

AUM of ₹ 2,60,698cr (up 7% QoQ), and PAT ⁽¹⁾ of ₹ 1,290cr (up 18% QoQ)

Motor Finance business achieves PAT breakeven⁽¹⁾

Mumbai, January 19, 2026: A meeting of the Board of Directors of Tata Capital Limited (TCL) was held today to consider and approve the unaudited consolidated financial results for the quarter ended December 31, 2025.

Commenting on the financial results, **Mr. Rajiv Sabharwal, Managing Director & CEO**, Tata Capital said, "We witnessed sustained business momentum in Q3FY26, with broad-based growth across products. Excluding Motor Finance, AUM grew 26% year-on-year to ₹ 2,34,114 crore, and comparable PAT⁽¹⁾ increased by 39% year-on-year to ₹ 1,285 crore for Q3FY26. Credit quality continued to remain robust, with early leading indicators reflecting stable portfolio performance across segments. Unsecured retail disbursements, which were moderated earlier as a prudent risk measure, have seen a gradual uptick, with slippages coming down. Our distribution network and strategic focus on digital and GenAI capabilities, continue to drive operating efficiencies."

On Consolidated business including Motor Finance, he added "In Q3FY26, our AUM grew 7% quarter-on-quarter and PAT⁽¹⁾ rose 18% to ₹1,290 crore. Our Motor Finance segment achieved PAT⁽¹⁾ breakeven this quarter, and we remain focused on executing our strategic priorities."

From a macro perspective he stated "India's growth outlook remains robust, underpinned by resilient domestic demand, favorable demographics, and strong macroeconomic fundamentals. Recent policy initiatives - such as GST rationalization, tax relief measures, repo rate cuts, and accommodative liquidity policies - are expected to further stimulate consumption and economic activity. We are well positioned to leverage these tailwinds, contribute to India's long-term growth, and deliver sustainable value for all stakeholders."

Representation of financial information:

- Tata Motors Finance Limited (Motor Finance) acquisition completed on May 8, 2025.
- For better understanding, we have presented figures both excluding and including Motor Finance business.
- While figures excluding Motor Finance can be compared on YoY and QoQ bases, figures including Motor Finance are best viewed on a QoQ basis.

(1) Excluding impact of new labour codes.

CONSOLIDATED PERFORMANCE HIGHLIGHTS – Q3FY26 Excluding Motor Finance:

- **Assets under management** grew by 26% YoY to ₹ 2,34,114 crore as on December 31, 2025, from ₹ 1,86,404 crore as on December 31, 2024.
- **Net total income** grew by 33% YoY to ₹ 3,594 crore in Q3FY26 from ₹ 2,711 crore in Q3FY25.
- **Annualized operating expense on average net loan book** improved to 2.3% in Q3FY26 from 2.4% in Q3FY25.
- **Cost to income ratio** stood at 35.7% in Q3FY26 vs. 40.1% in Q3FY25.
- **Annualized credit cost** was 1.0% in Q3FY26 vs. 1.1% in Q2FY26.
- **PAT (excluding non-recurring items)** grew by 39% YoY to ₹ 1,285 crore in Q3FY26 from ₹ 922 crore in Q3FY25. Including such items, PAT grew by 36% YoY.
- **Annualized ROA** at 2.3% in Q3FY26 vs. 2.0% in Q3FY25.
- **Annualized ROE** at 14.3% in Q3FY26 vs. 14.1% in Q3FY25.
- **Gross stage 3** stood at 1.6% as of December 31, 2025.
- **Net stage 3** stood at 0.6% as of December 31, 2025.
- **Provision coverage ratio** stood at 64.5% as of December 31, 2025.

Particulars: ₹ crores	Q3FY25	Q2FY26	Q3FY26	YoY %	9MFY25	9MFY26	YoY %
Assets under management (net)	1,86,404	2,15,574	2,34,114	26%	1,86,404	2,34,114	26%
Gross loan book	1,89,892	2,15,286	2,33,319	23%	1,89,892	2,33,319	23%
Net loan book	1,86,311	2,11,293	2,29,134	23%	1,86,311	2,29,134	23%
Net interest income	2,323	2,637	2,936	26%	6,460	8,084	25%
Fee income	390	588	591	~	1,103	1,685	~
Investment income	(2)	105	66	~	180	355	~
Net total income	2,711	3,330	3,594	33%	7,743	10,125	31%
Operating expense	1,086	1,220	1,283	18%	3,169	3,581	13%
Pre-provisioning operating profit	1,625	2,110	2,311	42%	4,574	6,543	43%
Loan losses and provisions	409	565	581	42%	993	1,841	85%
Profit before tax	1,216	1,545	1,730	42%	3,581	4,703	31%
PAT (excl. non-recurring items)	922	1,128	1,285	39%	2,625	3,436	31%
Non-recurring items ⁽¹⁾			(27)		123	(27)	
PAT (attributable to owners)	922	1,128	1,258	36%	2,748	3,409	24%

(1) Reflects impact of new labour codes for Q3FY26 and 9MFY26, and non-recurring income and expenses largely attributed to PE exit for 9MFY25.

CONSOLIDATED PERFORMANCE HIGHLIGHTS – Q3FY26 Including Motor Finance:

- **Retail + SME** constitutes ~87% of Net AUM.
- **Retail unsecured** forms 10.4% of Net AUM | Disbursement in retail unsecured business has picked up.
- **Pan India network** of 1,505 branches across 27 states and union territories.
- **Focused** on improving business metrices in Motor Finance (~10% of Net AUM) before accelerating growth. Excluding labour code impact, Motor Finance business achieved PAT breakeven in Q3FY26.
- **AUM** grew by 7% QoQ to ₹ 2,60,698 crore as on December 31, 2025, from ₹ 2,43,896 crore as on September 30, 2025.
- **Net total income** grew by 7% QoQ to ₹ 4,051 crore in Q3FY26 from ₹ 3,774 crore in Q2FY26.
- **Annualized operating expense on average net loan book** of 2.5% in Q3FY26 vs. 2.6% in Q2FY26.
- **Cost to income ratio** stood at 38.4% in Q3FY26 vs. 39.7% in Q2FY26.
- **Annualized credit cost** of 1.2% in Q3FY26 vs. 1.3% in Q2FY26.
- **PAT (excluding non-recurring items)** grew by 18% QoQ to ₹ 1,290 crore in Q3FY26 from ₹ 1,097 crore in Q2FY26. Including such items, PAT grew by 15% QoQ.
- **Annualized ROA** at 2.1% in Q3FY26 vs. 1.9% in Q2FY26.
- **Annualized ROE** at 13.1% in Q3FY26 vs. 12.9% in Q2FY26.
- **Gross stage 3** stood at 2.2% | **Net stage 3** stood at 1.0% | **Provision coverage ratio** stood at 53.6% as of December 31, 2025.
- **Total equity** as of Dec-25 at ₹ 43,142 crore.
- **Capital risk adequacy ratio** stood at 20.3% as of December 31, 2025.

Particulars; ₹ crores	Q1FY26	Q2FY26	Q3FY26	QoQ %	9MFY26
Assets under management (net)	2,37,508	2,43,896	2,60,698	7%	2,60,698
Gross loan book	2,33,399	2,39,960	2,57,140	7%	2,57,140
Net loan book	2,28,579	2,34,991	2,51,890	7%	2,51,890
Net interest income	2,867	3,004	3,315	10%	9,185
Fee income	576	666	670	~	1,911
Investment income	184	105	66	~	355
Net total income	3,626	3,774	4,051	7%	11,451
Operating expense	1,335	1,497	1,555	4%	4,387
Pre-provisioning operating profit	2,291	2,277	2,497	10%	7,065
Loan losses and provisions	909	773	759	(2)%	2,441
Profit before tax	1,383	1,504	1,738	16%	4,624
PAT (excl. non-recurring items)	990	1,097	1,290	18%	3,377
Non-recurring items ⁽¹⁾			(33)		(33)
PAT (attributable to owners)	990	1,097	1,257	15%	3,344

(1) Reflects impact of new labour codes.

Material Subsidiary - Tata Capital Housing Finance Limited (TCHFL) Q3FY26 Performance

- **100% wholly owned** housing finance company
- **Assets under management** grew by 30% YoY to ₹ 81,585 crore as of December 31, 2025 from ₹ 62,876 crore as of December 31, 2024.
- **Net total income** increased by 29% YoY in Q3FY26 to ₹ 933 crore from ₹ 725 crore in Q3FY25.
- **Cost to income ratio** was 31.8% for Q3FY26 vs. 32.9% in Q3FY25.
- **Credit cost** for Q3FY26 remained low at ₹ 16 crore (annualized 0.1% of average net loan book).
- **Profit before tax** increased by 24% YoY in Q3FY26 to ₹ 621 crore from ₹ 500 crore in Q3FY25.
- **PAT (excluding non-recurring items)** increased by 25% YoY in Q3FY26 to ₹ 464 crore from ₹ 372 crore in Q3FY25. Including such items, PAT grew by 23% YoY.
- **Annualized ROA** stable at 2.4% in Q3FY26 vs. 2.4% in Q2FY26.
- **Annualized ROE** at 18.6% in Q3FY26 vs. 18.5% in Q2FY26.
- **Gross stage 3** stood at 0.8% | **Net stage 3** stood at 0.4% | **Provision coverage ratio** stood at 54.2% as of December 31, 2025.
- **Capital adequacy ratio** as of December 31, 2025 was 16.9%.

Particulars; ₹ crores	Q3FY25	Q2FY26	Q3FY26	YoY %	9MFY25	9MFY26	YoY %
Assets under management (net)	62,876	75,636	81,585	30%	62,876	81,585	30%
Gross loan book	63,361	74,350	79,883	26%	63,361	79,883	26%
Net loan book	62,834	73,774	79,279	26%	62,834	79,279	26%
Net interest income	604	694	765	27%	1,683	2,133	27%
Fee income	106	181	160	~	292	475	~
Investment income	14	24	8	~	51	52	~
Net total income	725	899	933	29%	2,026	2,660	31%
Operating expenses	238	296	297	25%	713	845	18%
Pre-provisioning operating profit	486	603	637	31%	1,313	1,815	38%
Loan losses and provisions	(13)	13	16	~	(171)	52	~
Profit before tax	500	590	621	24%	1,484	1,764	19%
PAT (excl. non-recurring items)	372	440	464	25%	1,105	1,315	19%
Non-recurring items ⁽¹⁾			(6)			(6)	
PAT	372	440	458	23%	1,105	1,309	19%

(1) Reflects impact of new labour codes.

About Tata Capital

Tata Capital Limited (TCL) is the flagship financial services company of the Tata Group and a subsidiary of Tata Sons Private Limited. Tata Capital is a listed company and registered with the Reserve Bank of India (RBI) as a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC) and has been categorized as an Upper Layer NBFC under the RBI's Scale Based Regulatory Framework. TCL conducts its lending business together with its material subsidiary Tata Capital Housing Finance Limited (TCHFL), which is registered with the National Housing Bank (NHB) as a Housing Finance Company (HFC) and is classified as a Middle Layer NBFC under the RBI's Scale Based Regulations.

TCL offers a comprehensive suite of over 25 lending products, catering to a diverse customer base comprising salaried and self-employed individuals, entrepreneurs, small businesses, small and medium enterprises, and corporates. In addition to its lending offerings, TCL also distributes third-party products such as insurance and credit cards, provides wealth management services, and acts as a sponsor and investment manager to private equity funds. TCL is rated "AAA with stable outlook" from each of CRISIL, ICRA, CARE and India Ratings. It has an international rating of BBB (Stable) by both S&P Global Ratings and Fitch. As of December 31, 2025 TCL's distribution network spans 1,505 branches across 27 states and union territories. For more information visit: <https://www.tatacapital.com/>

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