

**Walker Chandiook & 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 Review Report on Unaudited Quarterly Standalone Financial Results of Tata Capital Financial Services Limited Pursuant to 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**

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Tata Capital Financial Services Limited** ('the Company') for the quarter ended **30 June 2022** ('the Statement'), being submitted by the 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) (the 'Listing Regulations'), including relevant circulars issued by SEBI from time to time.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's 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 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 52 of the Listing Regulations, including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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. 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing under section 143(10) of the Act, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. 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 the recognition and measurement principles laid down in the Ind AS 34 prescribed under Section 133 of the Act and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including relevant circulars issued by the SEBI from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

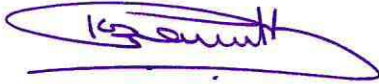


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Chartered Accountants

5. The review of unaudited condensed standalone interim Financial Statements for the quarter ended 30 June 2021, included in the Statement was reviewed by BSR & Co. LLP who has expressed unmodified conclusion vide their review report dated 19 July 2021, whose report has been furnished to us and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No:001076N/N500013



**Khushroo B. Panthaky**  
Partner  
Membership No:042423

**UDIN:22042423ANKLWZ7493**

Place: Mumbai  
Date: 22 July 2022



For **M M Nissim & Co LLP**  
Chartered Accountants  
Firm's Registration No:107122W/W100672



**Sanjay Khemani**  
Partner  
Membership No:044577

**UDIN:22044577ANKLBQ5686**

Place: Mumbai  
Date: 22 July 2022



**STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022**

(Rs. in lakh)

Sr. No.	Particulars	Quarter Ended			Year ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		Unaudited	Audited (Refer note 9)	Unaudited	Audited
<b>1</b>	<b>Revenue from operations</b>				
(i)	Interest income	1,56,480	1,50,850	1,31,281	5,65,723
(ii)	Dividend income	-	-	-	73
(iii)	Rental income	6,358	6,671	8,255	30,660
(iv)	Fees and commission income	2,542	3,397	2,741	13,255
(v)	Net gain on fair value changes	1,000	1,703	8,283	10,911
	<b>Total Revenue from operations</b>	<b>1,66,380</b>	<b>1,62,621</b>	<b>1,50,560</b>	<b>6,20,622</b>
<b>2</b>	<b>Other income</b>	<b>2,629</b>	<b>2,710</b>	<b>1,296</b>	<b>8,098</b>
<b>3</b>	<b>Total Income (1+2)</b>	<b>1,69,009</b>	<b>1,65,331</b>	<b>1,51,856</b>	<b>6,28,720</b>
<b>4</b>	<b>Expenses</b>				
(i)	Finance costs	78,234	72,320	67,039	2,83,300
(ii)	Impairment of financial instruments	7,433	2,241	52,396	88,950
(iii)	Employee benefit expenses	15,459	15,711	11,544	56,519
(iv)	Depreciation, amortisation and impairment	6,089	6,039	6,635	25,982
(v)	Other expenses	17,149	20,951	10,768	65,948
	<b>Total expenses (4)</b>	<b>1,24,364</b>	<b>1,17,262</b>	<b>1,48,382</b>	<b>5,20,699</b>
<b>5</b>	<b>Profit before exceptional items and tax (3-4)</b>	<b>44,645</b>	<b>48,069</b>	<b>3,474</b>	<b>1,08,021</b>
<b>6</b>	<b>Exceptional Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>7</b>	<b>Profit before tax (5-6)</b>	<b>44,645</b>	<b>48,069</b>	<b>3,474</b>	<b>1,08,021</b>
<b>8</b>	<b>Tax expense</b>				
(1)	Current tax	15,153	13,962	1,798	36,245
(2)	Deferred tax	(3,677)	(3,254)	(832)	(9,943)
	<b>Total tax expense</b>	<b>11,476</b>	<b>10,708</b>	<b>966</b>	<b>26,302</b>
<b>9</b>	<b>Profit for the period/year (7-8)</b>	<b>33,169</b>	<b>37,361</b>	<b>2,508</b>	<b>81,719</b>
<b>10</b>	<b>Other Comprehensive Income</b>				
	(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)	-	-	(17)	(238)
(b)	Income tax relating to fair value gain/(loss) on financial assets carried at FVTOCI	-	33	4	93
(c)	The effective portion of gain/(loss) on hedging instruments in a cash flow hedge	72	2,474	(503)	4,142
(d)	Income tax relating to the effective portion of (loss)/gain on hedging instruments in a cash flow hedge	(18)	(622)	126	(1,042)
	(ii) Items that will not be reclassified subsequently to statement of profit and loss				
(a)	Remeasurement of defined employee benefit plans	(662)	136	(319)	(308)
(b)	Income tax relating to the remeasurement of defined employee benefit plans	167	(34)	80	78
	<b>Total Other Comprehensive Income</b>	<b>(441)</b>	<b>1,987</b>	<b>(629)</b>	<b>2,725</b>
<b>11</b>	<b>Total Comprehensive Income for the period/year (9+10)</b>	<b>32,728</b>	<b>39,348</b>	<b>1,879</b>	<b>84,444</b>
<b>12</b>	<b>Earnings per equity share (Face value : Rs. 10 per share) :</b>				
(1)	Basic (Rupees)	*2.00	*2.29	*0.15	5.01
(2)	Diluted (Rupees)	*2.00	*2.29	*0.15	5.01
<b>13</b>	<b>Debt Equity Ratio (No. of Times)</b>	<b>6.29</b>	<b>6.49</b>	<b>5.99</b>	<b>6.49</b>
<b>14</b>	<b>Debt Service Coverage Ratio</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>15</b>	<b>Interest service coverage ratio</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>16</b>	<b>Outstanding redeemable preference shares (Nos. in Lakhs)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>17</b>	<b>Outstanding redeemable preference shares (Values)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>18</b>	<b>Debenture Redemption Reserve</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>
<b>19</b>	<b>Net Worth (refer note no 4)</b>	<b>7,86,696</b>	<b>7,57,132</b>	<b>6,60,597</b>	<b>7,57,132</b>
<b>20</b>	<b>Current ratio</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>21</b>	<b>Long term debt to working capital</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>22</b>	<b>Current liability ratio</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>23</b>	<b>Total debts to total assets (%)</b>	<b>81.97</b>	<b>82.54</b>	<b>81.45</b>	<b>82.54</b>
<b>24</b>	<b>Debtors turnover</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>25</b>	<b>Inventory turnover</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>26</b>	<b>Operating margin (%)</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>27</b>	<b>Net profit margin (%)</b>	<b>19.94</b>	<b>22.97</b>	<b>1.67</b>	<b>13.17</b>
<b>28</b>	<b>Bad debts to account receivable ratio</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>29</b>	<b>Gross Non Performing Assets (%)</b>	<b>2.21</b>	<b>2.23</b>	<b>3.42</b>	<b>2.23</b>
<b>30</b>	<b>Net Non Performing Assets (%)</b>	<b>0.47</b>	<b>0.48</b>	<b>1.03</b>	<b>0.48</b>
<b>31</b>	<b>Provision Coverage Ratio (%)</b>	<b>78.93</b>	<b>78.77</b>	<b>70.62</b>	<b>78.77</b>
<b>32</b>	<b>Asset Cover (No. of Times)</b>	<b>1.70</b>	<b>1.70</b>	<b>1.64</b>	<b>1.70</b>

(\* Not annualised)



**Notes:-**

- 1 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 July 22, 2022. The financial results for the quarter ended June 30, 2022 have been subjected to limited review by the joint statutory auditors (Walker Chandick & Co LLP, Chartered Accountants and M M Nissim & Co LLP, Chartered Accountants) of the Company. The report thereon is unmodified. The financial results for the quarter ended June 30, 2021 were reviewed by B S R & Co. LLP, Chartered Accountants.
- 2 These financial results together with the results for the comparative reporting periods 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.
- 3 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.
- 4 Networth includes equity share capital plus other equity less deferred revenue expenditure.
- 5 The impact of COVID-19 on the Company's performance will depend on the ongoing as well as future developments, including, among other things, any new information concerning the COVID-19 pandemic and any measure to contain its spread or mitigate its impact, whether mandated by the Government or adopted by us.
- 6 In accordance with Ind AS 108 on Segment Reporting, the Company has identified three business segments i.e. Financing Activity, Investment Activity and Others.
- 7 Details of loans transferred / acquired during the quarter ended June 30, 2022 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
  - (i) The Company has not transferred any non-performing assets (NPAs).
  - (ii) The Company has not transferred any Special Mention Account (SMA) and loan not in default.
  - (iii) The Company has not acquired any loans not in default through assignment.
  - (iv) The Company has not acquired any stressed loan.
- 8 The Company has implemented the requirements pertaining to day-end-processing and allied matters vide RBI circular dated November 12, 2021. Accordingly, Gross Non Performing Assets ("GNPA") as at June 30, 2022 is 2.21% (If the Company had availed relaxation thereof referred to RBI circular dated February 15, 2022, the GNPA would have been 2.10%).
- 9 The figures for the quarter ended March 31, 2022 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures upto the end of the third quarter of the previous financial year.
- 10 Information as required pursuant to Regulation 52(4) of Listing Regulations :  
Formulae for Computation of Ratios are as follows:
  - (i) Debt equity ratio =  $(\text{Debt Securities} + \text{Borrowings (other than debt securities)} + \text{Subordinated Debts} - \text{Unamortised Issue Expenses}) / (\text{Equity Share Capital} + \text{Other Equity} - \text{Deferred Revenue Expenditure})$
  - (ii) Total debts to total assets (%) =  $(\text{Debt Securities} + \text{Borrowings (other than Debt Securities)} + \text{Subordinated Debts}) / \text{Total Assets}$
  - (iii) Net profit margin (%) =  $\text{Profit after Tax} / \text{Revenue from Operations}$
  - (iv) Gross Non Performing Assets (%) =  $\text{Gross Stage III Loans} / \text{Gross Loans}$
  - (v) Net Non Performing Assets (%) =  $(\text{Gross Stage III Loans} - \text{Impairment loss allowance for Stage III}) / (\text{Gross Loans} - \text{Impairment loss allowance for Stage III})$
  - (vi) Provision Coverage Ratio (%) =  $\text{Impairment loss allowance for Stage III} / \text{Gross Stage III Loans}$

For Tata Capital Financial Services Limited

*Sarosh Amaria*

Sarosh Amaria  
Managing Director  
DIN No. : 08733676

Place: Mumbai  
Date: July 22, 2022



**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 the funds have been invested as per investment policy of the Company, approved by the Board of Directors of the Company, 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 assets as identified by the Company from time to time.

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.

