

B S R & Co. LLP

Chartered Accountants

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Limited review report on unaudited quarterly standalone financial results and standalone year-to-date financial results of Tata Capital Financial Services Limited under Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Review report

To the Board of Directors of Tata Capital Financial Services Limited

We have reviewed the accompanying Statement of unaudited standalone financial results of Tata Capital Financial Services Limited (the 'Company') for the quarter ended 30 September 2021 and year-to-date results for the period from 1 April 2021 to 30 September 2021 (the 'Statement').

This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations'). Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements ('SRE') 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India ('ICAI'). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP
(a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4,
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Review report (*continued*)

Tata Capital Financial Services Limited

Emphasis of Matter

As described in Note 7 to the Statement, the extent to which the COVID-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain.

Our conclusion is not modified in respect of this matter.

Other Matter

As described in Note 17, the figures for the second quarter in each of the financial years are the balancing figures between figures in respect of the half year end and the year-to-date figures upto the end of the first quarter of the respective financial year. The figures for the half year ended 30 September 2020 of previous financial year had been audited and figures for quarter ended 30 June 2020 and 30 June 2021 and 30 September 2021 had been reviewed and not subjected to audit.

Our conclusion is not modified in respect of this matter.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022



Sumana Chakravarty
Partner

Membership No: 121236
UDIN: 21121236AAAKJM6907

Mumbai
21 October 2021

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30,2021

Sr. No.	Particulars	Quarter Ended			Half year Ended		(Rs. in lakh)
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
		Unaudited (Refer note 17)	Unaudited	Unaudited (Refer note 17)	Unaudited	Audited	Audited
1	Revenue from operations						
(i)	Interest income	1,39,775	1,31,281	1,33,798	2,71,056	2,66,586	5,25,499
(ii)	Dividend income	72	-	1	72	1	1
(iii)	Rental income	8,326	8,255	9,723	16,581	19,533	38,140
(iv)	Fees and commission income	3,657	2,740	2,453	6,397	3,307	9,407
(v)	Net gain on fair value changes	478	8,283	2,659	8,761	6,114	18,624
(vi)	Gain on derecognition of investment measured at cost	-	-	-	-	389	534
	Total Revenue from operations	1,52,308	1,50,559	1,48,634	3,02,867	2,95,930	5,92,205
2	Other income	2,114	1,296	3,556	3,410	4,651	7,252
3	Total Income (1+2)	1,54,422	1,51,855	1,52,190	3,06,277	3,00,581	5,99,457
4	Expenses						
(i)	Finance costs	71,361	67,039	73,090	1,38,400	1,51,437	2,89,885
(ii)	Impairment of financial instruments	18,488	52,396	35,893	70,884	58,643	1,01,294
(iii)	Employee benefits expense	14,041	11,203	9,561	25,244	20,944	43,811
(iv)	Depreciation and amortisation and impairment	6,746	6,635	8,075	13,381	16,376	31,974
(v)	Other expenses	15,823	11,109	8,966	26,932	20,617	49,989
	Total expenses (4)	1,26,459	1,48,382	1,35,585	2,74,841	2,68,017	5,16,953
5	Profit before exceptional items and tax (3-4)	27,963	3,473	16,605	31,436	32,564	82,504
6	Exceptional Items	-	-	-	-	-	-
7	Profit before tax (5-6)	27,963	3,473	16,605	31,436	32,564	82,504
8	Tax expense						
(1)	Current tax	10,768	1,798	8,291	12,566	16,912	20,240
(2)	Deferred tax	(3,644)	(832)	(4,289)	(4,476)	(8,893)	(5,435)
	Net tax expense	7,124	966	4,002	8,090	8,019	14,805
9	Profit for the period/year from continuing operations (7-8)	20,839	2,507	12,603	23,346	24,545	67,699
10	Profit from discontinued operations before tax	-	-	-	-	-	-
11	Tax expense of discontinued operations	-	-	-	-	-	-
12	Profit from discontinued operations (after tax) (10-11)	-	-	-	-	-	-
13	Profit for the period/year (9+12)	20,839	2,507	12,603	23,346	24,545	67,699
14	Other Comprehensive Income						
A	(i) Items that will be reclassified subsequently to statement of profit and loss						
(a)	Fair value gain/(loss) on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI)	(221)	(17)	(46)	(238)	(58)	161
(b)	Income tax relating to fair value gain on financial assets carried at FVTOCI	56	4	12	60	15	(41)
(c)	The effective portion of loss on hedging instruments in a cash flow hedge	951	(503)	799	448	(4,252)	(2,047)
(d)	Income tax relating to the effective portion of loss on hedging instruments in a cash flow hedge	(239)	126	(201)	(113)	1,070	515
	(ii) Items that will not be reclassified subsequently to statement of profit and loss						
(a)	Remeasurement of defined employee benefit plans	1	(319)	1,047	(318)	900	804
(b)	Income tax relating to items that will not be reclassified to profit or loss	-	80	(264)	80	(227)	(202)
	Total Other Comprehensive Income	548	(629)	1,347	(81)	(2,552)	(810)
15	Total Comprehensive Income for the period/year (13+14)(Comprising Profit and Other Comprehensive Income for the period/year)	21,387	1,878	13,950	23,265	21,993	66,889
16	Earnings per equity share (for continuing operation):						
(1)	Basic (Rupees)	*1.28	*0.15	*0.78	*1.43	*1.51	4.15
(2)	Diluted (Rupees)	*1.28	*0.15	*0.78	*1.43	*1.51	4.15
17	Earnings per equity share (for discontinued operation):						
(1)	Basic (Rupees)	-	-	-	-	-	-
(2)	Diluted (Rupees)	-	-	-	-	-	-
18	Earnings per equity share (for continuing and discontinued operations)						
(1)	Basic (Rupees)	*1.28	*0.15	*0.78	*1.43	*1.51	4.15
(2)	Diluted (Rupees)	*1.28	*0.15	*0.78	*1.43	*1.51	4.15
19	Debt Equity Ratio (No. of Times)	6.35	6.02	6.06	6.35	6.06	5.86
20	Debt Service Coverage Ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
21	Interest service coverage ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
22	Outstanding redeemable preference shares (Nos. in Lakhs)	-	-	-	-	-	-
23	Outstanding redeemable preference shares (Values)	-	-	-	-	-	-
24	Debenture Redemption Reserve	30,000	30,000	30,000	30,000	30,000	30,000
25	Net Worth (refer note no 6)	6,78,420	6,60,596	6,20,577	6,78,420	6,20,577	6,58,322
26	Current ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
27	Long term debt to working capital	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
28	Current liability ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
29	Total debts to total assets (%)	82.56	81.94	82.24	82.56	82.24	81.29
30	Debtors turnover	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
31	Inventory turnover	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
32	Operating margin (%)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
33	Net profit margin (%)	13.68	1.67	8.48	7.71	8.29	11.43
34	Bad debts to account receivable ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
35	Gross Non Performing Assets (%)	2.55	3.42	2.28	2.55	2.28	2.97
36	Net Non Performing Assets (%)	0.68	1.03	0.24	0.68	0.24	0.89
37	Provision Coverage Ratio (%)	73.73	70.62	89.77	73.73	89.77	70.78
38	Asset Cover Ratio (No. of Times)	1.59	1.62	1.24	1.59	1.24	1.67

(* Not annualised)



Notes:-

1 Statement of assets and liabilities as at September 30, 2021

(Rs. in lakh)

Particulars	As at September 30, 2021 (Unaudited)	As at March 31, 2021 (Audited)
ASSETS		
(1) Financial assets		
(a) Cash and cash equivalents	23,598	1,00,316
(b) Bank balances other than (a) above	648	109
(c) Receivables		
(d) (i) Trade receivables	2,778	1,962
(ii) Other receivables	-	-
(e) Loans	46,49,317	42,83,828
(f) Investments	2,74,120	1,30,906
(g) Other financial assets	1,04,276	62,293
Total financial assets	50,54,737	45,79,414
(2) Non-financial assets		
(a) Current tax assets (net)	11,551	11,551
(b) Deferred tax assets (net)	61,121	56,698
(c) Property, plant and equipment	56,565	67,532
(d) Capital work-in-progress	21	633
(e) Intangible assets under development	481	-
(f) Other intangible assets	2,085	2,018
(g) Right of use assets	6,736	7,294
(h) Other non-financial assets	18,609	15,977
Total non-financial assets	1,57,169	1,61,703
Total Assets	52,11,906	47,41,117
LIABILITIES AND EQUITY		
LIABILITIES		
(1) Financial liabilities		
(a) Derivative financial instruments	21,488	18,222
(b) Payables		
(i) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	97	81
- Total outstanding dues of creditors other than micro enterprises and small enterprises	57,098	63,607
(ii) Other trade 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	21,78,309	20,05,053
(d) Borrowings (other than debt securities)	17,55,318	14,93,532
(e) Subordinated liabilities	3,69,179	3,55,532
(f) Lease liabilities	7,620	8,092
(g) Other financial liabilities	1,04,487	93,647
Total financial liabilities	44,93,596	40,37,766
(2) Non-Financial liabilities		
(a) Current tax liabilities (net)	16,702	20,316
(b) Provisions	2,964	2,543
(c) Other non-financial liabilities	5,753	6,958
Total non-financial liabilities	25,419	29,817
(3) Equity		
(a) Share capital	1,62,993	1,62,993
(b) Other equity	5,29,898	5,10,541
Total Equity	6,92,891	6,73,534
Total Liabilities and Equity	52,11,906	47,41,117



2 Statement of cash flows for the half year ended September 30, 2021

Particulars	For the half year ended September 30, 2021 (Unaudited)	For the half year ended September 30, 2020 (Audited)
1 CASH FLOW USED IN OPERATING ACTIVITIES		
Profit before tax	31,436	32,564
Adjustments for :		
Depreciation and amortisation	13,381	16,376
Net gain on derecognition of property, plant and equipment	(352)	(144)
Finance cost	1,38,400	1,51,437
Interest income	(2,71,056)	(2,66,586)
Dividend Income	(72)	(1)
Net gain on fair value changes		
- Realised	(1,603)	(3,325)
- Unrealised	(7,158)	(2,788)
Net gain on derecognition of investment measured at cost	-	(389)
Share based payments- Equity-settled	167	158
Provision for leave encashment	162	18
Impairment loss allowance on loans (Stage I & II)	43,187	39,150
Impairment loss allowance on loans (Stage III)	27,705	19,505
Provision against trade receivables	(8)	(12)
Provision against assets held for sale	-	(175)
Operating Loss before working capital changes and adjustments for interest received, interest paid and dividend received	(25,811)	(14,212)
Adjustments for :		
Decrease/(Increase) in trade receivables	(803)	2,566
(Increase)/Decrease in loans	(4,21,469)	21,484
Increase in other financial assets	(1,825)	(4,011)
Increase in other non financial assets	(3,779)	(11)
Increase/(Decrease) in other financial liabilities	2,615	1,618
Increase/(Decrease) in other non financial liabilities	(1,205)	(2,133)
Cash used in operations before adjustments for interest received, interest paid and dividend received	(4,52,277)	5,301
Interest paid	(1,48,127)	(1,62,389)
Interest received	2,53,126	2,67,530
Dividend received	72	1
Cash from operations	(3,47,206)	1,10,443
Taxes paid	(16,100)	2,418
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES (A)	(3,63,306)	1,12,861
2 CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital advances)	(627)	(2,881)
Proceeds from sale of property, plant and equipment	1,582	1,554
Purchase of investments	(3,37,179)	-
Purchase of mutual fund units	(62,87,686)	(40,48,927)
Proceeds from redemption of mutual fund units	62,49,152	40,37,303
Proceeds from sale of investments	2,04,506	831
Fixed deposits placed	(4)	(13,556)
NET CASH USED IN INVESTING ACTIVITIES (B)	(1,70,256)	(25,676)
3 CASH FLOW FROM FINANCING ACTIVITIES		
Debenture issue / loan processing expenses	(4,614)	(938)
Interim dividend paid on equity shares	(4,075)	(5,705)
Proceeds from borrowings (other than debt securities)	33,98,825	9,88,062
Proceeds from debt securities	28,38,665	7,73,016
Proceeds from subordinated liabilities	15,000	17,500
Repayment of borrowings (other than debt securities)	(31,39,338)	(11,05,226)
Repayment of debt securities	(26,45,028)	(8,04,029)
Repayment of subordinated liabilities	(842)	-
Repayment of lease liabilities	(1,749)	(1,765)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES (C)	4,56,844	(1,39,085)
NET DECREASE IN CASH AND CASH EQUIVALENTS (A + B + C)	(76,718)	(51,900)
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE PERIOD	1,00,316	1,58,466
CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD	23,598	1,06,566
Reconciliation of cash and cash equivalents as above with cash and bank balances		
Cash and Cash equivalents at the end of the period as per above	23,598	1,06,566
Add : Restricted Cash	604	59
Add: Fixed deposits with original maturity over 3 months	44	13,838
CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES AS AT THE END OF THE PERIOD	24,246	1,20,463



- 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 October 21, 2021. The Statutory Auditors of the Company have carried out limited review of the aforesaid results.
- 4 These financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 - Interim Financial Reporting as prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with Companies (Indian Accounting Standards), Rules 2015, amended from time to time, and other accounting principles generally accepted in India and in compliance with Regulation 52 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended. The financial results have been prepared on historical cost basis except for certain financial instruments measured at fair value in accordance with the requirement of 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 the 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 financial statements. The financial results for the current and previous periods may need to undergo changes in measurement and / or presentation upon receipt of clarifications on the Regulatory Framework or changes thereto.
- 6 Networth has been calculated as per Section 2(57) of Companies Act 2013 and includes equity share capital plus other equity less deferred revenue expenditure.
- 7 Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional lockdowns continued to be implemented in areas with a significant number of COVID-19 cases. The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. This may lead to a rise in the number of borrowers defaults and consequently an increase in corresponding provisions. The extent to which the COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's performance will depend on ongoing as well as future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.
- The Company has assessed the potential impact of COVID-19 on the carrying value of its assets based on relevant internal and external factors / information available, upto the date of approval of these financial results. In order to cover the impact of COVID-19 on the future expected credit losses, the Company is carrying a provision of Rs. 6,600 lakh as on September 30, 2021. (For the year ended March 31, 2021 Rs 10,600 lakh).
- 8 RBI circular dated April 7, 2021 advised all lending institutions to put in place a Board-approved policy to refund/adjust the 'interest on interest' charged to the borrowers during the moratorium period, i.e. March 01, 2020 to August 31, 2020 in conformity with the Supreme Court judgement dated March 23, 2021 ("Supreme Court judgement"). Further, the circular stated that in order to ensure that the Supreme Court judgement is implemented uniformly in letter and spirit by all lending institutions, methodology for calculation of the amount to be refunded/adjusted for different facilities shall be finalised by the Indian Banks Association ("IBA") in consultation with other industry participants/bodies, which shall be adopted by all lending institutions and also advised all lending institutions to disclose the aggregate amount to be refunded/adjusted in respect of their borrowers based on the above reliefs in their financial results for the year ended March 31, 2021.
- The IBA had released clarification on identification of borrowers and the calculation methodology of the amount to be refunded/adjusted vide letter CIB/ADV/MBR/9833 dated April 19, 2021. The Company had made an estimation of the said amount and had recognised an interest reversal of Rs. 5,660 lakh in its Statement of Profit and Loss Account for the year ended March 31, 2021. On the basis of the clarification received from IBA, the Company had assessed the impact amounting to Rs. 2,518 lakhs resulting in a reversal of Rs. 3,142 lakhs in its Statement of Profit and Loss Account for the period ended September 30, 2021.
- 9 The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, announced a scheme for COVID-19 Relief for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether moratorium as per RBI regulatory package was availed or not. The Company has implemented the Scheme and credited the accounts of or remitted amounts to the eligible borrowers as per the Scheme, amounting to Rs. 2,379 lakh. The Company has filed its claim for the ex-gratia with State Bank of India as per the Scheme.
- 10 Disclosure pursuant to Reserve Bank of India notification RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 pertaining to Resolution Framework for COVID-19-related Stress

(Rs. in lakh except number of accounts)

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan#
Personal Loans	2,599	30,113	-	-	4,092
Corporate persons*	199	7,075	-	-	827
Of which, MSMEs	-	-	-	-	-
Others	584	9,355	-	-	1,447
Total	3,382	46,542	-	-	6,367

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

The incremental provision is computed as on March 31, 2021.

- 11 Disclosure pursuant to Reserve Bank of India notification RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 pertaining to Resolution

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 (A) ^	Of (A), aggregate debt that slipped into NPA during the half-year	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
Personal Loans	30,564	1,586	72	945	30,676
Corporate persons*	6,811	201	16	277	6,781
Of which MSMEs	-	-	-	-	-
Others	9,934	1,125	59	575	9,659
Total	47,308	2,913	147	1,797	47,116

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

^ pertains to restructuring implemented under the Resolution Framework 1.0



- 12 Disclosure pursuant to Reserve Bank of India notification RBI/2021-22/31 dated May 05, 2021 pertaining to Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses.

Description	Individual Borrowers		Small businesses
	Personal Loans	Business Loans	
(A) Number of requests received for invoking resolution process under Part A	13,232	1,806	772
(B) Number of accounts where resolution plan has been implemented under this window*	11,772	1,658	670
(C) Exposure to accounts mentioned at (B) before implementation of the plan	94,714	25,760	21,148
(D) Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E) Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F) Increase in provisions on account of the implementation of the resolution plan	10,808	2,574	2,175

*Out of the above, 190 borrower accounts with exposure amounting to Rs. 1,364 lakh have slipped into NPA as on September 30, 2021.

There were 848 borrower accounts having an aggregate exposure of Rs. 7,002 lakh, where resolution plans had been implemented under RBI's Resolution Framework 1.0 dated August 6, 2020 and now modified under RBI's Resolution Framework 2.0 dated May 5, 2021.

- 13 The Board of Directors vide a resolution passed by circulation on September 17, 2021 have declared and approved an interim equity dividend of Rs. 0.25 per equity share and the dividend has been paid to the shareholders in the same period.
- 14 During the half year ended September 30, 2021, the Company has transferred Rs. 2,370 lakh to Special Reserve as prescribed by Section 45-IC of the Reserve Bank of India Act, 1934, being 20% of the profit after taxes.
- 15 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial results in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- 16 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 = $\frac{\text{Debt Securities} + \text{Borrowings (other than debt securities)} + \text{Subordinated Debts} - \text{Unamortised Issue Expenses}}{\text{Equity Share Capital} + \text{Other Equity} - \text{Deferred Revenue Expenditure}}$
- (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 (%) = $\frac{\text{Profit after Tax}}{\text{Revenue from Operations}}$
- (iv) Gross Non Performing Assets (%) = $\frac{\text{Gross Stage III Loans}}{\text{Gross Loans}}$
- (v) Net Non Performing Assets (%) = $\frac{\text{Gross Stage III Loans} - \text{Impairment loss allowance for Stage III}}{\text{Gross Loans} - \text{Impairment loss allowance for Stage III}}$
- (vi) Provision Coverage Ratio (%) = $\frac{\text{Impairment loss allowance for Stage III}}{\text{Gross Stage III Loans}}$
- 17 The figures for the second quarter in each of the financial years are the balancing figures between figures in respect of the half year end and the year to date figures upto the end of the first quarter of the respective financial year.

Place: Mumbai
Date: October 21, 2021



For Tata Capital Financial Services Limited

Sarosh Amaria

Sarosh Amaria
Managing Director
DIN No. : 08733676

Annexure 1
Additional Information

- a) The funds raised through the issue of Non-Convertible Debt Securities, after meeting the expenditures of and related to the issue, have been used for our various activities, including lending and investments, to repay the existing loans, business operations including capital expenditure and working capital requirements. Also as per investment policy of the company, approved by the Board of Directors of the Company, the Company has invested funds in interest bearing liquid instruments pending utilisation of the proceeds for the purpose described in debenture trustee deeds.
- b) Privately Placed Non-Convertible Debentures are secured by pari passu charge on specified class of assets i.e. receivables and book debts arising out of Secured/Unsecured loans, investments in nature of credit substitutes, lease and hire purchase receivables, Trade advances & bill discounting facility extended to borrower and sundry debtors and other current assets of the Company.
- c) Public issue of Non-Convertible Debentures are secured by way of first ranking pari passu charge over Company's specific immovable property and any of the identified receivables, both present and future, trade advances, and other current assets and other long term and current investments.
- d) There was no deviation in the use of the proceeds of the issue of Non Convertible Debt Securities.



Tata Capital Financial Services Limited

Related Party Transactions
for the half year ended September 30, 2021

(Rs. in lakh)

Sr No	Party Name	Nature of Transactions	For the half year ended September 30, 2021	For the half year ended September 30, 2020
1	Tata Sons Private Limited	Income Finance Lease Interest 10 24 Op. Lease Rental 407 407 Sale of Assets 9 - Expenses BEBP Expenses 2,293 884 Legal & Professional Fees - 23 * Staff Welfare Expenses 0 - Other transactions Facility repayment received during period 103 92		
2	Tata Capital Limited	Income Referral Fees - 15 Recovery Rent and Guest house expenses 2 2 Expenses Dividend paid during the period - Equity Shares 4,075 5,705 ICD Interest 4,740 2,709 NCD Interest 558 558 Service provider charges 906 932 Insurance Expenses 7 - Rent and Guest house expenses 538 475 Electricity Expenses 18 25 Other transactions Inter-Corporate Deposit received 1,76,431 92,480 Inter-Corporate Deposit repaid 1,90,686 64,822		
3	Tata Capital Housing Finance Limited	Income Referral Fees 4 - Loan Sourcing Fee 5 - Recovery Rent and Guest house expenses 321 448 Sale of Fixed Asset 22 - Expenses Rent and Guest house expenses 21 36 * Purchase of Fixed Asset 0 - Other Transactions		
4	Tata Cleantech Capital Limited	Income Recovery Rent and other expenses 53 48 Syndication Fees 8 6 Expenses Rent and Guest house expenses 4 - Consultancy charges - 10 Other transactions Transfer of loan portfolio 4,000 638		
5	Tata Securities Limited	Income Recovery Rent and Guest house expenses 21 21 Expenses * Fixed Assets transfer 0 -		



Tata Capital Financial Services Limited

Related Party Transactions
for the half year ended September 30, 2021

(Rs. in lakh)

Sr No	Party Name	Nature of Transactions	For the half year ended September 30, 2021	For the half year ended September 30, 2020
6	TVS Supply Chain Solutions Limited	Income Term Loan Interest Income Invoice Discounting Loan repayment received during period Invoice discounted during period Invoice discounted repayment received during period	- 19 - 1,965 1,749	204 23 12,725 1,307 1,276
7	Fincare Business Services Limited	Income Term Loan Interest Income Other transactions Loan repayment received during period	175 1,764	- -
8	Fincare Small Finance Bank Limited	Income Interest on Debenture Other transactions Investment in debenture during the period	205 119	- -
9	Tata Autocomp Systems Limited	Income Op. Lease Rental Other transactions Security deposit received during period	374 21	314 4
10	Tata Projects Limited	Income Finance Lease Interest Op. Lease Rental Management Fees Sale of Fixed Assets Other transactions Facility provided during period Facility repayment received during period Security deposit received during period Security deposit repaid / adjusted during period	331 3,380 8 83 2,027 654 84 -	190 1,504 2 - 957 334 229 202
11	Tata Technologies Limited	Income Finance Lease Interest Expenses Information Technology Expenses Other transactions Facility repayment received during period	2 196 12	4 142 24
12	Tema India Limited	Income Term Loan Interest Income Other transactions Loan repayment received during period	4 8	5 7
13	Tata Capital Limited Gratuity Scheme	Expenses Contribution to Gratuity fund	73	329



Tata Capital Financial Services Limited

Related Party Transactions
for the half year ended September 30, 2021

(Rs. in lakh)

Sr No	Party Name	Nature of Transactions	For the half year ended September 30, 2021	For the half year ended September 30, 2020
14	Tata Capital Limited Employees Provident Fund	Expenses Contribution to Provident Fund Other transactions Employees Contribution to Provident Fund	398 626	575 912
15	Tata Capital Limited Superannuation Scheme	Expenses Contribution to Superannuation	46	40
16	Automotive Stampings and Assemblies Limited	Income Term Loan Interest Income WCDL Interest Income Management Fees Other transactions Loan given during period Loan repayment received during period	71 107 7 5,775 7,695	59 227 19 7,822 6,979
17	Infiniti Retail Limited	Income Op. Lease Rental Management Fees Finance Lease Interest Trade Advance Interest Income Expenses Commission on Cards DMA Commission Staff Welfare Expenses Other transactions Facility provided during period Facility repayment received during period NSR Payment Security deposit received during period Security deposit repaid / adjusted during period Loan given during period Loan repayment received during period	35 3 2 - 12 9 - 59 6 484 27 36 - -	82 9 - 40 18 18 37 - 3 737 8 8 2,030 30
18	Niskalp Infrastructure Services Limited	Income Recovery Rent and other expenses	-	1
19	Tata Advanced Systems Limited	Income Finance Lease Interest Other transactions Facility provided during period Facility repayment received during period	18 58 35	17 33 28
20	Tata AIG General Insurance Company Limited	Income Insurance Commission Expenses Insurance Expenses	247 66	214 4
21	Tata Asset Management Limited	Income PMS Income	14	27



Tata Capital Financial Services Limited

Related Party Transactions

for the half year ended September 30, 2021

(Rs. in lakh)

Sr No	Party Name	Nature of Transactions	For the half year ended September 30, 2021	For the half year ended September 30, 2020
22	Tata Communications Limited	Income * Finance Lease Interest Expenses Information Technology Expenses Other transactions Facility repayment received during period	- 86 -	0 264 7
23	Tata Communications Payment Solutions Limited	Expenses Advertising Exp	-	4
24	Tata Communications Transformation Services Limited	Income * Finance Lease Interest Other transactions Facility repayment received during period	0 1	1 4
25	Tata Consultancy Services Limited	Income Finance Lease Interest Op. Lease Rental Expenses Information Technology Expenses Purchase of Fixed Assets Other transactions Purchase of Fixed Assets Facility repayment received during period Security deposit received during period Security deposit repaid / adjusted during period	15 238 3,823 15 - 42 43 21	18 174 4,931 - 64 23 130 86
26	Tata Industries Limited	Income Finance Lease Interest Management Fees Other transactions Facility provided during period Facility repayment received during period	109 158 182 240	142 - 607 215
27	Tata International Limited	Income Finance Lease Interest Other transactions Facility repayment received during period	7 10	7 8
28	Tata Teleservices (Maharashtra) Limited	Expenses Telephone Expenses	50	62



Tata Capital Financial Services Limited

Related Party Transactions

for the half year ended September 30, 2021

(Rs. in lakh)

Sr No	Party Name	Nature of Transactions	For the half year ended September 30, 2021	For the half year ended September 30, 2020
29	Tata Teleservices Limited	Income Finance Lease Interest Expenses Electricity Expenses Rent Expenses Telephone Expenses Other transactions Facility provided during period Facility repayment received during period	 12 - - 11 18 45	 11 4 14 16 26 36
30	Conneqt Business Solutions Limited**	Income Finance Lease Interest Op. Lease Rental Recovery Electricity expenses Recovery Rent and Guest house expenses Expenses Outsourcing Expenses Other transactions Facility repayment received during period Security Deposit Adjusted	 - - - - - - -	 61 21 6 83 4,319 107 16
31	Tata Consumer Products Limited	Income Finance Lease Interest Op. Lease Rental Other transactions Facility repayment received during period	 5 30 9	 6 31 7
32	Tata Motors Limited	Income Finance Lease Interest Management Fees Foreclosure Charges Other transactions Facility provided during period Facility repayment received during period	 387 9 5 4,440 417	 9 16 1 - 43
33	The Associated Building Company Limited	Income Term Loan Interest Income Other transactions Loan repayment received during period	 11 26	 - -
34	The Indian Hotels Company Limited	Income Finance Lease Interest Expenses Staff Welfare Expenses Other transactions Facility provided during period Facility repayment received during period	 3 14 9 23	 6 - - 44



Tata Capital Financial Services Limited

Related Party Transactions

for the half year ended September 30, 2021

(Rs. in lakh)

Sr No	Party Name	Nature of Transactions	For the half year ended September 30, 2021	For the half year ended September 30, 2020
35	The Tata Power Company Limited	Income		
		Finance Lease Interest	116	74
		Management Fees	11	3
		Other transactions		
		Facility provided during period	566	27
		Facility repayment received during period	147	107
36	Titan Company Limited	Expenses		
		Interest Expenses	13	-
		Other transactions		
		Security deposit received during period	13	-
		Inter-Corporate Deposit received	15,000	-
		Inter-Corporate Deposit repaid	15,000	-
37	Trent Limited	Other transactions		
		NSR Payment	55	44
38	Voltas Limited	Expenses		
		Fixed Assets Purchased	1	-
		Repairs and Maintenance	45	21
39	Coastal Gujarat Power Limited	Income		
		Finance Lease Interest	13	11
		Management Fees	3	-
		Other transactions		
		Facility provided during period	65	-
		Facility repayment received during period	15	10
40	TML Business Services Limited (formerly Concorde Motors (India) Limited)	Income		
		Op. Lease Rental	-	32
		Finance Lease Interest	10	-
		Sale of Fixed Asset	13	-
41	Fiora Hypermarket Limited	Other transactions		
		NSR Payment	107	131
42	Indian Steel & Wire Products Ltd.	Income		
		Finance Lease Interest	4	5
		Other transactions		
		Facility repayment received during period	12	11
43	Maithon Power Limited	Income		
		Finance Lease Interest	5	2
		Other transactions		
		Facility provided during period	41	-
		Facility repayment received during period	5	2



Tata Capital Financial Services Limited

Related Party Transactions
for the half year ended September 30, 2021

(Rs. in lakh)

Sr No	Party Name	Nature of Transactions	For the half year ended September 30, 2021	For the half year ended September 30, 2020
44	Nelco Limited	Income Finance Lease Interest Other transactions Facility repayment received during period	 2 7	 3 6
45	Piem Hotels Limited	Income Trade Advance Interest Income Management Fees Expenses * Hotel Expenses Other transactions Loan given during period	 7 5 0 500	 - - 0 -
46	Tata Metaliks Ltd.	Income * Finance Lease Interest Op. Lease Rental Other transactions Security deposit received during period Facility repayment received during period	 0 17 4 3	 - 11 - -
47	Tata Motors Finance Limited	Expenses Rent and Guest house expenses	 4	 3
48	Tata Power Solar Systems Limited	Income Finance Lease Interest Management Fees Other transactions Facility provided during period Facility repayment received during period	 18 2 78 43	 12 - 13 23
49	Tata Power Trading Company Limited	Income * Finance Lease Interest Other transactions Facility repayment received during period	 0 -	 0 1
50	Tata Steel Utilities and Infrastructure Services Limited	Income Finance Lease Interest Management Fees Op. Lease Rental Other transactions Facility repayment received during period Security deposit received during period	 1 2 - 12 21	 3 - 12 11 -
51	TP Ajmer Distribution Limited	Income * Finance Lease Interest Other transactions Facility provided during period * Facility repayment received during period	 0 - 0	 2 6 2



Tata Capital Financial Services Limited

Related Party Transactions
for the half year ended September 30, 2021

(Rs. in lakh)

Sr No	Party Name	Nature of Transactions	For the half year ended September 30, 2021	For the half year ended September 30, 2020
52	United Hotels Limited	Income Finance Lease Interest Other transactions Facility repayment received during period	 2 2	 3 2
53	Air International TTR Thermal Systems Private Limited	Income Op. Lease Rental Other transactions Security deposit received during period Security deposit repaid during period	 14 - -	 14 1 1
54	AirAsia (India) Limited	Income Trade Advance Interest Income Other transactions Loan given during period Loan repayment received during period	 1,192 18,207 28,209	 564 10,946 10,946
55	Mikado Realtors Private Limited	Income Term Loan Interest Income Other transactions Loan given during period	 - -	 139 2,350
56	Tata AIA Life Insurance Company Limited	Income Finance Lease Interest Insurance Commission Expenses Insurance Expenses Other transactions Facility provided during period Facility repayment received during period	 17 150 176 95 21	 2 88 82 12 2
57	Tata AutoComp GY Batteries Private Limited	Income Trade Advance Interest Income Management Fees Other transactions Loan given during period Loan repayment received during period	 6 - 1,006 1,006	 36 1 2,537 2,537
58	Tata Boeing Aerospace Limited	Income * Finance Lease Interest Other transactions Facility provided during period Facility repayment received during period	 0 - 1	 1 3 1
59	Tata International DLT Private Limited	Income Term Loan Interest Income Other transactions Loan given during period Loan repayment received during period	 - - -	 12 6 25



Tata Capital Financial Services Limited

Related Party Transactions
for the half year ended September 30, 2021

(Rs. in lakh)

Sr No	Party Name	Nature of Transactions	For the half year ended September 30, 2021	For the half year ended September 30, 2020
60	Tata Lockheed Martin Aerostructures Limited	Income Finance Lease Interest Other transactions Facility repayment received during period	 1 5	 3 6
61	Tata Precision Industries (India) Limited	Income Term Loan Interest Income Other transactions Loan repayment received during period	 1 11	 3 11
62	Tata Sikorsky Aerospace Limited	Income * Finance Lease Interest Other transactions Facility provided during period Facility repayment received during period	 5 20 9	 0 - 2
63	Tata Toyo Radiator Limited	Income Op. Lease Rental * Management Fees Term Loan Interest Income Other transactions Security deposit received during period Security deposit adjusted during period Loan repayment received during period Loan given during period	 1,174 1 68 20 - 2,500 -	 904 9 34 196 76 - 2,500
64	Tata Ficosa Automotive Systems Private Limited	Income Trade Advance Interest Income Other Transactions Loan given during period Loan repayment received during period	 25 1,424 2,424	 - - -
65	TP Luminaire Private Limited	Income Term Loan Interest Income Other Transactions Loan repayment received during period	 207 383	 - -
66	Indusface Private Limited	Expenses Information Technology Expenses	 3	 -
67	Tata Digital Limited	Income Term Loan Interest Income Other Transactions Loan given during period	 129 5,000	 - -
68	TP Central Odisha Distribution Limited	Income Finance Lease Interest Other transactions Facility provided during period Facility repayment received during period	 19 102 19	 - - -



Tata Capital Financial Services Limited

Related Party Transactions

for the half year ended September 30, 2021

(Rs. in lakh)

Sr No	Party Name	Nature of Transactions	For the half year ended September 30, 2021	For the half year ended September 30, 2020
69	Emerald Haven Realty Limited	Income Term Loan Interest Income Other transactions Loan given during period Loan repayment received during period	 331 - 951	 326 130 975
70	Supermarket Grocery Supplies Private Limited	Income Trade Advance Interest Income Management Fees Other transactions Loan given during period Loan repayment received during period	 27 30 6,000 6,000	 - - - -
71	Tata Business Hub Limited	Income Management Fees	 3	 -
72	Tata Electronics Private Limited	Income Finance Lease Interest Other transactions Facility provided during period Facility repayment received during period	 3 116 2	 - - -
73	Tata Elxsi Limited	Income Finance Lease Interest Other transactions Facility provided during period Facility repayment received during period	 1 38 1	 - - -
74	TVS Credit Services Limited	Income Interest on Debenture Management Fees Term Loan Interest Income Other transactions Loan repayment received during period	 1,119 8 320 8,655	 - - 283 -
75	Innovative Retail Concepts Private Limited	Expenses * Staff welfare exp	 0	 -
76	Savis Retail Private Limited	Expenses Staff welfare exp	 1	 -
77	Key Management	Remuneration to KMP Short Term Employee Benefits Post Employment Benefits Director Sitting Fees & Commission	 333 14 22	 154 20 18

Notes :

a) * less than Rs.50,000/-

b) ** Ceased to be a related party effective 16th April 21

c) The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends. The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

List of Associates

Country of Incorporation	Name of Associates
India	Shriram Properties Limited
India	TVS Supply Chain Solutions Limited
India	Fincare Business Services Limited
India	Fincare Small Finance Bank Limited

