



# Tata Capital Ltd

## RESULTS FY 2022-23



# 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 1,20,940 Cr**

Loan book

**76%**

Secured book

**3.3 Mn+**

Customers

**438**

Branches



**Profitable since inception**



**Rated AAA** by Crisil, ICRA, India Ratings

# Corporate Structure



**TATA CAPITAL**  
Count on us

100%

**TATA**  
Capital Financial  
Services Ltd.  
(TCFSL)

NBFC

100%

**TATA**  
Capital Housing  
Finance Ltd.  
(TCHFL)

HFC

80.5%  
19.5% IFC

**TATA**  
Cleantech  
Capital Ltd.  
(TCCL)

NBFC (Infra)

**LENDING BUSINESS**

Private Equity  
Funds

Other  
Subsidiaries

**OTHER BUSINESSES**

*Note: On 28<sup>th</sup> Mar 2023, the Board of Directors have approved the merger by way of a Scheme of Arrangement of TCFSL and TCCL with Tata Capital. The Scheme will become effective upon fulfilment of all the conditions set out in the Scheme including approvals from the NCLT and other regulators*

# 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

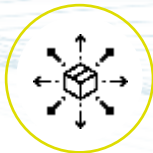
Channel Finance,  
Leasing, Invoice  
Discounting, Factoring,  
Term Loans, Working  
Capital loans



### 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

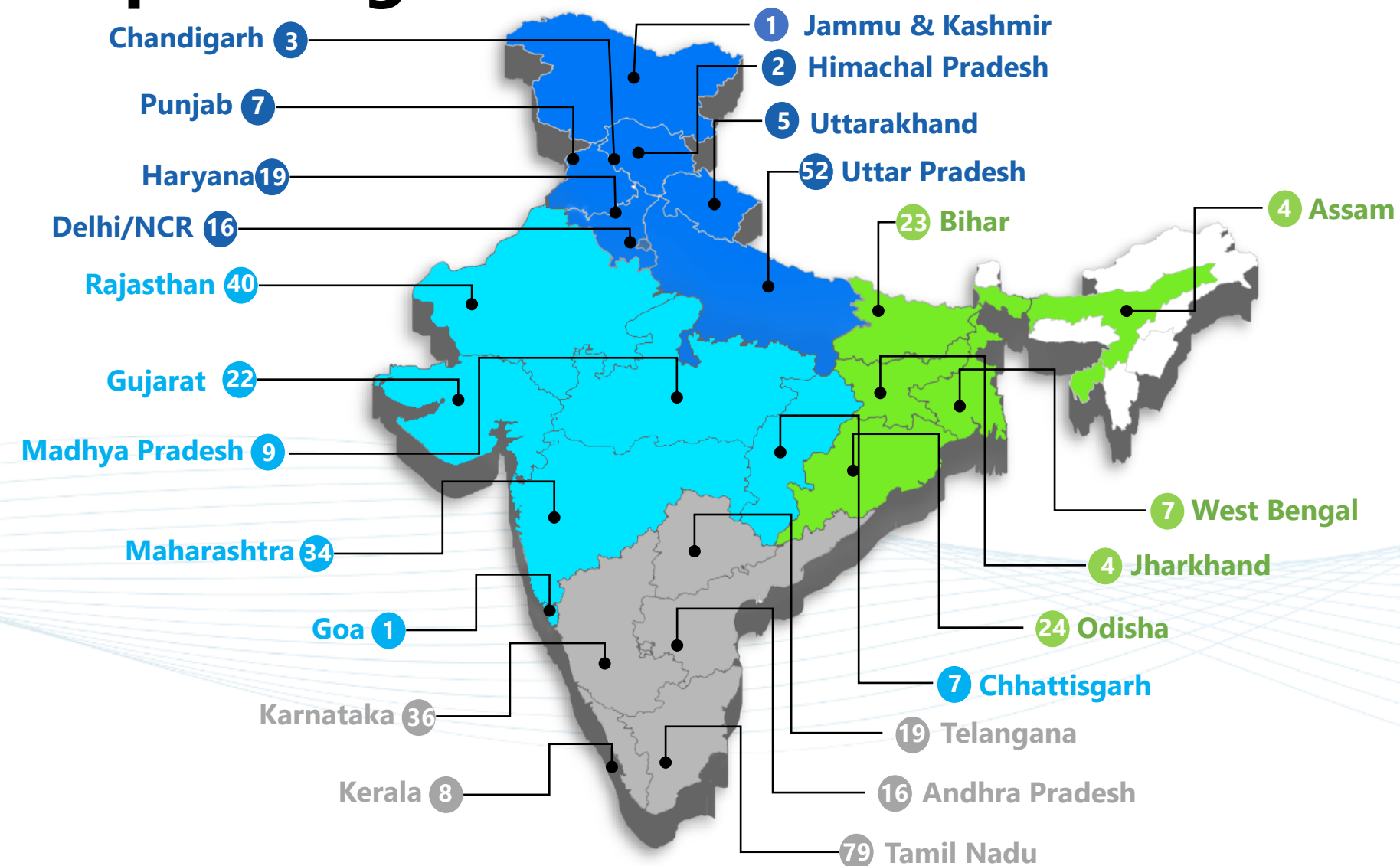
Digital  
financial planning  
platform



### Private Equity

Growth Fund,  
Healthcare Fund,  
Opportunities Fund

# Expanding reach



**Total Count: 438**

**171 branches**  
added in FY23

**Target to**  
**double our reach**  
over next 2 years

# Brand Campaign: Palak Jhapkao, Loan paao



TWO-WHEELER LOANS



HOME LOANS



BUSINESS LOANS



PERSONAL LOANS

*Launched our brand campaign through a series of advertisements, wherein each film showcased a humorous situation where the protagonist's needs are met within blink of an eye by availing Tata Capital's quick loans*

# Tata Capital – Official Partners with Tata WPL

EK SOCH KO  
हराना है



**TATA  
CAPITAL**

OFFICIAL PARTNER



- Tata Capital associated with the inaugural edition of the Tata WPL as official partners
- Launched a **digital & TV campaign** challenging the thought process that women cannot play cricket!

# 'Digital' @ heart of our transformation



## Reimagining customer experience

Revamped new website & logged-in section

Enabling unified customer experience and seamless e2e digital journeys

Increased Business from Direct to Customer Channel



## Bringing delight to service

Continued Instant self-service focus, higher servicing from Digital platforms

Enhanced Multi-lingual capability

Using conversational service capabilities

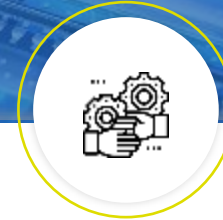
Enhanced & improved communication engine



## 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

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

**37%** growth in pre-approved disbursals for the year

**54%** PL disbursed through online channels

**100+** Partnerships across ecosystem



## Process Transformation

**81%** of retail logins use scorecard

**100%** 2W cases decisioned via scorecards

**180+** APIs used across ecosystem

**27L+** ops transactions handled by bots for the year



## Customer Experience

**76%** Digital Adoption

**7L+** service requests handled digitally for the quarter

**100+** services on digital channels

**92%** Channel Finance drawdown through online channels



## Collections

**92%** collections through digital

**35+** models used across collections management

**100%** Digital app enabled collections workforce

**49%** Digital payments through BBPS



# Financial Performance

---

(Consolidated)



# Key takeaways [1/2]



Reported strong growth momentum – Highest-ever disbursements in FY23; up by 42% Y-o-Y



Crossed the INR 20,000 Cr quarterly disbursements mark during FY23 for the 1<sup>st</sup> time



Loan book grew by 28% Y-o-Y (+8% Q-o-Q) to INR 1,20,940 Cr



Retail + SME constitutes 80% of the total loan book



Highest-ever PAT of INR 2,975 Cr - displayed sharp growth of 80% Y-o-Y in FY23 driven by healthy NIM+OR (%) growth while keeping the operational and credit costs under check



RoE, including one-time gains of INR 561 Cr, is 23.0% in FY23; excluding this, RoE is 17.3% (up from 15.6% in FY22)

# Key takeaways [2/2]



Credit costs stood at 0.5% in FY23; lower by 47% on a Y-o-Y basis supported by superior asset quality and strong collection efficiencies



Asset quality as of Mar'23 remained among best in class with GNPA at 1.7% (Mar'22: 1.9%), NNPA at 0.4% (Mar'22: 0.6%), and PCR at 77% (Mar'22: 71%)



Our total loan loss provisions stood at 2.7% of the loan book as on Mar'23. The same is 2.2x of provisions required as per IRAC norms



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



Strengthen core technologies & digital capabilities, leverage partnerships and participate in ecosystem activities to expand distribution, target new segments and improve cross-sell

# Performance Highlights – FY23

**FY23**  
(Y-o-Y change)

**INR 75,099 Cr**  
↑ 42%

**INR 1,20,940 Cr**  
↑ 28%

**INR 7,023 Cr**  
↑ 34%

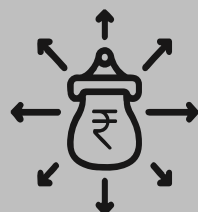
**0.4%**  
↓ 20 bps

**INR 2,975 Cr**  
↑ 80%

**23.0%**  
↑ 740 bps



**Disbursals**



**Loan Book**



**Income**



**Net NPA**



**PAT**



**RoE**

**INR 52,784 Cr**

**INR 94,349 Cr**

**INR 5,253 Cr**

**0.6%**

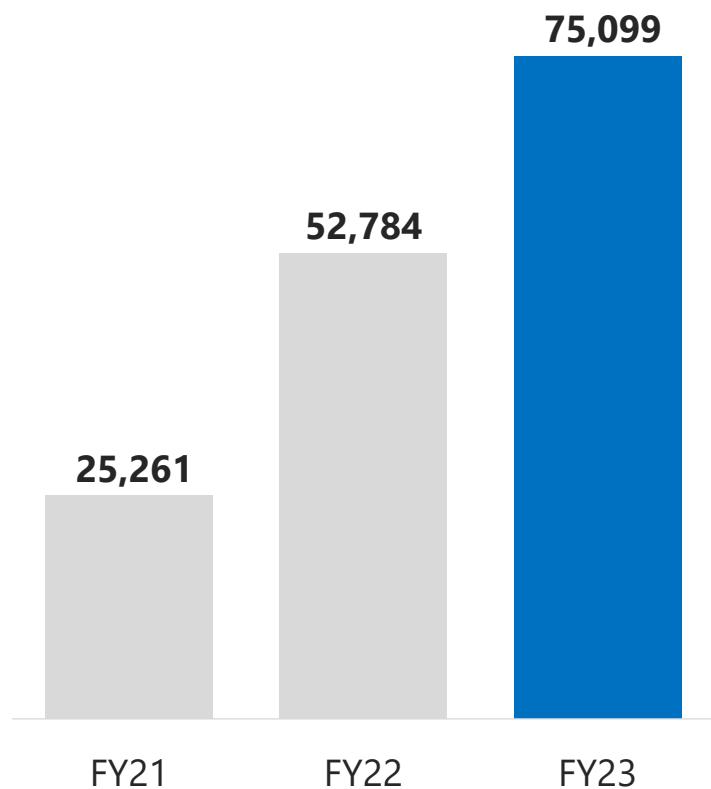
**INR 1,648 Cr**

**15.6%**

**FY22**

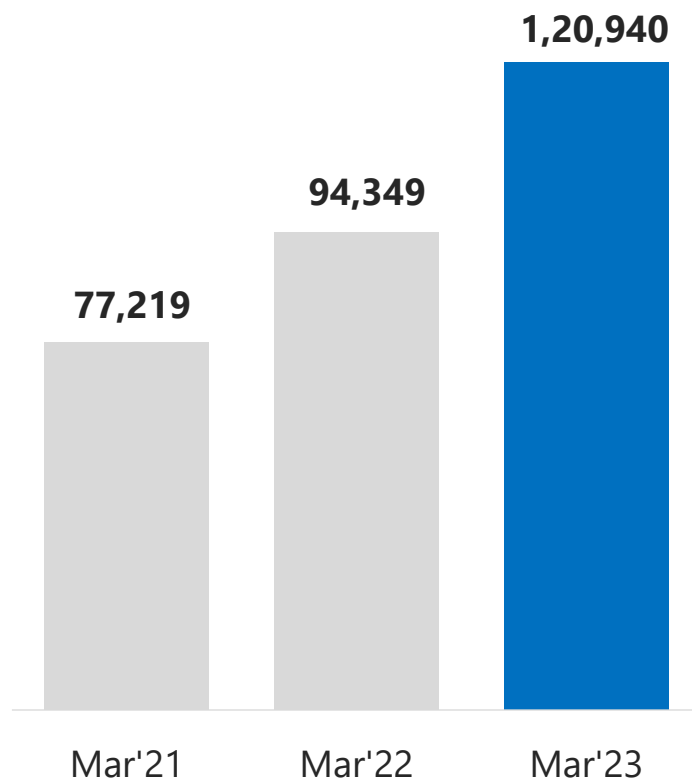
# Disbursals & Loan Book

## Disbursals: 42% YoY Growth in FY23

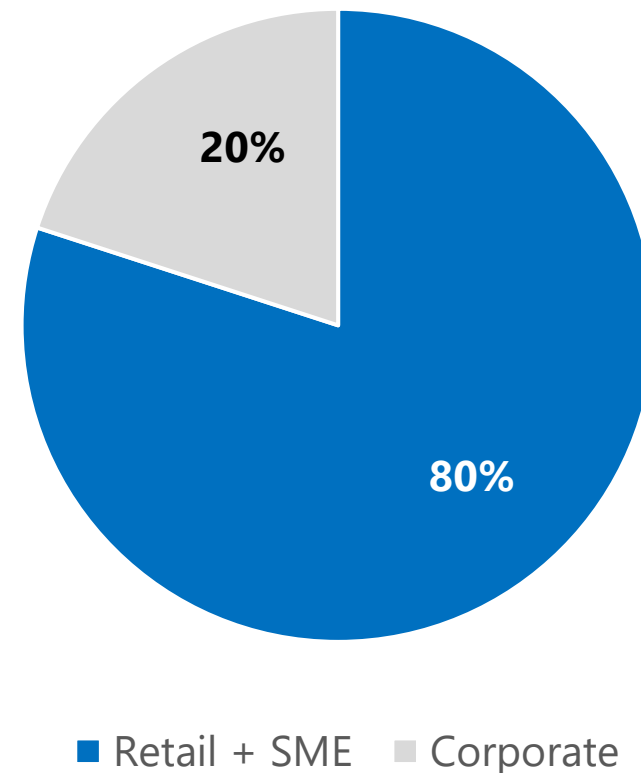


Numbers in INR Cr

## Loan Book: 28% YoY Growth

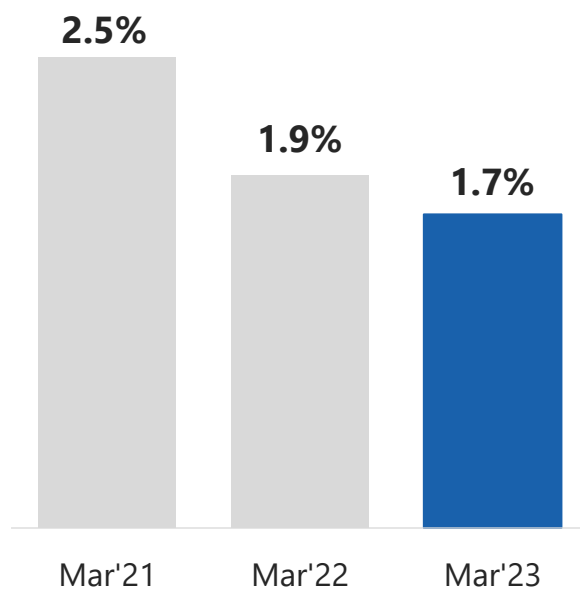


## Retail + SME Loan Book: 80%

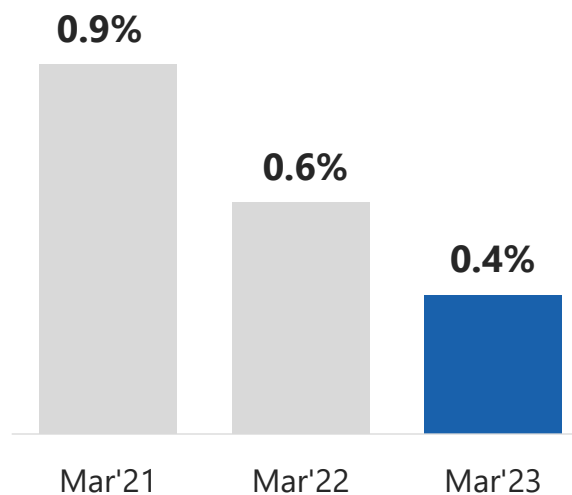


# Asset Quality

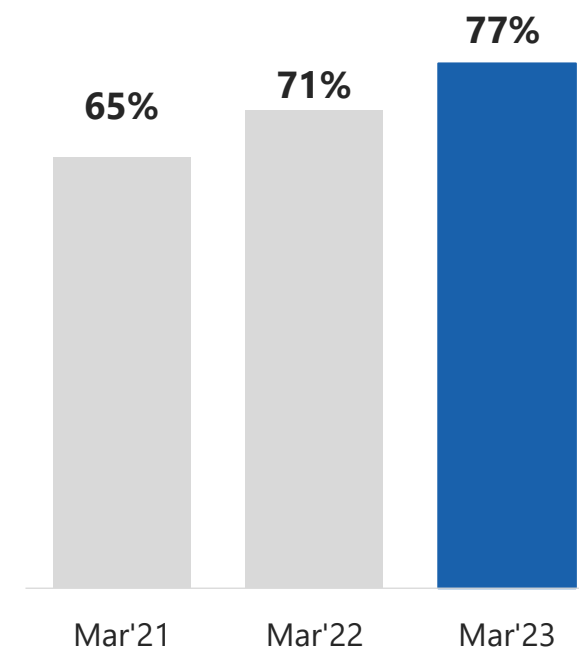
**Gross Stage III (%)**



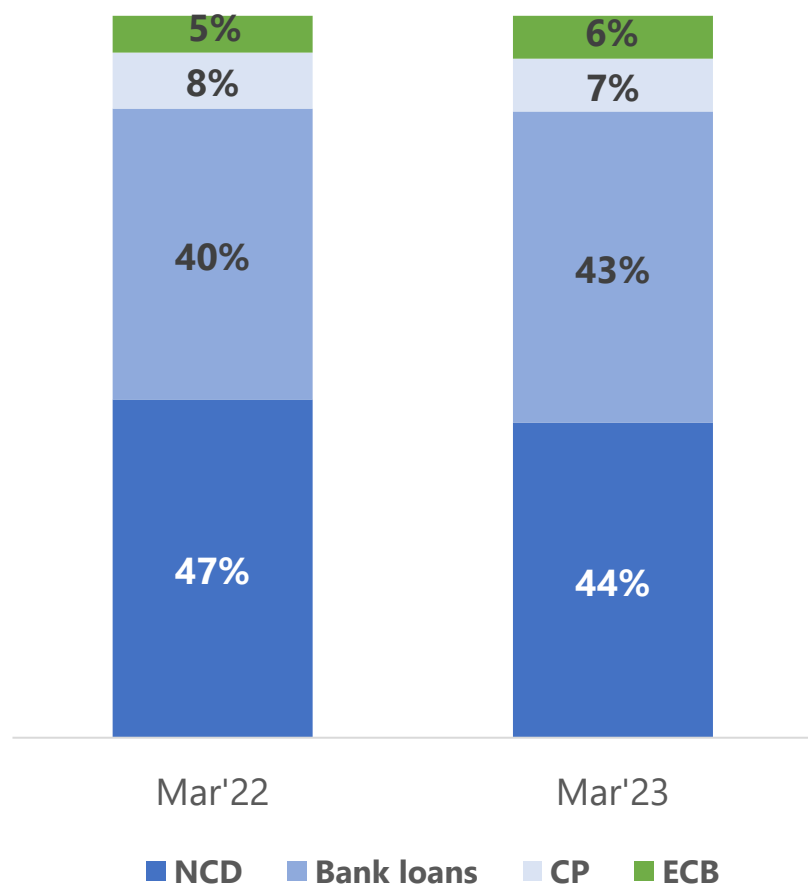
**Net Stage III (%)**



**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                     | FY 22         | FY 23           | Y-o-Y Growth |
|----------------------------|---------------|-----------------|--------------|
| <b>Disbursals</b>          | <b>52,784</b> | <b>75,099</b>   | <b>42%</b>   |
| <b>Loan book</b>           | <b>94,349</b> | <b>1,20,940</b> | <b>28%</b>   |
| <b>NIM + Fee</b>           | <b>4,863</b>  | <b>6,272</b>    | <b>29%</b>   |
| <b>Investment Income</b>   | <b>390</b>    | <b>751</b>      | <b>92%</b>   |
| <b>NIM + Other Revenue</b> | <b>5,253</b>  | <b>7,023</b>    | <b>34%</b>   |
| Operating expenses         | 1,986         | 2,684           | 35%          |
| Credit cost                | 1,029         | 548             | ~            |
| <b>Profits before tax</b>  | <b>2,238</b>  | <b>3,790</b>    | <b>69%</b>   |
| <b>Profits after tax</b>   | <b>1,648</b>  | <b>2,975</b>    | <b>80%</b>   |

| Ratios (%)       | FY 22 | FY 23 |
|------------------|-------|-------|
| Credit cost      | 1.3%  | 0.5%  |
| Return on assets | 2.0%  | 2.9%  |
| Return on equity | 15.6% | 23.0% |

*PAT includes one-time gains of INR 561 Cr; without the gain, RoE is 17.3%*

# Awards & Recognition



'Asset Finance Company of the Year' & 'Best Mobile Initiative – The Mutual Fund Company' at Annual NBFC & Fintech Excellence Awards 2023



ET BFSI Excellence award – Microfinance Team 2023



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



Green Urja award – Top Private financing institution for RE and EE 2023



Audit Excellence Award at Annual Banking & Finance Audit Conclave, 2023



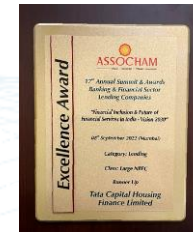
The CSR Journal Excellence Awards (Environment)– 5<sup>th</sup> Edition, 2023



Best Digital Strategy (BFSI) – Search Engine Marketing, 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



Recognised as 'Most Ethical Procurement Company', Procurement Leadership Awards, 2023

# Impacting Lives



## Climate Action

Water security  
Renewable energy

**~193,500**  
lives impacted



## Health

Cancer Care  
Treatment  
Eradication of  
curable blindness

**~ 351,500**  
lives impacted



## Education | Skilling

Scholarships  
Quality Primary  
Education  
Financial Literacy

**~ 323,000**  
lives impacted

**868,000+**  
beneficiaries through  
our programs

- Aligned to our group focus areas and Sustainable Development Goals (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