

January 20, 2022

## Tata Capital Financial Services Limited: Ratings reaffirmed

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
NCD programme	18,695.45	18,695.45	[ICRA]AAA (Stable); reaffirmed
Subordinated debt programme	1,500.00	1,500.00	[ICRA]AAA (Stable); reaffirmed
Retail bonds programme (incl. NCDs and subordinated debt)	5,000.00	5,000.00	[ICRA]AAA (Stable); reaffirmed
Long term/Short term – Fund based/Non-fund based	25,000.00	25,000.00	[ICRA]AAA (Stable)/[ICRA]A1+; reaffirmed
Perpetual debt programme	1,586.55	1,586.55	[ICRA]AA+ (Stable); reaffirmed
Commercial paper programme (IPO financing)	8,000.00	8,000.00	[ICRA]A1+; reaffirmed
Commercial paper	15,000.00	15,000.00	[ICRA]A1+; reaffirmed
<b>Total</b>	<b>74,782.00</b>	<b>74,782.00</b>	

\*Instrument details are provided in Annexure-1

### Rationale

Tata Capital Limited (TCL; rated [ICRA]A1+) is a holding company with a diversified presence in the lending business through its three key subsidiaries i.e. Tata Capital Financial Services Limited (TCFSL), Tata Capital Housing Finance Limited (TCHFL) and Tata Cleantech Capital Limited (TCCL). TCL's subsidiaries operate primarily in consumer loans, housing finance, vehicle finance, commercial finance, infrastructure finance and other financial services businesses. While arriving at the ratings for TCFSL, ICRA has considered the consolidated business and financial risk profiles of TCL and its key subsidiaries – TCFSL, TCHFL and TCCL (collectively referred to as Tata Capital group) as these entities have significant operational and management linkages and operate under the common Tata Capital brand.

The rating for Tata Capital group derives significant strength from its parentage, Tata Sons Limited (TSL; rated [ICRA]AAA(Stable)/[ICRA]A1+), which owned 94.55% of TCL's equity shares<sup>1</sup> as on September 30, 2021, and the strategic importance of the financial services business (housed under TCL and its subsidiaries) to the Tata Group. TCFSL, in turn, is a 100% subsidiary of TCL. The rating is also supported by TSL's stated intent of keeping Tata Capital group adequately capitalised on a consolidated basis and to continue maintaining significant ownership and management control in the company. The rating also factors in the Group's diverse product mix, higher share of the retail loan book (~54% of aggregate portfolio as on September 30, 2021), strong liquidity position with adequate cash and liquid investments and unutilised bank lines across subsidiaries, diversified funding profile and financial flexibility arising from being a part of the Tata Group. ICRA also favourably notes that comfortable asset quality indicators (consolidated gross stage 3% of 2.2% as on September 30, 2021) and the healthy provision cover (67% as on September 30, 2021). ICRA has also taken note of the moderate earnings profile and relatively moderate level of consolidated gearing level for the group, albeit improving, supported by the capital support from TSL. ICRA believes the prudent capitalisation level is one of the key mitigants against delinquencies and other credit risks associated with the lending business and expects that support from TSL would be forthcoming, if required. In line with the expectations, given the challenges in the operating environment due to the pandemic and impact on cashflows of borrowers, there have been some increase in delinquencies for the group, though overall asset quality indicators are still under control. ICRA also notes

<sup>1</sup> Balance held by Tata Investment Corporation Limited (2.32%), TCL Employee Welfare Trust (1.51%) and Others (1.94%)

that the reported headline gross NPA for the company could increase following the recent clarification by the Reserve Bank of India (RBI) on IRAC norms, however the credit costs are likely to remain under control given the additional provisions carried by the company. Overall, the group's ability to manage recoveries or mitigate losses through the enforcement of security while arresting fresh slippages and thus keeping a check on the credit costs will have a bearing on its overall earning profile.

The one notch lower rating assigned to the company's perpetual debt programme compared to the [ICRA]AAA rating for the other long-term debt programmes reflects the specific features of these instruments wherein the debt servicing is additionally linked to meeting the regulatory norms on capitalisation and reported profitability. The domestic regulatory norms for hybrid debt capital instruments include regulatory approvals from the Reserve Bank of India (RBI) for debt servicing (including principal repayments) if the company reports a loss and is not liable to service the debt if it breaches the minimum regulatory capitalisation norms.

## Key rating drivers and their description

### Credit strengths

**Strong parentage and strategic importance to the group** - TCL is a majority-owned subsidiary of TSL (TSL held 94.55% equity shares of TCL as on September 30, 2021). TCL enjoys strong financial and operational support from TSL, which, in the past, has included access to capital, management and systems, and supervision by a strong board. TCL also enjoys strong commitment from TSL as TCL (through its subsidiaries) is the primary financial services lending arm for the Tata Group. Given the importance of the financial services business to the Tata Group and TSL's stated intent to keep TCL adequately capitalised on a consolidated basis, ICRA expects TSL to continue to provide financial support to enable TCL to maintain a comfortable capitalisation and liquidity profile. ICRA also expects TSL to continue maintaining significant ownership and management control in TCL. The demonstrated support to the Tata Capital Group from TSL is also highlighted by the Rs. 2,500-crore capital infusion in FY2019 and further Rs. 1,000 crore in Q3FY2020. Any significant dilution in TSL's stake in TCL or likelihood of support from TSL or a change in TSL's credit profile could warrant a rating review for TCL.

**Diverse product mix; higher share of retail portfolio** - The total lending book (on a combined basis for TCFSL+TCHFL+TCCL) remained broadly stable at Rs. 80,970 crore as on September 30, 2021 as compared to Rs. 75,806 crore as on March 31, 2021 with retail loans comprising ~54% of the aggregate portfolio as on September 30, 2021. The loan book is fairly diversified across various products in wholesale and retail lending. The wholesale loan book comprised of corporate loans and credit substitutes and builder loans (27% of the total combined loan book as on September 30, 2021), channel financing/bill discounting (10%), infrastructure and project loans (8%) and loan against shares (1%). ICRA also notes the relatively lower credit concentration of large exposures within the wholesale book compared to peers. The retail loan book comprised of home loans (18% of the total combined loan book as on September 30, 2021), home equity/loan against property (LAP; 17%), personal loans (9%), construction equipment financing (5%), auto financing (4%) and others (0.2%). While portfolio growth in medium term is likely to moderate from the past levels, the loan book is expected to remain well diversified across products and borrower/Group level exposures.

TCFSL's loan portfolio stood at Rs. 48,038 crore as on September 30, 2021 as compared to Rs. 44,084 crore as on March 31, 2021. As on September 30, 2021, ~55% of the loan book comprised of wholesale loans, primarily comprising working capital loans to corporates (36%) and bill discounting and channel financing (18%), the balance being the retail portfolio including loans against property (12%), personal/business loan (16%), construction equipment (8%), financing for automobiles (7%), and others (1%).

**Diverse borrowing profile and good financial flexibility** - The Tata Capital Group enjoys good financial flexibility, being a part of the Tata Group, with access to funds at competitive rates of interest and from various sources. TCL's consolidated funding profile is fairly diversified with a mix of non-convertible debentures, bank borrowings, and commercial paper. As on March 31, 2021, the overall capital market borrowings stood at ~52% of the total aggregate borrowings with balance being bank loans,

intercorporate deposits and preference shares. The proportion of commercial papers in the aggregate funding mix declined to ~5% as on March 31, 2021 from 10% as on March 31, 2020. ICRA takes comfort from the group's cash flow from its short-term assets which augurs well for its liquidity profile and its policy of maintaining adequate unutilised bank facilities as liquidity backup.

TCFSL enjoys good financial flexibility, being a part of the Tata Group, with access to funds at competitive rates of interest. Its funding profile is fairly diversified with a mix of non-convertible debentures, bank borrowings, and commercial paper. As on September 30, 2021, the overall market borrowings stood at ~59% of the total borrowings. The proportion of commercial papers in the overall funding mix remained low at ~9% (~8% as on March 31, 2021). ICRA takes comfort from the company's cash flow from its short-term assets and its policy of maintaining adequate unutilised bank facilities as a liquidity backup.

**Comfortable asset quality and healthy provision cover** - Asset quality on aggregate basis improved marginally in H1FY2022 to GS3 and NS3 of 2.2% and 0.7%, respectively, on September 30, 2021 from GS3 and NS3 of 2.5% and 0.9%, respectively, on March 31, 2021, followed by a pickup in collection in Q2FY2022. At the same time, provision cover remained comfortable at 67% as on September 30, 2021 (~65% as on March 31, 2021). As on September 30, 2021, 4.3% of the aggregate AUM was restructured under various RBI schemes and performance of this book would be a key monitorable going forward. ICRA also notes that the reported headline gross NPA for the company would increase following the recent clarification by the Reserve Bank of India (RBI) on IRAC norms, however the credit costs are likely to remain under control given the additional provisions carried by the company. Overall, given the continued challenges in the operating environment and the impact of the possible third wave of Covid on cashflows of borrowers could result in some increase in delinquencies for the group by the end of FY2022, though ICRA expects the overall asset quality to remain comfortable and expects the company to maintain healthy provision cover to protect the balance sheet against asset quality risk though some uptick is possible due to stress in some key lending segments. Overall, the Group's ability to arrest fresh slippages while maintaining business volumes would have a bearing on its overall financial profile and would be a key monitorable.

TCFSL's asset quality improved in H1FY2022 and the company reported GS3s of 2.6% as on September 30, 2021 (3.0% as on March 31, 2021) owing to limited slippages, further a healthy a provision cover of 74% as on September 30, 2021 (~71% as on March 31, 2021) resulted in low NS3s of 0.7% as on September 30, 2021 (0.9% as on March 31, 2021) and comfortable solvency of 4.7% as on September 30, 2021 (5.8% as on March 31, 2021), which provides comfort.

## Credit challenges

**Consolidated gearing moderate; albeit improving, stated intent of TSL to keep TCL Group adequately capitalised provides comfort** - Following the capital infusion in FY2019 and FY2020, TCL's consolidated gearing declined to 7.7 times as on March 31, 2020 from 8.7 times as on March 31, 2019 (11.8 times as on March 31, 2018). With muted portfolio growth in FY2021 and improvement in internal accruals, consolidated gearing improved to at ~6.4 times as on March 31, 2021. Gearing, nonetheless, remains relatively moderate and the group would need external capital if the growth in portfolio picks up in FY2023, to maintain prudent capitalisation levels, given the moderate internal capital generation. ICRA expects capital support from the parent to be forthcoming, as and when required given TSL's stated intent to provide regular capital support to TCL to enable it to maintain an adequate capitalisation profile.

TCFSL's capitalisation has been supported by capital infusions from TCL (Rs. 785 crore in FY2017 and Rs. 575 crore in FY2018 and Rs. 1,025 crore in FY2019 and Rs. 250 crore equity capital infused in FY2020). TCFSL's capital adequacy stood at 17.70% (Tier I – 12.50%) as on September 30, 2021 compared to 20.29% (Tier I – 14.69%) as on March 31, 2021. The gearing also remained moderate at 6.2 times on September 30, 2021 (5.7 times on March 31, 2021).

**Moderate earnings profile** - In FY2021, on a consolidated basis, TCL reported a profit after tax (PAT) of Rs. 1,245 crore as compared to Rs. 156 crore in FY2019. TCL's net interest margins (NIMs) improved to 4.9% in FY2021 from 4.4% in FY2020 on account of decline in cost of funds while yields remained largely stable. Notwithstanding the high credit costs (1.7% of ATA in

FY2021 and 1.7% in FY2020), higher non-interest income (1.5% of ATA in FY2021 from 1.1% in FY2020) on account of net gain on fair value changes in FY2021, decline in operating expenses (2.1% of ATA in FY2021 from 2.2% in FY2020) and lower tax rate led to improvement in the group's reported RoA and RoE to 1.5% and 12.2%, respectively, in FY2021 as compared with 0.2% and 3.4%, respectively, in FY2020. The group reported a combined (TCFSL+TCHFL+TCCL+TCL) net profit of Rs. 567 crore in H1FY2022 translating to RoA and RoE of 1.3% and 9.9% respectively<sup>2</sup>. Going forward, the group's ability to control fresh slippages and recover from existing delinquent accounts and thus keeping a check on the credit costs will be important to improve the earnings profile from current levels.

In line with the consolidated performance, TCFSL's NIMs improved to 6.0% in H1FY2022 from 5.8% in FY2021 due to decline in cost of funds. However, the increase in credit costs (2.9% of ATA in H1FY2022 from 2.2% of ATA in FY2021), stable non-interest income (0.8% of ATA in H1FY2022) and operating expenses (2.6% of ATA in H1FY2022) led to moderation in the reported RoA and RoE to 0.9% and 6.8%, respectively, in H1FY2022 as compared with 1.4% and 10.5%, respectively, in FY2021.

## Liquidity position: Strong

The liquidity profile of the group is strong at a consolidated level. As on December 31, 2021, total combined (TCL+TCFSL+TCHFL+TCCL) debt repayments<sup>3</sup> till March 31, 2022 stood at Rs. 10,969 crore of which WCDL constitute ~Rs. 3,565 crore. As on December 31, 2021, combined cash and liquid investments stood at Rs. 1,505 crore. Additionally, the total sanctioned unused bank lines maintained across subsidiaries aggregating to Rs. 8,173 crore as on December 31, 2021, provides comfort over the consolidated liquidity profile of group. The group also enjoys strong financial flexibility to mobilise long term funding on the back of its established track record and strong parentage.

## Rating sensitivities

**Positive factors** – Not applicable

**Negative factors** – Pressure on ratings could emerge because of deterioration in TCL's consolidated capitalisation profile on a sustained basis and/or weakening of asset quality leading to deterioration in solvency (Net Stage III/ Net Worth >20%) on a sustained basis. Any significant change in likelihood of support from the parent or deterioration in parent's credit profile could warrant a rating revision.

## Analytical approach

Analytical Approach	Comments
<b>Applicable Rating Methodologies</b>	<a href="#">ICRA's Credit Rating Methodology for Non-Banking Finance Companies</a> <a href="#">Rating approach - Implicit support from parent or group</a>
<b>Parent/Group Support</b>	Ultimate Parent/Investor: Tata Sons Limited TCL is a majority-owned subsidiary of TSL, which held 94.55% of TCL's equity shares as on September 30, 2021. TCFSL, in turn, is a 100% subsidiary of TCL. TCL enjoys strong financial and operational support from TSL, which, in the past, has included access to capital, management and systems, and supervision by a strong board. TCL also enjoys strong commitment from TSL as TCL (through its subsidiaries) is the primary financial services lending arm for the Tata Group.
<b>Consolidation/Standalone</b>	While arriving at the rating for TCFSL, ICRA has considered the consolidated performance of TCL and its subsidiaries carrying businesses as finance companies given the strong operational and financial synergies between the companies. <i>Details are mentioned in Annexure 2.</i>

<sup>2</sup> ICRA calculations

<sup>3</sup> Excluding ICD to group subsidiaries.

## About the company

Tata Capital Financial Services Limited (TCFSL) was incorporated in November 2010 and is a wholly-owned subsidiary of Tata Capital Limited (TCL). TCFSL is registered as a non-deposit accepting non-banking finance company (NBFC) with the Reserve Bank of India (RBI). In FY2012, TCFSL took over TCL's lending operations, which then included the financing of non-Tata vehicles and construction equipment, working capital finance for corporates and SMEs and unsecured retail finance.

As on September 30, 2021, the company's total credit book stood at Rs. 48,038 crore, of which 55% was from the wholesale segment, primarily comprising working capital loans to corporates (36%) and bill discounting and channel financing (18%), the balance being the retail portfolio including loans against property (12%), personal/business loan (16%), construction equipment (8%), financing for automobiles (7%), and others (1%). In H1FY2022, the company reported a net profit of Rs. 233 crore on a total income of Rs. 3,063 crore against a net profit of Rs. 245 crore on a total income of Rs. 3,006 crore in H1FY2021. The company had reported a net profit of Rs. 678 crore on a total income of Rs. 5,992 crore in FY2021.

### Tata Capital Limited

TCL is a subsidiary of Tata Sons Limited, which holds 94.55% of TCL as on September 30, 2021. Balance shareholding of TCL is owned by Tata Investment Corporation Limited, TCL Employee Welfare Trust and others.

TCL is registered as a core investment company and is the holding company for various financial services of the Group including Tata Capital Financial Services Limited (TCFSL), Tata Capital Housing Finance Limited (TCHFL), Tata Cleantech Limited (TCCL). TCL also holds strategic and private equity investments in some companies. For H1FY2022, the company reported a standalone net profit of Rs. 18 crore on a total standalone asset base of Rs. 11,491 crore as compared to a net profit of Rs. 47 crore on a total asset base of Rs. 10,514 crore in FY2021.

On a consolidated basis, TCL reported PAT of Rs. 1,245 crore on total asset base of Rs. 82,926 crore in FY2021 as compared to PAT of Rs. 156 crore on total asset base of Rs. 83,309 crore in FY2020.

### Tata Sons Limited

Tata Sons Limited, founded in 1917 by the Tata Group's founder, Shri JN Tata, is the principal holding company for the Tata Group and owner of the Tata brand and associated trademark. Charitable trusts own most of Tata Sons' shareholding at 66%. While income from dividends and profit generated on sale of investments constitute the principal revenue source for the company, it also includes royalty fees earned from Group companies for using the Tata brand. Such fees, however, are largely spent on brand promotion. TCS, one of the largest software companies in India and the highest contributor to Tata Sons in terms of revenues and profits, was spun-off as a separate entity during FY2005. Currently, Tata Sons' equity investments are spread across seven major industry segments and include investments in flagship concerns like TCS, Tata Steel Limited, The Tata Power Company Limited, Tata Motors Limited, Tata Chemicals Limited, Titan Company Limited and Tata Consumer Products Limited, among others.

## Key financial indicators (audited)

Tata Capital Financial Services Limited (In Rs. Crore)	FY2019	FY2020	FY2021	H1FY2022
Profit after Tax	433	114	678	233
Net Worth (adjusted)	*5,934	6,215	6,735	6,929
Total Managed Portfolio	44,085	43,551	44,084	48,038
Total Assets	46,638	46,808	47,411	52,119
Return on Assets	1.4%	0.2%	1.4%	0.9%
Return on Equity	*8.3%	1.9%	10.5%	6.8%
Gearing (times)	*6.6	6.3	5.7	6.2
Gross NPA/stage 3%	2.5%	2.4%	3.0%	2.6%
Net NPA/stage 3%	0.4%	0.5%	0.9%	0.7%
(Net NPA/stage 3)/ Net Worth	*2.9%	3.7%	5.8%	4.7%
CAR%	16.8%	18.9%	20.3%	17.7%

Source: Company, ICRA Research; All ratios as per ICRA calculations

\*In ICRA's calculations, CCCPS of Rs. 1,889 crore as on March 31, 2019 and Rs. 1,520 crore as on March 31, 2018 were included in the net worth. If this is treated as borrowings (as reported under Ind-AS), the net worth would stand at Rs. 4,044 crore, gearing at 10.17 times, RoE at 12.37% and Net NPA/Net worth at 4.21% as on March 31, 2019.

Tata Capital Limited (consolidated) (In Rs. Crore)	FY2019	FY2020	FY2021
Net Interest Income	2,383	3,228	3,516
Non-interest Income	1,691	823	1,256
Credit costs	665	1,412	1,398
Operating Expenses	1,994	1,803	1,704
Profit before Tax	1,415	668	1,615
Profit after Tax	1,029	156	1,245
Net Worth	8,118	9,316	10,807
Total Assets	80,925	83,309	82,926
Return on Assets (%)	1.2%	0.4%	1.5%
Return on Equity (%)	13.8%	3.4%	12.2%
Gearing (times)	8.7	7.7	6.4

Source: Company, ICRA Research; All ratios as per ICRA calculations

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

## Rating history for past three years

Instrument	Type	Current Rating (FY2022)			Chronology of rating history for the past 3 years								
		Amount rated (Rs. crore)	Amount O/s as of Sep-30-21 (Rs. crore)	Date & Rating			Date & Rating in FY2021			Date & Rating in FY2020		Date & Rating in FY2019	
				Jan-20-22	Oct-20-21	Jun-22-21 Apr-1-21	Mar-16-21 Jan-22-21 Oct-8-20	Jun-11-20	Feb-27-20	Jan-31-20 Dec-06-19 Sep-27-19 Jun-27-19	Jan-21-19 Sep-26-18 Aug-24-18	Jul-16-18 May-23-18	
1	Commercial paper programme (IPO financing)	Short Term	8,000.00	0.00	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	-	-	-	-	-
2	Non-Convertible Debentures Programme	Long Term	18,695.45	12,124.20	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA] AA+ (Stable)
3	Subordinated Debt Programme	Long Term	1,500.00	949.50	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA] AAA (Stable)	[ICRA] AAA (Stable)	[ICRA] AA+ (Stable)
4	Retail Bonds Programme	Long Term	5000.00	0.00	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-
5	Bank Lines	Long Term/ Short Term- Fund Based/ Non-fund Based	25,000.00	16,174.00	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AA+ (Stable)/ [ICRA]A1+
6	Perpetual Debt Programme	Long Term	1,586.55	1,086.55	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA (Stable)
7	Commercial Paper Programme	Short Term	15,000	3,810.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+

Source: Company, ICRA Research

## Complexity level of the rated instrument

Instrument	Complexity Indicator
NCD programme	Very Simple
Retail bonds programme	Very Simple
Subordinated Debt programme	Simple
Long-term/Short-term – Fund based/Non-fund based	Very Simple
Perpetual Debt Programme	Simple
Commercial Paper	Very Simple
CP (IPO Financing)	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analyzing an entity's financial,

business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [www.icra.in](http://www.icra.in)

**Annexure-1: Instrument details as on September 30, 2021**

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA#	Non-convertible Debentures	Proposed	NA	NA	3,000.00	[ICRA]AAA(Stable)
INE306N07CS1	Non-convertible Debentures	Sep-05-12	9.85%	Sep-05-22	50	[ICRA]AAA(Stable)
INE306N07HN1*	Non-convertible Debentures	Mar-16-16	8.75%	Mar-16-21	7	[ICRA]AAA(Stable)
INE306N07HO9*	Non-convertible Debentures	Mar-21-16	8.80%	Mar-19-21	10	[ICRA]AAA(Stable)
INE306N07JE6	Non-convertible Debentures	Mar-31-17	7.91%	Mar-31-22	40	[ICRA]AAA(Stable)
INE306N07JO5	Non-convertible Debentures	Jul-20-17	7.70%	Feb-28-22	75	[ICRA]AAA(Stable)
INE306N07JQ0	Non-convertible Debentures	Aug-16-17	7.69%	Jan-14-22	75	[ICRA]AAA(Stable)
INE306N07JU2*	Non-convertible Debentures	Jan-12-18	ZCB	Jan-22-21	75	[ICRA]AAA(Stable)
INE306N07JV0	Non-convertible Debentures	Jan-22-18	8.25%	Jan-20-23	48	[ICRA]AAA(Stable)
INE306N07KG9	Non-convertible Debentures	Oct-22-18	9.48%	Apr-08-22	112	[ICRA]AAA(Stable)
INE306N07KH7	Non-convertible Debentures	Oct-26-18	9.50%XIRR	Oct-26-21	326.2	[ICRA]AAA(Stable)
INE306N07KK1	Non-convertible Debentures	Dec-19-18	9.25%	Dec-19-23	194	[ICRA]AAA(Stable)
INE306N07KL9	Non-convertible Debentures	Dec-19-18	9.25%	Dec-19-28	112	[ICRA]AAA(Stable)
INE306N07KK1	Non-convertible Debentures	Jan-03-19	9.25%	Dec-19-23	97.5	[ICRA]AAA(Stable)
INE306N07KL9	Non-convertible Debentures	Jan-03-19	9.25%	Dec-19-28	23	[ICRA]AAA(Stable)
INE306N07KM7	Non-convertible Debentures	Jan-03-19	8.88%	Jun-10-22	40	[ICRA]AAA(Stable)
INE306N07KN5*	Non-convertible Debentures	Jan-10-19	8.95%	Jan-11-21	25	[ICRA]AAA(Stable)
INE306N07KG9	Non-convertible Debentures	Jan-23-19	9.48%	Apr-08-22	48.5	[ICRA]AAA(Stable)
INE306N07KK1	Non-convertible Debentures	Feb-15-19	9.25%	Dec-19-23	30	[ICRA]AAA(Stable)
INE306N07KL9	Non-convertible Debentures	Feb-15-19	9.25%	Dec-19-28	55	[ICRA]AAA(Stable)
INE306N07KR6	Non-convertible Debentures	Feb-21-19	8.85%	Feb-21-22	50	[ICRA]AAA(Stable)
INE306N07KY2	Non-convertible Debentures	Apr-25-19	8.45%	Apr-25-22	50	[ICRA]AAA(Stable)
INE306N07KZ9	Non-convertible Debentures	May-14-19	8.61%XIRR	Jul-06-22	21	[ICRA]AAA(Stable)
INE306N07KW6*	Non-convertible Debentures	Mar-27-19	8.65%	Mar-26-21	525	[ICRA]AAA(Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE306N07KW6*	Non-convertible Debentures	Jun-04-19	8.65%	Mar-26-21	150	[ICRA]AAA(Stable)
INE306N07KX4	Non-convertible Debentures	Mar-27-19	8.71%	Mar-25-22	282.5	[ICRA]AAA(Stable)
INE306N07LB8	Non-convertible Debentures	May-27-19	8.82%	May-27-24	218	[ICRA]AAA(Stable)
INE306N07LC6	Non-convertible Debentures	Jun-04-19	8.67%	Jan-15-25	30	[ICRA]AAA(Stable)
INE306N07LD4*	Non-convertible Debentures	Jun-04-19	8.30%	Jun-04-21	108	[ICRA]AAA(Stable)
INE306N07LE2	Non-convertible Debentures	Jun-20-19	8.65%	Jun-20-24	88.5	[ICRA]AAA(Stable)
INE306N07LE2	Non-convertible Debentures	Jul-10-19	8.65%	Jun-20-24	100	[ICRA]AAA(Stable)
INE306N07LF9	Non-convertible Debentures	Jun-20-19	8.70%	Jun-20-29	273	[ICRA]AAA(Stable)
INE306N07LF9	Non-convertible Debentures	Jul-19-19	8.70%	Jun-20-29	100	[ICRA]AAA(Stable)
INE306N07LN3*	Non-convertible Debentures	Sep-27-19	7.65%	Sep-13-21	50	[ICRA]AAA(Stable)
INE306N07KM7	Non-convertible Debentures	Sep-27-19	8.88%	Jun-10-22	10	[ICRA]AAA(Stable)
INE306N07LO1	Non-convertible Debentures	Nov-06-19	8.50%	Nov-06-29	100	[ICRA]AAA(Stable)
INE306N07LP8	Non-convertible Debentures	Dec-10-19	7.55%	Jun-10-22	25	[ICRA]AAA(Stable)
INE306N07LQ6	Non-convertible Debentures	Jan-30-20	(12 Months T-Bill Rate) + 2.60%	Apr-29-22	200	[ICRA]AAA(Stable)
INE306N07JV0	Non-convertible Debentures	Feb-12-20	8.25%	Jan-20-23	125	[ICRA]AAA(Stable)
INE306N07LR4*	Non-convertible Debentures	Feb-18-20	6.60% XIRR	Mar-17-21	100	[ICRA]AAA(Stable)
INE306N07LC6	Non-convertible Debentures	Feb-26-20	8.67%	Jan-15-25	35	[ICRA]AAA(Stable)
INE306N07LS2	Non-convertible Debentures	Mar-06-20	7.85%	Mar-06-30	1000	[ICRA]AAA(Stable)
INE306N07LT0	Non-convertible Debentures	Apr-21-20	7.80%	May-19-23	925	[ICRA]AAA(Stable)
INE306N07LU8	Non-convertible Debentures	Apr-29-20	7.50%	Apr-28-23	75	[ICRA]AAA(Stable)
INE306N07LV6	Non-convertible Debentures	Apr-29-20	7.65%	Apr-29-25	40	[ICRA]AAA(Stable)
INE306N07LW4*	Non-convertible Debentures	May-28-20	6.60% XIRR	Aug-27-21	375	[ICRA]AAA(Stable)
INE306N07LW4*	Non-convertible Debentures	Jun-17-20	6.60% XIRR	Aug-27-21	225	[ICRA]AAA(Stable)
INE306N07LX2	Non-convertible Debentures	Jun-17-20	6.85%	Sep-23-22	150	[ICRA]AAA(Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE306N07LY0	Non-convertible Debentures	Jun-25-20	6.37%	Dec-28-21	185	[ICRA]AAA(Stable)
INE306N07LZ7	Non-convertible Debentures	Jul-14-20	6.15%	Jul-14-23	50	[ICRA]AAA(Stable)
INE306N07LZ7	Non-convertible Debentures	Jul-20-20	6.15%	Jul-14-23	350	[ICRA]AAA(Stable)
INE306N07MA8	Non-convertible Debentures	Jul-28-20	5.90% XIRR	Jul-28-23	125	[ICRA]AAA(Stable)
INE306N07LX2	Non-convertible Debentures	Aug-27-20	6.85%	Sep-23-22	400	[ICRA]AAA(Stable)
INE306N07MC4	Non-convertible Debentures	Dec-01-20	5.00%	Dec-01-22	400	[ICRA]AAA(Stable)
INE306N07MD2	Non-convertible Debentures	Dec-31-20	5.25%	Nov-30-23	1000	[ICRA]AAA(Stable)
INE306N07KZ9	Non-convertible Debentures	Feb-23-21	8.61% XIRR	Jul-06-22	200	[ICRA]AAA(Stable)
INE306N07MF7	Non-convertible Debentures	Mar-30-21	6.10%	Mar-29-24	425	[ICRA]AAA(Stable)
INE306N07MG5	Non-convertible Debentures	Apr-15-21	5.45%	Apr-14-23	360	[ICRA]AAA(Stable)
INE306N07MH3	Non-convertible Debentures	May-10-21	3 month T-bill + 185 bps	May-10-24	500	[ICRA]AAA(Stable)
INE306N07MI1	Non-convertible Debentures	Jul-15-21	5.23% XIRR (Zero Coupon)	Jul-14-23	210	[ICRA]AAA(Stable)
INE306N07MI1	Non-convertible Debentures	Aug-02-21	5.23% XIRR	Jul-14-23	200	[ICRA]AAA(Stable)
INE306N07MJ9	Non-convertible Debentures	Aug-02-21	3 month T-bill + 129 bps	Aug-02-24	200	[ICRA]AAA(Stable)
INE306N07MK7	Non-convertible Debentures	Aug-06-21	5.85%	Oct-04-24	700	[ICRA]AAA(Stable)
INE306N07ME0	Non-convertible Debentures	Aug-24-21	5.84%	Mar-17-23	300	[ICRA]AAA(Stable)
INE306N07MK7	Non-convertible Debentures	Aug-24-21	5.85%	Oct-04-24	400	[ICRA]AAA(Stable)
INE306N07ML5	Non-convertible Debentures	Sep-06-21	4.82%	Feb-28-23	700	[ICRA]AAA(Stable)
INE306N07MM3	Non-convertible Debentures	Sep-06-21	5.10% XIRR	Dec-29-23	100	[ICRA]AAA(Stable)
INE306N07MN1	Non-convertible Debentures	Sep-29-21	7.10%	Sep-29-31	95	[ICRA]AAA(Stable)
NA#	Non-convertible Debentures	NA	NA	NA	1,921.25	[ICRA]AAA(Stable)
INE306N08011	Perpetual Debt Programme	Mar-27-14	10.95%	Perpetual	93.55	[ICRA]AA+(Stable)
INE306N08060	Perpetual Debt Programme	Jul-16-15	9.99%	Perpetual	100	[ICRA]AA+(Stable)
INE306N08110	Perpetual Debt Programme	Jan-6-16	9.86%	Perpetual	50	[ICRA]AA+(Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE306N08128	Perpetual Debt Programme	Feb-2-16	9.86%	Perpetual	50	[ICRA]AA+(Stable)
INE306N08136	Perpetual Debt Programme	Feb-9-16	9.86%	Perpetual	100	[ICRA]AA+(Stable)
INE306N08144	Perpetual Debt Programme	Mar-23-16	9.80%	Perpetual	100	[ICRA]AA+(Stable)
INE306N08185	Perpetual Debt Programme	Jun-30-16	9.80%	Perpetual	50	[ICRA]AA+(Stable)
INE306N08219	Perpetual Debt Programme	Jan-13-17	9.00%	Perpetual	10	[ICRA]AA+(Stable)
INE306N08227	Perpetual Debt Programme	Mar-8-17	9.05%	Perpetual	40	[ICRA]AA+(Stable)
INE306N08235	Perpetual Debt Programme	Jun-21-17	9.05%	Perpetual	50	[ICRA]AA+(Stable)
INE306N08250	Perpetual Debt Programme	Jul-14-17	8.77%	Perpetual	50	[ICRA]AA+(Stable)
INE306N08268	Perpetual Debt Programme	Sep-11-17	8.61%	Perpetual	93	[ICRA]AA+(Stable)
INE306N08276	Perpetual Debt Programme	Mar-26-18	8.90%	Perpetual	125	[ICRA]AA+(Stable)
INE306N08391	Perpetual Debt Programme	Sep-30-20	8.10%	Perpetual	100	[ICRA]AA+(Stable)
INE306N08409	Perpetual Debt Programme	Oct-19-20	8.10%	Perpetual	75	[ICRA]AA+(Stable)
NA#	Perpetual Debt Programme	NA	NA	NA	500	[ICRA]AA+(Stable)
NA#	Subordinated Debt Programme	Proposed	NA	NA	500	[ICRA]AAA(Stable)
NA#	Subordinated Debt Programme	Proposed	NA	NA	50.5	[ICRA]AAA(Stable)
INE306N08300	Subordinated Debt Programme	Dec-28-18	9.32%	Dec-28-28	200	[ICRA]AAA(Stable)
INE306N08326	Subordinated Debt Programme	Jun-26-19	8.95%	Apr-16-29	100	[ICRA]AAA(Stable)
INE306N08326	Subordinated Debt Programme	Jul-29-19	8.95%	Apr-16-29	29.5	[ICRA]AAA(Stable)
INE306N08359	Subordinated Debt Programme	Nov-13-19	8.65%	Nov-13-29	100	[ICRA]AAA(Stable)
INE306N08359	Subordinated Debt Programme	Jan-3-20	8.65%	Nov-13-29	70	[ICRA]AAA(Stable)
INE306N08383	Subordinated Debt Programme	Sep-17-20	7.60%	Sep-17-30	75	[ICRA]AAA(Stable)
INE306N08383	Subordinated Debt Programme	Oct-13-20	7.60%	Sep-17-30	125	[ICRA]AAA(Stable)
INE306N08433	Subordinated Debt Programme	Jun-28-21	7.30%	Jun-27-31	150.00	[ICRA]AAA(Stable)
INE306N08383	Subordinated Debt Programme	Mar-23-21	7.60%	Sep-17-30	100.00	[ICRA]AAA(Stable)
NA#	Retail Bonds Programme	NA	NA	NA	5,000.00	[ICRA]AAA(Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE306N14SL8	Commercial Paper Programme	Oct-27-20	NA	Oct-27-21	250	[ICRA]A1+
INE306N14SN4	Commercial Paper Programme	Dec-23-20	NA	Dec-23-21	400	[ICRA]A1+
INE306N14SP9	Commercial Paper Programme	Jan-28-21	NA	Jan-28-22	225	[ICRA]A1+
INE306N14SQ7	Commercial Paper Programme	Feb-22-21	NA	Feb-22-22	200	[ICRA]A1+
INE306N14SY1	Commercial Paper Programme	Apr-29-21	NA	Mar-29-22	250	[ICRA]A1+
INE306N14TC5	Commercial Paper Programme	Jun-15-21	NA	Dec-13-21	300	[ICRA]A1+
INE306N14TG6	Commercial Paper Programme	Jul-12-21	NA	Oct-11-21	700	[ICRA]A1+
INE306N14TI2	Commercial Paper Programme	Jul-20-21	NA	Jul-20-22	300	[ICRA]A1+
INE306N14TL6	Commercial Paper Programme	Aug-10-21	NA	Aug-10-22	385	[ICRA]A1+
INE306N14TM4	Commercial Paper Programme	Aug-23-21	NA	Nov-22-21	200	[ICRA]A1+
INE306N14TN2	Commercial Paper Programme	Aug-26-21	NA	Nov-25-21	350	[ICRA]A1+
INE306N14TO0	Commercial Paper Programme	Aug-27-21	NA	Mar-11-22	250	[ICRA]A1+
NA#	Commercial Paper Programme	NA	NA	7-365 days	11,190	[ICRA]A1+
NA#	Commercial Paper Programme (IPO financing)	NA	NA	7 days	8,000	[ICRA]A1+
NA	Long Term/Short Term – Fund Based/Non-fund Based Bank Lines	NA	NA	NA	25,000	[ICRA]AAA(Stable)/[ICRA]A1+

Source: Company; #Yet to be placed/unutilised; \*To be withdrawn later

#### Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Tata Capital Limited	Parent	Full consolidation
Tata Capital Financial Services Limited	100%	Full consolidation
Tata Capital Housing Finance Limited	100%	Full consolidation
Tata Cleantech Capital Limited	80.50%	Full consolidation
Tata Securities Limited	100%	Full consolidation
Tata Capital Growth Fund	73.75%	Full consolidation
Tata Capital Special Situation Fund	28.20%	Full consolidation
Tata Capital Innovation Fund	27.69%	Full consolidation
Tata Capital Growth II General Partners LLP	80%	Full consolidation
Tata Capital Pte Limited	100%	Full consolidation

Source: Annual report FY2021

## ANALYST CONTACTS

**Karthik Srinivasan**

+91 22 6114 3444

[karthiks@icraindia.com](mailto:karthiks@icraindia.com)

**Sandeep Sharma**

+91 22 6114 3472

[sandeep.sharma@icraindia.com](mailto:sandeep.sharma@icraindia.com)

**Manushree Saggar**

+91 124 4545 316

[manushrees@icraindia.com](mailto:manushrees@icraindia.com)

**Deep Inder Singh**

+91 124 4545 830

[deep.singh@icraindia.com](mailto:deep.singh@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**

+91 22 6114 3406

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

### Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

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## ICRA Limited



### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



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