TATA CAPITAL

Count on us

Tata Capital Limited

RESULTS

Q2 FY22-23

Our **Purpose**

Responsible financial partner fulfilling India's aspirations

TATA CAPITAL
Count on us

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**

Futuready

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

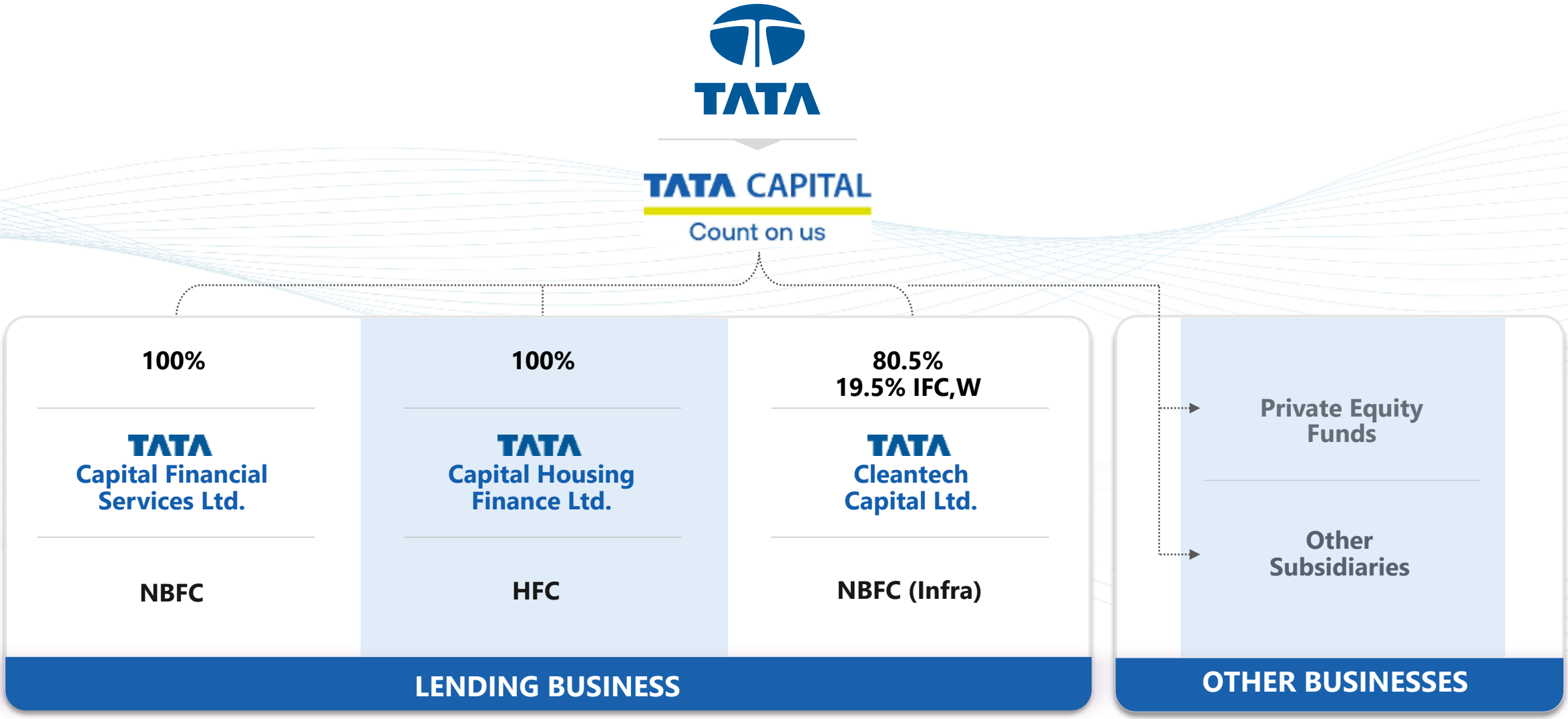
340
Branches

Profitable since inception

Rated AAA by Crisil, ICRA, India Ratings

TATA CAPITAL
Count on us

Corporate **Structure**



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

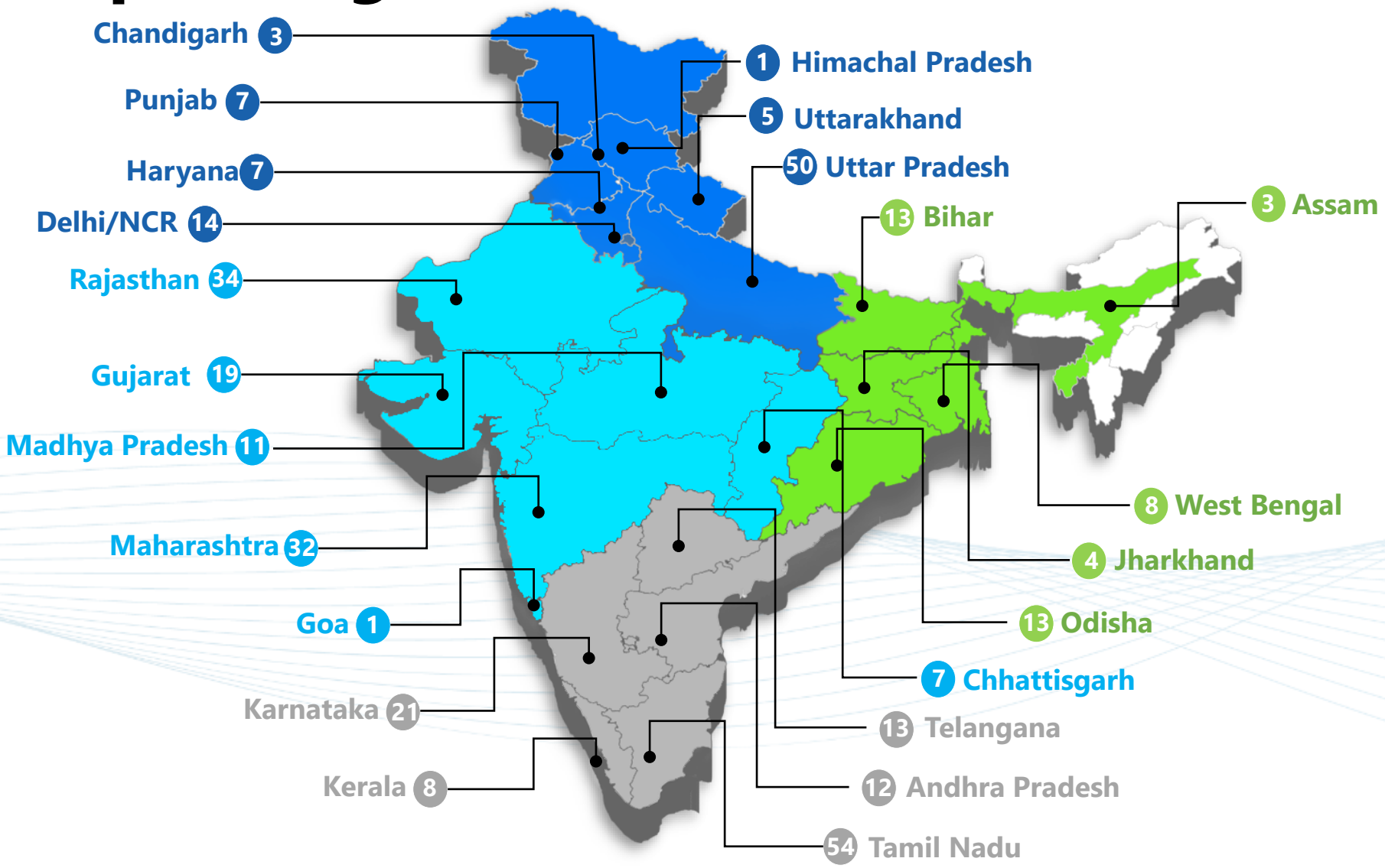
Distribution
Insurance & Credit Cards

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

TATA CAPITAL
Count on us

'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

TATA CAPITAL
Count on us

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 decisioned 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

TATA CAPITAL
Count on us

**YoY Growth*

Financial Performance

(Consolidated)

TATA CAPITAL
Count on us

Performance Highlights – H1 FY23

H1 FY23
(y-o-y change)

Disbursals	Loan Book	Income	Net NPA	PAT	RoE
INR 33,022Cr ⬆ 51%	INR 1,03,518Cr ⬆ 25%	INR 2,924Cr ⬆ 22%	0.6% ⬇10 bps	INR 1,205Cr ⬆ 146%	19.6% ⬆ 2x
INR 21,844 Cr	INR 83,044 Cr	INR 2,396 Cr	0.7%	INR 491 Cr	9.7%

H1 FY22

TATA CAPITAL
Count on us

All figures in INR Cr

Performance Highlights – Q2 FY23

Q2 FY23
(y-o-y change)

Disbursals	Loan Book	Income	Net NPA	PAT	RoE
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
INR 12,917 Cr	INR 83,044 Cr	INR 1,193 Cr	0.7%	INR 383 Cr	14.9%

Q2 FY22

TATA CAPITAL
Count on us

All figures in INR Cr

Key takeaways [1/2]

Strong y-o-y growth of 51% in disbursements during H1 FY23[(1)]; Recorded highest ever disbursals 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

TATA CAPITAL
Count on us

(1) Excluding disbursement for IPO funding and channel finance

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%

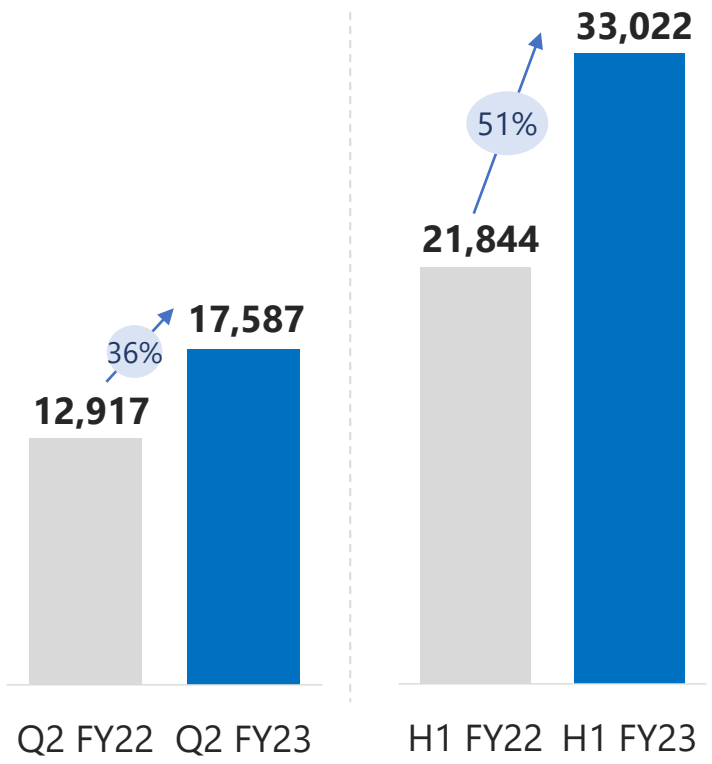
Our total loan loss provisions stood at 2.8% of the loan book as on Sep'22. The same is 2.2x of provisions required as per IRAC norms

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

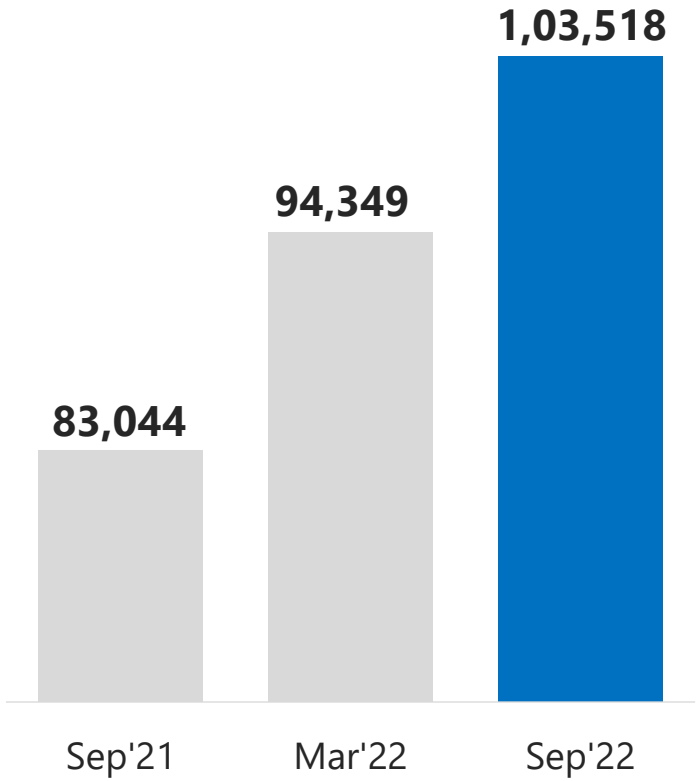
Disbursals & Loan Book

Disbursals: 36% YoY Growth in Q2 FY23

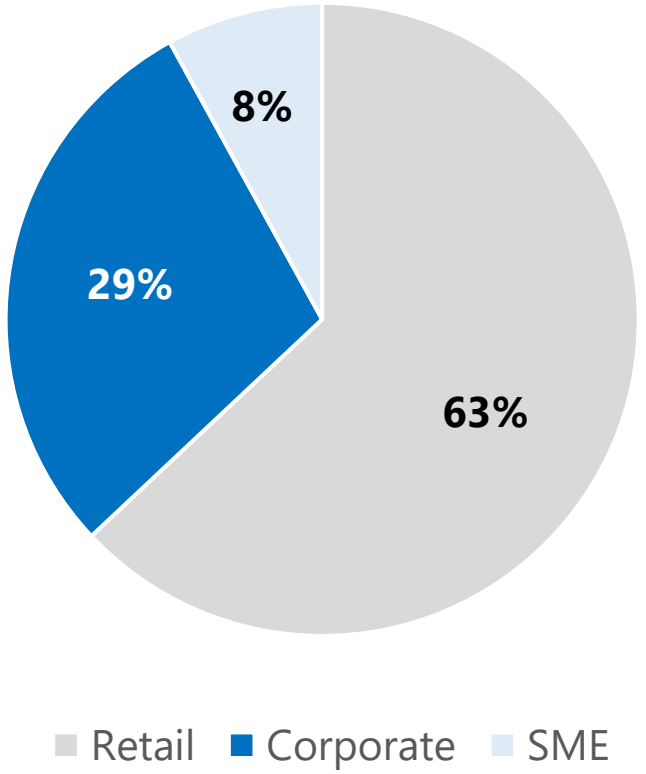


Numbers in INR Cr

Loan Book: 25% YoY Growth



63% Retail Loan Book

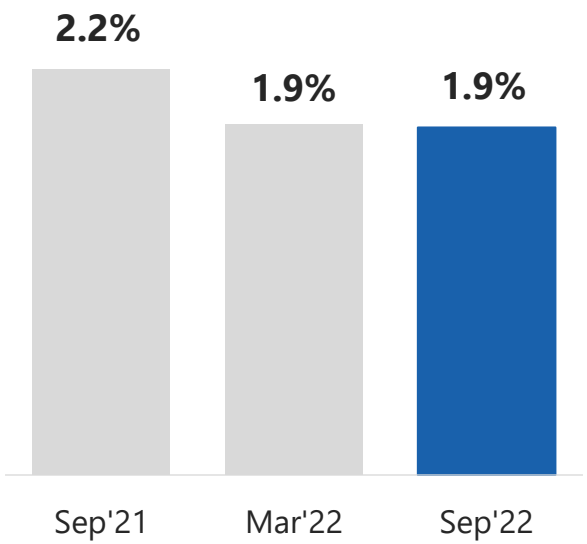


TATA CAPITAL
Count on us

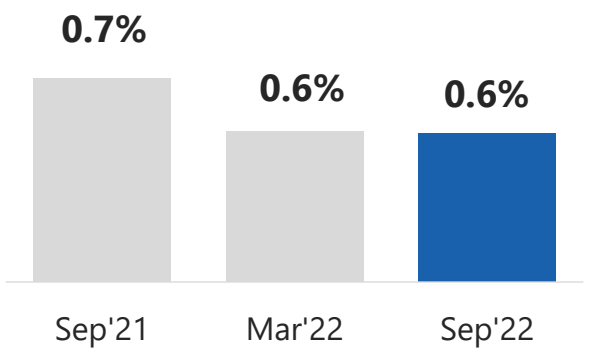
Note: Excludes disbursement for IPO funding and channel finance

Asset Quality

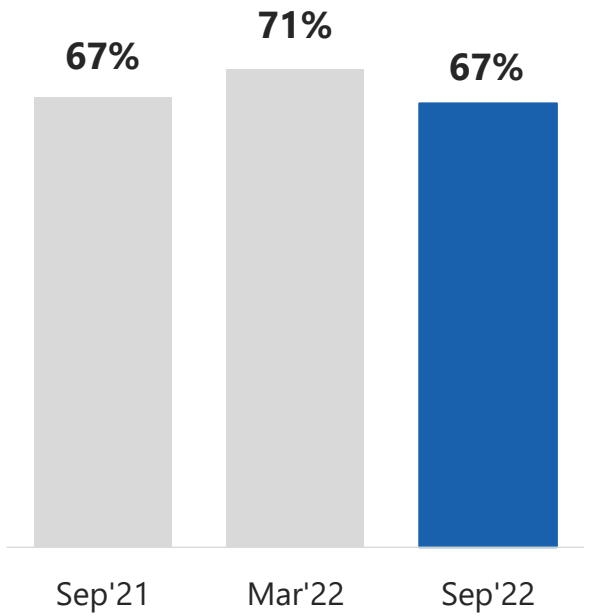
Gross Stage III (%)



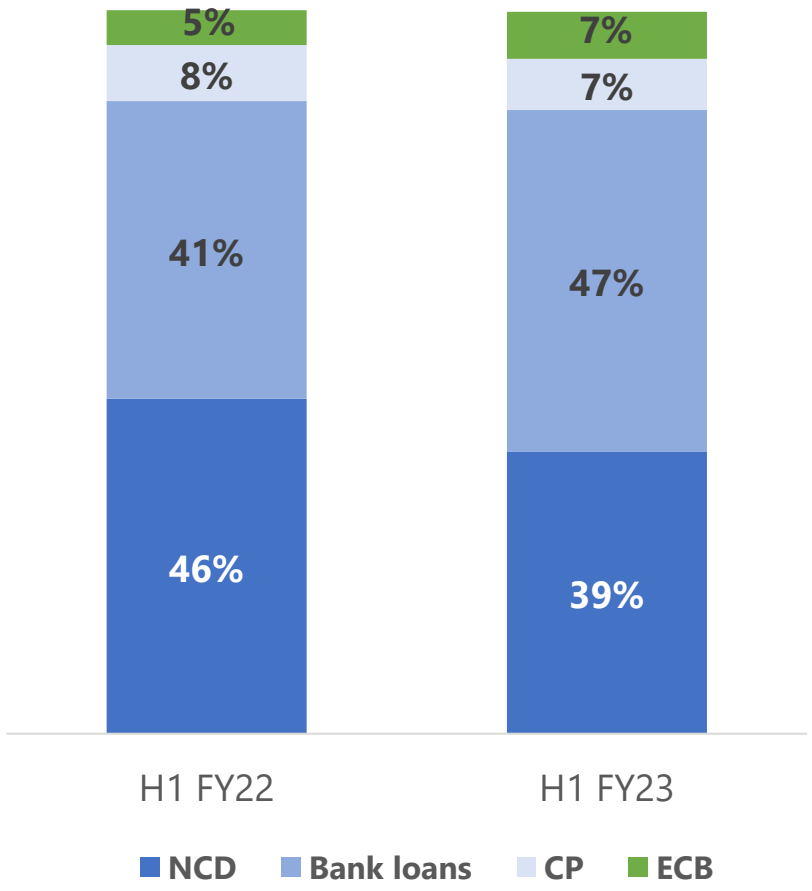
Net Stage III (%)



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

TATA CAPITAL
Count on us

All figures in INR Cr

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

TATA CAPITAL
Count on us

All figures in INR Cr

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

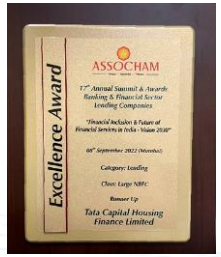
Best Digital Strategy (BFSI) – Search Engine Marketing 2022

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
Count on us

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

Disclaimer

This presentation is being furnished solely for your information and may not be reproduced or redistributed to any other person. This presentation should not be distributed, reproduced, or used without the express consent of Tata Capital Ltd. ("Company"). The term "Company" shall include its subsidiaries unless repugnant to the context.

Certain statements contained in this presentation may be statements of future expectations and other forward-looking statements that are based on third party sources and involve known and unknown risks and uncertainties. Forward-looking statements, if any, contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. There is no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this presentation. The contents of this presentation are subject to changes without prior notice.

The Company does not make any representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness ,fairness and reasonableness of the contents of this presentation, which have not been independently verified. This presentation may not be all-inclusive and may not contain all of the information that may be considered material . The Company expressly excludes any liability in respect of the contents of , or any omission from, this presentation. Opinions and estimates constitute the sole judgement of the Company as of the date of this presentation and are subject to change without notice. This presentation has been prepared by the Company to provide general information on the Company and does not purport to contain all the information. Nothing in this presentation should be construed as advice or solicitation to invest in the Company or any of its instruments or securities or otherwise.

Neither the Company nor any of its affiliates, shareholders, directors, employees, agents or representatives makes any warranty or representation as to the accuracy or completeness of the information contained herein (including statements of opinion and expectation, whether communicated in written, oral, visual or electronic form) or as to the reasonableness of any assumptions contained herein. In particular, no representation or warranty is given as to the achievement or reasonableness of, any information. Consequently, neither the Company nor any of its affiliates, shareholders, directors, employees, agents or advisors shall be liable for any loss or damage (direct or indirect) suffered as a result of reliance upon any statements contained in, or any omission from this presentation and expressly disclaim any and all liability relating to or resulting from the use of this presentation.

By viewing this presentation or by accepting any copy of the slides presented, you agree to be bound by the foregoing limitations.

Thank you