



TATA CAPITAL

Count on us

Tata Capital Limited

RESULTS

Q2 FY22-23





Our Purpose

Responsible financial partner
fulfilling India's aspirations

Our Six Purpose Pillars



Lead with Trust

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



Better Together

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



Future ready

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



Faster forward

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



Capital & More

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



Delivering Delight

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

Our **Vision**



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

Tata Capital:

Flagship Financial Services Company of the Tata Group



INR 1,03,518 Cr

Loan book

79%

Secured book

2.8 Mn+

Customers

340

Branches



Profitable since inception



Rated AAA by Crisil, ICRA, India Ratings

Corporate Structure



TATA CAPITAL

Count on us

100%

TATA
Capital Financial
Services Ltd.

NBFC

100%

TATA
Capital Housing
Finance Ltd.

HFC

80.5%
19.5% IFC,W

TATA
Cleantech
Capital Ltd.

NBFC (Infra)

Private Equity
Funds

Other
Subsidiaries

LENDING BUSINESS

OTHER BUSINESSES

Business Segments

LENDING BUSINESS



Consumer

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



Housing

Home Loans, Loan against property, Affordable Housing Loans



SME

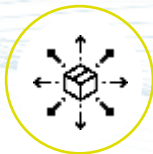
Channel Finance, Leasing, Invoice Discounting, Term Loans, Working Capital loans



Corporate Finance

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

DISTRIBUTION, ADVISORY & INVESTING BUSINESS



Distribution

Insurance & Credit Cards



Wealth Management

Wealth management services & distribution



Moneyfy

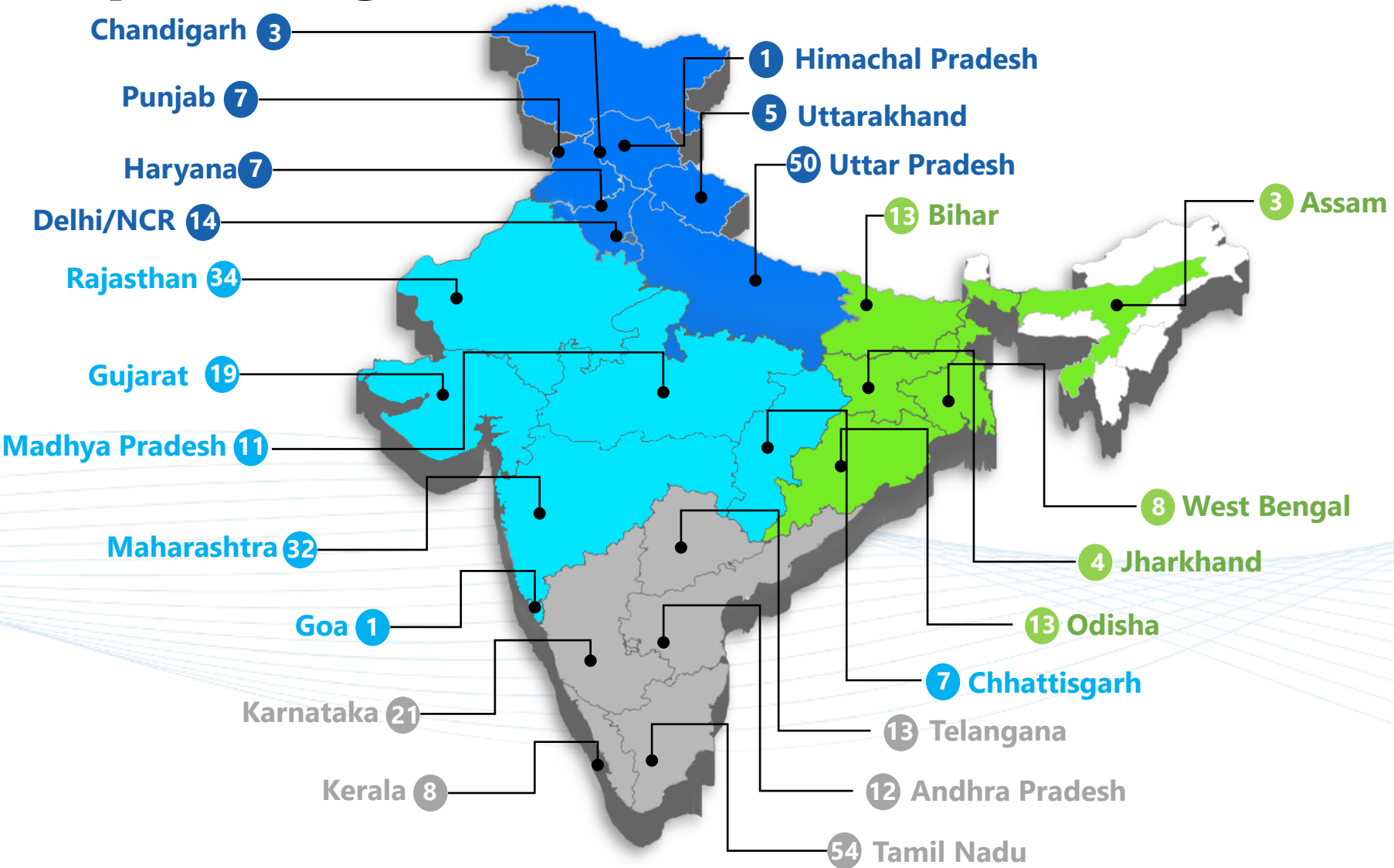
Digital financial planning platform



Private Equity

Growth Fund, Healthcare Fund, Opportunities Fund

Expanding reach



Total Count: 340

73 branches
added in H1 FY23

Target to reach
450+ branches by
Mar'23

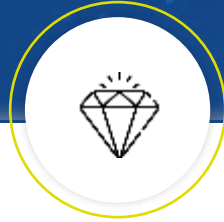
'Digital' @ heart of our transformation



Reimagining customer experience

Enhancing Digital Platforms for higher traffic and activation

Enabling unified customer experience and seamless e2e digital journeys



Bringing delight to service

Omni channel delivery for customer convenience

Shifting customer engagement to seamless self-service options

Using conversational service capabilities

Best-in-class TATs



Rethinking how we operate

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

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



Simplifying partner journeys

'Smart Assist' platform enabling e2e seamless journeys

95% adoption across all products

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



Embracing ecosystems for growth

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

Analytics across customer lifecycle



Better conversion and pricing



Improve cross-sell & Products per Customer



Increase Straight through decision making



Improve collection efficiency



Drive productivity and efficiency

Acquisition & Cross-sell

Leads from existing base & group ecosystem

Prospect Marketing

Pre-approved offers

Segmentation and profitability models

Underwriting & Disbursement

Decision scorecards

Decision tree for policy refinement

Risk based pricing

Channel scorecards

Lifecycle Management & Retention

Bureau Watch

Proactive retention models

Pricing Model/CLTV/ Customer risk profiling

Early warning signals

Collection & Recovery

35+ scorecards built using LR/DT/ML algorithms

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

Driving **businesses digitally**



Customer Acquisition

95%

customers onboarded through digital platforms

44%

growth in pre-approved disbursals*

54%

PL disbursed through online channels

85+

Partnerships across ecosystem



Process Transformation

76%

of retail logins use scorecard

100%

2W cases decided via scorecards

155+

APIs used across ecosystem

6Lac+

ops transactions handled by bots for the quarter



Customer Experience

77%

Digital Adoption

5Lac+

service requests handled digitally for the quarter

100+

services on digital channels

79%

Channel Finance customers served digitally



Collections

93%

collections through digital

40+

models used across collections management

100%

Digital app enabled collections workforce

45%

Digital payments through BBPS



Financial Performance

(Consolidated)



Performance Highlights – H1 FY23

H1 FY23
(y-o-y change)

INR 33,022Cr
↑ 51%

INR 1,03,518Cr
↑ 25%

INR 2,924Cr
↑ 22%

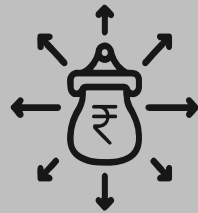
0.6%
↓ 10 bps

INR 1,205Cr
↑ 146%

19.6%
↑ 2x



Disbursals



Loan Book



Income



Net NPA



PAT



RoE

INR 21,844 Cr

INR 83,044 Cr

INR 2,396 Cr

0.7%

INR 491 Cr

9.7%

H1 FY22

Performance Highlights – Q2 FY23

Q2 FY23
(y-o-y change)

INR 17,587 Cr
↑ 36%

INR 103,518 Cr
↑ 25%

INR 1,663 Cr
↑ 39%

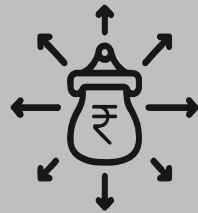
0.6%
↓ 10 bps

INR 670 Cr
↑ 75%

21.3%
↑ 640 bps



Disbursals



Loan Book



Income



Net NPA



PAT



RoE

INR 12,917 Cr

INR 83,044 Cr

INR 1,193 Cr

0.7%

INR 383 Cr

14.9%

Q2 FY22

Key takeaways [1/2]



Strong y-o-y growth of 51% in disbursements during H1 FY23⁽¹⁾; Recorded highest ever disbursements in the retail segment during the same period



Loan book stood at INR 103,518 Cr; up 25% y-o-y and 6% q-o-q



Retail continues to be 63% of the total loan book; 79% of the book remains secured



Income growth was recorded at 22% y-o-y in H1 FY23 in line with the book growth



Credit costs at 0.3% in H1 FY23; lower by 83% on a y-o-y basis supported by superior asset quality and strong collection efficiencies

Key takeaways [2/2]



Restructured book under moratorium stood at 0.11% of total advances as on Sep'22



GNPA (1.9%) | NNPA (0.6%) remained at same levels vs Jun'22. Provisioning Coverage Ratio remains healthy at 67%



Our total loan loss provisions stood at 2.8% of the loan book as on Sep'22. The same is 2.2x of provisions required as per IRAC norms



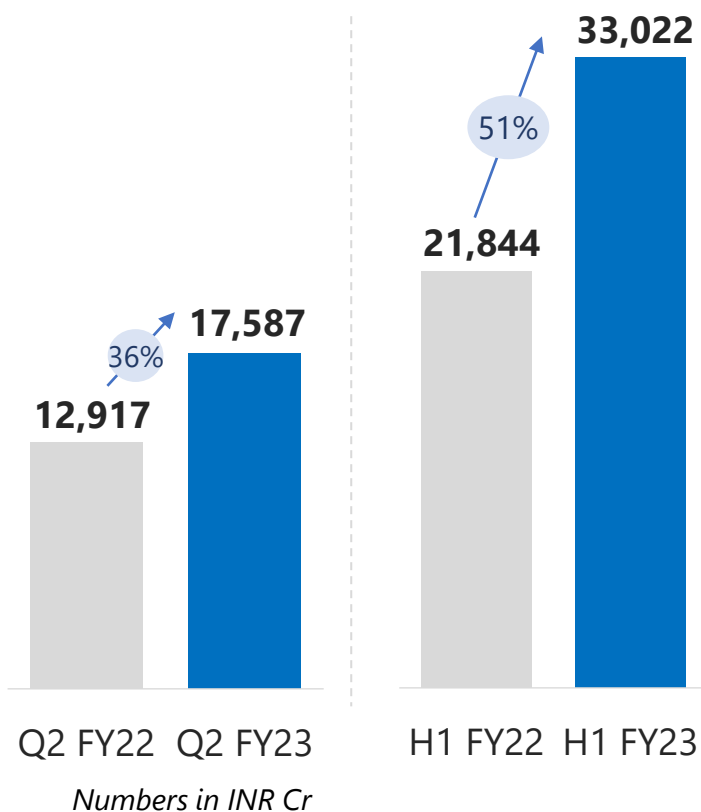
Continue to reimagine digital assets with new features / design / journeys & content and invest significantly in our core systems / technologies, to provide best-in-class customer experience



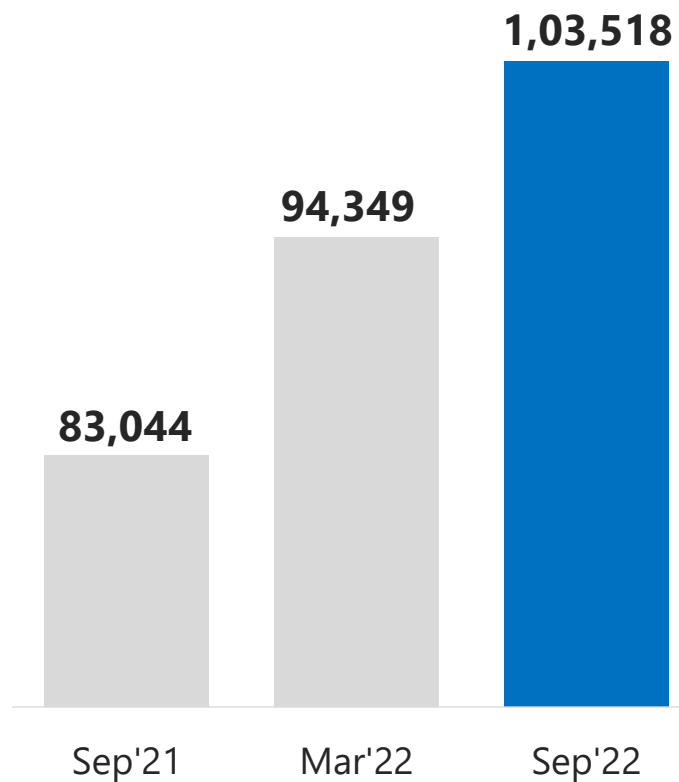
Strengthen digital capabilities, leverage partnerships and participate in ecosystem activities in order to expand the distribution reach, target new customer segments and improve cross-sell

Disbursals & Loan Book

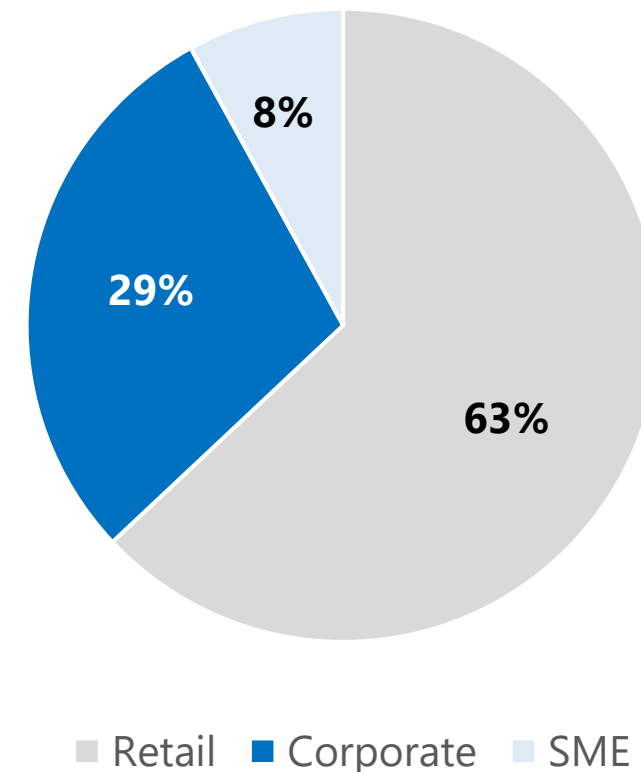
Disbursals: 36% YoY Growth in Q2 FY23



Loan Book: 25% YoY Growth

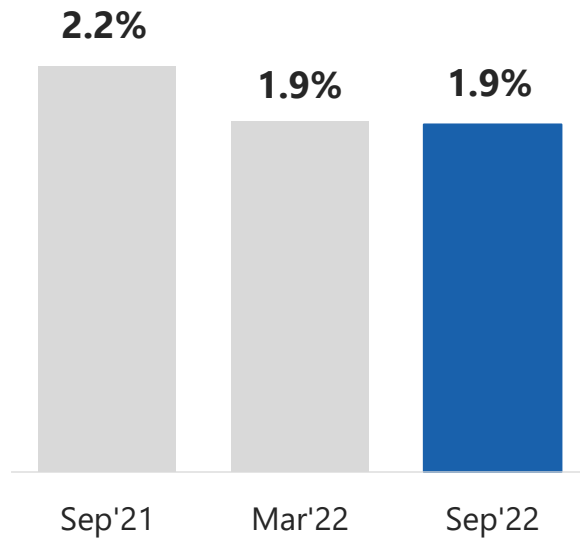


63% Retail Loan Book

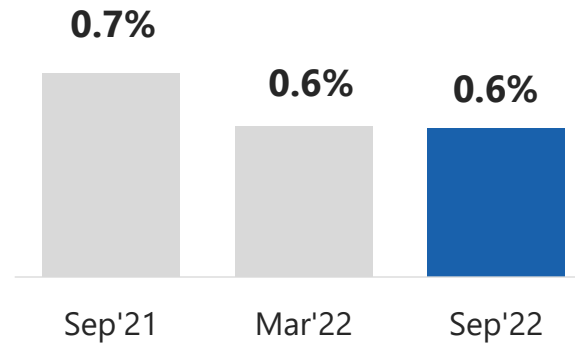


Asset Quality

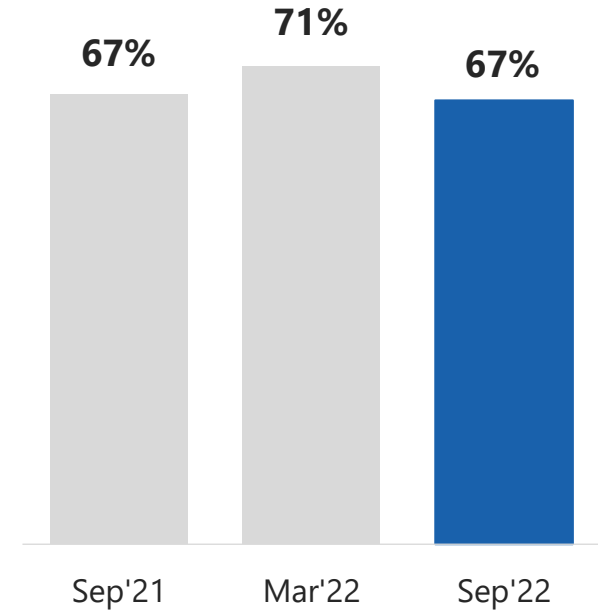
Gross Stage III (%)



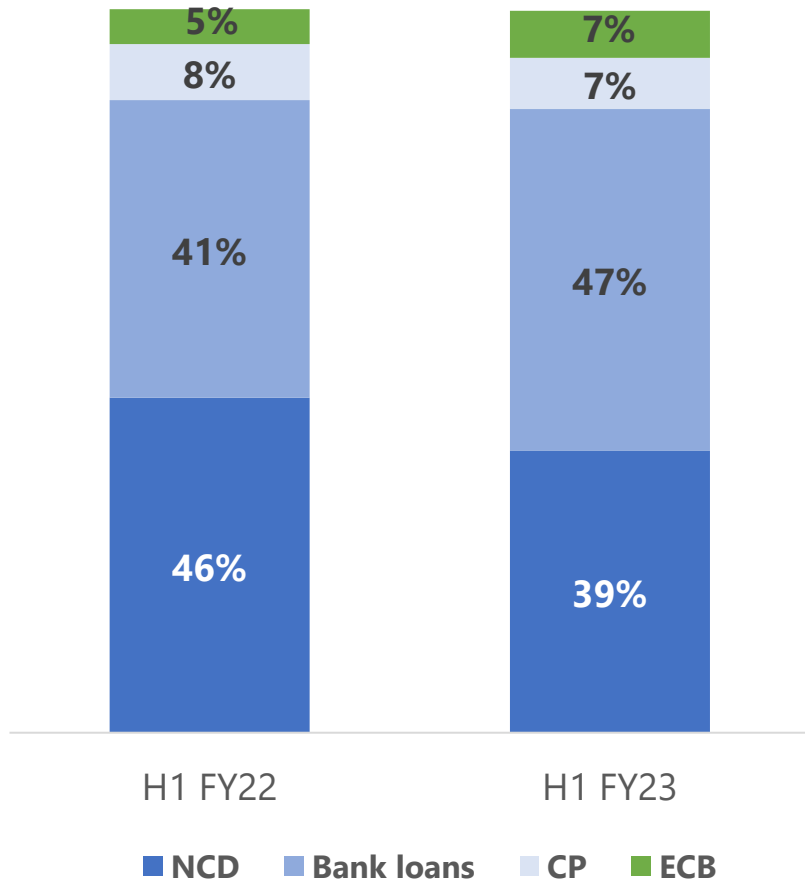
Net Stage III (%)



PCR (%)



Liability Mix



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



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

Credit ratings
Rated AAA by

CRISIL
An S&P Global Company



ICRA
A MOODY'S INVESTORS
SERVICE COMPANY

**India Ratings
& Research**
A Fitch Group Company

Financial Performance

INR Cr	Q2 FY 22	Q2 FY 23	Y-o-Y Growth
Disbursals	12,917	17,587	36%
Loan book	83,044	1,03,518	25%
NIM + Other Revenue	1,193	1,663	39%
Operating expenses	485	618	27%
Credit cost	171	57	-67%
Profits before tax	536	988	84%
Profits after tax	383	670	75%

Ratios (%)	Q2 FY 22	Q2 FY 23
Return on assets	1.9%	2.7%
Return on equity	14.9%	21.1%
Debt to equity	7.3x	7.3x

Financial Performance

INR Cr	H1 FY 22	H1 FY 23	Y-o-Y Growth
Disbursals	21,844	33,022	51%
Loan book	83,044	1,03,518	25%
NIM + Other Revenue	2,396	2,924	22%
Operating expenses	857	1,179	37%
Credit cost	866	149	-83%
Profits before tax	672	1,596	137%
Profits after tax	491	1,205	146%

Ratios (%)	H1 FY 22	H1 FY 23
Return on assets	1.3%	2.5%
Return on equity	9.7%	19.6%
Debt to equity	7.3x	7.3x

Awards & Recognition



Best BFSI Brand-
Economic Times Best BFSI
Brands 2022



CII – Digital
Transformation Awards,
2022



Best in class Wealthtech
Solution Award at Global
Fintech Awards 2022



Best Digital Strategy
(BFSI) – Search Engine
Marketing 2022



Winner - Masters of Risk
BFSI Large Cap 2022



Recognized as a Great
Place to Work 2022



Green Urja award – Top
Private financing
institution for RE and EE
2022



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



Excellence Award under
'Lending' category by
ASSOCHAM, 2022



Green Earth Care Award
2022



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



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



Marketing Campaign of
the Year 2021
TATA CAPITAL
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Winner – Service Sector Large
Category at CII (WR) SHE
Excellence & Innovation Award
2021



Excellence in Water
Conservation - ASSOCHAM
CSR & Sustainability
Summit Awards



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



Multiple awards at Drivers
of Digital (DOD) Awards
2020



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

Impacting Lives



Health

Cancer Care
Treatment

Eradication of
curable blindness

~ 276,000

lives impacted



Education

Scholarships

Quality Primary
Education

Financial Literacy

~ 265,000

lives impacted



Climate Action

Water security

Renewable energy

~66,500

lives impacted



Skilling

BFSI

~21,500

lives impacted

625,000+

beneficiaries through
our programs

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

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