and have made adjustments for additional facts made known to us till the date of our Report. The Management has informed us that there are no unusual/abnormal events in the Companies materially impacting their operating/financial performance till the Report date. Further, we have been informed that all material information impacting the Valuation Subjects have been disclosed to us.

We have relied on the above while arriving at our recommendation for the Proposed Merger.

This Report is our deliverable for the above engagement.

This Report is subject to the scope, assumptions, qualifications, exclusions, limitations, and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts.

SOURCES OF INFORMATION

In connection with this exercise, we have received/obtained the following information about the Valuation Subjects from the Management:

- Unaudited limited reviewed financials for nine months ended 31 December 2022 for TCL and TCFSL.
- Details of NCDs of TCL and TCFSL
- Other relevant information and documents for the purpose of this engagement.

During the discussions with the Management, we have also obtained explanations, information, and representations, which we believed were reasonably necessary and relevant for our exercise. The Clients have been provided with the opportunity to review the draft report as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Report.



PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received details of terms of NCDs of TCL and TCFSL such as credit rating, coupon rates, tenure, redemption price and quantum and nature of security.
- Discussions (physical/over call) with the Management to understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis, historical financial performance.
- Looked at the credit rating, coupon rates, tenure, redemption price and quantum and nature of security of TCL and TCFSL to assess the difference in market yields of NCDs in order to determine the fair NCD exchange ratio for the Proposed Merger.



SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

This Report is subject to the limitations detailed in engagement letter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

The recommendation contained herein is not intended to represent value at any time other than Report date. We have no obligation to update this Report.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date; and (iii) Terms of NCDs of TCL and TCFSL including credit rating.

Valuation analysis and results are specific to the purpose of valuation and as per the agreed terms of the engagement letter. It may not be valid for any other purpose or as of any other date. Also, it may not be valid if done on behalf of any other entity.

A valuation of this nature is necessarily based on the prices prevailing on the stock market, financial, economic, and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. This Report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the recommendation for the Proposed Merger. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The recommendation rendered in this Report only represent our recommendation based upon information furnished by the Companies and gathered from public domain (and analysis thereon) and the said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data. In accordance with the terms of our engagement, we have carried out relevant analyses and evaluations through discussions, calculations and such other means, as may be applicable and available, we have assumed and relied upon, without independently verifying (i) the accuracy of the information that was publicly available, sourced from subscribed databases and formed a substantial basis for this Report and (ii) the accuracy of information made available to us by the Companies. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our valuation does not constitute as an audit or review in accordance with the auditing standards applicable in India, accounting / financial / commercial / legal / tax / environmental due diligence or forensic / investigation services and does not include verification or validation work. In accordance with the terms of our engagement / appointment letters and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical financials / financial information or individual assets or liabilities, provided to us regarding the Companies / subsidiary / associates / joint ventures / investee companies. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in such historical financials / financial statements. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the



relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the assumptions and information given by / on behalf of the Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis / results.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. This Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited / unaudited balance sheets of the Companies / subsidiary / associates / joint ventures / investee companies, if any. No investigation of Companies' (or their investee companies) claim to title of assets has been made for the purpose of this Report and Companies' (or their investee companies) claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. Our conclusion of value assumes that the assets and liabilities of the Valuation Subjects, reflected in their respective latest balance sheets remain intact as of the Report date.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Clients are the only authorized user of this report and are restricted for the purpose indicated in the engagement letter. This restriction does not preclude the Clients from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this report. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Clients or Companies, their directors, employees or agents. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.

We have not carried out any physical verification of the assets and liabilities of the Valuation Subjects and take no responsibility for the identification of such assets and liabilities.

This Report does not look into the business/commercial reasons behind the proposed transaction nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The valuation analysis and result are governed by concept of materiality.

The fee for the engagement is not contingent upon the results reported.

We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.

It is understood that this analysis does not represent a fairness opinion. This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme of Arrangement, without our prior written consent. In addition, this report does not in any manner address the prices at which equity shares of the Companies will trade following announcement of the Proposed Merger and we express no opinion or recommendation as to



how the shareholders of either company should vote at any shareholders' meeting(s) to be held in connection with the Proposed Merger.

Disclosure of RV Interest or Conflict, if any and other affirmative statements

We do not have any financial interest in the Clients, nor do we have any conflict of interest in carrying out this valuation.

Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation. Sufficient time and information was provided to us to carry out the valuation.



SHAREHOLDING PATTERN

TCL

The issued and subscribed equity share capital of TCL as of 31 December 2022 is INR 35,161.68 million consisting of 3,516,167,744 equity shares of face value of INR 10 each.

As on 23 March 2023, TCL issued additional 43,952,097 equity shares of face value of INR 10 each, via rights issue at a share price of INR 135.10. Post the said rights issue, the issued and subscribed equity share capital as on 27 March 2023 is INR 35,601.20 million consisting of 3,560,119,841 equity shares.

TCFSL

The issued and subscribed equity share capital of TCFSL as of 31 December 2022 is INR 16,983.3 million consisting of 1,69,83,30,000 shares of face value of INR 10 each.

As on 15 March 2023 and 21 March 2023, TCFSL issued additional 76,92,308 and 1,28,20,512 equity shares respectively of face value of INR 10 each, via rights issue at a price of INR 195 per equity share. Post the said rights issue, the issued and subscribed equity share capital as on 27 March 2023 is INR 17,188.43 million consisting of 1,71,88,46,458 equity shares.

APPROACH FOR RECOMMENDATION

The Proposed Merger contemplates the merger of TCFSL into TCL. It would require determining the relative value of NCDs of TCFSL and the value of NCDs of TCL proposed to be held by NCD holders of TCFSL.

The proposal is to transfer NCDs of TCFSL to TCL with the same terms as that of current terms of the respective series of NCDs of TCFSL including the coupon rates, tenure, redemption price and quantum and nature of security, etc. and NCD holders of TCFSL will become NCD holders of TCL, post Scheme is made effective.

Further, it is understood from the Management that considering the credit ratings of existing NCDs of TCL and TCFSL, the existing market yields having same terms as that of current NCDs of TCFSL will not be materially different from that of NCDs of TCL proposed to be held by NCD holders of TCFSL.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, for the respective series of NCDs, we recommend the fair NCD exchange ratio of

For every 1 (One) NCD of TCFSL 1(One) NCD of TCL of equivalent face and paid-up value, coupon rate, tenure, redemption price and quantum and nature of security offered, etc.

All NCDs of TCFSL will be transferred to TCL with the same terms as that of current terms of the respective series of NCDs of TCFSL.

Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for mergers and our reasonable judgment, in an independent and bona fide manner.



It should be noted that we have not examined the economic rationale for the Proposed Transaction per se nor accounting, legal or tax matters involved in the Proposed Transaction.

Respectfully submitted,

SSPA & Co.

Chartered Accountants

ICAI Firm Registration No: 128851W

IBBI Registered Valuer No.: IBBI/RV-E/06/2020/126

Parag S. Ved



Parag Ved

Partner

ICAI Membership No. 102432

Registered Valuer No.: IBBI/RV/06/2018/10092

UDIN: 23102432BGUAIJK9320

Place: Mumbai

Date: 28 March 2023

Strictly Private & Confidential

FAIRNESS OPINION REPORT ON SHARE SWAP RATIO

**PREPARED FOR
TATA CAPITAL LIMITED**



SBI CAPITAL MARKETS LTD.
202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005
Tel. (022) 22178300, Fax (022) 2218 1075
Website: www.sbicaps.com

A Subsidiary of State Bank of India

March 28, 2023

IMPORTANT NOTICE

This fairness opinion report ("Report" or "This report" or "this report") contains proprietary and confidential information regarding Tata Capital Limited ("the Company" or "TCL" or "The Client") and its subsidiaries Tata Capital Financial Services Limited ("TCFSL") and Tata Cleantech Capital Limited ("TCCL"). TCL, TCFSL and TCCL are together referred to as the Companies. This report is issued for the exclusive use and benefit of the Company as per the Engagement letter dated 21st February 2023. This report has been issued by SBI Capital Markets Limited ("SBICAPS") as on 28th March 2023, on the basis of the Joint Valuation Report of SSPA & Co. (appointed by TCL) & Ernst & Young Merchant Banking Services LLP (appointed by TCCL), the information provided by the Companies, information available in the public domain and sources believed to be reliable. The information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. SBICAPS assumes no responsibility for such information.

This report is issued by SBICAPS without regard to specific objectives, suitability, financial situations and needs of any particular person and does not constitute any recommendation, and should not be construed as an offer to sell or the solicitation of an offer to buy, purchase or subscribe to any securities mentioned therein, and neither this document nor anything contained herein may form the basis of or be relied upon in connection with any contract or commitment whatsoever. This document does not solicit any action based on the material contained herein. Nothing in these materials is intended by SBICAPS to be construed as legal, accounting, technical or tax advice. Past performance is not a guide for future performance. Forward-looking statements are not predictions and may be subject to change without notice. Actual results may differ materially from these forward-looking statements due to various factors. This report has not been or may not be approved by any statutory or regulatory authority in India or by any Stock Exchange in India. This report may not be all inclusive and may not contain all of the information that the recipient may consider material.

This report and information contained herein or any part of it does not constitute or purport to constitute investment advice in publicly accessible media and should not be printed, reproduced, transmitted, sold, distributed or published by the recipient, except as required by applicable laws and regulations, without the prior written approval from SBICAPS. Neither this document nor any copy of it may be taken or transmitted into the United States, Canada, or Japan or distributed, directly or indirectly, in the United States or Canada or distributed or redistributed in Japan or to any resident thereof. The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

Neither SBICAPS and its affiliates, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the distribution or use of this document. This document may contain confidential, proprietary and/or legally privileged information and it must be kept confidential by the recipient.



SBICAPS is not a Registered Valuer pursuant to Section 247 of the Companies Act, 2013 and rules made thereunder. This Report issued by SBICAPS cannot be used by the recipient for the purposes that specifically require valuation from a Registered Valuer under the Companies Act, 2013 or any other law that requires valuation from such Registered Valuer. This Report shall not be shared with any third party except for as required by statutory or regulatory authorities without the prior written consent of SBICAPS.

SBICAPS has not carried out any due-diligence independently in verifying the accuracy or veracity of data provided by the Companies and Valuers appointed by the Company and its subsidiary and SBICAPS assumes no liability for the accuracy, authenticity, completeness or fairness of the data provided by the Companies. SBICAPS has also assumed that the business continues normally without any disruptions.

Neither SBICAPS nor State Bank of India or any of its associates, nor any of their respective Directors, employees or advisors make any expressed or implied representation or warranty and no responsibility or liability is accepted by any of them with respect to the accuracy, completeness or reasonableness of the facts, opinions, estimates, forecasts, projections or other information set forth in this report, or the underlying assumptions on which they are based and nothing contained herein is or shall be relied upon as a promise or representation regarding the historic or current position or performance of the Companies or any future events or performance of the Companies.

This report is divided into chapters & sub-sections only for the purpose of reading convenience. Any partial reading of this report may lead to inferences, which may be at divergence with the conclusions and opinions based on the entirety of this report.

The opinion of SBICAPS ["Opinion"] under this Report is not intended to and does not constitute a recommendation to any shareholders or stakeholders as to how such shareholders or stakeholders should vote or act in connection with the scheme or any matter related therein. The opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation/merger scheme with the provisions of any law including company law, taxation and capital market related laws or as regards any legal implications or issues arising thereon. SBICAPS assumes no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof. SBICAPS does not express any opinion as to the price at which securities of the transferee entity may trade at any time, including subsequent to the date of this opinion. In rendering the Opinion, SBICAPS has assumed, that the scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the scheme, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the entities under the scheme and / or its holding or subsidiaries or affiliates and their respective shareholders.

In the past, SBICAPS may have provided, and may currently or in the future provide, investment banking services to the entities under the scheme and / or its holding or subsidiaries or affiliates and their respective shareholders, for which services SBICAPS has received or may receive



customary fees. In addition, in the ordinary course of their respective businesses, affiliates of SBICAPS may actively trade securities of the entities under the scheme and / or its holding or subsidiaries or affiliates and their respective shareholders for their own accounts and for the accounts of their customers and, accordingly, may at any time hold a position in such securities.

This report is furnished on a strictly confidential basis and is for the sole use of the person to whom it is addressed and for statutory and regulatory requirements. Neither this report, nor the information contained herein, may be reproduced or passed to any person or used for any purpose other than stated above, without the prior written approval from SBICAPS. By accepting a copy of this report, the recipient accepts the terms of this Notice, which forms an integral part of this report.



TABLE OF CONTENTS

1 BACKGROUND8

1.1 About Companies.....8

1.2 Transaction Overview.....11

1.3 Role of SBI Capital Markets Ltd.11

1.4 Sources of Information.....11

2 SBICAPS view on the fairness of the Transaction12



INDEX OF TABLES

Table 1-1: Holding pattern of Equity Shares of TCL 9
Table 1-2: Holding pattern of Preference Shares of TCL 9
Table 1-3: Holding pattern of Equity Shares of TCFSL 10
Table 1-4: Holding pattern of Equity Shares of TCCL 11



Glossary & Abbreviations

| Abbreviations | Nomenclature |
|---------------|---|
| CIC | Core Investment Company |
| DCF | Discounted Cash Flow |
| FY | Financial Year |
| IFC | International Finance Corporation |
| NBFC-ND-SI | Systemically Important Non-Deposit taking Non-Banking Financial Company |
| P/B | Price-to-Book Value |
| RBI | Reserve Bank of India |
| SBICAPS | SBI Capital Markets Limited |
| TACO | Tata AutoComp Systems Limited |
| TCAPL | Tata Capital Advisors Pte. Ltd |
| TCCL | Tata Cleantech Capital Limited |
| TCHFL | Tata Capital Housing Finance Limited |
| TCFSL | Tata Capital Financial Services Limited |
| TCL | Tata Capital Limited |
| TCPL | Tata Capital Pte. Ltd. |



1 BACKGROUND

1.1 About Companies

1.1.1 Tata Capital Limited ("TCL")

Tata Capital Limited ("TCL" or "Company") is a subsidiary of Tata Sons Private Limited. In May 2012, TCL was registered with the Reserve Bank of India ("RBI") as a Systemically Important NonDeposit Accepting Core Investment Company ("CIC"). As a CIC, TCL is a primary holding company, holding investments in its subsidiaries and other group companies and carries out only such activities as are permitted under the guidelines issued by RBI for CICs. The Company's subsidiaries are engaged in a wide array of businesses in the financial services sector. The Company is domiciled in India and incorporated under the Companies Act, 2013 and listed its non-convertible debentures with National Stock Exchange Limited.

TCL has the following 3 subsidiaries engaged in the lending business:

- Tata Capital Financial Services Limited (discussed in Section 1.1.2)
- Tata Cleantech Capital Limited (discussed in Section 1.1.3)
- Tata Capital Housing Finance Limited ("TCHFL"), is a wholly owned subsidiary of TCL and is registered as a Housing Finance Company with the National Housing Bank ("NHB") to carry on housing finance activities. TCHFL primarily offers Home Loans and Affordable Housing Loans. TCHFL also provides Loans Against Property and Loans to Developers for constructing Residential and Commercial premises.

Apart from lending business, TCL has the following businesses:

- **Private Equity Funds:** TCL has set up multiple Private Equity Funds in India, viz. Tata Capital Growth Fund I, Tata Capital Growth Fund II, Tata Capital Healthcare Fund I, Tata Capital Healthcare Fund II, Tata Opportunities Fund, Tata Capital Innovations Fund and Tata Capital Special Situations Fund - Trust (collectively referred to as "Funds"). These Funds have been registered with SEBI as Venture Capital Funds/Alternative Investment Funds. TCL has sponsored these Funds and acts as their Investment Manager.
- **Presence in Singapore:** Tata Capital Pte. Ltd. ("TCPL"), a wholly-owned subsidiary of TCL, has been established in Singapore and is responsible for Tata Capital's international presence and activities. TCPL's wholly-owned subsidiary



in Singapore, Tata Capital Advisors Pte. Ltd. ("TCAPL"), acts as an Investment Manager to the Private Equity Funds set up in Singapore, to which, TCL acts as an Advisor.

- **Tata Securities Limited** ("Tata Securities") is a wholly-owned subsidiary of TCL. Tata Securities has been empanelled with several Asset Management Companies operating in India. Tata Securities is currently engaged in the business of distribution of Mutual Fund units.

Shareholding pattern of TCL:

The Issued, Subscribed and Paid-up equity share capital of TCL as of March 27, 2023, is Rs. 3,560.12 crores consisting of 3,56,01,19,841 equity shares of face value of Rs. 10 each.

The shareholding pattern is as follows:

Table 1-1: Holding pattern of Equity Shares of TCL

| Category | Equity Shares | Amount (Rs. In Cr) | % Shareholding |
|--|-----------------------|--------------------|----------------|
| Tata Sons Private Limited | 3,36,64,11,042 | 3,366.41 | 94.56% |
| Tata Investment Corporation Limited | 7,81,61,548 | 78.16 | 2.20% |
| Trustees of TCL Employee Welfare Trust and holders of shares granted under ESOP scheme | 7,10,65,986 | 71.07 | 2.00% |
| Tata Group Companies | 1,35,67,116 | 13.57 | 0.38% |
| Other Companies | 2,62,82,282 | 26.28 | 0.74% |
| Individuals | 46,31,867 | 4.63 | 0.13% |
| Total | 3,56,01,19,841 | 3,560.12 | 100.00% |

Source: Company

The Issued, Subscribed and Paid-up preference share capital of TCL as of March 27, 2023, is Rs. 1,069.73 crores consisting of 1,06,97,250 preference shares of face value of Rs. 1000 each. The shareholding pattern is as follows:

Table 1-2: Holding pattern of Preference Shares of TCL

| Category | Preference Shares | Amount (Rs. In Cr.) | % Shareholding |
|------------------|--------------------|---------------------|----------------|
| Bodies Corporate | 54,25,919 | 542.59 | 50.72% |
| Individuals | 47,79,576 | 477.96 | 44.68% |
| Trust | 1,52,500 | 15.25 | 1.43% |
| Others | 3,39,255 | 33.93 | 3.17% |
| Total | 1,06,97,250 | 1,069.73 | 100.00% |

Source: Company



1.1.2 Tata Capital Financial Services Limited ("TCFSL")

Tata Capital Financial Services Limited ("TCFSL"), a wholly-owned subsidiary of TCL, is a Systemically Important Non-Deposit taking Non-Banking Financial Company ("NBFC-ND-SI"), holding a Certificate of Registration dated November 4, 2011, from the RBI. TCFSL is a one stop financial service provider that caters to the diverse needs of the Retail, SME and Corporate Customers.

Shareholding Pattern of TCFSL:

The Issued, Subscribed and Paid-up Share Capital of TCFSL as of March 27, 2023, was Rs. 1,718.85 crores consisting of 1,71,88,46,485 Equity Shares of Rs. 10 each. The shareholding pattern is as follows:

Table 1-3: Holding pattern of Equity Shares of TCFSL

| Category | Equity Shares | Amount (Rs. In Cr) | % Shareholding |
|----------------------|----------------|--------------------|----------------|
| Tata Capital Limited | 1,71,88,46,485 | 1,718.85 | 100.00% |
| Total | 1,71,88,46,485 | 1,718.85 | 100.00% |

Source: Company

1.1.3 Tata Cleantech Capital Limited ("TCCL")

Tata Cleantech Capital Limited ("TCCL") is registered with the RBI as a Systemically Important Non-Deposit Accepting Non-Banking Financial Company. TCCL engages in the business of providing cash flow based finance and advisory services for projects in Renewable Energy, Energy Efficiency, Waste Management, Water Management and other Infrastructure Projects. TCCL is a joint venture between TCL and International Finance Corporation ("IFC"), Washington D.C., USA, with equity holding in the ratio of 80.5:19.5. The Company has been registered with the RBI as an Infrastructure Finance Company since October 15, 2015.

Shareholding Pattern of TCCL:

The issued and subscribed equity share capital of TCCL as of March 27, 2023, is Rs. 459.29 crores consisting of 45,92,85,639 equity shares of face value of Rs. 10 each. The shareholding pattern is as follows:



Table 1-4: Holding pattern of Equity Shares of TCCL

| Category | Equity Shares | Amount (Rs. In Cr.) | % Shareholding |
|-----------------------------------|---------------------|---------------------|----------------|
| Tata Capital Limited | 36,97,24,940 | 369.72 | 80.50% |
| International Finance Corporation | 8,95,60,699 | 89.56 | 19.50% |
| Total | 45,92,85,639 | 459.29 | 100.00% |

Source: Company

1.2 Transaction Overview

We have been informed that the management of the Companies viz. TCL, TCFSL & TCCL are considering a proposal for the merger / amalgamation of TCFSL & TCCL into TCL. In view of the same, TCL is undertaking an exercise for the valuation of TCL, TCFSL & TCCL to arrive at the fair market value of equity shares of these entities and to decide upon share swap ratio amongst equity shareholders of TCL and TCCL (hereinafter referred to as "Transaction").

As informed to us, TCL has appointed SSPA & Co. Chartered Accountants ("SSPA") and TCCL has appointed Ernst & Young Merchant Banking Services LLP ("E&Y") as Valuers for issuing joint valuation report of equity shares and arrive at a share swap ratio. Further, TCL requires a fairness opinion on the joint valuation report.

1.3 Role of SBI Capital Markets Ltd.

TCL has appointed SBI Capital Markets Limited (SBICAPS) to issue fairness opinion for the Transaction based on the Joint Valuation Report provided by the Valuers.

1.4 Sources of Information

We have relied upon the following sources of information provided by the management of the Company.

- Joint valuation report from the Valuers.
- Audited financial statements of TCL, TCFSL, TCHFL & TCCL for the financial year ended March 31, 2020, March 31, 2021 & March 31, 2022.
- Unaudited limited review financial statements of TCL, TCFSL, TCHFL & TCCL for nine months period ended December 31, 2022.
- Financial projections of TCFSL, TCHFL & TCCL for the period from January 1, 2023, to March 31, 2025.



- Other relevant information and data including information in the public domain.
- Such other information and explanations relevant for our assignment, have been provided by the management during the discussions.

2 SBICAPS VIEW ON THE FAIRNESS OF THE TRANSACTION

For relative valuation of equity shares of TCFSL & TCCL, Valuers have used the combination of Market approach and Income approach. And for valuation of equity shares of TCL, SSPA has used combination of Market approach and Income approach and E&Y has used Assets Approach.

TCCL:

Market Approach: Under Market approach, Comparable Companies' Multiple (CCM) Method has been adopted. Under CCM method, the value of equity shares of TCCL is determined by using Price to Book Value Multiple of comparable listed companies.

Income Approach: Under Income Approach, equity shares of TCCL are valued using Discounted Cash Flow ('DCF') Method. Under DCF method, the projected free cash flows based on Board approved projections till March 31, 2025, and terminal value are discounted at the cost of equity to arrive at the equity value. Appropriate adjustments have been made for value of other assets and liabilities and contingent liabilities, after considering tax impact wherever applicable.

TCFSL:

Market Approach: Under Market approach, Comparable Companies' Multiple (CCM) Method has been adopted. Under CCM method, the value of equity shares of TCFSL is determined by using Price to Book Value Multiple of comparable listed companies.

Income Approach: Under Income Approach, equity shares of TCFSL are valued using Discounted Cash Flow ('DCF') Method. Under DCF method, the projected free cash flows based on Board approved projections till March 31, 2025, and terminal value are discounted at the cost of equity to arrive at the equity value. Appropriate adjustments have been made for value of other assets and liabilities and contingent liabilities, after considering tax impact wherever applicable.



TCL:

In case of TCL, Valuer has used DCF method and CCM method to arrive at the standalone value of TCL and again DCF method and CCM method to arrive at the value of its subsidiaries. Final value of TCL is arrived by adding standalone TCL value and value of its subsidiaries after adjusting for liabilities including contingent liabilities and tax impact wherever applicable.

Based upon joint valuation report issued by the Valuers for the Transaction and the calculation for share swap ratio of as explained above, we are of the opinion that the share swap ratio of 5:4 (i.e., for every 5 (Five) shares of TCCL 4 (Four) shares of TCL would be issued) is fair & reasonable to the best of our professional understanding based on the facts, information and explanation given to us.



Yours Sincerely,

For SBI Capital Markets Limited

Name: SaiPrasad Modi

Designation: Vice President



Strictly Private & Confidential

**FAIRNESS OPINION REPORT ON NCD EXCHANGE
RATIO**

**PREPARED FOR
TATA CAPITAL LIMITED**



SBI CAPITAL MARKETS LTD.
202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005
Tel. (022) 22178300, Fax (022) 2218 1075
Website: www.sbicans.com

A Subsidiary of State Bank of India

March 28, 2023

IMPORTANT NOTICE

This fairness opinion report ("Report" or "This report" or "this report") contains proprietary and confidential information regarding Tata Capital Limited ("the Company" or "TCL" or "The Client") and its subsidiaries Tata Capital Financial Services Limited ("TCFSL") and Tata Cleantech Capital Limited ("TCCL"). TCL, TCFSL and TCCL are together referred to as the Companies. This report is issued for the exclusive use and benefit of the Company as per the Engagement letter dated 21st February 2023. This report has been issued by SBI Capital Markets Limited ("SBICAPS") as on 28th March 2023, on the basis of the Joint Valuation Report of SSPA & Co. (appointed by TCL) & Ernst & Young Merchant Banking Services LLP (appointed by TCCL), the information provided by the Companies, information available in the public domain and sources believed to be reliable. The information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. SBICAPS assumes no responsibility for such information.

This report is issued by SBICAPS without regard to specific objectives, suitability, financial situations and needs of any particular person and does not constitute any recommendation, and should not be construed as an offer to sell or the solicitation of an offer to buy, purchase or subscribe to any securities mentioned therein, and neither this document nor anything contained herein may form the basis of or be relied upon in connection with any contract or commitment whatsoever. This document does not solicit any action based on the material contained herein. Nothing in these materials is intended by SBICAPS to be construed as legal, accounting, technical or tax advice. Past performance is not a guide for future performance. Forward-looking statements are not predictions and may be subject to change without notice. Actual results may differ materially from these forward-looking statements due to various factors. This report has not been or may not be approved by any statutory or regulatory authority in India or by any Stock Exchange in India. This report may not be all inclusive and may not contain all of the information that the recipient may consider material.

This report and information contained herein or any part of it does not constitute or purport to constitute investment advice in publicly accessible media and should not be printed, reproduced, transmitted, sold, distributed or published by the recipient, except as required by applicable laws and regulations, without the prior written approval from SBICAPS. Neither this document nor any copy of it may be taken or transmitted into the United States, Canada, or Japan or distributed, directly or indirectly, in the United States or Canada or distributed or redistributed in Japan or to any resident thereof. The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

Neither SBICAPS and its affiliates, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the distribution or use of this document. This document may contain confidential, proprietary and/or legally privileged information and it must be kept confidential by the recipient.



SBICAPS is not a Registered Valuer pursuant to Section 247 of the Companies Act, 2013 and rules made thereunder. This Report issued by SBICAPS cannot be used by the recipient for the purposes that specifically require valuation from a Registered Valuer under the Companies Act, 2013 or any other law that requires valuation from such Registered Valuer. This Report shall not be shared with any third party except for as required by statutory or regulatory authorities without the prior written consent of SBICAPS.

SBICAPS has not carried out any due-diligence independently in verifying the accuracy or veracity of data provided by the Companies and Valuers appointed by the Company and its subsidiary and SBICAPS assumes no liability for the accuracy, authenticity, completeness or fairness of the data provided by the Companies. SBICAPS has also assumed that the business continues normally without any disruptions.

Neither SBICAPS nor State Bank of India or any of its associates, nor any of their respective Directors, employees or advisors make any expressed or implied representation or warranty and no responsibility or liability is accepted by any of them with respect to the accuracy, completeness or reasonableness of the facts, opinions, estimates, forecasts, projections or other information set forth in this report, or the underlying assumptions on which they are based and nothing contained herein is or shall be relied upon as a promise or representation regarding the historic or current position or performance of the Companies or any future events or performance of the Companies.

This report is divided into chapters & sub-sections only for the purpose of reading convenience. Any partial reading of this report may lead to inferences, which may be at divergence with the conclusions and opinions based on the entirety of this report.

The opinion of SBICAPS ["Opinion"] under this Report is not intended to and does not constitute a recommendation to any shareholders or stakeholders as to how such shareholders or stakeholders should vote or act in connection with the scheme or any matter related therein. The opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation/merger scheme with the provisions of any law including company law, taxation and capital market related laws or as regards any legal implications or issues arising thereon. SBICAPS assumes no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof. SBICAPS does not express any opinion as to the price at which securities of the transferee entity may trade at any time, including subsequent to the date of this opinion. In rendering the Opinion, SBICAPS has assumed, that the scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the scheme, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the entities under the scheme and / or its holding or subsidiaries or affiliates and their respective shareholders.

In the past, SBICAPS may have provided, and may currently or in the future provide, investment banking services to the entities under the scheme and / or its holding or subsidiaries or affiliates and their respective shareholders, for which services SBICAPS has received or may receive customary fees. In addition, in the ordinary course of their respective businesses, affiliates of SBICAPS may actively trade securities of the entities under the scheme and / or its holding or



subsidiaries or affiliates and their respective shareholders for their own accounts and for the accounts of their customers and, accordingly, may at any time hold a position in such securities.

This report is furnished on a strictly confidential basis and is for the sole use of the person to whom it is addressed and for statutory and regulatory requirements. Neither this report, nor the information contained herein, may be reproduced or passed to any person or used for any purpose other than stated above, without the prior written approval from SBICAPS. By accepting a copy of this report, the recipient accepts the terms of this Notice, which forms an integral part of this report.



TABLE OF CONTENTS

1 BACKGROUND8

1.1 About Companies.....8

1.2 Transaction Overview.....11

1.3 Role of SBI Capital Markets Ltd.11

1.4 Sources of Information.....12

2 SBICAPS view on the fairness of the Transaction12



INDEX OF TABLES

Table 1-1: Holding pattern of Equity Shares of TCL **Error! Bookmark not defined.**
Table 1-2: Holding pattern of Preference Shares of TCL 9
Table 1-3: Holding pattern of Equity Shares of TCFSL **Error! Bookmark not defined.**
Table 1-4: Holding pattern of Equity Shares of TCCL **Error! Bookmark not defined.**



Glossary & Abbreviations

| Abbreviations | Nomenclature |
|---------------|---|
| CIC | Core Investment Company |
| DCF | Discounted Cash Flow |
| FY | Financial Year |
| IFC | International Finance Corporation |
| NBFC-ND-SI | Systemically Important Non-Deposit taking Non-Banking Financial Company |
| P/B | Price-to-Book Value |
| RBI | Reserve Bank of India |
| SBICAPS | SBI Capital Markets Limited |
| TACO | Tata AutoComp Systems Limited |
| TCAPL | Tata Capital Advisors Pte. Ltd |
| TCCL | Tata Cleantech Capital Limited |
| TCHFL | Tata Capital Housing Finance Limited |
| TCFSL | Tata Capital Financial Services Limited |
| TCL | Tata Capital Limited |
| TCPL | Tata Capital Pte. Ltd. |



1 BACKGROUND

1.1 About Companies

1.1.1 Tata Capital Limited ("TCL")

Tata Capital Limited ("TCL" or "Company") is a subsidiary of Tata Sons Private Limited. In May 2012, TCL was registered with the Reserve Bank of India ("RBI") as a Systemically Important NonDeposit Accepting Core Investment Company ("CIC"). As a CIC, TCL is a primary holding company, holding investments in its subsidiaries and other group companies and carries out only such activities as are permitted under the guidelines issued by RBI for CICs. The Company's subsidiaries are engaged in a wide array of businesses in the financial services sector. The Company is domiciled in India and incorporated under the Companies Act, 2013 and listed its non-convertible debentures with National Stock Exchange Limited.

TCL has the following 3 subsidiaries engaged in the lending business:

- Tata Capital Financial Services Limited (discussed in Section 1.1.2)
- Tata Cleantech Capital Limited (discussed in Section 1.1.3)
- Tata Capital Housing Finance Limited ("TCHFL"), is a wholly owned subsidiary of TCL and is registered as a Housing Finance Company with the National Housing Bank ("NHB") to carry on housing finance activities. TCHFL primarily offers Home Loans and Affordable Housing Loans. TCHFL also provides Loans Against Property and Loans to Developers for constructing Residential and Commercial premises.

Apart from lending business, TCL has the following businesses:

- **Private Equity Funds:** TCL has set up multiple Private Equity Funds in India, viz. Tata Capital Growth Fund I, Tata Capital Growth Fund II, Tata Capital Healthcare Fund I, Tata Capital Healthcare Fund II, Tata Opportunities Fund, Tata Capital Innovations Fund and Tata Capital Special Situations Fund - Trust (collectively referred to as "Funds"). These Funds have been registered with SEBI as Venture Capital Funds/Alternative Investment Funds. TCL has sponsored these Funds and acts as their Investment Manager.
- **Presence in Singapore:** Tata Capital Pte. Ltd. ("TCPL"), a wholly-owned subsidiary of TCL, has been established in Singapore and is responsible for Tata



Capital's international presence and activities. TCPL's wholly-owned subsidiary in Singapore, Tata Capital Advisors Pte. Ltd. ("TCAPL"), acts as an Investment Manager to the Private Equity Funds set up in Singapore, to which, TCL acts as an Advisor.

- **Tata Securities Limited** ("Tata Securities") is a wholly-owned subsidiary of TCL. Tata Securities has been empanelled with several Asset Management Companies operating in India. Tata Securities is currently engaged in the business of distribution of Mutual Fund units.

Shareholding pattern of TCL:

The Issued, Subscribed and Paid-up equity share capital of TCL as of March 27, 2023, is Rs. 3,560.12 crores consisting of 3,56,01,19,841 equity shares of face value of Rs. 10 each.

The shareholding pattern is as follows:

Table 1-1: Holding pattern of Equity Shares of TCL

| Category | Equity Shares | Amount (Rs. In Cr) | % Shareholding |
|--|-----------------------|--------------------|----------------|
| Tata Sons Private Limited | 3,36,64,11,042 | 3,366.41 | 94.56% |
| Tata Investment Corporation Limited | 7,81,61,548 | 78.16 | 2.20% |
| Trustees of TCL Employee Welfare Trust and holders of shares granted under ESOP scheme | 7,10,65,986 | 71.07 | 2.00% |
| Tata Group Companies | 1,35,67,116 | 13.57 | 0.38% |
| Other Companies | 2,62,82,282 | 26.28 | 0.74% |
| Individuals | 46,31,867 | 4.63 | 0.13% |
| Total | 3,56,01,19,841 | 3,560.12 | 100.00% |

Source: Company

The Issued, Subscribed and Paid-up preference share capital of TCL as of March 27, 2023, is Rs. 1,069.73 crores consisting of 1,06,97,250 preference shares of face value of Rs. 1000 each. The shareholding pattern is as follows:

Table 1-2: Holding pattern of Preference Shares of TCL

| Category | Preference Shares | Amount (Rs. In Cr.) | % Shareholding |
|------------------|--------------------|---------------------|----------------|
| Bodies Corporate | 54,25,919 | 542.59 | 50.72% |
| Individuals | 47,79,576 | 477.96 | 44.68% |
| Trust | 1,52,500 | 15.25 | 1.43% |
| Others | 3,39,255 | 33.93 | 3.17% |
| Total | 1,06,97,250 | 1,069.73 | 100.00% |

Source: Company



1.1.2 Tata Capital Financial Services Limited ("TCFSL")

Tata Capital Financial Services Limited ("TCFSL"), a wholly-owned subsidiary of TCL, is a Systemically Important Non-Deposit taking Non-Banking Financial Company ("NBFC-ND-SI"), holding a Certificate of Registration dated November 4, 2011, from the RBI. TCFSL is a one stop financial service provider that caters to the diverse needs of the Retail, SME and Corporate Customers.

Shareholding Pattern of TCFSL:

The Issued, Subscribed and Paid-up Share Capital of TCFSL as of March 27, 2023, was Rs. 1,718.85 crores consisting of 1,71,88,46,485 Equity Shares of Rs. 10 each. The shareholding pattern is as follows:

Table 1-3: Holding pattern of Equity Shares of TCFSL

| Category | Equity Shares | Amount (Rs. In Cr) | % Shareholding |
|----------------------|-----------------------|--------------------|----------------|
| Tata Capital Limited | 1,71,88,46,485 | 1,718.85 | 100.00% |
| Total | 1,71,88,46,485 | 1,718.85 | 100.00% |

Source: Company

1.1.3 Tata Cleantech Capital Limited ("TCCL")

Tata Cleantech Capital Limited ("TCCL") is registered with the RBI as a Systemically Important Non-Deposit Accepting Non-Banking Financial Company. TCCL engages in the business of providing cash flow based finance and advisory services for projects in Renewable Energy, Energy Efficiency, Waste Management, Water Management and other Infrastructure Projects. TCCL is a joint venture between TCL and International Finance Corporation ("IFC"), Washington D.C., USA, with equity holding in the ratio of 80.5:19.5. The Company has been registered with the RBI as an Infrastructure Finance Company since October 15, 2015.

Shareholding Pattern of TCCL:

The issued and subscribed equity share capital of TCCL as of March 27, 2023, is Rs. 459.29 crores consisting of 45,92,85,639 equity shares of face value of Rs. 10 each. The shareholding pattern is as follows:



Table 1-4: Holding pattern of Equity Shares of TCCL

| Category | Equity Shares | Amount (Rs. In Cr.) | % Shareholding |
|-----------------------------------|---------------------|---------------------|----------------|
| Tata Capital Limited | 36,97,24,940 | 369.72 | 80.50% |
| International Finance Corporation | 8,95,60,699 | 89.56 | 19.50% |
| Total | 45,92,85,639 | 459.29 | 100.00% |

Source: Company

1.2 Transaction Overview

We have been informed that the management of the Companies viz. TCL, TCFSL & TCCL are considering a proposal for the merger / amalgamation of TCFSL & TCCL into TCL. It may be noted that the Non-Convertible Debentures ("NCD") of TCL & TCCL are listed. We understand that as per SEBI regulations, NOC from the stock exchange for proposed merger of TCCL into TCL is required before approaching NCLT for approval of scheme of arrangement. For this purpose, TCL would require valuation of NCDs from registered valuer and fairness opinion from a SEBI registered merchant banker. In view of the same, TCL is undertaking an exercise for the fair exchange ratio of NCD of TCCL pursuant to the proposed merger of TCCL into TCL (hereinafter referred to as "Transaction"). The fair exchange ratio of NCDs for this report refers to number of NCDs of TCL which would be issued to the NCD holders of TCCL pursuant to the Proposed Merger.

As informed to us, TCL has appointed SSPA & Co. Chartered Accountants ("SSPA") and TCCL has appointed Ernst & Young Merchant Banking Services LLP ("E&Y") as Valuers for issuing joint report for the Transaction. Further, TCL requires a fairness opinion on the joint report.

1.3 Role of SBI Capital Markets Ltd.

Through Engagement letter dated 21st February 2023, SBI Capital Markets Limited (SBICAPS) was appointed by TCL to issue fairness opinion report for the Transaction based on Joint Report provided by Valuers.



1.4 Sources of Information

We have relied upon the following sources of information provided by the management of the Company.

- Valuation report from the Valuers.
- Details of NCDs of TCL and TCCL.
- Other relevant information and data including information in the public domain.
- Such other information and explanations relevant for our assignment, have been provided by the management during the discussions.

2 SBICAPS VIEW ON THE FAIRNESS OF THE TRANSACTION

The Valuers are of the view that for arriving at the fair NCD exchange ratio for the Proposed Merger of TCCL into TCL would require determining the relative value of NCDs of TCCL and the value of NCDs of TCL proposed to be issued. The proposal is to issue NCDs of TCL to the various series of NCD holders of TCCL with the same terms as that of current terms of the respective series of NCDs of TCCL including the coupon rates, tenure, redemption price and quantum and nature of security etc. Post issue of this there will be new separate series of NCDs in TCL for the NCDs issued against each existing series of NCDs of TCCL.

Further, as per the Valuers report, it is understood from the management that considering the credit ratings of existing NCDs of TCL and TCCL, the existing market yields having same terms as that of current NCDs of TCCL will not be materially different from that of NCDs proposed to be issued by TCL.

In view of the above, the Valuers have recommended the NCD exchange ratio of:

For every 1 (One) NCD of TCCL 1(One) NCD of TCL of equivalent face and paid-up value, coupon rate, tenure, redemption price and quantum and nature of security offered, etc.

Considering similar yield for NCDs of TCCL and TCL expected based on current credit ratings and all other terms viz. paid-up value, coupon rate, tenure, redemption price and quantum and nature of security offered, etc. proposed to remain same, we are of the opinion that the proposed NCD exchange ratio for the Transaction, carried out by



independent Valuers is fair and reasonable based on the facts, information and explanation given to us.

Based on interaction with management and considering tata group tacit support to the TCL entities from time to time, ratings of NCDs of TCL is estimated to be AAA post-merger which will be same as NCD ratings of TCCL pre-merger. Hence, we are of the view that NCD exchange ratio of 1:1 (i.e., for every 1 (One) NCD of TCCL 1(One) NCD of TCL would be issued) is fair and reasonable.



Yours Sincerely,

For SBI Capital Markets Limited

Name: SaiPrasad Modi

Designation: Vice President



STRICTLY PRIVATE & CONFIDENTIAL

March 28, 2023

To,

**The Audit Committee and the Board of Directors
Tata Capital Limited**
11th Floor, Tower A,
Peninsula Business Park,
Ganpatrao Kadam Marg,
Lower Parel,
Mumbai - 400 013.

**The Audit Committee and the Board of Directors
Tata Capital Financial Services Limited**
11th Floor, Tower A,
Peninsula Business Park,
Ganpatrao Kadam Marg,
Lower Parel,
Mumbai - 400 013.

**Sub: Fairness Opinion on proposed merger of Tata Capital Financial Services Limited
with Tata Capital Limited under a Scheme of Arrangement.**

Dear Sir(s),

We refer to our engagement letter dated February 16, 2023 and discussion wherein the management of Tata Capital Financial Services Limited Ltd (hereinafter referred to as the 'Management') has requested Fortress Capital Management Services Private Limited (hereinafter referred to as "we" or "Fortress"), a SEBI Registered Category I Merchant Banker to give a fairness opinion on the Valuation Report of SSPA & Co., Chartered Accountants (hereinafter referred to as "Valuer") in connection with the proposed merger of Tata Capital Financial Services Limited (hereinafter referred to as "TCFSL") with Tata Capital Limited (hereinafter referred to as "TCL") under a Scheme of Arrangement. TCL and TCFSL are hereinafter collectively referred to as the "Companies".



Page 1 of 6

Fortress Capital Management Services Pvt. Ltd. CIN : U67120MH2004PTC145815

Corporate office : 204, Lotus Park, 2nd Floor, Road No 16, Wagle Estate, Thane (W) 400 604, India. Tel : +91 (22) 6288 7900

Registered office : Daryanagar House, 2nd Floor, 69 Maharshi Karve Road, Marine Lines, Mumbai 400 002, India. Tel : +91 (22) 2200 7973

1. COMPANIES' BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

1.1 We have been informed by the Management that they are considering a proposal for the merger of TCFSL with TCL (hereinafter referred to as the "Proposed Merger" or "Proposed Transaction") pursuant to the scheme of arrangement (hereinafter referred to as "Scheme") between the Companies in accordance with the provisions of sections 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 and rules made thereunder. Subject to necessary approvals, TCFSL would merge with TCL, with effect from appointed date as mentioned in the draft Scheme.

1.2 We understand that the appointed date for the Proposed Merger as per the draft Scheme shall be opening business hours of April 01, 2023 or such other later date as the Board may decide ('Appointed Date').

1.3 Since TCFSL is a wholly owned subsidiary of TCL, no consideration is proposed either in the form of equity shares of TCL or any payment in cash to the equity shareholders of TCFSL on the proposed merger of TCFSL with TCL.

1.4 As mentioned in the draft Scheme, the equity shares of TCFSL held by TCL shall stand cancelled upon the scheme becoming effective.

1.5 **Tata Capital Limited**

TCL is a holding company which holds investments in its subsidiaries which are mainly engaged in lending. TCL is a subsidiary of Tata Sons Private Limited and is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("CIC"). TCL and its subsidiaries are engaged in lending and offering a wide array of products/services in financial services sector. The issued, subscribed, and fully paid-up share capital of the Transferee Company as on March 27, 2023, is INR 3,560.12 crores comprising of 3,56,01,19,841 equity shares of INR 10 each fully paid up.

1.6 **Tata Capital Financial Services Limited**

Tata Capital Financial Services Limited ("TCFSL") is a wholly owned subsidiary of TCL



and is a Systemically Important Non-Deposit taking Non-Banking Financial Company (“NBFC-ND-SI”), holding a Certificate of Registration dated November 4, 2011, from the RBI. TCFSL’s main areas of business include retail finance, SME and commercial finance. The issued, subscribed, and fully paid-up share capital of the Transferor Company as on March 27, 2023, is INR 1,718.84 crores comprising of 1,71,88,46,458 equity shares of INR 10 each fully paid up.

- 1.7 In this regard Valuer was appointed to provide Valuation Report in connection with the proposed merger of TCFSL with TCL under the Scheme.
- 1.8 Accordingly, we have been appointed in the capacity of SEBI Registered Category I Merchant Banker to give a fairness opinion on the Valuation Report provided by Valuer in connection with the proposed merger of TCFSL with TCL under the Scheme to comply with SEBI Guidelines.
- 1.9 The information contained in our report herein is confidential. It is intended for the sole use of captioned purpose including for obtaining the requisite statutory approvals.

2. SOURCES OF INFORMATION

For the purposes of this exercise, we have relied upon the following sources of information:

- (a) Draft Scheme between TCL and TCFSL under section 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 and the rules made there under.
- (b) Limited Review unaudited financial results of Companies for 9 months period ended December 31, 2022.
- (c) Valuation Report dated March 28, 2023 issued by Valuer.
- (d) Such other information and explanations as we required and which have been provided by the management including Management Representations of TCL, TCFSL, and Valuer.



3. EXCLUSIONS AND LIMITATIONS

- 3.1 Our conclusion is based on the information furnished to us being complete and accurate in all material respects.
- 3.2 We have been represented by the Management of the Companies that the Companies have clear and valid title of assets. No investigation on Companies claim to title of their assets has been made and their claim to such rights has been assumed to be valid.
- 3.3 Our work does not constitute verification of historical financials or including the working results of the Companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.
- 3.4 Our opinion is not intended to and does not constitute a recommendation to any shareholders as to how such shareholder should vote or act in connection with the Scheme or any matter related therein.
- 3.5 The fee for the engagement and this report is not contingent upon the results reported.
- 3.6 Our liability (statutory or otherwise) for any economic loss or damage arising out of the rendering this Opinion shall be limited to amount of fees received for rendering this Opinion as per our engagement.
- 3.7 Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed merger with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.
- 3.8 Any person / party intending to provide finance / divest / invest in the shares / convertible instruments / business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- 3.9 This Fairness Opinion (“Opinion”) is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on the Opinion including any significant changes that have taken place or are likely to take place in the financial position of the Companies. Events and transactions occurring after the date of this Opinion may affect the opinion and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this Fairness Opinion.



- 3.10 We do not express any opinion as to the price at which shares of the Company may trade at any time, including subsequent to the date of this opinion.
- 3.11 This Fairness Opinion has been issued for the sole purpose to facilitate the Companies to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 relating to Scheme of Arrangement by Listed Entities, it shall not be valid for any other purpose and should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 3.12 Fortress nor its directors, managers, employees make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the fairness opinion is provided. All such parties expressly disclaim any and all liability for/or based on or relating to any such information contained in the fairness opinion.

4. REVIEW OF DOCUMENTS

For arriving at the opinion we have reviewed the following documents:

- Draft Scheme of Arrangement.
- Shareholding Pattern of TCFSL.
- Limited Review Financial results of the Companies for the 9 months period ended December 31, 2022
- Valuation Report dated March 28, 2023 of Valuer.
- Explanation and information provided by the Management of Companies and Valuer.

5. VALUATION METHODOLOGY ADOPTED BY VALUER

Since TCFSL is the wholly owned subsidiary of TCL, Valuer has not adopted any valuation methods and has confirmed the recommendation that no consideration either in



the form of equity shares of TCL or any payment in cash are proposed to be made for the merger of TCFSL with TCL.

6. CONCLUSION

Based on the Valuer's Report and on the basis of and subject to the foregoing, to the best of our knowledge and belief and based on the information and explanation provided to us, in our opinion, since TCFSL is a wholly owned subsidiary of TCL and shareholders of TCL are the ultimate beneficial owner of TCFSL which they will continue to remain of the merged entity after merger of TCFSL with TCL, the recommendation of Valuer of no payment of consideration either in form of equity shares of TCL or in cash for the merger of TCFSL with TCL, is fair and reasonable for the Shareholders of TCL and TCFSL.

Thanking you,

Yours faithfully,

For Fortress Capital Management Services Pvt. Ltd.

Hiten. m. 780

Authorized Signatory



Place: Mumbai

SEBI Registration No.: INM000011146

STRICTLY PRIVATE & CONFIDENTIAL

March 28, 2023

To,

The Audit Committee and the Board of Directors

Tata Capital Limited

11th Floor, Tower A,
Peninsula Business Park,
Ganpatrao Kadam Marg,
Lower Parel,
Mumbai - 400 013.

The Audit Committee and the Board of Directors Tata Capital

Financial Services Limited

11th Floor, Tower A,
Peninsula Business Park,
Ganpatrao Kadam Marg,
Lower Parel,
Mumbai - 400 013.

Sub: Fairness Opinion on Valuation Report in relation to Non-Convertible Debentures for the proposed Merger of Tata Capital Financial Services Limited into Tata Capital Limited under a Scheme of Arrangement.

Dear Sir(s),

We refer to our engagement letter dated February 16, 2023 and discussion wherein the management of Tata Capital Financial Services Limited Ltd (hereinafter collectively referred to as the 'Management') has requested Fortress Capital Management Services Private Limited (hereinafter referred to as "we" or "Fortress"), a SEBI Registered Category I Merchant Banker to give a fairness opinion on the Valuation Report in connection with the Non-convertible Debentures ('NCDs') issued by SSPA & Co., Chartered Accountants (hereinafter referred to as "Valuer") in connection with the proposed merger of Tata Capital Financial Services Limited (hereinafter referred to as "TCFSL") with Tata Capital Limited (hereinafter referred to as "TCL") under a Scheme of Arrangement. TCL and TCFSL are hereinafter collectively referred to as the "Companies".

Page 1 of 6

Fortress Capital Management Services Pvt. Ltd. CIN : U67120MH2004PTC145815

Corporate office : 204, Lotus Park, 2nd Floor, Road No 16, Wagle Estate, Thane (W) 400 604, India. Tel : +91 (22) 6288 7973

Registered office : Daryanagar House, 2nd Floor, 69 Maharshi Karve Road, Marine Lines, Mumbai 400 002, India. Tel : +91 (22) 6288 7973



1. COMPANIES' BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

1.1 We have been informed by the Management that they are considering a proposal of merger of TCFSL with TCL (hereinafter referred to as the "Proposed Merger" or "Proposed Transaction") pursuant to the scheme for the arrangement (hereinafter referred to as "Scheme") between the Companies in accordance with the provisions of sections 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 and rules made thereunder. Subject to necessary approvals, TCFSL would merge with TCL, with effect from appointed date as mentioned in the draft scheme..

1.2 We understand that the appointed date for the Proposed Merger as per the draft Scheme shall be opening business hours of April 01, 2023 or such other later date as the Board may decide ('Appointed Date').

1.3 In connection with the Proposed Merger, the NCDs of TCFSL will be transferred to TCL at exactly same terms as the respective NCDs of TCFSL. Pursuant to the Proposed Merger, NCD holders of TCFSL would hold NCDs of TCL.

1.4 Tata Capital Limited

TCL is a holding company which holds investments in its subsidiaries which are mainly engaged in lending. TCL is a subsidiary of Tata Sons Private Limited and is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("CIC"). TCL and its subsidiaries are engaged in lending and offering a wide array of products/services in financial services sector.

The issued, subscribed, and fully paid-up share capital of the Transferee Company as on March 27, 2023, is INR 3,560.12 crores comprising of 3,56,01,19,841 equity shares of INR 10 each fully paid up.

1.5 Tata Capital Financial Services Limited

TCFSL is a wholly owned subsidiary of TCL and is a Systemically Important Non-Deposit taking Non-Banking Financial Company ("NBFC-ND-SI"), holding a Certificate of Registration dated November 4, 2011, from the RBI. TCFSL's main areas of business



include retail finance, SME and commercial finance.

The issued, subscribed, and fully paid-up share capital of the Transferor Company as on March 27, 2023, is INR 1,718.84 crores comprising of 1,71,88,46,458 equity shares of INR 10 each fully paid up.

- 1.6 In this regard Valuer was appointed to recommend the NCD exchange ratio in connection with the proposed merger of TCFSL with TCL under the Scheme.
- 1.7 Accordingly, we have been appointed in the capacity of SEBI Registered Category I Merchant Banker to give a fairness opinion on the NCD exchange ratio recommended by Valuer in connection with the proposed merger of TCFSL with TCL under the Scheme to comply with SEBI Guidelines.
- 1.8 The information contained in our report herein is confidential. It is intended for the sole use of captioned purpose including for obtaining the requisite statutory approvals.

2. SOURCES OF INFORMATION

For the purposes of this exercise, we have relied upon the following sources of information:

- (a) Draft Scheme between TCL and TCFSL under section 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 and the rules made there under.
- (b) Limited Review unaudited financial results of Companies for 9 months period ended December 31, 2022.
- (c) Details and Terms of NCDs of TCL and TCFSL such as credit rating, coupon rates, tenure, redemption price and quantum and nature of security.
- (d) Valuation Report dated March 28, 2023 issued by Valuer.
- (e) Such other information and explanations as we required and which have been provided by the management including Management Representations of TCL, TCFSL, and Valuer.

3. EXCLUSIONS AND LIMITATIONS

- 3.1 Our conclusion is based on the information furnished to us being complete and accurate in all material respects.



- 3.2 We have been represented by the Management of the Companies that the Companies have clear and valid title of assets. No investigation on Companies claim to title of their assets has been made and their claim to such rights has been assumed to be valid.
- 3.3 Our work does not constitute verification of historical financials or including the working results of the Companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.
- 3.4 Our opinion is not intended to and does not constitute a recommendation to any shareholders as to how such shareholder should vote or act in connection with the Scheme or any matter related therein.
- 3.5 The fee for the engagement and this report is not contingent upon the results reported.
- 3.6 Our liability (statutory or otherwise) for any economic loss or damage arising out of the rendering this Opinion shall be limited to amount of fees received for rendering this Opinion as per our engagement.
- 3.7 Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.
- 3.8 Any person / party intending to provide finance / divest / invest in the shares / convertible instruments / business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- 3.9 This Fairness Opinion (“Opinion”) is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on the Opinion including any significant changes that have taken place or are likely to take place in the financial position of the Companies. Events and transactions occurring after the date of this Opinion may affect the opinion and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this Fairness Opinion.
- 3.10 We do not express any opinion as to the price at which shares of the Company may trade at any time, including subsequent to the date of this opinion.



- 3.11 This Fairness Opinion has been issued for the sole purpose to facilitate the Companies to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 relating to Scheme of Arrangement by Listed Entities, it shall not be valid for any other purpose and should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 3.12 Fortress nor its directors, managers, employees make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the fairness opinion is provided. All such parties expressly disclaim any and all liability for/or based on or relating to any such information contained in the fairness opinion.

4. REVIEW OF DOCUMENTS

For arriving at the opinion we have reviewed the following documents:

- Draft Scheme of Arrangement.
- Shareholding Pattern of TCFSL.
- Limited Review Financial results of the Companies for the 9 months period ended December 31, 2022
- Details and Terms of NCDs of TCL and TCFSL such as credit rating, coupon rates, tenure, redemption price and quantum and nature of security
- Valuation Report dated March 28, 2023 of Valuer.
- Explanation and information provided by the Management of Companies and Valuer.



5. VALUATION METHODOLOGY ADOPTED BY VALUER

For the purposes Valuation and recommending the NCD exchange ratio, the Valuer has determined the relative value of NCDs of TCFSL and the value of NCDs of TCL proposed to be held by NCD holders of TCFSL after comparing the credit rating, coupon rates, tenure, redemption price and quantum and nature of security of NCDs of TCFSL and TCL for the proposed merger of TCFSL with TCL, to assess the difference in market yields of NCDs, if any.

6. CONCLUSION

6.1 We have reviewed the methodology and underlying assumptions as mentioned above used by the Valuer for the purposes of recommending the NCD exchange ratio in connection with the proposed merger of TCFSL with TCL.

6.2 **On the basis of and subject to the foregoing, to the best of our knowledge and belief and based on the information and explanation provided to us, in our opinion, the NCD exchange ratio for the proposed merger of TCFSL with TCL of**

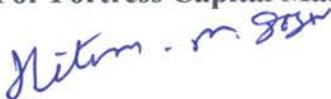
“For every 1 (One) NCD of TCFSL: 1 (One) NCD of TCL of the equivalent face and paid-up value, coupon rate, tenure, redemption price and quantum and nature of security offered, etc.”

recommended by Valuer is fair and reasonable.

Thanking you,

Yours faithfully,

For Fortress Capital Management Services Pvt. Ltd.



Authorized Signatory

Place: Mumbai

SEBI Registration No.: INM000011146




Saffron Capital Advisors Private Limited

605, Sixth Floor, Centre Point, Andheri Kurla Road
 J.B. Nagar, Andheri (East), Mumbai - 400059
 Tel.: +91-22-40820912 | Fax: +91-22-40820999
 Email: info@saffronadvisor.com
 Website: www.saffronadvisor.com
 CIN No.: U67120MH2007PTC166711

Date: March 28, 2023

To,
The Audit Committee and the Board of Directors,
Tata Cleantech Capital Limited
 11th Floor, Tower A, Peninsula Business Park,
 Ganpatrao Kadam Marg, Lower Parel,
 Mumbai – 400 013.

Dear Members of the Audit Committee and the Board of Directors,

1. Engagement Background

We understand that the Management of Tata Cleantech Capital Limited (“TCCL” or the “Transferor Company”) and Tata Capital Limited (“TCL” or the “Transferee Company”) (jointly referred to as “Companies”) are contemplating merger of TCCL with TCL through a Scheme of Arrangement under the provisions of Sections 230-232 read with Section 66 and the other applicable provisions of the Companies Act, 2013 and Rules made there (“Proposed Merger”).

The terms and conditions of the Proposed Mergers are more fully set out in the draft Proposed Merger document shared with us, the final version of which will be filed by the aforementioned companies with the appropriate authorities.

We understand that the Valuation as well as the swap ratio thereof is based on the Valuation Report dated March 28, 2023 issued by Ernst & Young Merchant Banking Services LLP, Independent valuer registered with Insolvency and Bankruptcy Board of India (“IBBI”) with Registration No. IBBI/RV-05/2021/155 signed by Parag Mehta, Partner (“Valuer”).

We, Saffron Capital Advisors Private Limited, a SEBI registered Category-I Merchant Banker, have been engaged by TCCL to give a fairness opinion (“Opinion”) on Valuation Certificate dated March 28, 2023 issued by Valuer.

2. Background of the companies and Rationale

“TCL is a holding company which holds investments in its subsidiaries which are mainly engaged in lending. TCL is a subsidiary of Tata Sons Private Limited and is registered with the Reserve Bank of India (“RBI”) as a Systemically Important Non-Deposit Accepting Core Investment Company (“CIC”). TCL and its subsidiaries are engaged in lending and offering a wide array of products/services in financial services sector.

As on Valuation Date, TCL has the following material subsidiaries:

Tata Capital Financial Services Limited ("TCFSL") is a wholly owned subsidiary of TCL and is a Systemically Important Non-Deposit taking Non-Banking Financial Company ("NBFC-ND-SI"), holding a Certificate of Registration dated November 4, 2011, from the RBI. TCFSL's main areas of business include retail finance, SME and commercial finance.

Tata Capital Housing Finance Limited ("Tata Housing" or "TCHFL"), is a wholly owned subsidiary of TCL and is registered as a Housing Finance Company with the National Housing Bank ("NHB") to carry on housing finance activities. TCHFL primarily offers Home Loans and Affordable Housing Loans. TCHFL also provides Loans Against Property and Loans to Developers for constructing Residential and Commercial premises.

TCCL is a joint venture between TCL and International Finance Corporation ("IFC"), Washington D.C., USA, with equity holding in the ratio of 80.50:19.50. TCCL is registered with RBI as a NBFC-ND-SI. TCCL engages in the business of providing cash flow based finance and advisory services for projects in Renewable Energy, Energy Efficiency, Waste Management, Water Management, and other Infrastructure Projects. TCCL has been registered with the RBI as an Infrastructure Finance Company since October 15, 2015.

As per the Proposed Merger, pursuant to Proposed Merger, the Undertaking of the TCCL (comprising of its business including various tangible and intangible assets) will be transferred and vested into TCL.

We understand that the appointed date for the Proposed Merger as per the draft scheme shall be opening business hours of 1 April 2023 or such other later date as the Board may decide.

3. Recommended Share Exchange Ratio for the Proposed transaction

The Valuer has recommended the following share exchange ratio for the Proposed Merger:

4 (Four) equity shares of TCL of INR 10/- each fully paid up for every 5 (Five) equity shares of TCCL of INR 10/- each fully paid up.

We have relied upon the draft Proposed Merger Document and taken the aforementioned (together with the other facts and assumptions set forth therein) into account while determining the meaning of "fairness", from a financial point of view, for the purposes of this Opinion.

4. Exclusions and Limitations

Our opinion and analysis are limited to the extent of review of the valuation report by the Valuer and the Draft Proposed Merger document. In connection with the opinion, we have

- a) Reviewed the Draft Proposed Merger Document.
- b) Valuation Report dated March 28, 2023, issued by Valuer.
- c) Held discussions with the Valuer, in relation to the approach taken to valuation and the details of various methodologies utilized by them in preparing the valuation report and recommendations.
- d) Consideration of various financial data including but not limited to the following:
 - a. Audited financial statements for the year ended 31 March 2022, 31 March 2021 and 31 March 2020 for TCL, TCFSL, TCHFL and TCCL.
 - b. Audited financial statements for the year ended 31 March 2022 and 31 March 2021 for TACO.
 - c. Unaudited limited reviewed financials for nine months ended 31 December 2022 for TCL, TCFSL, TCHFL and TCCL.
 - d. Unaudited financials for nine months ended 31 December 2022 for TACO.
 - e. Financial projections of TCFSL, TCHFL and TCCL for the period from 1 January 2023 to 31 March 2025.
 - f. Other relevant information and documents for the purpose of this engagement.
- e) Sought various clarifications with the respective senior management teams of TCCL and TCL.
- f) Reviewed such other information and explanations as we have required, and which have been provided by the management of TCCL and TCL.

This opinion is intended only for the sole use and information of TCCL and TCL and in connection with the Proposed Merger, including for the purpose of obtaining judicial and regulatory approvals for the Proposed Merger and for no other purpose. We are not responsible in any way to any person/party/statutory authority for any decision of such person or party or authority based on this opinion. Any person/party intending to provide finance or invest in the shares/business of either TCCL and/or TCL or their subsidiaries /joint ventures/associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

For the purpose of this assignment, Saffron has relied on the Valuation Certificate for the Proposed Merger of Tata Cleantech Capital Limited into Tata Capital Limited and information and explanation provided to it, the accuracy whereof has not been evaluated by Saffron. Saffron's work does not constitute certification or due diligence of any past working results and Saffron has relied upon the information provided to it as set out in working results of the aforesaid reports.

Saffron has not carried out any physical verification of the assets and liabilities of the companies and takes no responsibility on the identification and availability of such assets and liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of TCCL and TCL and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the Proposed Merger with the provisions

of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

The information contained in this report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The report has been prepared solely for the purpose of giving a fairness opinion on Valuation Certificate issued for the Proposed Merger between TCCL and TCL and may not be applicable or referred to or quoted in any other context.

Our opinion is dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to this date.

One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. Moreover, in this case where the shares of the TCL are being issued as consideration to the shareholders of TCCL, it is not the absolute valuation that is important for framing an opinion but the relative valuation of the TCCL vis-a-vis shares of TCL. We have assumed that the Final Proposed Merger document will not differ in any material respect from the Draft Proposed Merger Document shared with us.

We do not express any opinion as to any tax or other consequences that might arise from the Proposed Merger on TCL, TCCL and their respective shareholders, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which TCL, TCCL and/or their associates/subsidiaries, are or may be a party.

The company has been provided with an opportunity to review the Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion. Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Proposed Merger or any matter thereto.

5. Conclusion

Based on and subject to the foregoing, we are of the opinion that the share issuance ratio is fair to the shareholders from the financial point of view. Further the relative valuation of TCCL and TCL as detailed by the Valuer is fair.

For Saffron Capital Advisors Private Limited,

**SAKSHI
GUPTA**

Digitally signed by
SAKSHI GUPTA
Date: 2023.03.28
07:29:08 +05'30'

**Sakshi Gupta
Head-Valuation**


Saffron Capital Advisors Private Limited

605, Sixth Floor, Centre Point, Andheri Kurla Road
 J.B. Nagar, Andheri (East), Mumbai - 400059
 Tel.: +91-22-40820912 | Fax: +91-22-40820999
 Email: info@saffronadvisor.com
 Website: www.saffronadvisor.com
 CIN No.: U67120MH2007PTC166711

Date: March 28, 2023

To,
The Audit Committee and the Board of Directors,
Tata Cleantech Capital Limited
 11th Floor, Tower A, Peninsula Business Park,
 Ganpatrao Kadam Marg, Lower Parel,
 Mumbai – 400 013.

Dear Members of the Audit Committee and the Board of Directors,

1. Engagement Background

We understand that the Management of Tata Cleantech Capital Limited ("TCCL" or the "Transferor Company") and Tata Capital Limited ("TCL" or the "Transferee Company") (jointly referred to as "Companies") are contemplating merger of TCCL with TCL through a Scheme of Arrangement under the provisions of Sections 230-232 read with Section 66 and the other applicable provisions of the Companies Act, 2013 and Rules made there ("Proposed Merger").

We understand that the fair exchange ratio of Non-Convertible Debentures (NCD) of Tata Cleantech Capital Limited for the proposed Merger of Tata Cleantech Capital Limited into Tata Capital Limited is based on the Valuation Report dated March 28, 2023 issued by Ernst & Young Merchant Banking Services LLP, Independent valuer registered with Insolvency and Bankruptcy Board of India ("IBBI") with Registration No. IBBI/RV-E/05/2021/155 signed by Parag Mehta, Partner ("Valuer").

We, Saffron Capital Advisors Private Limited, a SEBI registered Category-I Merchant Banker, have been engaged by TCCL to give a fairness opinion ("Opinion") on Valuation Certificate dated March 28, 2023 issued by Valuer.

2. Background of the companies and Rationale

TCL is a holding company which holds investments in its subsidiaries which are mainly engaged in lending. TCL is a subsidiary of Tata Sons Private Limited and is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("CIC"). TCL and its subsidiaries are engaged in lending and offering a wide array of products/services in financial services sector.

As on Valuation Date, TCL has the following material subsidiaries:

Tata Capital Financial Services Limited ("TCFSL") is a wholly owned subsidiary of TCL and is a Systemically Important Non-Deposit taking Non-Banking Financial Company ("NBFC-ND-SI"), holding a Certificate of Registration dated November 4, 2011, from the RBI. TCFSL's main areas of business include retail finance, SME and commercial finance.

Tata Capital Housing Finance Limited ("Tata Housing" or "TCHFL"), is a wholly owned subsidiary of TCL and is registered as a Housing Finance Company with the National Housing Bank ("NHB") to carry on housing finance activities. TCHFL primarily offers Home Loans and Affordable Housing Loans. TCHFL also provides Loans Against Property and Loans to Developers for constructing Residential and Commercial premises.

TCCL is a joint venture between TCL and International Finance Corporation ("IFC"), Washington D.C., USA, with equity holding in the ratio of 80.50:19.50. TCCL is registered with RBI as a NBFC-ND-SI. TCCL engages in the business of providing cash flow based finance and advisory services for projects in Renewable Energy, Energy Efficiency, Waste Management, Water Management, and other Infrastructure Projects. TCCL has been registered with the RBI as an Infrastructure Finance Company since October 15, 2015.

As per the Proposed Merger, pursuant to Proposed Merger, the Undertaking of the TCCL (comprising of its business including various tangible and intangible assets) will be transferred and vested into TCL.

We understand that the appointed date for the Proposed Merger as per the draft scheme shall be opening business hours of 1 April 2023 or such other later date as the Board may decide.

3. Recommended Exchange Ratio for the Proposed transaction

The Valuer has recommended the following exchange ratio of NCD for the proposed scheme:

For every 1 (One) NCD of TCCL 1(One) NCD of TCL of equivalent face and paid-up value, coupon rate, tenure, redemption price and quantum and nature of security offered, etc.

All NCDs of TCCL will be transferred to TCL with the same terms as that of current terms of the respective series of NCDs of TCCL.

4. Exclusions and Limitations

Our opinion and analysis are limited to the extent of review of the valuation report by the Valuer and the Draft Proposed Merger document. In connection with the opinion, we have

- a) Reviewed the details of NCDs of TCL and TCCL
- b) Other relevant information and documents for the purpose of this engagement.

This opinion is intended only for the sole use and information of TCCL and TCL and in connection with the Proposed Merger, including for the purpose of obtaining judicial and regulatory approvals for the Proposed Merger and for no other purpose. We are not responsible in any way to any person/party/statutory authority for any decision of such person or party or authority based on this opinion. Any person/party intending to provide finance or invest in the shares/business of either TCCL and/or TCL or their subsidiaries /joint ventures/associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

For the purpose of this assignment, Saffron has relied on the Valuation Certificate for the Proposed Merger of Tata Cleantech Capital Limited into Tata Capital Limited and information and explanation provided to it, the accuracy whereof has not been evaluated by Saffron. Saffron's work does not constitute certification or due diligence of any past working results and Saffron has relied upon the information provided to it as set out in working results of the aforesaid reports.

Saffron has not carried out any physical verification of the assets and liabilities of the companies and takes no responsibility on the identification and availability of such assets and liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of TCCL and TCL and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the Proposed Merger with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

The information contained in this report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The report has been prepared solely for the purpose of giving a fairness opinion on Valuation Certificate issued for the Proposed Merger between TCCL and TCL and may not be applicable or referred to or quoted in any other context.

Our opinion is dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to this date.

One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. We have assumed that the Final Proposed Merger document will not differ in any material respect from the Draft Proposed Merger Document shared with us.

We do not express any opinion as to any tax or other consequences that might arise from the Proposed Merger on TCL, TCCL and their respective shareholders, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which TCL, TCCL and/or their associates/ subsidiaries, are or may be a party.

The company has been provided with an opportunity to review the Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion. Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Proposed Merger or any matter thereto.

5. Conclusion

Based on and subject to the foregoing, we are of the opinion that the NCD exchange ratio is fair from the financial point of view.

For Saffron Capital Advisors Private Limited,

SAKSHI Digitally signed
by SAKSHI GUPTA
GUPTA Date: 2023.03.28
07:34:15 +05'30'

Sakshi Gupta
Head-Valuation

Tata Capital Financial Services Limited
Registered Office : 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013
Corporate Identity Number: U67100MH2010PLC210201
Website: www.tatacapital.com

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in lakh)

| Sr. No. | Particulars | Year ended | |
|-----------|---|-----------------|-----------------|
| | | March 31, 2023 | March 31, 2022 |
| | | Audited | Audited |
| 1 | Revenue from operations | | |
| (i) | Interest income | 7,24,147 | 5,65,582 |
| (ii) | Dividend income | 24 | 73 |
| (iii) | Rental income | 27,440 | 30,660 |
| (iv) | Fees and commission income | 22,444 | 18,693 |
| (v) | Net gain on fair value changes | 7,764 | 10,911 |
| | Total Revenue from operations | 7,81,819 | 6,25,919 |
| 2 | Other income | 12,067 | 8,098 |
| 3 | Total Income (1+2) | 7,93,886 | 6,34,017 |
| 4 | Expenses | | |
| (i) | Finance costs | 3,75,510 | 2,83,300 |
| (ii) | Impairment of financial instruments | 50,372 | 88,950 |
| (iii) | Employee benefit expenses | 81,742 | 56,519 |
| (iv) | Depreciation, amortisation and impairment | 19,356 | 25,982 |
| (v) | Other expenses | 81,592 | 71,245 |
| | Total expenses (4) | 6,08,572 | 5,25,996 |
| 5 | Profit before exceptional items and tax (3-4) | 1,85,314 | 1,08,021 |
| 6 | Exceptional Items | - | - |
| 7 | Share in profit/(loss) of associates | 10 | 51 |
| 8 | Profit before tax (5+6+7) | 1,85,324 | 1,08,072 |
| 9 | Tax expense | | |
| (1) | Current tax | 53,845 | 36,245 |
| (2) | Deferred tax | (6,803) | (9,946) |
| | Total tax expense | 47,042 | 26,299 |
| 10 | Profit for the year from continuing operations (8-9) | 1,38,282 | 81,773 |
| 11 | Other Comprehensive Income | | |
| | (i) Items that will be reclassified subsequently to statement of profit and loss | | |
| (a) | Fair value (loss) on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI) | (198) | (238) |
| (b) | Income tax relating to fair value gain on financial assets carried at FVTOCI | 50 | 93 |
| (c) | The effective portion of gain on hedging instruments in a cash flow hedge | 2,753 | 4,142 |
| (d) | Income tax relating to the effective portion of (loss) on hedging instruments in a cash flow hedge | (693) | (1,042) |
| (e) | Share in other comprehensive income in associates (net) | (14) | 2 |
| | (ii) Items that will not be reclassified subsequently to statement of profit and loss | | |
| (a) | Remeasurement of defined employee benefit plans | (832) | (308) |
| (b) | Income tax relating to the remeasurement of defined employee benefit plans | 210 | 78 |
| | Total Other Comprehensive Income | 1,276 | 2,727 |
| 12 | Total Comprehensive Income for the year (10+11) | 1,39,558 | 84,500 |
| 13 | Earnings per equity share (Face value : Rs. 10 per share) : | | |
| (1) | Basic (Rupees) | 8.27 | 5.02 |
| (2) | Diluted (Rupees) | 8.27 | 5.02 |
| 14 | Debt Equity Ratio (No. of Times) | 6.55 | 6.49 |
| 15 | Debt Service Coverage Ratio | N.A. | N.A. |
| 16 | Interest service coverage ratio | N.A. | N.A. |
| 17 | Outstanding redeemable preference shares (Nos. in Lakhs) | - | - |
| 18 | Outstanding redeemable preference shares (Values) | - | - |
| 19 | Debenture Redemption Reserve | - | 30,000 |
| 20 | Net Worth (refer note no 6) | 9,96,061 | 7,57,075 |
| 21 | Current ratio | N.A. | N.A. |
| 22 | Long term debt to working capital | N.A. | N.A. |
| 23 | Current liability ratio | N.A. | N.A. |
| 24 | Total debts to total assets (%) | 83.02 | 82.56 |
| 25 | Debtors turnover | N.A. | N.A. |
| 26 | Inventory turnover | N.A. | N.A. |
| 27 | Operating margin (%) | N.A. | N.A. |
| 28 | Net profit margin (%) | 17.69 | 13.06 |
| 29 | Bad debts to account receivable ratio | N.A. | N.A. |
| 30 | Gross Non Performing Assets (%) | N.A. | N.A. |
| 31 | Net Non Performing Assets (%) | N.A. | N.A. |
| 32 | Provision Coverage Ratio (%) | N.A. | N.A. |
| 33 | Security Cover (No. of Times) | N.A. | N.A. |



Notes:-

1 Statement of consolidated assets and liabilities as at March 31, 2023

| Particulars | (Rs. in lakh) | |
|--|--------------------------------------|--------------------------------------|
| | As at March 31, 2023 (Audited) | As at March 31, 2022 (Audited) |
| ASSETS | | |
| (1) Financial assets | | |
| (a) Cash and cash equivalents | 2,21,103 | 1,11,722 |
| (b) Bank balances other than (a) above | 23,765 | 178 |
| (c) Derivative financial instruments | 16,759 | 987 |
| (d) Receivables | | |
| (i) Trade receivables | 4,776 | 926 |
| (ii) Other receivables | - | - |
| (e) Loans | 69,64,814 | 53,79,896 |
| (f) Investments | 4,11,895 | 2,65,556 |
| (g) Other financial assets | 38,631 | 30,240 |
| Total financial assets | 76,81,743 | 57,89,505 |
| (2) Non-financial assets | | |
| (a) Current tax assets (net) | 12,479 | 11,932 |
| (b) Deferred tax assets (net) | 71,847 | 65,688 |
| (c) Investments accounted using equity method | 1,802 | 1,805 |
| (d) Property, plant and equipment | 37,344 | 46,996 |
| (e) Capital work-in-progress | 115 | 22 |
| (f) Intangible assets under development | 699 | 569 |
| (g) Other intangible assets | 2,099 | 1,867 |
| (h) Right of use assets | 16,112 | 7,801 |
| (i) Other non-financial assets | 25,754 | 19,090 |
| Total non-financial assets | 1,68,251 | 1,55,770 |
| Total Assets | 78,49,994 | 59,45,275 |
| LIABILITIES AND EQUITY | | |
| LIABILITIES | | |
| (1) Financial liabilities | | |
| (a) Derivative financial instruments | 264 | 28,987 |
| (b) Payables | | |
| (i) Trade payables | | |
| - Total outstanding dues of micro enterprises and small enterprises | 467 | 68 |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,00,518 | 84,261 |
| (ii) Other payables | | |
| - Total outstanding dues of micro enterprises and small enterprises | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | - | - |
| (c) Debt securities | 28,85,262 | 22,90,671 |
| (d) Borrowings (other than debt securities) | 31,99,338 | 21,85,506 |
| (e) Subordinated liabilities | 4,32,253 | 4,32,060 |
| (f) Lease liabilities | 15,430 | 8,511 |
| (g) Other financial liabilities | 1,49,362 | 99,908 |
| Total financial liabilities | 67,82,894 | 51,29,972 |
| (2) Non-Financial liabilities | | |
| (a) Current tax liabilities (net) | 22,820 | 26,719 |
| (b) Provisions | 5,351 | 3,365 |
| (c) Other non-financial liabilities | 13,056 | 9,002 |
| Total non-financial liabilities | 41,227 | 39,086 |
| (3) Equity | | |
| (a) Share capital | 1,71,885 | 1,65,987 |
| (b) Other equity | 8,53,988 | 6,10,230 |
| Total Equity | 10,25,873 | 7,76,217 |
| Total Liabilities and Equity | 78,49,994 | 59,45,275 |



2 Statement of consolidated cash flows for the year ended March 31, 2023

| Particulars | (Rs. in lakh) | |
|--|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
| | (Audited) | (Audited) |
| 1 CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax | 1,85,324 | 1,08,072 |
| Adjustments for : | | |
| Depreciation, amortisation and impairment | 19,356 | 25,982 |
| Net loss / (gain) on derecognition of property, plant and equipment | 357 | (745) |
| Net gain on modification/derecognition of right-of-use assets | (24) | (169) |
| Finance cost | 3,75,510 | 2,83,300 |
| Interest income | (7,24,147) | (5,65,582) |
| Dividend income | (24) | (73) |
| Lease rental income | (3,907) | - |
| Net gain on fair value changes | | |
| - Realised | (7,382) | (9,249) |
| - Unrealised | (382) | (1,662) |
| Share based payments | 697 | 415 |
| Share in profit of associates | (10) | (51) |
| Provision for leave encashment | 284 | 86 |
| Impairment loss allowance on loans | 50,208 | 88,971 |
| Provision against trade receivables | 97 | (26) |
| Provision against derivative current credit exposure | 67 | - |
| Provision against assets held for sale | - | (1) |
| | (1,03,976) | (70,732) |
| Interest paid | (3,46,663) | (2,74,600) |
| Interest received | 6,92,881 | 5,37,646 |
| Dividend received | 24 | 73 |
| Cash generated from operation before working capital changes | 2,42,266 | 1,92,387 |
| Movement in working capital: | | |
| (Increase)/decrease in trade receivables | (3,947) | 1,062 |
| Increase in trade payables | 16,656 | 20,360 |
| Increase in loans | (16,06,750) | (11,59,832) |
| (Increase)/decrease in other financial assets | (9,477) | 32,561 |
| Increase in other non financial assets | (4,678) | (5,650) |
| Increase/(decrease) in other financial liabilities | 45,553 | (24,125) |
| Increase/(decrease) in other non financial liabilities | 7,409 | (944) |
| | (13,12,968) | (9,44,181) |
| Taxes paid | (58,081) | (30,143) |
| NET CASH USED IN OPERATING ACTIVITIES (A) | (13,71,049) | (9,74,324) |
| 2 CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment (including capital advances) | (14,746) | (1,838) |
| Proceeds from sale of property, plant and equipment | 5,480 | 6,295 |
| Purchase of investments | (6,04,368) | (5,22,930) |
| Purchase of mutual fund units | (2,10,14,958) | (1,64,00,180) |
| Proceeds from redemption of mutual fund units | 2,10,06,835 | 1,63,43,194 |
| Proceeds from sale of investments | 4,77,662 | 4,56,622 |
| Fixed deposits placed | (23,501) | (5) |
| NET CASH USED IN INVESTING ACTIVITIES (B) | (1,67,596) | (1,18,842) |
| 3 CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of Equity Shares | 1,15,001 | 30,000 |
| Share issue/ Debenture issue / loan processing expenses | (1,219) | (1,739) |
| Interim dividend paid on equity shares | (5,478) | (12,061) |
| Proceeds from borrowings (other than debt securities) | 35,65,505 | 33,33,249 |
| Proceeds from debt securities | 19,72,317 | 52,64,908 |
| Proceeds from subordinated liabilities | - | 75,000 |
| Repayment of borrowings (other than debt securities) | (26,05,989) | (26,08,752) |
| Repayment of debt securities | (13,88,180) | (49,71,966) |
| Repayment of subordinated liabilities | - | (485) |
| Repayment of principal portion of lease liabilities | (3,167) | (2,890) |
| Repayment of interest portion of lease liabilities | (764) | (692) |
| NET CASH GENERATED FROM FINANCING ACTIVITIES (C) | 16,48,026 | 11,04,572 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C) | 1,09,381 | 11,406 |
| CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR | 1,11,722 | 1,00,316 |
| CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR | 2,21,103 | 1,11,722 |



- 3 The above results have been reviewed by the Audit Committee and have been approved and taken on record by the Board of Directors at their respective meetings held on April 25, 2023. The consolidated financial results for the year ended March 31, 2023 have been subjected to an audit by the joint statutory auditors of the Company. The report thereon is unmodified.
- 4 The consolidated financial results have been prepared in accordance with and comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The annual financial statements, used to prepare the financial results, are based on the Division III of the notified Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies that are required to comply with Ind AS.
- 5 The Reserve Bank of India had issued the Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs (the framework) vide circular RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 on October 22, 2021. The framework categorises NBFCs in Base Layer (NBFC-BL), Middle Layer (NBFC-ML), Upper Layer (NBFC-UL) and Top Layer (NBFC-TL). The Reserve Bank of India vide press release 2022-2023/975 dated September 30, 2022 has placed the Company in the Upper Layer.
- 6 Networth includes equity share capital plus other equity less deferred revenue expenditure.
- 7 In accordance with Ind AS 108 on Segment Reporting, the Company has identified three business segments i.e. Financing Activity, Investment Activity and Others.
- 8 The Holding Company prepares the Consolidated Financial Results on an Annual basis.
- 9 During the year ended March 31, 2023, the Holding Company has raised funds through the right issue, amounting to Rs. 1,15,000 lakhs through allotment of 5,89,74,358 equity shares of face value Rs. 10 each fully paid up, at a price of Rs. 195 each, including a premium of Rs. 185 each.
- 10 The Board of Directors of the Holding Company, vide a resolution passed by circulation on September 16, 2022 and at the Meeting of the Board held on December 12, 2022, have declared and approved an interim equity dividend of Rs. 0.17 and Rs. 0.16 per equity share, respectively, and the dividend has been paid to the shareholders in the same period.
- 11 The Board of Directors of Tata Capital Financial Services Limited ("the Holding Company" or "TCFSL") at its meeting held on March 28, 2023, approved a Scheme of Arrangement for amalgamation of the Company, a wholly owned subsidiary of Tata Capital Limited ("TCL") and Tata Cleantech Capital Limited ("TCCL"), a subsidiary of TCL with TCL ("the Scheme"), under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder.

The Scheme will become effective from the Appointed Date i.e. April 1, 2023 or such other later date as may be decided by the Board of Directors upon fulfilment of all the conditions set out in the Scheme including approval of the Scheme by the Reserve Bank of India and National Company Law Tribunal ("NCLT") and grant of NBFC license to TCL by the Reserve Bank of India and upon the receipt of other applicable regulatory approvals.

Upon the Scheme becoming effective:

- (i) The entire business undertaking of the Holding Company shall be merged with and vested in TCL and thereafter TCL will carry on all the business activities undertaken by TCFSL.
- (ii) From the Appointed Date till the effective date, the business carried on by TCFSL shall be deemed to have been carried on for and on behalf of and in trust for TCL.
- (iii) All the shares of TCFSL held by TCL (either directly and/or through nominees) would stand cancelled without any further application, act or deed.
- (iv) The holders of Non-Convertible Debentures (NCDs) of TCFSL will become holders of NCDs of TCL on the same terms, including the coupon rate, tenure, redemption price, quantum, nature of security, adequately safeguarding the interest of the NCD holders.

12 Figures in the previous year have been regrouped and correspondingly ratios are changed wherever necessary, in order to make them comparable to current year.

13 Information as required pursuant to Regulation 52(4) of Listing Regulations :

Formulae for Computation of Ratios are as follows:

- | | |
|--------------------------------------|--|
| (i) Debt equity ratio | = (Debt Securities + Borrowings (other than debt securities) + Subordinated Debts - Unamortised Issue Expenses) / (Equity Share Capital + Other Equity - Deferred Revenue Expenditure) |
| (ii) Total debts to total assets (%) | = (Debt Securities + Borrowings (other than Debt Securities) + Subordinated Debts) / Total Assets |
| (iii) Net profit margin (%) | = Profit after Tax / Revenue from Operations |

Place: Mumbai
Date: April 25, 2023

For Tata Capital Financial Services Limited

Sarosh

Sarosh Amarin
Managing Director
DIN No. : 08733676



STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

(Rs. in lakh)

| Sr. No. | Particulars | Quarter ended | | | Year ended | |
|-----------|---|-----------------|-------------------|-----------------|-----------------|-----------------|
| | | March 31, 2023 | December 31, 2022 | March 31, 2022 | March 31, 2023 | March 31, 2022 |
| | | (Refer note 14) | Unaudited | (Refer note 14) | Audited | Audited |
| 1 | Revenue from operations | | | | | |
| (i) | Interest income | 2,08,406 | 1,87,871 | 1,50,810 | 7,24,147 | 5,65,582 |
| (ii) | Dividend income | - | 14 | - | 24 | 73 |
| (iii) | Rental income | 5,239 | 7,104 | 6,671 | 27,440 | 30,660 |
| (iv) | Fees and commission income | 6,893 | 6,112 | 4,823 | 22,444 | 18,693 |
| (v) | Net gain on fair value changes | 1,473 | 2,861 | 1,703 | 7,764 | 10,911 |
| | Total Revenue from operations | 2,22,011 | 2,03,962 | 1,64,007 | 7,81,819 | 6,25,919 |
| 2 | Other income | 3,782 | 3,409 | 2,710 | 12,067 | 8,098 |
| 3 | Total Income (1+2) | 2,25,793 | 2,07,371 | 1,66,717 | 7,93,886 | 6,34,017 |
| 4 | Expenses | | | | | |
| (i) | Finance costs | 1,09,907 | 97,158 | 72,320 | 3,75,510 | 2,83,300 |
| (ii) | Impairment of financial instruments | 16,213 | 19,961 | 2,241 | 50,372 | 88,950 |
| (iii) | Employee benefit expenses | 25,432 | 21,427 | 15,711 | 81,742 | 56,519 |
| (iv) | Depreciation, amortisation and impairment | 4,270 | 4,324 | 6,039 | 19,356 | 25,982 |
| (v) | Other expenses | 24,685 | 20,224 | 22,337 | 81,592 | 71,245 |
| | Total expenses (4) | 1,80,507 | 1,63,094 | 1,18,648 | 6,08,572 | 5,25,996 |
| 5 | Profit before exceptional items and tax (3-4) | 45,286 | 44,277 | 48,069 | 1,85,314 | 1,08,021 |
| 6 | Exceptional Items | - | - | - | - | - |
| 7 | Profit before tax (5-6) | 45,286 | 44,277 | 48,069 | 1,85,314 | 1,08,021 |
| 8 | Tax expense | | | | | |
| (1) | Current tax | 12,165 | 12,821 | 13,962 | 53,845 | 36,245 |
| (2) | Deferred tax | (557) | (1,696) | (3,254) | (6,688) | (9,943) |
| | Total tax expense | 11,608 | 11,125 | 10,708 | 47,157 | 26,302 |
| 9 | Profit for the period/year from continuing operations (7-8) | 33,678 | 33,152 | 37,361 | 1,38,157 | 81,719 |
| 10 | Other Comprehensive Income | | | | | |
| (i) | Items that will be reclassified subsequently to statement of profit and loss | | | | | |
| (a) | Fair value (loss) on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI) | (198) | - | - | (198) | (238) |
| (b) | Income tax relating to fair value gain on financial assets carried at FVTOCI | 50 | - | 33 | 50 | 93 |
| (c) | The effective portion of gain/(loss) on hedging instruments in a cash flow hedge | 2,404 | (127) | 2,474 | 2,753 | 4,142 |
| (d) | Income tax relating to the effective portion of (loss)/gain on hedging instruments in a cash flow hedge | (605) | 32 | (622) | (693) | (1,042) |
| (ii) | Items that will not be reclassified subsequently to statement of profit and loss | | | | | |
| (a) | Remeasurement of defined employee benefit plans | (353) | 59 | 136 | (832) | (308) |
| (b) | Income tax relating to the remeasurement of defined employee benefit plans | 89 | (14) | (34) | 210 | 78 |
| | Total Other Comprehensive Income | 1,387 | (50) | 1,987 | 1,290 | 2,725 |
| 11 | Total Comprehensive Income for the period/year (9+10) | 35,065 | 33,102 | 39,348 | 1,39,447 | 84,444 |
| 12 | Earnings per equity share (Face value : Rs. 10 per share) : | | | | | |
| (1) | Basic (Rupees) | *1.98 | *1.99 | *2.29 | 8.27 | 5.01 |
| (2) | Diluted (Rupees) | *1.98 | *1.99 | *2.29 | 8.27 | 5.01 |
| 13 | Debt Equity Ratio (No. of Times) | 6.55 | 6.06 | 6.49 | 6.55 | 6.49 |
| 14 | Debt Service Coverage Ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 15 | Interest service coverage ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 16 | Outstanding redeemable preference shares (Nos. in Lakhs) | - | - | - | - | - |
| 17 | Outstanding redeemable preference shares (Values) | - | - | - | - | - |
| 18 | Debenture Redemption Reserve | - | 30,000 | 30,000 | - | 30,000 |
| 19 | Net Worth (refer note no 7) | 9,96,007 | 9,24,264 | 7,57,132 | 9,96,007 | 7,57,132 |
| 20 | Current ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 21 | Long term debt to working capital | N.A. | N.A. | N.A. | N.A. | N.A. |
| 22 | Current liability ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 23 | Total debts to total assets (%) | 83.02 | 81.99 | 82.56 | 83.02 | 82.56 |
| 24 | Debtors turnover | N.A. | N.A. | N.A. | N.A. | N.A. |
| 25 | Inventory turnover | N.A. | N.A. | N.A. | N.A. | N.A. |
| 26 | Operating margin (%) | N.A. | N.A. | N.A. | N.A. | N.A. |
| 27 | Net profit margin (%) | 15.17 | 16.25 | 22.78 | 17.67 | 13.06 |
| 28 | Bad debts to account receivable ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 29 | Gross Non Performing Assets (%) | 1.97 | 2.07 | 2.23 | 1.97 | 2.23 |
| 30 | Net Non Performing Assets (%) | 0.31 | 0.35 | 0.48 | 0.31 | 0.48 |
| 31 | Provision Coverage Ratio (%) | 84.74 | 83.55 | 78.77 | 84.74 | 78.77 |
| 32 | Security Cover (No. of Times) | 1.71 | 1.79 | 1.70 | 1.71 | 1.70 |

(* Not annualised)



Notes:-

1 Statement of assets and liabilities as at March 31, 2023

| Particulars | (Rs. in lakh) | |
|--|--------------------------------------|--------------------------------------|
| | As at March 31, 2023 (Audited) | As at March 31, 2022 (Audited) |
| ASSETS | | |
| (1) Financial assets | | |
| (a) Cash and cash equivalents | 2,21,103 | 1,11,722 |
| (b) Bank balances other than (a) above | 23,765 | 178 |
| (c) Derivative financial instruments | 16,759 | 987 |
| (d) Receivables | | |
| (i) Trade receivables | 4,776 | 926 |
| (ii) Other receivables | - | - |
| (e) Loans | 69,64,814 | 53,79,896 |
| (f) Investments | 4,13,755 | 2,67,416 |
| (g) Other financial assets | 38,631 | 30,240 |
| Total financial assets | 76,83,603 | 57,91,365 |
| (2) Non-financial assets | | |
| (a) Current tax assets (net) | 12,479 | 11,932 |
| (b) Deferred tax assets (net) | 71,735 | 65,690 |
| (c) Property, plant and equipment | 37,344 | 46,996 |
| (d) Capital work-in-progress | 115 | 22 |
| (e) Intangible assets under development | 699 | 569 |
| (f) Other intangible assets | 2,099 | 1,867 |
| (g) Right of use assets | 16,112 | 7,801 |
| (h) Other non-financial assets | 25,754 | 19,090 |
| Total non-financial assets | 1,66,337 | 1,53,967 |
| Total Assets | 78,49,940 | 59,45,332 |
| LIABILITIES AND EQUITY | | |
| LIABILITIES | | |
| (1) Financial liabilities | | |
| (a) Derivative financial instruments | 264 | 28,987 |
| (b) Payables | | |
| (i) Trade payables | | |
| - Total outstanding dues of micro enterprises and small enterprises | 467 | 68 |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,00,518 | 84,261 |
| (ii) Other payables | | |
| - Total outstanding dues of micro enterprises and small enterprises | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | - | - |
| (c) Debt securities | 28,85,262 | 22,90,671 |
| (d) Borrowings (other than debt securities) | 31,99,338 | 21,85,506 |
| (e) Subordinated liabilities | 4,32,253 | 4,32,060 |
| (f) Lease liabilities | 15,430 | 8,511 |
| (g) Other financial liabilities | 1,49,362 | 99,908 |
| Total financial liabilities | 67,82,894 | 51,29,972 |
| (2) Non-Financial liabilities | | |
| (a) Current tax liabilities (net) | 22,820 | 26,719 |
| (b) Provisions | 5,351 | 3,365 |
| (c) Other non-financial liabilities | 13,056 | 9,002 |
| Total non-financial liabilities | 41,227 | 39,086 |
| (3) Equity | | |
| (a) Share capital | 1,71,885 | 1,65,987 |
| (b) Other equity | 8,53,934 | 6,10,287 |
| Total Equity | 10,25,819 | 7,76,274 |
| Total Liabilities and Equity | 78,49,940 | 59,45,332 |



2 Statement of cash flows for the year ended March 31, 2023

| Particulars | (Rs. in lakh) | |
|--|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
| | (Audited) | (Audited) |
| 1 CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax | 1,85,314 | 1,08,021 |
| Adjustments for: | | |
| Depreciation, amortisation and impairment | 19,356 | 25,982 |
| Net loss / (gain) on derecognition of property, plant and equipment | 357 | (745) |
| Net gain on modification/derecognition of right-of-use assets | (24) | (169) |
| Finance cost | 3,75,510 | 2,83,300 |
| Interest income | (7,24,147) | (5,65,582) |
| Dividend income | (24) | (73) |
| Lease rental income | (3,907) | - |
| Net gain on fair value changes: | | |
| - Realised | (7,382) | (9,249) |
| - Unrealised | (382) | (1,662) |
| Share based payments | 697 | 415 |
| Provision for leave encashment | 284 | 86 |
| Impairment loss allowance on loans | 50,208 | 88,971 |
| Provision against trade receivables | 97 | (26) |
| Provision against derivative current credit exposure | 67 | - |
| Provision against assets held for sale | - | (1) |
| | (1,03,976) | (70,732) |
| Interest paid | (3,46,663) | (2,74,600) |
| Interest received | 6,92,881 | 5,37,646 |
| Dividend received | 24 | 73 |
| Cash generated from operation before working capital changes | 2,42,266 | 1,92,387 |
| Movement in working capital: | | |
| (Increase)/decrease in trade receivables | (3,947) | 1,062 |
| Increase in trade payables | 16,656 | 20,360 |
| Increase in loans | (16,06,750) | (11,59,832) |
| (Increase)/decrease in other financial assets | (9,477) | 32,561 |
| Increase in other non financial assets | (4,678) | (5,650) |
| Increase/(decrease) in other financial liabilities | 45,553 | (24,125) |
| Increase/(decrease) in other non financial liabilities | 7,409 | (944) |
| | (13,12,968) | (9,44,181) |
| Taxes paid | (58,081) | (30,143) |
| NET CASH USED IN OPERATING ACTIVITIES (A) | (13,71,049) | (9,74,324) |
| 2 CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment (including capital advances) | (14,746) | (1,838) |
| Proceeds from sale of property, plant and equipment | 5,480 | 6,295 |
| Purchase of investments | (6,04,368) | (5,22,930) |
| Purchase of mutual fund units | (2,10,14,958) | (1,64,00,180) |
| Proceeds from redemption of mutual fund units | 2,10,06,835 | 1,63,43,194 |
| Proceeds from sale of investments | 4,77,662 | 4,56,622 |
| Fixed deposits placed | (23,501) | (5) |
| NET CASH USED IN INVESTING ACTIVITIES (B) | (1,67,596) | (1,18,842) |
| 3 CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of Equity Shares | 1,15,001 | 30,000 |
| Share issue/ Debenture issue / loan processing expenses | (1,219) | (1,739) |
| Interim dividend paid on equity shares | (5,478) | (12,061) |
| Proceeds from borrowings (other than debt securities) | 35,65,505 | 33,33,249 |
| Proceeds from debt securities | 19,72,317 | 52,64,908 |
| Proceeds from subordinated liabilities | - | 75,000 |
| Repayment of borrowings (other than debt securities) | (26,05,989) | (26,08,752) |
| Repayment of debt securities | (13,88,180) | (49,71,966) |
| Repayment of subordinated liabilities | - | (485) |
| Repayment of principal portion of lease liabilities | (3,167) | (2,890) |
| Repayment of interest portion of lease liabilities | (764) | (692) |
| NET CASH GENERATED FROM FINANCING ACTIVITIES (C) | 16,48,026 | 11,04,572 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C) | 1,09,381 | 11,406 |
| CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR | 1,11,722 | 1,00,316 |
| CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR | 2,21,103 | 1,11,722 |



- 3 The above results have been reviewed by the Audit Committee and have been approved and taken on record by the Board of Directors at their respective meetings held on April 25, 2023. The financial results for the year ended March 31, 2023 have been subjected to an audit by the joint statutory auditors of the Company. The report thereon is unmodified.
- 4 The standalone financial results have been prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The annual financial statements, used to prepare the financial results, are based on the Division III of the notified Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies that are required to comply with Ind AS.
- 5 The Company is regulated by the Reserve Bank of India ('RBI'). The RBI periodically issues / amends directions, regulations and / or guidance (collectively "Regulatory Framework") covering various aspects of the operation of the Company, including those relating to accounting for certain types of transactions. The Regulatory Framework contains specific instructions that have been considered by the Company in preparing its financial statements.
- 6 The Reserve Bank of India had issued the Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs (the framework) vide circular RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 on October 22, 2021. The framework categorises NBFCs in Base Layer (NBFC-BL), Middle Layer (NBFC-ML), Upper Layer (NBFC-UL) and Top Layer (NBFC-TL). The Reserve Bank of India vide press release 2022-2023/975 dated September 30, 2022 has placed the Company in the Upper Layer.
- 7 Networth includes equity share capital plus other equity less deferred revenue expenditure.
- 8 In accordance with Ind AS 108 on Segment Reporting, the Company has identified three business segments i.e. Financing Activity, Investment Activity and Others.
- 9 Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 06, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) as at March 31, 2023 are given below :

(Rs. in lakh except number of accounts)

| Type of borrower | Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year i.e. September 30, 2022 (A) # | Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2023 | Of (A) amount written off during the half-year | Of (A) amount paid by the borrowers during the half-year** | Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year i.e. March 31, 2023 #**^ |
|--------------------|--|--|--|--|---|
| Personal Loans | 85,775 | 4,772 | 1,406 | 17,641 | 69,112 |
| Corporate persons* | 10,705 | 451 | 70 | 2,587 | 8,650 |
| Of which MSMEs | | | | | |
| Others | 26,760 | 2,678 | 574 | 6,980 | 19,008 |
| Total | 1,23,240 | 7,901 | 2,050 | 27,208 | 96,770 |

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

excludes other facilities to the borrowers which have not been restructured.

^ includes additions due to interest capitalisation.

** includes amounts paid by borrower towards interest capitalised during the half year.

- 10 Details of loans transferred / acquired during the quarter ended March 31, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

- (i) (a) Details of loans not in default acquired as given below. These are entirely through assignment / novation:

| Particulars | Rs in lakhs |
|---|---------------------------------|
| Aggregate amount of Loan acquired (in lakhs) | 33,699 |
| Weighted average residual maturity (in months) | 26.31 |
| Weighted average holding period by originator (in months) | 4.53 |
| Retention of beneficial economic interest by the originator | 0-10% |
| Tangible security coverage | 100% |
| Rating-wise distribution of rated loans | AA-, AA : (ICRA) A : (FITCH) |

- (b) Details of loans not in default transferred as given below. These are entirely through assignment / novation:

| Particulars | Rs in lakhs |
|---|-------------|
| Aggregate amount of Loan transferred (in lakhs) | 937 |
| Weighted average residual maturity (in months) | 160.00 |
| Weighted average holding period by originator (in months) | Nil |
| Retention of beneficial economic interest by the originator | Nil |
| Tangible security coverage | 100% |
| Rating-wise distribution of rated loans | ICRA A-(CE) |

Nil instances of replacing loans transferred to transferee(s) or paid damages arising out of any representation or warranty.

- (ii) (a) The Company has not transferred any Special Mention Account (SMA).

(b) The Company has not transferred any non-performing assets (NPAs).

- (iii) The Company has not acquired any stressed loan.

- 11 During the year ended March 31, 2023, the Company has raised funds through the right issue, amounting to Rs. 1,15,000 lakhs through allotment of 5,89,74,358 equity shares of face value Rs. 10 each fully paid up, at a price of Rs. 195 each, including a premium of Rs. 185 each.

- 12 The Board of Directors, vide a resolution passed by circulation on September 16, 2022 and at the Meeting of the Board held on December 12, 2022, have declared and approved an interim equity dividend of Rs. 0.17 and Rs. 0.16 per equity share, respectively, and the dividend has been paid to the shareholders in the same period.



13 The Board of Directors of Tata Capital Financial Services Limited ("the Company" or "TCFSL") at its meeting held on March 28, 2023, approved a Scheme of Arrangement for amalgamation of the Company, a wholly owned subsidiary of Tata Capital Limited ("TCL") and Tata Cleantech Capital Limited ("TCCL"), a subsidiary of TCL with TCL ("the Scheme"), under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder.

The Scheme will become effective from the Appointed Date i.e. April 1, 2023 or such other later date as may be decided by the Board of Directors upon fulfilment of all the conditions set out in the Scheme including approval of the Scheme by the Reserve Bank of India and National Company Law Tribunal ("NCLT") and grant of NBFC license to TCL by the Reserve Bank of India and upon the receipt of other applicable regulatory approvals.

Upon the Scheme becoming effective:

- (i) The entire business undertaking of the Company shall be merged with and vested in TCL and thereafter TCL will carry on all the business activities undertaken by TCFSL.
- (ii) From the Appointed Date till the effective date, the business carried on by TCFSL shall be deemed to have been carried on for and on behalf of and in trust for TCL.
- (iii) All the shares of TCFSL held by TCL (either directly and/or through nominees) would stand cancelled without any further application, act or deed.
- (iv) The holders of Non-Convertible Debentures (NCDs) of TCFSL will become holders of NCDs of TCL on the same terms, including the coupon rate, tenure, redemption price, quantum, nature of security, adequately safeguarding the interest of the NCD holders.

14 The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the respective financial year.

15 Figures in the previous period/year have been regrouped and correspondingly ratios are changed wherever necessary, in order to make them comparable to current period/year.

16 Information as required pursuant to Regulation 52(4) of Listing Regulations :

Formulae for Computation of Ratios are as follows:

- (i) Debt equity ratio = $\frac{\text{Debt Securities} + \text{Borrowings (other than debt securities)} + \text{Subordinated Debts} - \text{Unamortised Issue Expenses}}{\text{Equity Share Capital} + \text{Other Equity} - \text{Deferred Revenue Expenditure}}$
- (ii) Total debts to total assets (%) = $\frac{\text{Debt Securities} + \text{Borrowings (other than Debt Securities)} + \text{Subordinated Debts}}{\text{Total Assets}}$
- (iii) Net profit margin (%) = $\frac{\text{Profit after Tax} / \text{Revenue from Operations}}{\text{Gross Stage III Loans} / \text{Gross Loans}}$
- (iv) Gross Non Performing Assets (%) = $\frac{\text{Gross Stage III Loans} - \text{Impairment loss allowance for Stage III}}{\text{Gross Loans} - \text{Impairment loss allowance for Stage III}}$
- (v) Net Non Performing Assets (%) = $\frac{\text{Gross Stage III Loans} - \text{Impairment loss allowance for Stage III}}{\text{Gross Stage III Loans}}$
- (vi) Provision Coverage Ratio (%) = $\frac{\text{Impairment loss allowance for Stage III}}{\text{Gross Stage III Loans}}$

For Tata Capital Financial Services Limited



Sarosh Amaria
Managing Director
DIN No. : 08733676

Place: Mumbai
Date: April 25, 2023



Walker ChandioK & Co LLP
Chartered Accountants

11th Floor, Tower II,
One International Centre,
S B Marg, Prabhadevi (W),
Mumbai - 400013

M M Nissim & Co LLP
Chartered Accountants

Barodawala Mansion, B-Wing
3rd Floor, Dr Annie Besant Road
Worli, Mumbai, Maharashtra
400018

Independent Auditor's Report on Consolidated Annual Financial Results of Tata Capital Financial Services Limited Pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Tata Capital Financial Services Limited

Opinion

1. We have audited the accompanying consolidated annual financial results ('the Statement') of **Tata Capital Financial Services Limited** ('the Holding Company') and its associates for the year ended **31 March 2023**, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) includes the annual financial results of the entities listed in Annexure 1;
 - (ii) presents consolidated financial results in accordance with the requirements of Regulation 52 of the Listing Regulations; and
 - (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, the relevant circulars, guidelines and directions issued by the Reserve Bank of India ('RBI') from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Holding Company and its associates, for the year ended 31 March 2023.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Holding Company and its associates, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Board of Director's Responsibilities for the Statement

4. The Statement, which is the responsibility of the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit and other comprehensive income, and other financial information of the Holding Company and its associates in accordance with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, RBI Guidelines and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations.



Independent Auditor's Report on Consolidated Annual Financial Results of Tata Capital Financial Services Limited Pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Continued)

Board of Director's Responsibilities for the Statement (Continued)

The respective Board of Directors of the holding company and its associates, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Holding Company and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These consolidated financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

5. In preparing the Statement, the respective Board of Directors of the Holding Company and of its associates are responsible for assessing the ability of the Holding Company and of its associates, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors either intends to liquidate the Holding Company and its associates or to cease operations, or has no realistic alternative but to do so.
6. The respective Board of Directors of the Holding Company and of its associates, are responsible for overseeing the financial reporting process of the Holding Company and of its associates.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs specified under section 143(10) of the Act will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
8. As part of an audit in accordance with the SAs specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its associates, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its associates to cease to continue as a going concern.



Walker Chandiook & Co LLP
Chartered Accountants

M M Nissim & Co LLP
Chartered Accountants

Independent Auditor's Report on Consolidated Annual Financial Results of Tata Capital Financial Services Limited Pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Continued)

Auditor's Responsibilities for the Audit of the Statement (Continued)

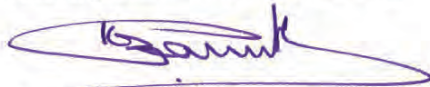
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial results/ financial information of the Holding Company and its associates to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Holding Company, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

11. The Statement includes the Holding Company's share of net profit after tax of ₹ 10 lacs, and other comprehensive income of ₹ (14) lacs for the year ended 31 March 2023, in respect of 3 associates financial information, which have not been reviewed/audited by their auditors. These financial information have been furnished to us by the Holding Company's Board of Directors. Our opinion, in so far as it relates to the amounts and disclosures included in respect of aforesaid associates is based solely on such unreviewed /unaudited financial information. In our opinion, and according to the information and explanations given to us by the Board of Directors, these financial information are not material to the Holding Company.

Our opinion is not modified in respect of this matter with respect to our reliance on the financial information certified by the Board of Directors.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013



Khushroo B. Panthaky
Partner
Membership No. 42423

UDIN: 23042423BGWINC4083

Mumbai
25 April 2023



For M M Nissim & Co LLP
Chartered Accountants
Firm Registration No: 107122W/W100672



Sanjay Khemani
Partner
Membership No. 044577

UDIN: 23044577BGUVMJ5967

Mumbai
25 April 2023



Walker Chandio & Co LLP
Chartered Accountants

M M Nissim & Co LLP
Chartered Accountants

Independent Auditor's Report on Consolidated Annual Financial Results of Tata Capital Financial Services Limited Pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Continued)

Annexure 1

List of entities included in the Statement

1. Fincare Business Services Limited
2. TVS Supply Chain Solutions Limited
3. Fincare Small Finance Limited



Walker Chandio & Co LLP
Chartered Accountants

11th Floor, Tower II,
One International Centre,
S B Marg, Prabhadevi (W),
Mumbai - 400013

M M Nissim & Co LLP
Chartered Accountants

Barodawala Mansion, B-Wing
3rd Floor, Dr Annie Besant Road
Worli, Mumbai, Maharashtra
400018

Independent Auditor's Report on Standalone Annual Financial Results of Tata Capital Financial Services Limited Pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Tata Capital Financial Services Limited

Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of **Tata Capital Financial Services Limited** ('the NBFC') for the year ended 31 March 2023, attached herewith, being submitted by the NBFC pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the 'Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) presents standalone financial results in accordance with the requirements of Regulation 52 of the Listing Regulations, and
 - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, the relevant circulars, guidelines and directions issued by the Reserve Bank of India ('RBI') from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the NBFC for the year ended 31 March 2023.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the NBFC in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Board of Director's Responsibilities for the Statement

4. This Statement has been prepared on the basis of the standalone annual audited financial statements and has been approved by the NBFC's Board of Directors. The NBFC's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the NBFC in accordance with the Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, RBI Guidelines and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the NBFC and for preventing and detecting frauds and other



Independent Auditor's Report on Standalone Annual Financial Results of Tata Capital Financial Services Limited Pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Continued)

Board of Director's Responsibilities for the Statement (Continued)

irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

5. In preparing the Statement, the Board of Directors are responsible for assessing the NBFC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the NBFC or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the NBFC's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
8. As part of an audit in accordance with the SAs, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the NBFC has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the NBFC's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the NBFC to cease to continue as a going concern.



Walker Chandiook & Co LLP
Chartered Accountants

M M Nissim & Co LLP
Chartered Accountants

Independent Auditor's Report on Standalone Annual Financial Results of Tata Capital Financial Services Limited Pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Continued)

Auditor's Responsibilities for the Audit of the Statement (Continued)

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

11. The Statement includes the financial results for the quarter ended 31 March 2023, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership No. 42423

UDIN: 23042423BGWINB7474

Mumbai
25 April 2023



For **M M Nissim & Co LLP**
Chartered Accountants
Firm Registration No: 107122W/W100672

Sanjay Khemani
Partner
Membership No. 044577

UDIN: 23044577BGUVMH6251

Mumbai
25 April 2023



Annexure 19B

Tata Cleantech Capital Limited
Registered Office : 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013
Corporate Identity Number: U65923MH2011PLC222430
Website: www.tatacapital.com

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

(Rs. in lakh)

| PARTICULARS | Quarter ended | | | Year ended | |
|---|-----------------------------|----------------------|-----------------------------|-------------------|-------------------|
| | March 31, 2023 | December 31, 2022 | March 31, 2022 | March 31, 2023 | March 31, 2022 |
| | (Audited) (Refer note 8) | (Unaudited) | (Audited) (Refer note 8) | (Audited) | (Audited) |
| 1 Revenue from operations | | | | | |
| (i) Interest Income | 29,060 | 26,948 | 18,580 | 99,710 | 67,671 |
| (ii) Fees and commission Income | 304 | 282 | 463 | 1,498 | 1,809 |
| (iii) Net gain on fair value changes | 248 | 318 | 69 | 1,265 | 928 |
| 2 Other income | 70 | 3 | 2 | 80 | 10 |
| 3 Total Income (1+2) | 29,682 | 27,551 | 19,114 | 1,02,553 | 70,418 |
| 4 Expenses | | | | | |
| (i) Finance costs | 15,941 | 14,737 | 8,931 | 54,529 | 35,243 |
| (ii) Impairment on financial instruments | 2,286 | 797 | 1,318 | 3,844 | 2,780 |
| (iii) Employee benefit expenses | 1,007 | 912 | 880 | 3,635 | 3,065 |
| (iv) Depreciation, amortisation and impairment | 39 | 16 | 28 | 114 | 108 |
| (v) Other expenses | 828 | 848 | 449 | 3,370 | 2,357 |
| Total expenses (4) | 20,101 | 17,310 | 11,606 | 65,492 | 43,553 |
| 5 Profit before exceptional items and tax (3-4) | 9,581 | 10,241 | 7,508 | 37,061 | 26,865 |
| 6 Exceptional Items | - | - | - | - | - |
| 7 Profit before tax (5-6) | 9,581 | 10,241 | 7,508 | 37,061 | 26,865 |
| 8 Tax expense | | | | | |
| (1) Current tax | 2,729 | 2,488 | 2,209 | 10,052 | 7,121 |
| (2) Deferred tax | (319) | 60 | (406) | (843) | (637) |
| Total tax expense | 2,410 | 2,548 | 1,803 | 9,209 | 6,484 |
| 9 Profit for the period/year (7-8) | 7,171 | 7,693 | 5,705 | 27,852 | 20,381 |
| 10 Other Comprehensive Income | | | | | |
| (i) Items that will be reclassified subsequently to statement of profit and loss | | | | | |
| (a) Fair value (loss) / gain on financial assets carried at fair Value Through Other Comprehensive Income (FVTOCI) | 183 | (213) | (203) | (201) | (931) |
| (b) Income tax relating to fair value gain / (loss) on financial assets carried at FVTOCI | (46) | 54 | 51 | 51 | 234 |
| (c) The effective portion of loss on hedging instrument in a cash flow hedge | 402 | (34) | 581 | 292 | 849 |
| (d) Income tax relating to effective portion of loss on hedging instrument in a cash flow hedge | (101) | 9 | (147) | (73) | (214) |
| (ii) Items that will not be reclassified subsequently to statement of profit and loss | | | | | |
| (a) Remeasurement of defined employee benefit plans | (27) | 5 | 17 | (56) | - |
| (b) Income tax relating to items that will not be reclassified to profit or loss | 7 | (2) | (4) | 14 | - |
| Total Other Comprehensive Income (i+ii) | 418 | (181) | 295 | 27 | (62) |
| 11 Total Comprehensive Income for the period/year (9+10)(Comprising Profit and Other Comprehensive Income for the period/year) | 7,589 | 7,512 | 6,000 | 27,879 | 20,319 |
| 12 Earnings per equity share (Face value : Rs. 10 per share): | | | | | |
| (1) Basic * | 1.56 | 1.67 | 1.25 | 6.06 | 4.81 |
| (2) Diluted * | 1.56 | 1.67 | 1.25 | 6.06 | 4.81 |
| 13 Debt equity ratio (No. of Times) | 4.73 | 4.57 | 4.05 | 4.73 | 4.05 |
| 14 Debt service coverage ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 15 Interest service coverage ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 16 Outstanding redeemable preference shares (Nos. in Lakhs) | - | - | - | - | - |
| 17 Outstanding redeemable preference shares (Values) | - | - | - | - | - |
| 18 Capital redemption reserve/debenture redemption reserve | - | - | - | - | - |
| 19 Net worth (Note 9) | 1,94,366 | 1,87,025 | 1,66,664 | 1,94,366 | 1,66,664 |
| 20 Current ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 21 Long term debt to working capital | N.A. | N.A. | N.A. | N.A. | N.A. |
| 22 Bad debts to account receivable ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 23 Current liability ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 24 Total debts to total assets (%) | 81.73 | 81.28 | 79.35 | 81.73 | 79.35 |
| 25 Debtors turnover ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 26 Inventory turnover | N.A. | N.A. | N.A. | N.A. | N.A. |
| 27 Operating margin (%) | N.A. | N.A. | N.A. | N.A. | N.A. |
| 28 Net profit margin (%) | 24.22 | 27.93 | 29.85 | 27.18 | 28.95 |
| 29 Gross Non Performing Assets % ("GNPA") | 0.52 | 1.30 | 0.76 | 0.52 | 0.76 |
| 30 Net Non Performing Assets % ("NNPA") | 0.18 | 0.97 | 0.48 | 0.18 | 0.48 |
| 31 Provision Coverage Ratio % ("PCR") | 64.99 | 26.21 | 36.37 | 64.99 | 36.37 |
| 32 Security Cover (No. of Times) | 1.65 | 1.61 | 1.71 | 1.65 | 1.71 |

*Not annualised for quarter ended March 31, 2023, December 31, 2022 and March 31, 2022)



Notes: -

1 Statement of assets and liabilities as at March 31, 2023

(Rs. in lakh)

| PARTICULARS | As at | As at |
|--|------------------|-----------------|
| | March 31, 2023 | March 31, 2022 |
| | (Audited) | (Audited) |
| ASSETS | | |
| (1) Financial assets | | |
| (a) Cash and cash equivalents | 5,287 | 15,053 |
| (b) Bank balances other than (a) above | - | - |
| (c) Derivative financial instruments | 1,686 | 2,475 |
| (d) Receivables | | |
| (i) Trade receivables | - | 4 |
| (ii) Other receivables | - | - |
| (e) Loans | 10,26,801 | 7,69,342 |
| (f) Investments | 85,183 | 56,057 |
| (g) Other financial assets | 183 | 314 |
| Total financial assets | 11,19,140 | 8,43,245 |
| (2) Non-financial assets | | |
| (a) Current tax assets (Net) | - | 1,903 |
| (b) Deferred tax assets (Net) | 3,897 | 3,077 |
| (c) Investment Property | 191 | 201 |
| (d) Property, plant and equipment | 108 | 91 |
| (e) Intangible assets under development | 156 | 2 |
| (f) Other intangible assets | 10 | 7 |
| (g) Right of use assets | 212 | 32 |
| (h) Other non-financial assets | 131 | 130 |
| Total non-financial assets | 4,705 | 5,443 |
| Total Assets | 11,23,845 | 8,48,688 |
| LIABILITIES AND EQUITY | | |
| LIABILITIES | | |
| (1) Financial liabilities | | |
| (a) Derivative financial instruments | 5,832 | 4,176 |
| (b) Payables | | |
| (i) Trade payables | | |
| - Total outstanding dues of micro enterprises and small enterprises | 8 | 8 |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,145 | 737 |
| (ii) Other payables | | |
| - Total outstanding dues of micro enterprises and small enterprises | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | - | - |
| (c) Debt Securities | 2,91,203 | 2,42,555 |
| (d) Borrowings (Other than debt securities) | 5,74,507 | 3,78,070 |
| (e) Subordinated liabilities | 52,795 | 52,807 |
| (f) Lease liabilities | 152 | 29 |
| (g) Other financial liabilities | 1,084 | 929 |
| Total financial liabilities | 9,26,726 | 6,79,311 |
| (2) Non-Financial liabilities | | |
| (a) Current tax liabilities (Net) | 459 | 854 |
| (b) Provisions | 550 | 609 |
| (c) Other non-financial liabilities | 411 | 232 |
| Total non-financial liabilities | 1,420 | 1,695 |
| (3) Equity | | |
| (a) Equity Share capital | 45,929 | 45,929 |
| (b) Other equity | 1,49,770 | 1,21,753 |
| Total Equity | 1,95,699 | 1,67,682 |
| Total Liabilities and Equity | 11,23,845 | 8,48,688 |



2 Statement of cash flow for the year ended March 31, 2023

(Rs. in lakh)

| Particulars | For the year ended March 31, 2023 (Audited) | For the year ended March 31, 2022 (Audited) |
|--|---|---|
| 1 CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax | 37,061 | 26,865 |
| Adjustments for : | | |
| Depreciation and amortisation | 114 | 108 |
| Finance cost | 54,529 | 35,243 |
| Interest income | (99,710) | (67,671) |
| Net gain on fair value changes | | |
| - Realised | (1,232) | (921) |
| - Unrealised | (33) | (7) |
| Provision for leave encashment | 13 | (5) |
| Provision against trade receivables | - | 1 |
| Provision for long-term service award | 1 | - |
| Share based payments- equity-settled | 169 | 117 |
| Impairment loss allowance on on financial instruments | 3,844 | 2,779 |
| Interest paid | (46,916) | (28,134) |
| Interest received | 96,058 | 62,784 |
| Operating Profit before working capital changes | 43,898 | 31,159 |
| Adjustments for : | | |
| Decrease in trade receivables | 4 | 9 |
| Increase in loans | (2,58,069) | (1,51,932) |
| Increase in other financial / non-financial assets | (88) | (56) |
| Increase in other financial/ non financial liabilities / trade payables / provisions | 707 | 242 |
| Cash used in operations | (2,13,548) | (1,20,578) |
| Taxes paid (net off refunds) | (8,529) | (7,050) |
| CASH FLOW USED IN OPERATING ACTIVITIES (A) | (2,22,077) | (1,27,628) |
| 2 CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment (including capital advances) | (221) | (66) |
| Purchase of investments | (72,696) | (24,488) |
| Proceeds from sale of investments | 62,702 | 20,100 |
| Purchase of mutual fund units | (57,65,212) | (26,04,379) |
| Proceeds from redemption of mutual fund units | 57,47,445 | 25,59,292 |
| NET CASH GENERATED USED IN INVESTING ACTIVITIES (B) | (27,982) | (49,541) |
| 3 CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of equity shares | - | 31,003 |
| Payment of ancillary borrowing cost / share issue expenses | (713) | (320) |
| Proceeds from borrowings (other than debt securities) | 4,80,319 | 2,93,019 |
| Proceeds from debt securities | 2,94,364 | 1,92,032 |
| Repayment of borrowings (other than debt securities) | (2,83,041) | (2,36,884) |
| Repayment of debt securities | (2,50,684) | (1,10,000) |
| Repayment of lease liabilities | 48 | (60) |
| NET CASH GENERATED FROM FROM FINANCING ACTIVITIES (C) | 2,40,293 | 1,68,790 |
| NET DECREASE IN CASH AND CASH EQUIVALENTS (A + B + C) | (9,766) | (8,379) |
| CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR | 15,053 | 23,432 |
| CASH AND BANK BALANCES AS AT THE END OF THE YEAR | 5,287 | 15,053 |



- 3 The above results have been reviewed by the Audit Committee and have been approved and taken on record by the Board of Directors at their respective meetings held on April 20, 2023. The financial results for the quarter and year ended March 31, 2023 have been subjected to an audit by the statutory auditor of the Company. The report thereon is unmodified.
- 4 The financial results have been prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (‘the Act’) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The annual financial statements, used to prepare the financial results, are based on the notified Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies that are required to comply with Ind AS.
- 5 The Company is regulated by the Reserve Bank of India (‘RBI’). The RBI periodically issues / amends directions, regulations and / or guidance (collectively “Regulatory Framework”) covering various aspects of the operation of the Company, including those relating to accounting for certain types of transactions. The Regulatory Framework contains specific instructions that have been considered by the Company in preparing its financial statements.
- 6 The Company is engaged in the business of lending and has only one “business segment”.
- 7 Details of resolution plan implemented under the Resolution Framework for COVID - 19-related Stress as per RBI circular dated August 06, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0), as at March 31, 2023 are given below:

| Type of borrower | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e September 30, 2022 (A) | Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2023 | Of (A) amount written off during the half-year | Of (A) amount paid by the borrowers during the half-year | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e March 31, 2023 |
|--------------------|---|--|--|--|---|
| Personal Loans | NIL | NIL | NIL | NIL | NIL |
| Corporate persons* | | | | | |
| Of which, MSMEs | | | | | |
| Others | | | | | |
| Total | | | | | |

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

- 8 The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the respective financial year.
- 9 Net worth includes equity share capital plus other equity less deferred revenue expenditure.
- 10 Details of loans transferred / acquired during the quarter ended March 31, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

(i) (a) Details of loans not in default acquired as given below. These are entirely through assignment / novation:

| Particulars | Value |
|---|-----------|
| Aggregate amount of loans acquired (in lakhs) | 52,226 |
| Weighted average residual maturity (in years) | 13 |
| Weighted average holding period by originator (in years) | NA |
| Retention of beneficial economic interest by the originator | Nil |
| Tangible security coverage | 1 |
| Rating-wise distribution of rated loans | BBB+ to A |

(b) Details of loans not in default transferred as given below. These are entirely through assignment / novation:

| Particulars | Value |
|---|-------|
| Aggregate amount of loans transferred (in lakhs) | - |
| Weighted average residual maturity (in years) | - |
| Weighted average holding period by originator (in years) | - |
| Retention of beneficial economic interest by the originator | - |
| Tangible security coverage | - |
| Rating-wise distribution of rated loans | - |

Nil instances of replacing loans transferred to transferee(s) or paid damages arising out of any representation or warranty.

(ii) (a) The Company has not transferred any Special Mention Account (SMA).

(b) The Company has not transferred any non-performing assets (NPAs).

(iii) The Company has not acquired any stressed loan.

- 11 The Board of Directors of Tata Cleantech Capital Limited (“the Company” or “TCCL”) at its meeting held on March 28, 2023, approved a Scheme of Arrangement for amalgamation of the Company, a subsidiary of Tata Capital Limited (“TCL”) and Tata Capital Financial Services Limited (“TCFSL”), a wholly owned subsidiary of TCL with TCL (“the Scheme”), under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder.

The Scheme will become effective from the Appointed Date i.e. April 1, 2023 or such other later date as may be decided by the Board of Directors upon fulfilment of all the conditions set out in the Scheme including approval of the Scheme by the Reserve Bank of India and National Company Law Tribunal (“NCLT”) and grant of NBFC license to TCL by the Reserve Bank of India and upon the receipt of other applicable regulatory approvals.

Upon the Scheme becoming effective:

(i) The entire business undertaking of the Company shall be merged with and vested in TCL and thereafter TCL will carry on all the business activities undertaken by TCCL.

(ii) From the appointed date till the effective date, the business carried on by TCCL shall be deemed to have been carried on for and on behalf of and in trust for TCL.

(iii) All the shares of TCCL held by TCL (either directly and/or through nominees) would stand cancelled without any further application, act or deed. Further, Equity Shares of TCL would be issued to other member(s) of TCCL as per the exchange ratio determined based on the Valuation Report and the Fairness opinion.

(iv) The holders of Non-Convertible Debentures (NCD’s) of TCCL will become holders of NCDs of TCL on the same terms, including the coupon rate, tenure, redemption price, quantum, nature of security, adequately safeguarding the interest of the NCD holders.



12 Figures in the previous year/period have been regrouped wherever necessary, in order to make them comparable to the current year/period.

13 Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Formulae for Computation of Ratios are as follows:

(i) Debt equity ratio = (Debt Securities + Borrowings (other than debt securities) + Subordinated Debts - Unamortised Issue Expenses) / (Equity Share Capital + Other Equity - Deferred Revenue Expenditure.

(ii) Total debts to total assets (%) = (Debt Securities + Borrowings (other than debt securities) + Subordinated Debts) / Total Assets.

(iii) Net profit margin (%) = Profit after Tax / Revenue from Operations.

(iv) Gross Non Performing Assets ("GNPA") (%) = Gross Stage III Loans / Gross Loans.

(v) Net Non Performing Assets ("NNPA") (%) = (Gross Stage III Loans - Impairment loss allowance for Stage III) / (Gross Loans - Impairment loss allowance for Stage III)

(vi) Provision Coverage Ratio ("PCR") (%) = Impairment loss allowance for Stage III / Gross Stage III Loans.

For Tata Cleantech Capital Limited

Manish Chourasia
(Managing Director)
DIN: 03547985

Place: Mumbai

Date : April 20, 2023



Independent Auditor's Report on audited Quarterly Financial Results and Year to Date Financial Results of Tata Cleantech Capital Limited Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of
Tata Cleantech Capital Limited,

Report on the audit of the Financial Results

Opinion

1. We have audited the accompanying quarterly financial results of Tata Cleantech Capital Limited (the "Company") for the quarter ended March 31, 2023 and the year to date results for the period from April 01, 2022 to March 31, 2023, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these financial results:

- i) are presented in accordance with the requirements of Listing Regulations in this regard; and
- ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, RBI guidelines and other accounting principles generally accepted in India of the net profit including other comprehensive income and other financial information for the quarter ended March 31, 2023 as well as and the year to date results for the period from April 01, 2022 to March 31, 2023.

Basis of Opinion

2. We conducted our audit of the financial results in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial results section of our report. We are Independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Board of Directors' responsibility for the financial results

3. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the audited annual financial statements. The Company's Board of Directors is responsible for the preparation of these financial results that give a true and fair view of the of the net profit including other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards (Ind AS) prescribed under Section 133 of the Act read with the rules issued thereunder, the circulars,

guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India and in compliance with the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors of the Company at its meeting held on March 28, 2023, has approved the Scheme of Arrangement of merger ("the Scheme") with Tata Capital Limited ("TCL") under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder, as may be applicable. Refer note 11 of the financial results.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

4. Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with Standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i) Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

iv) Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

5. The financial results include the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the third quarter ended December 31, 2022, which were subjected to limited review by the auditors, as required under the Listing Regulations. Our opinion is not modified in respect of this matter.

For Mukund M. Chitale & Co.

Chartered Accountants

Firm Regn. No. 106655W

Chitale

(S.M.Chitale)

Partner

M. No. 111383

UDIN: **23111383BGTWFF8947**

Date: April 20, 2023

Place: Mumbai

Tata Capital Limited

Corporate Identity Number : U65990MH1991PLC060670

Registered Office : 11th Floor, Tower A, Peninsula Business Park, Gunpowder Kadam Marg, Lower Parel, Mumbai - 400013

Tel: 022-6606 9000

Website: www.tatacapital.com Email: investors@tatacapital.com

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

| Particulars | Rs. In lakh | | | | |
|---|------------------------|--------------------|------------------------|--------------------|--------------------|
| | Quarter ended | | | Year ended | |
| | March 31, 2023 | December 31, 2022 | March 31, 2022 | March 31, 2023 | March 31, 2022 |
| | Audited (Refer Note 9) | Unaudited | Audited (Refer Note 9) | Audited | Audited |
| 1 Revenue from operations | | | | | |
| (i) Interest income | 2,876 | 2,305 | 2,668 | 8,351 | 14,213 |
| (ii) Dividend income | 2 | 4,244 | 11,655 | 13,403 | 20,717 |
| (iii) Rental income | 548 | 407 | 476 | 1,905 | 1,901 |
| (iv) Fee and commission income | 971 | 972 | 1,861 | 6,383 | 5,214 |
| (v) Net gain on fair value changes | 266 | 366 | 126 | 988 | 518 |
| (vi) Net gain on de-recognition of associates | - | - | 923 | - | 923 |
| 1 Total revenue from operations | 4,663 | 8,232 | 17,509 | 31,030 | 43,486 |
| 2 Other income | 1,488 | 938 | 1,750 | 4,365 | 4,732 |
| 3 Profit on sale of investment | 85,522 | 4,541 | 1,050 | 99,918 | 2,971 |
| 4 Total Income (1+2+3) | 91,673 | 13,511 | 20,309 | 1,35,313 | 51,189 |
| 5 Expenses | | | | | |
| (i) Finance costs | 3,967 | 7,409 | 6,902 | 30,483 | 28,970 |
| (ii) Impairment on investments at cost and financial instruments | (387) | 789 | 424 | 621 | 730 |
| (iii) Employee benefits expense | 2,616 | 2,105 | 2,875 | 10,943 | 8,742 |
| (iv) Depreciation, amortisation and impairment | 479 | 301 | 174 | 1,127 | 710 |
| (v) Other expenses | 2,314 | 390 | 480 | 3,576 | 1,742 |
| 5 Total expenses | 13,989 | 10,994 | 10,855 | 46,760 | 40,894 |
| 6 Profit/(Loss) before exceptional items and tax (4-5) | 77,684 | 2,517 | 9,454 | 88,563 | 10,295 |
| 7 Exceptional items | - | - | - | - | - |
| 8 Profit/(Loss) before tax (6-7) | 77,684 | 2,517 | 9,454 | 88,563 | 10,295 |
| 9 Tax expenses: | | | | | |
| (1) Current tax | - | - | - | - | - |
| - Current tax charge | 17,367 | 287 | 1,671 | 17,651 | 1,826 |
| - Short/(Excess) of previous years | - | - | - | (1,416) | - |
| (2) Deferred tax | 166 | (17) | 154 | 278 | 150 |
| 9 Total Tax Expense | 17,533 | 269 | 1,825 | 16,513 | 1,985 |
| 10 Profit/(Loss) for the period/year (8-9) | 60,151 | 2,247 | 7,629 | 72,050 | 8,310 |
| 11 Other comprehensive income | | | | | |
| (A) (i) Items that will not be reclassified to profit or loss | | | | | |
| (a) Remeasurement of defined employee benefit plans | (122) | 30 | 22 | (138) | 9 |
| (b) Equity instruments through Other Comprehensive Income | 2,32,651 | - | - | 2,32,651 | - |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | | | | |
| (a) Remeasurement of defined employee benefit plans | 24 | (16) | (5) | 35 | (2) |
| (b) Equity instruments through Other Comprehensive Income | (48,955) | - | - | (48,955) | - |
| Subtotal A (i) - (ii) | 1,83,598 | 14 | 17 | 1,83,593 | 7 |
| (B) (i) Items that will be reclassified to profit or loss | | | | | |
| (a) Debt instruments at fair value through Other Comprehensive Income | - | - | (100) | (1,041) | (144) |
| (ii) Income tax relating to items that will be reclassified to profit or loss | - | - | 23 | 238 | 38 |
| Subtotal B (i) - (ii) | - | - | (77) | (803) | (106) |
| Other comprehensive income (A+B) | 1,83,598 | 14 | (60) | 1,82,790 | (99) |
| 12 Total comprehensive income for the period/year (10+11) | 2,43,749 | 2,261 | 7,569 | 2,54,840 | 8,211 |
| 13 Earnings per equity share: | | | | | |
| Equity Share of par value Rs 10/- each | | | | | |
| (1) Basic (Rs) ** | 1.71 | 0.06 | 0.22 | 2.05 | 0.24 |
| (2) Diluted (Rs) ** | 1.71 | 0.06 | 0.22 | 2.05 | 0.24 |
| 14 Debt Equity ratio (Refer Note 10) | 0.30 | 0.50 | 0.37 | 0.30 | 0.37 |
| 15 Debt service coverage ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 16 Interest service coverage ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 17 Outstanding Redeemable Preference Shares (No of shares) | 1,06,97,250 | 1,06,97,250 | 1,10,99,200 | 1,06,97,250 | 1,10,99,200 |
| 18 Outstanding Redeemable Preference Shares (in lakhs) | | | | | |
| Face value (Rs 1000 each) | 1,06,973 | 1,06,973 | 1,10,992 | 1,06,973 | 1,10,992 |
| Carrying value (inclusive of interest accrued thereon) | 1,07,013 | 1,13,030 | 1,10,983 | 1,07,013 | 1,10,983 |
| 19 Debenture Redemption Reserve | - | - | - | - | - |
| 20 Capital Redemption Reserve | 575 | 575 | 575 | 575 | 575 |
| 21 Net Worth (Refer Note 7) | 11,17,684 | 8,20,375 | 8,12,353 | 11,17,684 | 8,12,353 |
| 22 Current ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 23 Long term debt to working capital | N.A. | N.A. | N.A. | N.A. | N.A. |
| 24 Bad debts to Account receivable ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 25 Current liability ratio | N.A. | N.A. | N.A. | N.A. | N.A. |
| 26 Total Debts to Total Assets (%) (Refer Note 10) | 21.92% | 33.07% | 26.47% | 21.92% | 26.47% |
| 27 Debtors turnover | N.A. | N.A. | N.A. | N.A. | N.A. |
| 28 Inventory turnover | N.A. | N.A. | N.A. | N.A. | N.A. |
| 29 Operating margin (%) | N.A. | N.A. | N.A. | N.A. | N.A. |
| 30 Net profit/(loss) margin (%) (Refer Note 10) | 1289.87% | 27.30% | 43.57% | -232.19% | 19.11% |
| 31 Security Cover Ratio (No of times) | NA | NA | NA | NA | NA |
| 32 Capital adequacy ratio | 64% | 56% | 61% | 64% | 61% |
| 33 Leverage ratio | 0.62 | 0.79 | 0.63 | 0.62 | 0.63 |

* Amount less than Rs. 50,000

** Not annualized for the quarter ended March 31, 2023, December 31, 2022 and March 31, 2022



Notes:

1 Statement of Assets and Liabilities as at March 31, 2023

Rs. in lakh

| Particulars | As at | As at |
|---|------------------|------------------|
| | March 31, 2023 | March 31, 2022 |
| | (Audited) | (Audited) |
| ASSETS | | |
| (I) Financial Assets | | |
| (a) Cash and cash equivalents | 212 | 195 |
| (b) Bank balance other than (a) above | 2 | 13 |
| (c) Receivables | | |
| (i) Trade receivables | 788 | 1,265 |
| (ii) Other receivables | 2 | 24 |
| (d) Loans | 44,198 | 97,510 |
| (e) Investments | 14,59,849 | 10,13,997 |
| (f) Other financial assets | 575 | 774 |
| Total Financial Assets | 15,05,626 | 11,13,778 |
| (II) Non Financial Assets | | |
| (a) Current tax assets (net) | 157 | 2,222 |
| (b) Deferred tax assets (net) | - | - |
| (c) Investment property | 4,622 | 4,935 |
| (d) Property, plant and equipment | 3,361 | 3,504 |
| (e) Other intangible assets | 1 | 2 |
| (f) Right of use assets | 853 | 37 |
| (g) Other non-financial assets | 1,635 | 1,773 |
| Total Non-Financial Assets | 10,629 | 12,473 |
| Total Assets | 15,16,255 | 11,26,251 |
| LIABILITIES AND EQUITY | | |
| LIABILITIES | | |
| (I) Financial Liabilities | | |
| (a) Payables | | |
| (i) Trade payables | | |
| - Total outstanding dues of micro enterprises and small enterprises | 1 | 9 |
| - Total outstanding dues of micro enterprises and small enterprises | 2,939 | 2,297 |
| - Total outstanding dues other than micro enterprises and small enterprises | 3,32,351 | 2,98,046 |
| (b) Debt securities | 1,07,013 | 1,10,983 |
| (c) Subordinated liabilities | 840 | 36 |
| (d) Lease liability | 9,415 | 10,963 |
| (e) Other financial liabilities | 4,52,559 | 4,22,334 |
| Total Financial Liabilities | | |
| (II) Non Financial Liabilities | | |
| (a) Provisions | 378 | 436 |
| (b) Deferred tax liabilities (Net) | 49,074 | 80 |
| (c) Other non financial liabilities | 3,191 | 1,603 |
| Total Non-Financial Liabilities | 52,643 | 2,119 |
| EQUITY | | |
| (a) Equity share capital | 3,56,012 | 3,51,617 |
| (b) Other equity | 6,55,041 | 3,50,181 |
| Total Equity | 10,11,053 | 7,01,798 |
| Total Liabilities and Equity | 15,16,255 | 11,26,251 |



| Particulars | For the year ended | For the year ended |
|--|--------------------|--------------------|
| | March 31, 2023 | March 31, 2022 |
| | (Audited) | (Audited) |
| 1. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax | 88,563 | 10,295 |
| Adjustments for : | | |
| Dividend income | (13,403) | (20,717) |
| Interest income | (8,351) | (14,213) |
| Net gain on fair value changes | (988) | (518) |
| Finance cost | 30,483 | 28,970 |
| Provision for employee benefits | (28) | (106) |
| Impairment loss allowance against stage I and stage II assets | (271) | (122) |
| Impairment loss on diminution in value of investments | 892 | 227 |
| Distribution of interest income by private equity funds | (0) | (2) |
| Equity settled share based payments, cost | 956 | 709 |
| Depreciation, amortisation and impairment | 1,127 | 710 |
| Profit on sale of investments | (99,918) | (2,971) |
| Realised OCI gain/ loss recognition | (318) | - |
| Net gain on de-recognition of associate | - | (923) |
| Net Impact on fair valuation of security deposit received/ given | (381) | (406) |
| Net gain on derecognition of property, plant and equipment | (28) | (1) |
| | (1,664) | 932 |
| Interest paid | (18,887) | (18,342) |
| Interest received | 8,739 | 14,316 |
| Dividend received | 13,403 | 20,717 |
| Operating Profit before working capital changes | 1,591 | 17,623 |
| Adjustments for : | | |
| Decrease in trade receivables | 501 | 7 |
| Increase in other financial / non-financial assets | 1,059 | (957) |
| Decrease / (Increase) in loans | 53,126 | 30,455 |
| Increase / (Decrease) in trade payables | 634 | 270 |
| Increase in other financial / non-financial liabilities and provisions | 1,153 | 1,205 |
| Cash generated from / (used in) operations | 58,064 | 48,603 |
| Taxes paid | (15,551) | (3,224) |
| NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A) | 42,513 | 45,379 |
| 2. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipments (including capital advances) | (552) | (134) |
| Proceeds from derecognition of property, plant and equipments | 37 | 7 |
| Distribution of interest income by private equity funds | 0 | 2 |
| Investment in subsidiary and associate companies | (1,66,501) | (57,612) |
| Proceeds from sale of investments in subsidiary and associate companies | 1,02,833 | 2,986 |
| Investment in private equity funds | (5,654) | (3,654) |
| Proceeds from divestments by private equity funds | 15,278 | 3,938 |
| Investment in other entities | (9,720) | (3) |
| Investment in mutual funds | (3,72,797) | (99,495) |
| Proceeds from redemption of Mutual Funds | 3,22,650 | 52,148 |
| CASH USED IN INVESTING ACTIVITIES (B) | (1,14,426) | (1,01,817) |
| 3. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Issue of equity shares | 4,395 | - |
| Premium on issue of equity shares | 54,984 | - |
| Dividend paid on Equity Shares | (5,626) | - |
| Redemption of Cumulative Redeemable Preference Shares | (4,020) | (4,988) |
| Dividend paid on Cumulative Redeemable Preference Shares (including dividend distribution tax) | (8,069) | (8,244) |
| Expenses on issue of Non Convertible Debentures | (39) | (33) |
| Proceeds from Debt securities | 2,58,748 | 2,82,375 |
| Repayment of Debt securities | (2,27,500) | (2,15,124) |
| Premium on issue of Debt securities | - | 159 |
| Proceeds from Security Deposit | (481) | 9 |
| Repayment of lease liability | (461) | (32) |
| NET CASH GENERATED FROM FINANCING ACTIVITIES (C) | 71,930 | 54,122 |
| Net decrease in cash and cash equivalents (A+B+C) | 17 | (2,316) |
| CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR | 195 | 2,511 |
| CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR | 212 | 195 |
| Reconciliation of cash and cash equivalents as above with cash and bank balances | | |
| Cash and bank balances as at the end of the year | 212 | 195 |
| Add: Restricted Cash | 2 | 13 |
| Cash and bank balances as at the end of the year | 214 | 208 |



Notes

- 3 The above results have been reviewed by the Audit Committee and have been approved and taken on record by the Board of Directors at their respective meetings held on April 26, 2023 and April 27, 2023. The financial results for the quarter and year ended March 31, 2023 have been audited by the Statutory Auditors (KKC & Associates, LLP) of the Company. The report thereon is unmodified.
- 4 The standalone annual financial results have been prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The annual standalone financial statements, used to prepare the financial results, are based on the notified Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies that are required to comply with Ind AS
- 5 The Company is regulated by the Reserve Bank of India ("RBI"). The RBI periodically issues/amends directions, regulations and/or guidelines (collectively, "Regulatory Framework") covering various aspects of operation of the Company, including those relating to accounting for certain types of transactions. The Regulatory Framework contains specific instructions that need to be followed by the Company in preparing its standalone financial statements.
- 6 In accordance with Ind AS 108 on Operating Segments, the Company has identified three business segments i.e. Investment Activity, Private Equity Investments and Others (includes property management services and managerial & marketing services).
- 7 Networth includes equity share capital, other equity, Cumulative Redeemable Preference Shares (CRPS) at carrying value (however, this is shown as financial liabilities held at amortized cost and form part of Subordinated Liabilities as per Ind AS 32) less deferred revenue expenditure, if any.
- 8 The Board of Directors have recommended a final dividend of Re. 0.21 per equity share for the financial year 2022-23 (resulting in total dividend of Rs.7,476 lakhs), subject to approval of the shareholders in the forthcoming Annual General Meeting of the Company.
- 9 The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the respective financial year, which were subjected to Limited Review by Statutory Auditors.
- 10 Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
Formulae for Computation of Ratios are as follows:
- | | |
|--------------------------------------|--|
| (i) Debt equity ratio | (Debt Securities + Unamortised Issue Expenses) / Net worth |
| (ii) Total debts to total assets (%) | Debt Securities / Total Assets |
| (iii) Net profit margin (%) | Profit after Tax / Revenue from Operations |
| (iv) Capital adequacy ratio | Adjusted Net worth / Risk Weighted assets |
| (v) Leverage ratio | Outside liabilities / Adjusted Net worth |
- 11 The Board of Directors of Tata Capital Limited (the Company' or "TCL") at its meeting held on March 28, 2023, approved the merger by way of a Scheme of Arrangement of Tata Capital Financial Services Limited ("TCFSL"), a wholly owned subsidiary of the Company and Tata Cleantech Capital Limited ("TCCL"), a subsidiary of the Company with TCL ("the Scheme"), under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder. The Scheme will become effective upon fulfilment of all the conditions set out in the Scheme including approval of the Scheme by the National Company Law Tribunal ("NCLT") and grant of NBFC license in the name of TCL by Reserve Bank of India and upon other Regulatory approvals from the appointed date i.e. April 1, 2023 or such other later date as may be decided by the Board of Directors.
- Upon the Scheme becoming effective:
- TCL will carry on all the business activities undertaken by TCFSL and TCCL as an NBFC. From the appointed date to the effective date, the said businesses would continue to be carried on by TCFSL and TCCL for and on behalf of and in trust for TCL,
 - All the shares of TCFSL and TCCL held by TCL (either directly and/or through nominees) would stand cancelled without any further application, act or deed.
 - The scheme does not envisage issuance of any equity shares for merger of TCFSL and TCCL, except for a minority shareholder of the latter based on valuation carried out by independent valuers
 - The holders of Non-Convertible Debentures (NCDs) of TCFSL and TCCL will become holders of NCDs of TCL on the same terms and conditions (including same rights, interests and benefits).

Mumbai
April 27, 2023



Rajiv Sabharwal

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333



Independent Auditor's report on annual standalone financial results of Tata Capital Limited under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of
Tata Capital Limited

Introduction

1. We have audited the accompanying standalone financial results of Tata Capital Limited ('the Company') for the year ended 31 March 2023, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
 - 2.1. are presented in accordance with the requirements of the Listing Regulations in this regard; and
 - 2.2. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standards ('Ind AS'), RBI guidelines and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2023.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('the Act') Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Board of Directors' Responsibilities for the Standalone Financial Results

4. These standalone financial results have been compiled from the standalone annual audited financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net profit after tax and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS prescribed under Section 133 of the Act read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('RBI') from time to time ('RBI Guidelines') and other accounting principles generally accepted in India and in compliance with the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of



the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the standalone financial results by the Directors of the Company, as aforesaid.

5. In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

7. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 8.1. Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - 8.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
 - 8.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - 8.4. Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



kkc & associates llp

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

- 8.5. Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represents the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a results that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other matters

11. The standalone financial results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621



Hasmukh B Dedhia

Partner

ICAI Membership No: 033494

UDIN: 23033494BGWSQK8213

Place: Mumbai

Date: 27 April 2023



STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2023

| | | Rs. in lakh | |
|-------------|---|------------------|------------------|
| Particulars | | Year ended | |
| | | March 31, 2023 | March 31, 2022 |
| | | Audited | Audited |
| 1 | Revenue from operations | | |
| (i) | Interest income | 11,89,590 | 9,08,975 |
| (ii) | Dividend income | 79 | 82 |
| (iii) | Rental income | 26,926 | 30,339 |
| (iv) | Fee and commission income | 31,414 | 25,813 |
| (v) | Net gain on fair value changes | 6,374 | 39,923 |
| (vi) | Net gain on derecognition of associates | 81,458 | 5,715 |
| (vii) | Net gain on derecognition of investment carried at amortised cost | - | 87 |
| | Total revenue from operations | 13,35,841 | 10,10,934 |
| 2 | Other income | 27,859 | 20,207 |
| 3 | Total Income (1+2) | 13,63,700 | 10,31,141 |
| 4 | Expenses | | |
| (i) | Finance costs | 6,60,078 | 4,88,903 |
| (ii) | Impairment on investment in associates | 765 | 267 |
| (iii) | Impairment of financial instruments | 57,429 | 1,08,061 |
| (iv) | Employee benefits expense | 1,28,541 | 88,980 |
| (v) | Depreciation, amortisation and impairment | 22,602 | 27,588 |
| (vi) | Other expenses | 1,15,299 | 93,534 |
| | Total expenses | 9,84,714 | 8,07,333 |
| 5 | Profit before exceptional items, share of net profits of investments accounted for using equity method and tax (3-4) | 3,78,986 | 2,23,808 |
| 6 | Share in profit of associates | 14,670 | 10,964 |
| 7 | Profit before exceptional items and tax (5+6) | 3,93,656 | 2,34,772 |
| 8 | Exceptional items | - | - |
| 9 | Profit before tax (7-8) | 3,93,656 | 2,34,772 |
| 10 | Tax expenses : | | |
| (1) | Current tax | 1,08,455 | 66,138 |
| (2) | Deferred tax | (7,960) | (11,009) |
| (3) | Short/(Excess) of earlier years | (1,416) | (438) |
| | Total Tax Expense | 99,079 | 54,691 |
| 11 | Profit for the year (9-10) | 2,94,577 | 1,80,081 |
| 12 | Other comprehensive income | | |
| A | Items that will not be reclassified to profit or loss | | |
| | Owners of the Company | | |
| (a) | Remeasurement of the defined employee benefit plans | (1,233) | (247) |
| (b) | Current tax relating to Remeasurement of defined employee benefit plans | 314 | 62 |
| (c) | Changes in fair values of investment in equities carried at Fair Value Through Other Comprehensive Income (FVTOCI) | 2,22,995 | - |
| (d) | Tax on Changes in fair values of investment in equities carried at FVTOCI | (53,262) | - |
| | Non controlling interest | | |
| (a) | Remeasurement of the defined employee benefit plans (net of tax) | (8) | - |
| (b) | Changes in fair values of investment in equities carried at FVTOCI (net of tax) | 5,564 | - |
| B | Items that will be reclassified to profit or loss | | |
| | Owners of the Company | | |
| (a) | Debt instruments measured through FVTOCI | (1,212) | (1,068) |
| (b) | Income tax on Debt instruments through FVTOCI | 211 | 182 |
| (c) | Fair value loss on financial assets carried at FVTOCI | (387) | (1,056) |
| (d) | Income tax relating to fair value gain on financial asset measured through FVTOCI | 101 | 327 |
| (e) | The effective portion of gain on hedging instruments in a cash flow hedge | 4,039 | 5,283 |
| (f) | Income tax relating to the effective portion of gain on hedging instruments in a cash flow hedge | (1,027) | (1,361) |
| (g) | Share of other comprehensive income in associates (net) | (858) | 1,338 |
| (h) | Exchange differences in translating financial statements of foreign operations | 4,763 | 1,603 |
| | Non controlling interest | | |
| (a) | Fair value loss on financial asset measured through FVTOCI | (39) | (134) |
| (b) | The effective portion of gain on hedging instruments in a cash flow hedge | 43 | 124 |
| | Total Other Comprehensive Income | 1,80,004 | 5,053 |
| | Total comprehensive income for the year (11+12) | 4,74,581 | 1,85,134 |



STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2023

| | | Rs. in lakh | |
|-------------|---|----------------|----------------|
| Particulars | | Year ended | |
| | | March 31, 2023 | March 31, 2022 |
| | | Audited | Audited |
| 14 | Profit for the year attributable to: | | |
| | Owners of the company | 2,97,490 | 1,64,821 |
| | Non-controlling interest | (2,913) | 15,260 |
| 15 | Other comprehensive income for the year attributable to: | | |
| | Owners of the company | 1,74,444 | 5,063 |
| | Non-controlling interest | 5,560 | (10) |
| 16 | Total comprehensive income for the year attributable to: (14+15) | | |
| | Owners of the company | 4,71,934 | 1,69,884 |
| | Non-controlling interest | 2,647 | 15,250 |
| 17 | Earnings per equity share: | | |
| | Equity Share of par value Rs 10/- each | | |
| | (1) Basic (Rs) | 8.46 | 4.69 |
| | (2) Diluted (Rs) | 8.46 | 4.69 |
| 18 | Debt Equity ratio (Refer Note 11) | 6.45 | 6.88 |
| 19 | Debt service coverage ratio | N.A. | N.A. |
| 20 | Interest service coverage ratio | N.A. | N.A. |
| 21 | Outstanding Redeemable Preference Shares (No of shares) | 1,06,97,250 | 1,10,99,200 |
| 22 | Outstanding Redeemable Preference Shares (in lakhs) | | |
| | Face value (Rs 1000 each) | 1,06,973 | 1,10,992 |
| | Carrying value (inclusive of interest accrued thereon) | 1,07,015 | 1,11,008 |
| 23 | Debenture Redemption Reserve | - | 30,000 |
| 24 | Capital Redemption Reserve | 575 | 575 |
| 25 | Net Worth (Refer Note 10) | 17,57,835 | 12,54,096 |
| 26 | Current ratio | N.A. | N.A. |
| 27 | Long term debt to working capital | N.A. | N.A. |
| 28 | Bad debts to Account receivable ratio | N.A. | N.A. |
| 29 | Current liability ratio | N.A. | N.A. |
| 30 | Total Debts to Total Assets (%) (Refer Note 11) | 83.67% | 84.29% |
| 31 | Debtors turnover | N.A. | N.A. |
| 32 | Inventory turnover | N.A. | N.A. |
| 33 | Operating margin (%) | N.A. | N.A. |
| 34 | Net profit /(loss) margin (%) (Refer Note 11) | 22.27% | 16.30% |
| 35 | Asset Cover Ratio (No of times) | N.A. | N.A. |
| 36 | Capital adequacy ratio | N.A. | N.A. |
| 37 | Leverage ratio | N.A. | N.A. |



Notes

1 Statement of consolidated assets and liabilities as at March 31, 2023:

(Rs. in lakh)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| ASSETS | | |
| (1) Financial assets | | |
| (a) Cash and cash equivalents | 3,05,888 | 2,08,162 |
| (b) Bank balances other than (a) above | 25,771 | 5,420 |
| (c) Derivative financial instruments | 22,958 | 3,521 |
| (d) Receivables | | |
| (i) Trade receivables | 7,361 | 3,233 |
| (ii) Other receivables | 39 | 22 |
| (e) Loans | 1,16,75,613 | 90,11,053 |
| (f) Investments | 12,65,897 | 6,78,008 |
| (g) Other financial assets | 36,506 | 25,090 |
| | 1,33,40,033 | 99,34,509 |
| (2) Non-financial assets | | |
| (a) Current tax assets (net) | 14,087 | 16,565 |
| (b) Deferred tax assets (net) | 38,107 | 84,099 |
| (c) Investments accounted using equity method | 59,507 | 1,06,608 |
| (d) Investment property | 1,987 | 2,016 |
| (e) Property, plant and equipment | 48,627 | 56,280 |
| (f) Capital work-in-progress | 1,130 | 377 |
| (g) Intangible assets under development | 872 | 772 |
| (h) Other intangible assets | 3,255 | 2,514 |
| (i) Right to use assets | 19,393 | 11,133 |
| (j) Other non-financial assets | 29,227 | 22,683 |
| | 2,16,192 | 3,03,047 |
| Total assets | 1,35,56,225 | 1,02,37,556 |
| LIABILITIES AND EQUITY | | |
| LIABILITIES | | |
| (1) Financial liabilities | | |
| (a) Derivative financial instruments | 6,232 | 34,305 |
| (b) Payables | | |
| (i) Trade payables | | |
| Total outstanding dues of micro enterprises and small enterprises | 703 | 203 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,23,197 | 1,02,222 |
| (ii) Other payables | | |
| Total outstanding dues of micro enterprises and small enterprises | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | - | - |
| (c) Debt securities | 51,37,558 | 40,69,140 |
| (d) Borrowings (Other than debt securities) | 54,93,413 | 38,63,992 |
| (e) Subordinated liabilities | 7,02,620 | 6,88,845 |
| (f) Lease liabilities | 20,538 | 12,345 |
| (g) Other financial liabilities | 1,95,425 | 1,26,873 |
| | 1,16,79,686 | 88,97,925 |
| (2) Non-Financial Liabilities | | |
| (a) Current tax liabilities (net) | 30,677 | 34,939 |
| (b) Provisions | 9,946 | 7,302 |
| (c) Other non-financial liabilities | 21,049 | 13,791 |
| | 61,672 | 56,032 |
| (3) EQUITY | | |
| (a) Equity share capital | 3,50,707 | 3,46,335 |
| (b) Other equity | 13,45,166 | 8,24,971 |
| Equity attributable to owners of the Company | 16,95,873 | 11,71,306 |
| (4) Non-controlling interest | 1,18,994 | 1,12,293 |
| Total liabilities and equity | 1,35,56,225 | 1,02,37,556 |



2 Statement of consolidated cash flow for the year ended March 31, 2023:

(Rs. in lakh)

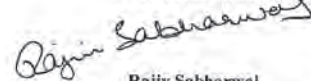
| Particulars | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| 1 CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax | 3,93,656 | 2,34,772 |
| Adjustments for : | | |
| Depreciation, amortisation and impairment | 22,602 | 27,588 |
| Net loss/(gain) on derecognition of property, plant and equipment and right-to-use assets | 310 | (1,014) |
| Interest expenses | 6,60,078 | 4,88,903 |
| Interest income | (11,89,590) | (9,08,975) |
| Dividend income | (79) | (82) |
| Provision for leave encashment | 512 | 89 |
| Exchange gains (net) | (282) | (8) |
| Net loss/(gain) on fair value changes | | |
| - Realised | (6,433) | (8,327) |
| - Unrealised | 58 | (31,596) |
| Net gain on derecognition of investment in Associates | (81,458) | (5,715) |
| Net gain on derecognition of investment carried at amortised cost | - | (87) |
| Rental income on fair valuation of security deposit | (3,907) | - |
| Share in profit of associates | (14,670) | (10,964) |
| Share based payments to employees | 2,148 | 1,510 |
| Interest on income tax refund | (208) | (54) |
| Impairment on financial instruments | 55,775 | 1,08,081 |
| Impairment on investments | 765 | 264 |
| Provision against derivative current credit exposure | 67 | - |
| Provision against trade receivables | 1,587 | (17) |
| Provision against assets held for sale | - | (1) |
| | (1,59,069) | (1,05,633) |
| Interest paid | (5,90,478) | (4,48,837) |
| Interest received | 11,42,176 | 8,62,646 |
| Interest received on income tax refund | 208 | 54 |
| Dividend received | 2,011 | 113 |
| Cash generated from operation before working capital changes | 3,94,848 | 3,08,343 |
| Movement in working capital: | | |
| Increase in loans | (26,76,394) | (17,08,722) |
| Increase in trade receivables | (5,730) | (566) |
| Decrease/(Increase) in other financial/non financial assets | (17,442) | 26,112 |
| Increase/(decrease) in other financial/ non financial liabilities | 73,479 | (23,420) |
| Increase/(decrease) in provisions | (1,325) | (314) |
| Increase in trade payable | 21,976 | 21,629 |
| | (26,05,436) | (16,85,281) |
| Taxes paid (net) | (1,08,383) | (61,746) |
| NET CASH USED IN OPERATING ACTIVITIES | (23,18,971) | (14,38,684) |
| 2 CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment (including capital advances) | (20,799) | (3,996) |
| Proceeds from sale of property, plant and equipment | 6,049 | 6,357 |
| Investment in associates | (15,146) | (18,914) |
| Purchase of mutual fund units | (3,72,05,094) | (2,40,59,295) |
| Purchase of other investments | (8,72,099) | (6,14,931) |
| Proceeds from redemption of mutual fund units | 3,70,68,001 | 2,39,12,414 |
| Proceeds from sale of associates | 1,00,846 | 11,429 |
| Proceeds from sale of other investments | 7,30,884 | 5,07,395 |
| Bank Balances not considered as cash and cash equivalents | (19,588) | (2,169) |
| NET CASH GENERATED FROM INVESTING ACTIVITIES | (2,26,946) | (2,61,710) |
| 3 CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of Equity Shares | 59,379 | - |
| Infusion of capital by minority shareholders | 20,316 | 20,080 |
| Payout of income/gain to contributors | (18,275) | (3,571) |
| Repayment of lease obligation | (4,104) | (3,670) |
| Redemption of preference shares | (4,020) | (4,988) |
| Share and debt issue expenses | (4,211) | (1,735) |
| Dividend paid on equity & preference shares | (13,611) | (8,244) |
| Proceeds from debt securities | 36,66,450 | 65,28,619 |
| Proceeds from borrowings (other than debt securities) | 45,82,843 | 48,09,067 |
| Proceeds from subordinated liabilities | 12,900 | 1,07,100 |
| Repayment of debt securities | (26,34,761) | (56,63,063) |
| Repayment of borrowings (other than debt securities) | (30,12,018) | (40,67,245) |
| Repayment of subordinated liabilities | (7,931) | (6,792) |
| NET CASH GENERATED FROM FINANCING ACTIVITIES | 26,42,957 | 17,05,558 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 97,040 | 5,164 |
| CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR | 2,08,162 | 2,02,691 |
| Exchange difference on translation of foreign currency cash and cash equivalents | 686 | 307 |
| CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR | 3,05,888 | 2,08,162 |



Notes

- 3 The above consolidated financial results have been reviewed by the Audit Committee and have been approved and taken on record by the Board of Directors at their respective meetings held on April 26, 2023 and April 27, 2023. The financial results for the year ended March 31, 2023 have been audited by the statutory auditors KKC & Associates LLP, Chartered Accountants of the Company. The report thereon is unmodified.
- 4 The consolidated financial results have been prepared in accordance with and comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The annual financial statements, used to prepare the financial results, are based on the notified Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies that are required to comply with Ind AS.
- 5 Tata Capital Limited ("TCL" or "Company") is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("CIC"). The Company together with its subsidiaries (collectively, the Group), is primarily engaged in lending and investing activities. Further one of the subsidiary within the Group is also engaged in providing broking services and undertaking trading activities.
As a CIC, TCL is a primary holding Company, holding investments in its subsidiaries and other group companies and carries out only such activities as are permitted under the guidelines issued by RBI for CICs. The Company is domiciled in India and incorporated under the Companies Act, 2013 and listed its non-convertible debentures and commercial papers with BSE Limited and National Stock Exchange Limited.
- 6 In accordance with Ind AS 108 on Segment Reporting, the Group has identified three business segments i.e. Financing Activity, Investment Activity and Others, and one Geographical Segment viz. India, as secondary segment. These divisions offer different products and services, and are managed separately based on the Group's management.
- 7 The Board of Directors have recommended a final dividend of Re. 0.21 per equity share for the financial year 2022-23 (resulting in total dividend of Rs. 7,476 lakhs), subject to approval of the shareholders in the forthcoming Annual General Meeting of the Company.
- 8 The Board of Directors of Tata Capital Limited ('the Holding Company' or 'TCL') at its meeting held on March 28, 2023, approved the merger by way of a Scheme of Arrangement of Tata Capital Financial Services Limited ("TCFSL"), a wholly owned subsidiary of the Company and Tata Cleantech Capital Limited ("TCCL"), a subsidiary of the Company with TCL ("the Scheme"), under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder. The Scheme will become effective upon fulfilment of all the conditions set out in the Scheme including approval of the Scheme by the National Company Law Tribunal ('NCLT') and grant of NBFC license in the name of TCL by Reserve Bank of India and upon other Regulatory approvals from the appointed date i.e. April 1, 2023 or such other later date as may be decided by the Board of Directors.
Upon the Scheme becoming effective:
- a. TCL will carry on all the business activities undertaken by TCFSL and TCCL as an NBFC. From the appointed date to the effective date, the said businesses would continue to be carried on by TCFSL and TCCL for and on behalf of and in trust for TCL.
- b. All the shares of TCFSL and TCCL held by TCL (either directly and/or through nominees) would stand cancelled without any further application, act or deed.
- c. The scheme does not envisage issuance of any equity shares for merger of TCFSL and TCCL, except for a minority shareholder of the latter based on valuation carried out by independent valuers.
- d. The holders of Non-Convertible Debentures (NCDs) of TCFSL and TCCL will become holders of NCDs of TCL on the same terms and conditions (including same rights, interests and benefits).
- 9 Figures in the previous year have been regrouped wherever necessary, in order to make them comparable in the current year.
- 10 The Group prepares the Consolidated Financial Results on an Annual basis.
- 11 Networth includes equity share capital plus cumulative redeemable preference shares (CRPS) plus other equity less deferred revenue expenditure.
- 12 Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
- | | |
|--------------------------------------|--|
| (i) Debt equity ratio | (Debt Securities+Borrowings (other than debt securities)+Subordinated Debts-Unamortised Issue Expenses)/(Equity Share Capital+Other Equity-Deferred Revenue Expenditure) |
| (ii) Total debts to total assets (%) | (Debt Securities + Borrowings (other than Debt Securities) + Subordinated Debts) - Unamortised Issue Expenses / Total Assets |
| (iii) Net profit margin (%) | Profit after Tax (Attributable to owners of the Company)/ Revenue from Operations |

For Tata Capital Limited



Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

Place : Mumbai
Date : April 27, 2023



kkc & associates llp

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Independent Auditor's report on annual consolidated financial results of Tata Capital Limited under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of
Tata Capital Limited

Introduction

1. We have audited the accompanying Consolidated Financial Results of Tata Capital Limited ('the Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') and its associates for the year ended 31 March 2023, being submitted by the Parent pursuant to the requirement of Regulation 52 (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate audited financial statements of, subsidiaries, and financial information of the associates provided to us by the management of the Company, the aforesaid consolidated financial results:

2.1. include the annual financial results of the following entities:

| Sr. No | Name of the Entity | Relationship |
|--------|--|--|
| 1 | Tata Capital Limited | Parent |
| 2 | Tata Capital Financial Services Limited | Subsidiary |
| 3 | Tata Capital Housing Finance Limited | Subsidiary |
| 4 | Tata Cleantech Capital Limited | Subsidiary |
| 5 | Tata Securities Limited | Subsidiary |
| 6 | Tata Capital Pte Limited | Subsidiary |
| 7 | TCL Employee Welfare Trust | Subsidiary |
| 8 | Tata Capital Growth Fund I | Subsidiary |
| 9 | Tata Capital Healthcare Fund I | Subsidiary |
| 10 | Tata Capital Innovations Fund | Subsidiary |
| 11 | Tata Capital Special Situation Fund | Subsidiary |
| 12 | Tata Capital Growth Fund II | Subsidiary |
| 13 | Tata Capital Healthcare Fund II | Subsidiary |
| 14 | Tata Capital Advisors Pte Limited | Subsidiary of Tata Capital Pte Limited |
| 15 | Tata Capital Plc | Subsidiary of Tata Capital Pte Limited |
| 16 | Tata Capital General Partners LLP | Subsidiary of Tata Capital Pte Limited |
| 17 | Tata Capital General Healthcare Partners LLP | Subsidiary of Tata Capital Pte Limited |
| 18 | Tata Opportunities General Partners LLP | Subsidiary of Tata Capital Pte Limited |
| 19 | Tata Capital Growth II General Partners LLP | Subsidiary of Tata Capital Pte Limited |
| 20 | Tata Capital Healthcare II General Partners LLP | Subsidiary of Tata Capital Pte Limited |
| 21 | Tata Autocomp Systems Limited (upto 23 March 2023) | Associate |
| 22 | Tata Projects Limited | Associate |
| 23 | Tata Play Limited | Associate |



| | | |
|----|--|--|
| 24 | TVS Supply Chain Solutions Limited | Associate of Tata Capital Financial Services Limited |
| 25 | Fincare Business Services Limited | Associate of Tata Capital Financial Services Limited |
| 26 | Fincare Small Finance Bank Limited | Associate of Tata Capital Financial Services Limited |
| 27 | Novalead Pharma Private Limited | Associate of Tata Capital Healthcare Fund |
| 28 | Vortex Engineering Private Limited | Associate of Tata Capital Innovations Fund |
| 29 | Sea6 Energy Private Limited | Associate of Tata Capital Innovations Fund |
| 30 | Alef Mobitech Solutions Private Limited | Associate of Tata Capital Innovations Fund |
| 31 | TEMA India Private Limited | Associate of Tata Capital Special Situations Fund |
| 32 | Kapsons Industries Limited | Associate of Tata Capital Special Situations Fund |
| 33 | Tata Technologies Limited (upto 13 April 2022) | Associate of Tata Capital Growth Fund |
| 34 | Indusface Private Limited | Associate of Tata Capital Growth Fund II |
| 35 | Linux Laboratories Private Limited | Associate of Tata Capital Healthcare Fund II |
| 36 | Atulaya Healthcare Private Limited | Associate of Tata Capital Healthcare Fund II |
| 37 | Cnergyis Infotech India Private Limited | Associate of Tata Capital Growth Fund II |
| 38 | Anderson Diagnostic Services Private Limited | Associate of Tata Capital Healthcare Fund II |

- 2.2. are presented in accordance with the requirements of regulation of the Listing Regulations; and
- 2.3. give a true and fair view, in conformity with recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS'), RBI guidelines and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2023.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('Sas') specified under section 143(10) of the Companies Act, 2013 ('Act'). Our responsibilities under those Sas are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provision of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our opinion.



Board of Director's responsibilities for the Consolidated Financial Results

4. These consolidated financial results have been compiled from consolidated annual financial statements. The Parent's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the consolidated net profit after tax and other comprehensive income and other financial information of the Group including its associates in accordance with the recognition and measurement principles laid down in Ind AS prescribed under Section 133 of the Act read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by RBI, RBI Guidelines and other accounting principles generally accepted in India and in compliance with the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its subsidiaries, associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial results by the Directors of the Parent, as aforesaid.
5. In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
6. The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

7. Our objectives are to obtain reasonable assurance about whether the consolidated financial results are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 8.1. Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- 8.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- 8.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- 8.4. Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- 8.5. Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represents the underlying transactions and events in a manner that achieves fair presentation.
- 8.6. Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and its associates to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial results of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
11. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

12. The consolidated financial results include the audited financial results of 4 subsidiaries, whose Financial Statements reflect Group's share of total assets of Rs. 1,31,07,547.36 lakhs as at 31 March 2023, Group's share of total revenue of Rs. 12,86,798.98 Lakhs and Group's share of total net profit after tax of Rs. 2,50,219.59 lakhs for the year ended 31 March 2023 respectively, as considered in the consolidated financial results, which have been audited by their respective



kkc & associates llp

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

13. The consolidated financial results include the unaudited financial results of 18 associates, whose Financial Statements/ financial information reflect Group's share of net profit after tax of Rs. 14,669.82 Lakhs for the year ended 31 March 2023 respectively, as considered in the consolidated financial results. These unaudited financial statements/ financial information have been furnished to us by the Board of Directors and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these associates is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements/ financial information are not material to the Group.
14. Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W10062



Hasmukh B Dedhia

Partner

ICAI Membership No: 033494

UDIN: 23033494BGWSQM1868



Place: Mumbai

Date: 27 April 2023