

IPO ANALYSIS	
Sector: NBFC	
Issue Price: INR 310 to INR 326	
Issue Size: INR 14,751-15,512 Cr	
Issue Opens/Closes: Oct 06/08	
IPO Basics	
Promoters: Tata Sons Private Limited	
Selling Shareholders: Tata Sons Private Limited and International Finance Corporation	
Lead Managers: Kotak Mahindra Capital Company Ltd, Axis Capital Ltd, BNP Paribas, Citigroup Global Markets India Pvt Ltd, HDFC Bank Ltd, HSBC Securities and Capital Markets Pvt Ltd, ICICI Securities, IIFL Capital Services Ltd, JP Morgan India Pvt Ltd and SBI Capital Markets Ltd	
Registered Office: Lower Parel, Mumbai	
Registrar: MUFG Intime India Private Limited	
Listing: BSE and NSE	

## Tata Capital Ltd

Sept 30, 2025

### Issue Highlights:

- Incorporated in 1991, Tata Capital is the flagship financial services company of the Tata group and a subsidiary of Tata Sons Private Limited. Tata Capital is categorized as an Upper Layer NBFC by the RBI
- The company has served 7.3 million customers, from the commencement of its lending operations in 2007 till June 30, 2025.
- The company caters to a diverse customer base comprising salaried and self-employed individuals, entrepreneurs, small businesses, small and medium enterprises and corporates, through its comprehensive suite of 25+ lending products.
- The company has an extensive pan-India distribution network comprising 1,516 branches across 27 States and Union Territories, as at June 30, 2025. The company's branch network has grown at a CAGR of 58.3% from March 31, 2023, to June 30, 2025. The company's branch network is supported by 30,000 DSAs, 400 OEMs, 8,000 dealers and 60+ digital partners.

### Key Risks:

- Company's Gross Stage 3 Loans comprised 1.9%, 1.5% and 1.7% of their Total Gross Loans as at March 31, 2025, March 31, 2024 and March 31, 2023, respectively. Non-payment or default by their customers may adversely affect their business, results of operations, cash flows and financial condition.
- Changes in Company's loan-mix may adversely affect their financial metrics and asset quality, which could adversely affect their business, financial condition, results of operations and cash flows.

IPO Capital Structure	
Fresh Issue	21,00,00,000 equity shares upto INR 6,846 Cr
Offer for Sale	26,58,24,280 equity shares upto INR 8,665.87 Cr
Post Issue No. of Shares	4,24,48,69,037
Post Issue Market Cap	INR 1,31,591 Cr – INR 1,38,383 Cr
Face Value	INR 10
Issue Route	Book Build Issue
All values calculated at upper band	

Financial Snapshot (INR in Crs)			
Y/E Mar	FY23	FY24	FY25
Equity Share Capital	3,507.07	3,703.05	3,762.44
Net Worth	17,959.06	23,540.19	32,587.82
Total Borrowings	1,13,335.91	1,48,185.29	2,08,414.93
Disbursements	74,766.66	1,04,994.37	1,42,301.68
Total Income	13,637.49	18,198.38	28,369.87
Revenue from Operations	13,628.85	18,174.82	28,312.74
EBITDA	10,763.22	14,247.76	20,338.22
Profit after tax	3,029.20	3,150.21	3,664.66
EPS- Basic & Diluted (INR)	8.40	8.60	9.30
Return on Equity	20.60%	15.50%	12.60%
Return on Net Worth	16.90%	13.40%	11.20%
NAV per Equity Share (INR)	49.40	63.20	79.50
Book Value Per Share (INR)	42.31	55.46	78.17
P/BV (Based on Upper Band)			4.17
P/E (Based on Upper Band)			35.05
Average Industry P/E			24.30

Shareholding Pattern		
Holders	Pre-Issue	Post Issue
Promoter & Promoter Group	95.56%	85.41%
Public – Selling S/h	1.78%	0.84%
Public - Others	2.67%	13.75%
Total	100.00%	100.00%

Particulars	Retail Category	NII bid between INR 2 lakhs- INR 10 lakhs	NII bid above INR 10 lakhs
Minimum Bid Lot (Shares)	46 Shares	644 Shares	3,082 Shares
Minimum Bid Lot Amount	INR 14,749	INR 2,09,944	INR 10,04,732
No of Applications for 1x	36,11,272 Applications	36,850 Applications	73,699 Applications

Particulars	No of Shares	Total Amount at Upper Band (INR CR)	Total Amount at Lower Band (INR CR)	% Of Issue
QIB	23,73,12,140	7,356.68	7,736.38	50%
NIB	7,11,93,642	2,207.00	2,320.91	15%
NIB2	4,74,62,428	1,471.34	1,547.28	-
NIB1	2,37,31,214	735.67	773.64	-
Retail	16,61,18,498	5,149.67	5,415.46	35%
Employee	12,00,000	37.2	39.12	-
Total	47,58,24,280	14,750.55	15,511.87	100.00%

NIB-1=NII Bid between INR 2 to 10 Lakhs

NIB-2 =NII Bid Above INR 10 Lakhs

An Indicative Timetable Post Issue Closing	
Particulars	Tentative Date
Finalization of Basis of Allotment	October 09, 2025
Refunds/un-blocking of ASBA Accounts	October 10, 2025
Credit of Equity Shares to DP A/c	October 10, 2025
Trading Commences	October 13, 2025

## BACKGROUND

### Company and Directors

The company was incorporated as Primal Investments & Finance Limited as a public limited company on March 8, 1991. Subsequently, the name of the Company was changed to Tata Capital Limited on May 8, 2007. The company is the flagship financial services company of the Tata group and a subsidiary of Tata Sons Private Limited. Tata Capital is categorised as an Upper Layer NBFC by the RBI. The company caters to a diverse customer base comprising salaried and self-employed individuals, entrepreneurs, small businesses, small and medium enterprises and corporates, through its comprehensive suite of 25+ lending products. Additionally, the company distributes third-party products, viz., insurance and credit cards, offers wealth management, and acts as sponsor and investment manager to PE funds.

### Brief Biographies of Directors & Key Managerial Personnel

**Mr Saurabh Agrawal** is the Chairman and Non-Executive Director of the Company. He also serves as the executive director and group chief financial officer of Tata Sons Pvt. Ltd. He has previously served as the chief strategy officer – corporate strategy & business development cell with Aditya Birla Management Corporation Pvt. Ltd. and head of corporate advisory and finance (South Asia and SEA) with Standard Chartered Bank.

**Mr Sujit Kumar Varma** is an Independent Director of the Company. He had been associated with the State Bank of India for 34 years in various capacities. He has held board positions in several banks, such as State Bank of India as the deputy managing director (corporate accounts group), SBI, New York branch as the chief executive officer, SBI (Mauritius) Ltd, and State Bank of India (UK) Ltd as director.

**Mr Nagaraj Ijari** is an Independent Director of the Company. Previously, he was associated with Tata Consultancy Services Ltd for more than 29 years and is experienced in the IT sector.

**Dr Punita Kumar Sinha** is an Independent Director of the Company. She is the co-founder of the Pacific Paradigm Advisors LLP and has also served as senior managing director with Blackstone. She has several years of experience in the field of management and financial markets. She has also served as an independent director on the boards of Infosys Ltd and JSW Steel Ltd.

**Mr Ramanathan Viswanathan** is an Independent Director of the Company. He had been associated with the State Bank of India for 37 years in various capacities such as the deputy managing director (internal audit department), deputy managing director and group compliance officer, chief general manager (commercial clients group- South), chief executive officer (SBI, New York), regional manager, and assistant general manager and head (centralised credit processing cell, MCRO). He has also served as president and chief operating officer, and whole-time director, SBI Capital Markets Ltd and as a nominee director in the subsidiaries of SBI Capital Markets Ltd.

**Ms Geetha Ravichandran** is an Additional and Independent Director of the Company. She has served as the principal chief commissioner of income tax for Tamil Nadu and Puducherry, and subsequently for Mumbai. She retired from the civil services as the principal chief commissioner of income tax after a period of service of more than 35 years.

**Mr Ankur Verma** is an Additional and Non-Executive Director of the Company. Previously, he was associated with Infosys Technologies Ltd and also with DSP Merrill Lynch Ltd as its managing director in global investment banking. Presently, he also serves as the group chief strategy officer at Tata Sons Pvt. Ltd.

**Mr. Rajiv Sabharwal** is the Managing Director and CEO of the Company. He has previously served as a partner at True North Managers LLP and as the chairman of ICICI Home Finance Company Ltd. He was also on the board of ICICI Prudential Life Insurance Company Ltd. He has also served as an executive director on the board of ICICI Bank Ltd.

**Mr Rakesh Bhatia** is the Chief Financial Officer of the Company. He has been associated with the Company since March 2, 2020. Previously, he has served as the president and CFO at Kamatan Farm Tech Pvt. Ltd, and financial controller and rural business head at Tata Capital. He has also previously worked with RvaluE Consulting, Tupperware India Pvt. Ltd, American Express (India) Pvt. Ltd, I-flex Solutions Ltd, Escorts Yamaha Motor Ltd and Industrial Development Bank of India. He also serves as a director on the board of International Asset Reconstruction Company Pvt. Ltd.

**Ms Sarita Kamath** is the Chief Legal and Compliance Officer & Company Secretary of the Company. She has been associated with the Company since June 1, 2009. Previously, she has worked with Tata Services Ltd and was transferred from Tata Services Ltd to the Company as AVP – Legal of the Company, with effect from June 1, 2009.

**OFFER DETAILS**

<b>Fresh Issue:</b>	<b>Amount (INR Cr)</b>	<b>No. of Shares<sup>^</sup></b>	<b>WACA per Equity Share (INR)</b>
Fresh Issue	INR 6,846	Up to 21,00,00,000 <sup>^</sup> Shares	-

<b>The Offer for Sale by:</b>	<b>Amount (INR Cr)</b>	<b>No. of Shares<sup>^</sup></b>	<b>WACA per Equity Share (INR)</b>
<b>Promoter Selling Shareholder:</b>			
Tata Sons Pvt. Ltd	INR 7,498 Cr	Up to 230,000,000 Equity Shares	34.0
<b>Investor Selling Shareholder:</b>			
International Finance Corporation	INR 1,168 Cr	Up to 35,824,280 Equity Shares	25.0

(<sup>^</sup>at upper price band); WACA=Weighted Average Cost of Acquisition

**SHAREHOLDING PATTERN**

Shareholders	Pre-offer		Offer for sale of Equity shares <sup>^</sup>	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
<b>Promoter and Promoters Group</b>					
Promoter	3,57,50,64,262	88.60%	23,00,00,000	3,34,50,64,262	78.80%
Promoters Group	28,04,90,185	6.95%	-	28,04,90,185	6.61%
<b>Total for Promoter and Promoter Group</b>	<b>3,85,55,54,447</b>	<b>95.56%</b>	<b>23,00,00,000</b>	<b>3,62,55,54,447</b>	<b>85.41%</b>
Investor Selling Shareholder	7,16,48,559	1.78%	3,58,24,280	3,58,24,279	0.84%
Public Others	7,93,17,135	1.97%	-	55,51,41,415	13.08%
Employee Trust	2,83,48,896	0.70%	-	2,83,48,896	0.67%
<b>Total for Public Shareholder</b>	<b>17,93,14,590</b>	<b>4.44%</b>	<b>3,58,24,280</b>	<b>61,93,14,590</b>	<b>14.59%</b>
<b>Total Equity Share Capital</b>	<b>4,03,48,69,037</b>	<b>100.00%</b>		<b>4,24,48,69,037</b>	<b>100.0%</b>

Source: RHP, <sup>^</sup>at upper band

**BUSINESS OVERVIEW**

Tata Capital is the flagship financial services company of the Tata group and a subsidiary of Tata Sons Private Limited, the holding company of the Tata group and the Promoter of the company. As per the CRISIL report, the company is the 3rd largest diversified NBFC in India with Total Gross Loans of INR 2,334 billion as of June 30, 2025. The company is among the fastestgrowing large diversified NBFCs in India based on growth in Total Gross Loans, with Total Gross Loans growing at a CAGR of 37.3% from March 31, 2023, to March 31, 2025.

The company has track record of sustained growth while maintaining its asset quality, as evidenced by its metrics such as, Gross Stage 3 Loans Ratio of 2.1%, Net Stage 3 Loans Ratio of 1.0% and Provision Coverage Ratio ("PCR") of 53.9%, which are among the best across large diversified NBFCs in India as of June 30, 2025.

The company's Total Gross Loans (excluding TMFL) grew at a CAGR of 28.4% from March 31, 2023, to March 31, 2025. The company's asset quality (excluding TMFL) stood at Gross Stage 3 Loans Ratio of 1.5%, Net Stage 3 Loans Ratio of 0.5% and PCR of 65.8% as of March 31, 2025.

Since commencing its lending operations in 2007, the company has served 7.3 million customers up to June 30, 2025. Through its comprehensive suite of 25+ lending products (the "Lending Business"), the company caters to a diverse customer base comprising salaried and self-employed individuals, entrepreneurs, small businesses, small and medium enterprises and corporates.

The company is focused on Retail and SME Customers, with loans to such customers forming 87.5% of its Total Gross Loans as of June 30, 2025. The company's loan portfolio is highly granular, with ticket sizes ranging from INR10,000 to over INR1 billion, and over 98% of its Loan accounts have a ticket size of less than INR10 million, as at June 30, 2025. In addition, 80% of the company's Total Gross Loans were secured, and its Organic Book accounted for over 99% of its Total Gross Loans, as at June 30, 2025.

The company has an extensive pan-India distribution network comprising 1,516 branches across 27 States and Union Territories, as at June 30, 2025. The company's branch network has grown at a CAGR of 58.3% from March 31, 2023, to June 30, 2025. Moreover, the company has established partnerships with direct selling agents ("DSAs"), original equipment manufacturers ("OEMs"), dealers, and digital partners to broaden its reach.

The company's Lending Business comprises the following verticals, each focused on distinct customer needs:

**Retail Finance:** The company typically offers to salaried and self-employed individuals and owners of small businesses ("Retail Customers") a wide range of loans, such as home loans, loans against property, personal loans, business loans, two-wheeler loans, car loans, commercial vehicle loans, construction equipment loans, loans against securities, microfinance loans, and education loans. As of June 30, 2025, Retail Finance comprised 61.3% of its Total Gross Loans.

**SME Finance:** The company offers supply chain finance, equipment finance, and leasing solutions to its customers. Further, it offers term loans, cleantech and infrastructure finance, and developer finance to businesses with the latest available turnover of less than or equal to INR2.5 billion ("SME Customers"). As of June 30, 2025, SME Finance comprised 26.2% of its Total Gross Loans.

**Corporate Finance:** The company offers term loans, cleantech and infrastructure finance, and developer finance to businesses with the latest available turnover of more than INR2.5 billion ("Corporate Customers"). As of June 30, 2025, Corporate Finance comprised 12.5% of its Total Gross Loans.

The company's underwriting and collections efforts enable it to maintain the quality of its asset portfolio. The company's digital underwriting platform is integrated with credit bureaus and alternate data sources, enabling its rule-based underwriting engines to facilitate an informed, data-driven underwriting process.

In collections, the company employs machine learning ("ML") powered collection models, which help monitor repayment behaviours and utilize predictive analytics to optimise its loan recovery efforts and enhance its collection efficiency.

The company's operations are underpinned by advanced digital and technological tools integrated into its platform, which span the entire customer lifecycle for all products. 97.8% and 97.1% of the company's customers were onboarded through its digital platforms in FY 2025 and the 3 months ending June 30, 2025, respectively. The company offered its customers over 200 online services across multiple channels, including its website, mobile apps, WhatsApp, email, chatbot ('TIA'), and interactive voice response ("IVR") system, as of June 30, 2025, enabling it to deliver omni-channel customer support.

The company has a well-diversified liability base supported by a credit rating of AAA from CRISIL, ICRA, CARE and India Ratings. As per the CRISIL report, this is the highest possible credit rating that can be assigned to any NBFC in India. In February 2024, S&P Global Ratings assigned 'BBB-' long-term with a stable outlook and 'A-3' short-term issuer credit ratings to the Company. Fitch Ratings also assigned to the company a long-term foreign- and local-currency Issuer Default Ratings ("IDRs") of 'BBB-', with a stable outlook. In August 2024, S&P Global Ratings revised its outlook on the long-term rating from stable to positive. In August 2024, S&P revised its long-term rating outlook to positive, and in August 2025, upgraded the long-term rating to 'BBB/Stable' and the short-term rating to 'A-2'.

The company has a diversified borrowing mix of short and long-term loans from banks, non-convertible debentures, subordinated and perpetual debt, external commercial borrowings and commercial papers. The company's Average Cost of Borrowings Rate was 7.8% and the Total Borrowings to Total Equity ratio was 6.6 times in FY 2025 and as at March 31, 2025, respectively. The company's Average Cost of Borrowings Rate was 7.8% and Total Borrowings to Total Equity ratio was 6.5 times in the three months ended June 30, 2025 and as at June 30, 2025, respectively.

Additionally, the company has a non-lending businesses ("Non-lending Businesses") which comprise (i) distribution of thirdparty products such as insurance and credit cards, (ii) wealth management services catering to high-net-worth individuals and retail clients, and (iii) private equity ("PE") business, wherein the company is currently focused on 2 themes viz. (a) Growth (focused on urbanisation, manufacturing and strategic services), and (b) Healthcare (focused on pharmaceuticals, hospitals, contract research and manufacturing services, diagnostic chains and other healthcare services). Backed by the performance of the Growth and Healthcare Funds I and II, the company is in the midst of raising Fund III for both these themes. In addition to these funds, the company is also the sponsor and investment manager to 3 other thematic funds (Opportunities, Innovations and Special Situations), which are in the process of being fully exited. Recently, the Board has also approved the launch of another thematic fund, the Decarbonization Fund.

**MERGER WITH TATA MOTORS FINANCE LIMITED (TMFL)**

Pursuant to a scheme of arrangement, the entire business of TMFL, including all its assets, liabilities and undertakings, has been transferred to Tata Capital. The scheme of arrangement was sanctioned by NCLT on May 1, 2025. The scheme has become effective from May 8, 2025, with the appointed date being April 1, 2024. Tata Capital issued and allotted 183,867,495 Equity Shares to TMF Holdings Limited, as per the scheme.

Tata Capital has strengthened its presence in the commercial vehicle and passenger car financing markets through the merger of TMFL. The merger consolidated the lending businesses of the Company and TMFL, creating a larger unified financial services entity with a wider geographical reach and a stronger capital and asset base. As of March 31, 2025, following the merger, TMFL contributed 92.5% of the Gross Loans in Commercial Vehicle Loans, 16.8% in Car Loans, and 12.8% in Supply Chain Finance. The combined product offering has better equipped the company to target the entire auto financing market.

**COMPANY'S BUSINESS**

The company operates in Lending and Non-lending businesses. In its Lending Business, the company provides loans to Retail, SME and Corporate Customers. The company's Non-lending Businesses include the distribution of third-party products such as insurance and credit cards, providing wealth management services, and acting as a sponsor and investment manager to PE funds.

Particulars	For 3 Months ended June 30,				For the Year ended March 31st,					
	2025		2024		2025		2024		2023	
	(INR Cr)	(%)	(INR Cr)	(%)	(INR Cr)	(%)	(INR Cr)	(%)	(INR Cr)	(%)
Lending Business	7,499.80	97.50%	6,406.80	97.70%	27,646.58	97.50%	17,635.02	96.90%	12,590.40	92.30%
Non-lending Business	191.85	2.50%	150.60	2.30%	723.29	2.50%	563.36	3.10%	1,047.09	7.70%
<b>Total income</b>	<b>7,691.65</b>	<b>100.00%</b>	<b>6,557.40</b>	<b>100.00%</b>	<b>28,369.87</b>	<b>100.00%</b>	<b>18,198.38</b>	<b>100.00%</b>	<b>13,637.49</b>	<b>100.00%</b>

**Lending business:** The company offers a range of financing products catering to a diverse set of customers with a focus on Retail Customers and SME Customers. Loans to such customers formed 87.5% of its Total Gross Loans as at June 30, 2025.

Retail Finance had Gross Loans of INR 143,095.44 Cr, comprising 61.3% of its Total Gross Loans, as at June 30, 2025. Retail Finance Gross Loans grew at a CAGR of 39.0% from March 31, 2023, to June 30, 2025. As of June 30, 2025, Retail Finance had a Gross Stage 3 Loans Ratio of 3.0%, Net Stage 3 Loans Ratio of 1.5%, and PCR of 52.1%.

SME Finance had Gross Loans of INR 61,227.47 Cr, comprising 26.2% of its Total Gross Loans, as at June 30, 2025. SME Finance Gross Loans grew at a CAGR of 21.9% from March 31, 2023, to June 30, 2025. As of June 30, 2025, SME Finance had a Gross Stage 3 Loans Ratio of 0.7%, Net Stage 3 Loans Ratio of 0.2%, and PCR of 68.6%.

Corporate Finance had Gross Loans of INR 29,075.64 crore, comprising 12.5% of its Total Gross Loans, as at June 30, 2025. Corporate Finance Gross Loans grew at a CAGR of 44.0% from March 31, 2023, to June 30, 2025. As of June 30, 2025, Corporate Finance had a Gross Stage 3 Loans Ratio of 0.2%, Net Stage 3 Loans Ratio of 0.1%, and PCR of 71.2%.

The company has a diversified product suite comprising 25+ products as of June 30, 2025. The key lending products are Home Loans, Loans Against Property, Personal Loans, Business Loans, Secured Business Loans, Two-Wheeler Loans, Car Loans, Commercial Vehicle Loans, Construction Equipment Loans, Loans Against Securities, Microfinance Loans, Education Loans, Supply Chain Finance, Equipment Finance, Leasing Solutions, Term Loans, Cleantech and Infrastructure Finance, and Developer Finance.

**Non-lending Businesses:** The company operated the following non-lending businesses:

**Distribution of Insurance and Credit Cards:** the company holds a corporate agent (composite) license from IRDAI for the distribution of insurance products comprising life, general and health insurance to the customers. As of June 30, 2025, the company had over 8.6 million insurance policies in force, through its partnerships with 19 insurance partners, across life, general and health categories. Since 2009, the company has been distributing "Tata Corporate Cards", which are white label corporate credit cards issued by SBI Cards and Payment Services Limited. As of June 30, 2025, the company had over 250,000 active "Tata Corporate Cards"

**Wealth Management:** Through 'Tata Capital Wealth', the company offers wealth management services for high-networth individuals and retail clients. The company has managed a total AUM of INR 69.8 billion as at June 30, 2025, growing at a CAGR of 26.4% from Fiscal 2023 to the three-month period ended June 30, 2025.

**Private Equity Funds:** Since inception, the company has set up eight thematic funds, viz. Tata Capital Growth Funds I, II & III, Tata Capital Healthcare Funds I & II, Tata Capital Innovations Fund, Tata Capital Special Situations Fund and Tata Opportunities Fund (together, the “Funds”). The Indian domiciled Funds are registered with SEBI as venture capital funds/alternative investment funds. The company sponsors the AIF/SEBI-registered funds and acts as their investment manager. As of June 30, 2025, the company has raised INR 70.0 billion across its domestic funds and Offshore Funds, with 53 deals in over 15 years.

## **COMPETITIVE STRENGTH**

- **Flagship financial services company of the Tata group, with a legacy of over 150 years**

The company is the flagship financial services company of the Tata group, which is one of India’s most distinguished business groups, with a legacy of over 150 years. The Tata group (a) comprised companies across 10 verticals such as automotive, technology, steel, financial services, aerospace and defence, and consumer and retail; (b) is a global enterprise headquartered in India, with operations in more than 100 countries across 6 continents and collectively employed over 1 million employees, as at March 31, 2025; and (c) has the most diversified presence across industries in India as at March 31, 2025, and is the largest group in India with 26 equity listed companies with a combined market capitalisation of INR 27.8 trillion, as at March 31, 2025.

The “Tata Group” brand was recognised as the most valuable brand in India by Brand Finance in its 2025 report. The company’s Promoter, Tata Sons Pvt. Ltd has infused equity of INR89.7 billion since the commencement of the company’s lending operations in 2007 and holds 88.6% of the Equity Shares in the Company as on the date.

- **Third largest diversified NBFC in India, with the most comprehensive lending product suite**

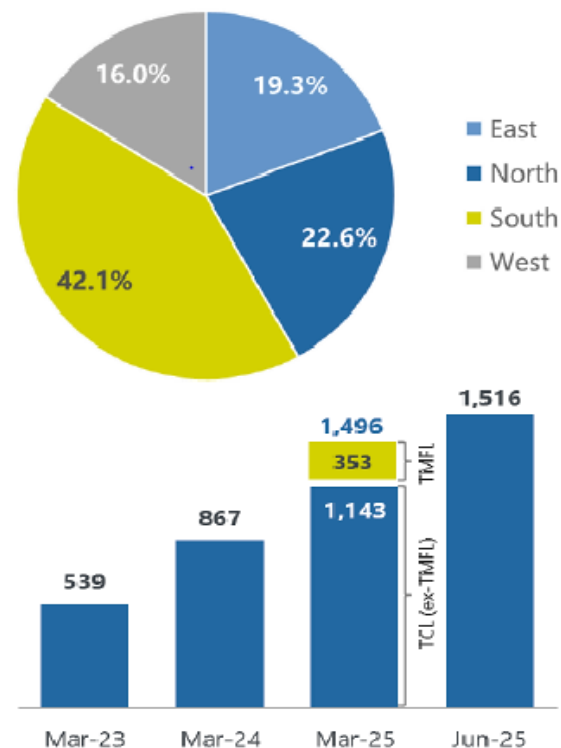
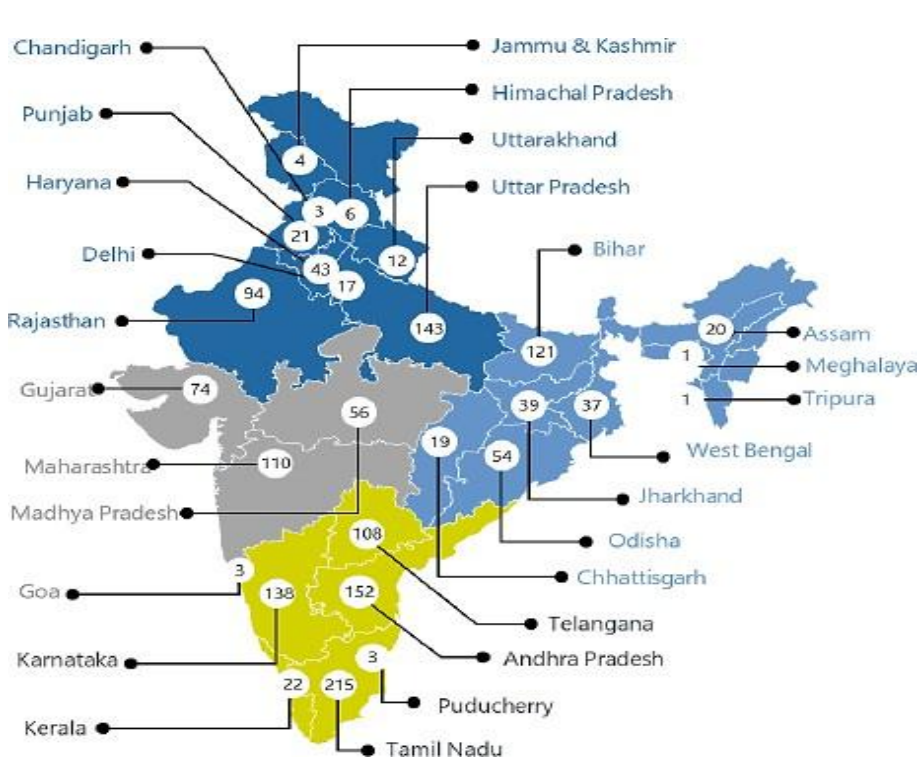
The company is the 3rd largest diversified NBFC in India based on its Total Gross Loans of INR 2,334.0 billion as at June 30, 2025 and the most comprehensive amongst large diversified NBFCs in India based on the number of loan product offerings, as at March 31, 2025.

The company offers a comprehensive suite of 25+ lending products catering to the financial requirements of a wide range of customers comprising salaried and self-employed individuals, entrepreneurs, small and medium enterprises and corporates. The company’s loan offerings to customers comprised a wide range of ticket sizes ranging from INR 10,000 to over INR 1.0 billion, as at June 30, 2025.

- **Omni-channel distribution model, comprising the company’s pan-India branch network, partnerships and digital platforms**

The company has built an omni-channel distribution network which combines its pan-India branch network with an extensive network of external partners and its digital platforms. As of June 30, 2025, the company had a pan-India presence through 1,516 branches spanning 1,109 locations across 27 States and Union Territories.

The company’s branches are supported by an extensive network of external channels comprising over 30,000 DSAs, over 400 OEMs, over 8,000 dealers and over 60 digital partners with whom the company has partnered, as at June 30, 2025. The company’s digital platforms comprise its website, mobile apps and other communication channels, in addition to external interfaces for its partnerships with external agents and other partners.



- Prudent risk culture and robust credit underwriting and collections capabilities, resulting in stable asset quality

As per the CRISIL Report, Tata Capital had one of the lowest Gross Stage 3 and Net Stage 3 Loans Ratio, and the 3rd highest PCR among large diversified NBFCs in India as at June 30, 2025.

#### Gross Stage 3 Loans Ratio, Net Stage 3 Loans Ratio, and Provision Coverage Ratio

Particulars	As at June 30,		As at March 31,			
	2025	2024	2025	2025	2024	2023
	TCL		TCL (excl. MFL)	TCL		
Gross Stage 3 Loans Ratio	2.1%	1.7%	1.5%	1.9%	1.5%	1.7%
Net Stage 3 Loans Ratio	1.0%	0.6%	0.5%	0.8%	0.4%	0.4%
Provision Coverage Ratio	53.9%	63.5%	65.8%	58.5%	74.1%	77.1%

The company's risk management framework is well-complemented by its credit underwriting and collections processes.

**Underwriting:** For each lending product, the company has adopted a rule-based underwriting or high-touch methods or a combination of both. The company's rule-based underwriting engines comprise advanced models that draw on credit bureau data, alternate databases (including Account Aggregator, the RBI's financial data-sharing system), and customer information, to generate internal credit risk profiles and lend suitably. As of June 30, 2025, new-to-credit (NTC) customers (excluding TMFL) accounted for 3.5% of its Total Gross Loans, of which more than 90% were towards Home Loans, Loans Against Property and Two-Wheeler Loans.

**Collections:** The company's collections infrastructure combines in-house teams and external agencies across pre-delinquency, early delinquency, and recovery stages. Advanced analytical tools, including ML-based models and dashboards, support continuous monitoring of repayment behaviour and portfolio performance—covering early warnings, rating shifts, vintage and bounce analysis, missed payments, and delinquencies. As of June 30, 2025, over 80 predictive models, along with a skilled workforce, enable timely loan recovery while ensuring a customer-centric approach.

- **Digital and analytics at the core of the business, driving high-quality experience and business outcomes**

The company has integrated technology across the entire customer lifecycle for all lending products in its 3 business verticals, including onboarding, underwriting, collections, customer servicing and cross-selling, to enable the company to meet the evolving needs of its customers, enhance the customer experience and drive sustainable business growth and operational efficiency.

The company's digital and analytics capabilities enable it to enhance revenue streams, cross-sell capabilities and drive productivity to optimize its operating costs and credit costs, strengthening its efforts to become a digital leader in the financial services industry. The company's collections efforts are supported by a fully digital collection system that facilitates online payments through platforms such as UPI and e-NACH. The company's mobile apps had over 21.9 million downloads as of June 30, 2025.

- **Highest credit rating with a diverse liability profile**

The company is rated "AAA with stable outlook" from each of CRISIL, ICRA, CARE and India Ratings, and its commercial papers are rated "A1+" by each of CRISIL, ICRA and India Ratings, as at June 30, 2025. According to the CRISIL Report, this is the highest possible credit rating for NBFCs in India. In August 2025, S&P Global Ratings upgraded the long-term rating from 'BBB-/Positive' to 'BBB/Stable' and the short-term rating from 'A-3' to 'A-2'.

The company has well-diversified funding sources, with no single lender contributing more than 10.0% of its total borrowings as at June 30, 2025. The company had the 2<sup>nd</sup> largest outstanding debt securities among large diversified NBFCs in India as at March 31, 2025. The company is able to further diversify its borrowing mix by borrowing from NHB through its Material Subsidiary, TCHFL.

As a result of the credit ratings, diverse funding mix and long-term relationships with lenders, the company's Average Cost of Borrowings Ratio was 7.8% and 7.8% in Fiscal 2025 and the 3-month period ended June 30, 2025, respectively.

- **Consistent track record of strong financial performance highlighted by attractive asset quality**

The company has been profitable since the commencement of its lending operations in 2007, which illustrates the resilience of the company's business model and its ability to navigate challenging market conditions while maintaining its profitability. The company's track record of delivering growth and strong financial performance across economic cycles demonstrates the strength of its business model, which is built on its diversified loan book, efficient operations, prudent risk management and sustainable practices.

- **Experienced management backed by a team of dedicated professionals**

The company is led by a seasoned management team comprising individuals with extensive experience in the financial services industry, including retail, commercial and corporate lending. The company's management team is guided by its Board of Directors, comprising 8 directors, of which 5 are independent directors. The company's independent directors provide governance oversight on its functioning. Each of the company's businesses is led by a member of the management team and supported by a dedicated team with domain knowledge and operational skills. Further, the company has been certified "Great Place To Work" for 3 consecutive years from 2023 to 2025.

## COMPETITION

The company operates in a competitive industry and faces competition across all product offerings. Given the diversity of its businesses and the products and services, its competitors include banks, NBFCs, housing finance companies, small finance banks, digital lending platforms, and private unorganised and informal financiers who primarily operate in local markets

According to the CRISIL Report, the company's primary competitors include Bajaj Finance, Shriram Finance, Chola mandalam Investment & Finance, Aditya Birla Finance, HDB Financial, L&T Finance and Sundaram Finance.



**COMPARISON OF LENDING PRODUCT CATEGORIES VS. PEERS**

Particulars	Bajaj	Shriram	Tata	Chola	Aditya	HDB	L&T	Sundaram
Construction/ Developer Finance	✓		✓		✓		✓	
Green Financing*		✓	✓					
Lease Rental Discounting	✓				✓			
Corporate Lending	✓		✓		✓			✓
Supply Chain Finance	✓	✓	✓	✓	✓		✓	✓
Housing Loans	✓		✓	✓	✓		✓	✓
Equipment Financing	✓	✓	✓	✓		✓	✓	✓
Loans against securities	✓		✓	✓	✓	✓		
Secured Business, Secured MSME, Loans against property	✓	✓	✓	✓	✓	✓	✓	
Education loans			✓					
SME Loans - Unsecured business, Working Capital Loans	✓	✓	✓	✓	✓	✓	✓	✓
Commercial Vehicle Loans	✓	✓	✓	✓		✓		✓
New/Used Car Loan	✓	✓	✓	✓		✓		✓
Gold Loan	✓	✓				✓	✓	
2 Wheeler/3 Wheeler/ Tractor Loan	✓	✓	✓	✓		✓	✓	✓
Personal loans	✓	✓	✓	✓	✓	✓	✓	
Microfinance	✓		✓			✓	✓	
Consumer Loans	✓		✓	✓	✓	✓		

\* Includes Cleantech loans, EV Financing

**COMPARISON OF NON-LENDING PRODUCT CATEGORIES VS. PEERS**

Particulars	Bajaj	Shriram	Tata	Chola	Aditya	HDB	L&T	Sundaram
Insurance Distribution	✓	✓	✓	✓	✓	✓	✓	✓
Credit Cards	✓		✓		✓			
Mutual Fund Distribution	✓	✓	✓	✓	✓			✓
Wealth Management			✓	✓	✓			✓
Private Equity			✓					

**Comparison with Industry Peers (AS ON 31ST MARCH 2025)**

	Revenue from operations (INR CR)	Face value (INR)	EPS (INR)		Return on Net Worth (%)	NAV (per share) (INR)	P/E <sup>^</sup> (x)	P/B <sup>^</sup> (x)
			Basic	Diluted				
Tata Capital	28,312.74	10.00	9.30	9.30	11.20%	79.50	35.05	4.17
Bajaj Finance	69,683.51	1.00	26.90	26.80	17.40%	155.60	37.80	6.50
Shriram Finance	41,834.42	2.00	50.80	50.80	16.80%	300.30	12.10	2.00
Cholamandalam Inv. & Finance Co.	25,845.98	2.00	50.70	50.60	18.00%	281.50	31.50	5.70
L&T Finance	15,924.24	10.00	10.60	10.60	10.30%	102.50	23.10	2.40
Sundaram Finance	8,485.63	10.00	170.50	170.50	13.80%	1,187.80	26.90	3.90
HDB Financial Services	16,300.28	10.00	27.40	27.30	14.60%	198.80	28.10	3.90

Source: RHP; #. P/E &amp; P/B ratios for the peer companies are computed based on the closing market price as on September 25, 2025, at NSE, ^ represents P/E and P/B based on upper band

## Restated Statement of Assets and Liabilities

Particulars (INR CR)	As at June 30,		As at Mar' 31,		
	2025	2024	2025	2024	2023
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	6,048.43	6,338.25	9,478.20	6,771.16	3,058.88
Bank balances other than above	407.33	289.40	964.85	224.42	257.82
Derivative financial instruments	578.34	336.35	539.73	242.62	229.58
Receivables					
(i) Trade receivables	116.37	194.79	96.64	140.70	90.23
(ii) Other receivables	1.35	1.43	0.95	1.88	0.37
Loans	2,28,578.83	1,94,587.95	2,21,950.37	1,57,760.55	1,16,788.72
Investments	9,212.93	10,012.48	8,717.79	7,902.02	12,658.97
Investments accounted using equity method	1,180.61	1,089.84	1,148.60	830.78	595.07
Other financial assets	1,158.72	2,231.10	1,101.40	519.83	348.80
	<b>2,47,282.91</b>	<b>2,15,081.59</b>	<b>2,43,998.53</b>	<b>1,74,393.96</b>	<b>1,34,028.44</b>
<b>Non-financial assets</b>					
Current tax assets (net)	154.27	292.19	234.04	167.31	172.08
Deferred tax assets (net)	1,459.84	1,182.62	1,388.17	466.50	381.07
Investment property	3.08	3.28	3.13	3.02	19.87
Property, plant and equipment	1,718.82	1,042.72	1,513.26	832.93	486.27
Capital work-in-progress	1.84	1.22	1.81	4.15	11.3
Intangible assets under development	22.48	12.63	13.94	4.11	8.72
Other intangible assets	72.52	47.25	76.97	42.79	32.55
Right to use assets	392.65	379.55	410.01	311.59	193.93
Other non-financial assets	1,145.87	694.39	825.15	467.62	291.87
	<b>4,971.37</b>	<b>3,655.85</b>	<b>4,466.48</b>	<b>2,300.02</b>	<b>1,597.66</b>
<b>Total assets</b>	<b>2,52,254.28</b>	<b>2,18,737.44</b>	<b>2,48,465.01</b>	<b>1,76,693.98</b>	<b>1,35,626.10</b>
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITIES</b>					
<b>Financial liabilities</b>					
Derivative financial instruments	253.31	217.21	240.89	46.33	62.32
Payables					
(i) Trade payables	1,886.39	1,844.10	1,821.32	1,389.91	1,230.70
(ii) Other payables	-	-	-	-	-
Debt securities	89,745.39	65,186.71	80,141.57	60,503.68	51,375.58
Borrowings (Other than debt securities)	1,12,489.33	1,08,223.34	1,18,620.40	79,142.88	54,934.13
Subordinated liabilities	9,616.88	9,756.58	9,652.96	8,538.73	7,026.20
Lease liabilities	423.39	396.62	436.22	326.53	205.38
Other financial liabilities	1,984.32	2,086.26	2,212.63	1,388.46	1,990.85
	<b>2,16,399.01</b>	<b>1,87,710.82</b>	<b>2,13,125.99</b>	<b>1,51,336.52</b>	<b>1,16,825.16</b>
<b>Non-Financial Liabilities</b>					
Current tax liabilities (net)	424.08	431.06	364.50	396.73	337.98
Provisions	259.16	271.09	280.22	113.69	103.87
Other non-financial liabilities	344.48	278.21	323.66	264.93	210.42
	<b>1,027.72</b>	<b>980.36</b>	<b>968.38</b>	<b>775.35</b>	<b>652.27</b>
<b>EQUITY</b>					
Equity share capital	3,951.36	3,703.63	3,762.44	3,703.05	3,507.07
Shares pending for issuance	-	4,162.76	4,162.76	-	71.65
Instruments entirely equity in nature	1,203.00	1,808.00	1,808.00	-	-
Other equity	28,434.45	19,198.15	23,458.61	19,714.08	13,761.14
<b>Equity attributable to owners of the Company</b>	<b>33,588.81</b>	<b>28,872.54</b>	<b>33,191.81</b>	<b>23,417.13</b>	<b>17,339.86</b>
Non-controlling interest	<b>1,238.74</b>	<b>1,173.72</b>	<b>1,178.83</b>	<b>1,164.98</b>	<b>808.81</b>
<b>Total liabilities and equity</b>	<b>2,52,254.28</b>	<b>2,18,737.44</b>	<b>2,48,465.01</b>	<b>1,76,693.98</b>	<b>1,35,626.10</b>

Source: RHP

## Restated Statement of Profit and Loss

Particulars (INR CR)	3 Months ended June 30,		As at Mar' 31,		
	2025	2024	2025	2024	2023
<b>Revenue from operations</b>					
Interest income	6,931.83	5,995.16	25,719.77	16,366.47	11,910.90
Dividend income	8.75	8.27	24.01	36.19	0.79
Rental income	86.77	63.08	272.25	203.41	269.26
Fees and commission income	347.63	300.90	1,779.75	1,045.88	569.58
Net gain on fair value changes	175.19	145.66	280.49	490.03	63.74
Net gain on derecognition of associates	-	-	-	32.84	814.58
Net gain on derecognition of financial instruments	114.64	33.21	236.47	-	-
<b>Total revenue from operations</b>	<b>7,664.81</b>	<b>6,546.28</b>	<b>28,312.74</b>	<b>18,174.82</b>	<b>13,628.85</b>
Other income	26.84	11.12	57.13	23.56	8.64
<b>Total income</b>	<b>7,691.65</b>	<b>6,557.40</b>	<b>28,369.87</b>	<b>18,198.38</b>	<b>13,637.49</b>
<b>Expenses</b>					
Finance costs	4,065.62	3,541.16	15,029.64	9,568.23	6,600.64
Impairment/(Reversal of impairment) of investment in associates	-	-23.34	-23.34	10.09	7.65
Net loss on derecognition of associates	-	22.30	2.18	-	-
Impairment of financial instruments	908.58	960.03	2,826.83	592.26	574.29
Employee benefit expenses	634.55	714.36	2,812.25	1,850.09	1,294.18
Depreciation, amortisation and impairment	118.05	89.84	390.02	287.50	226.02
Other expenses	582.11	608.40	2,411.15	1,486.61	1,144.85
<b>Total expenses</b>	<b>6,308.91</b>	<b>5,912.75</b>	<b>23,448.73</b>	<b>13,794.78</b>	<b>9,847.63</b>
<b>Profit from continuing ops. before exceptional items, share of net profits of investments accounted for using the equity method and tax</b>	<b>1,382.74</b>	<b>644.65</b>	<b>4,921.14</b>	<b>4,403.60</b>	<b>3,789.86</b>
Share in the loss of associates	-0.55	-3.02	-2.58	-11.57	146.70
Profit from continuing ops. before exceptional items and tax	1,382.19	641.63	4,918.56	4,392.03	3,936.56
Exceptional items	-	-	-	-	-
<b>Profit before tax from continuing operations</b>	<b>1,382.19</b>	<b>641.63</b>	<b>4,918.56</b>	<b>4,392.03</b>	<b>3,936.56</b>
Net tax expenses	341.26	169.42	1,263.54	1,065.07	990.79
Profit for the period/year from continuing operations	1,040.93	472.21	3,655.02	3,326.96	2,945.77
Other comprehensive income	14.38	73.89	-146.90	1,140.50	1,800.04
<b>Total Comprehensive Income for the period/year</b>	<b>1,055.31</b>	<b>546.10</b>	<b>3,508.12</b>	<b>4,467.46</b>	<b>4,745.81</b>

Source: RHP

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