

November 24, 2023

## Tata Capital Housing Finance Limited: Ratings reaffirmed; rating assigned for bank facilities

### Summary of rating action

| Instrument*   | Previous Rated Amount<br>(Rs. crore) | Current Rated Amount<br>(Rs. crore) | Rating Action                  |
|---|--------------------------------------|-------------------------------------|--------------------------------|
| Long term fund based/non-fund based                       | -                                    | 10,500                              | [ICRA]AAA (Stable); assigned   |
| NCD programme   | 8,743.00                             | 8,743.00                            | [ICRA]AAA (Stable); reaffirmed |
| Retail bonds programme (incl. NCDs and subordinated debt) | 5,000.00                             | 5,000.00                            | [ICRA]AAA (Stable); reaffirmed |
| Subordinated debt programme                               | 1,475.50                             | 1,475.50                            | [ICRA]AAA (Stable); reaffirmed |
| Commercial paper  | 8,000.00                             | 8,000.00                            | [ICRA]A1+; reaffirmed          |
| <b>Total</b>  | <b>23,218.50</b>                     | <b>33,718.50</b>                    |                                |

\*Instrument details are provided in Annexure I

### Rationale

Tata Capital Limited (TCL; rated [ICRA] AAA (Stable)/ [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 primarily operate in consumer loans, housing finance, vehicle finance, commercial finance, infrastructure finance and other financial service businesses. While arriving at the ratings, ICRA has considered the consolidated business and financial risk profiles of TCL and its key subsidiaries – TCFSL, TCHFL and TCCL (collectively referred to as the Tata Capital Group) – as these entities have significant operational and management linkages and operate under the common Tata Capital brand.

The ratings factor in the Group's diverse product mix, the higher share of the retail loan book, the strong liquidity position, the diversified funding profile and the financial flexibility arising from being a part of the Tata Group. ICRA also favourably notes the comfortable asset quality indicators (consolidated gross stage 3 (GS3) and net stage 3 (NS3) of 1.6% and 0.4%, respectively, as on September 30, 2023) and the healthy provision cover (73% as on September 30, 2023). ICRA has also taken note of the improvement in the group's return indicators with a consolidated return on average assets (RoA) of 2.2% for H1FY2024 (2.5% for FY2023), though the sustainability of the same would be important. The ratings also factor in the relatively moderate, albeit improving, capitalisation profile (consolidated gearing of 5.8 times as on September 30, 2023), aided by the capital support from TSL. ICRA believes that a prudent capitalisation level is one of the key mitigants against delinquencies and the other credit risks associated with the lending business and expects that support from TSL, if required, would be forthcoming considering the growth plans of the group. 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 earnings profile.

The ratings for TCL group continue to draw significant strength from its parentage, Tata Sons Limited (TSL; rated [ICRA]AAA (Stable)/[ICRA]A1+), which owned 94.6% of TCL's equity shares on September 30, 2023, and the strategic importance of the financial services business (housed under TCL and its subsidiaries) to the Tata Group. The ratings are also supported by TSL's stated intent of keeping the Tata Capital Group adequately capitalised on a consolidated basis and to continue maintaining significant ownership and management control in the company.

ICRA has also taken note of the recent changes made by Reserve Bank of India (RBI) towards consumer credit and bank credit to NBFCs. Housing loans are exempt from the risk wight increase. Hence, no impact of the measures expected on TCHFL

capitalisation profile. Further, there may be an increase in cost of bank borrowings for the sector. Ability to pass on the potentially higher borrowing costs will be a key monitorable.

ICRA has also taken note of the proposed scheme of arrangement for merger of TCFSL (wholly owned subsidiary) and TCCL (majorly owned subsidiary) with TCL. This scheme of arrangement is, inter alia, subject to the sanction of the National Company Law Tribunal ("NCLT"), requisite approvals of the shareholders and/or creditors of the Company, as directed by the NCLT, receipt of regulatory approvals. On August 8, 2023, the competition commission of India had approved the aforementioned scheme. The proposed merger is unlikely to impact the credit profile and ratings of TCL, TCFSL, TCCL and TCHFL, as while arriving at the ratings, ICRA has already been considering the consolidated performance of TCL and its finance subsidiaries, as these entities have significant operational and management linkages and operate under the common Tata Capital brand. ICRA will continue to monitor the developments on the merger and consequent impact on business plans of the entity, if any.

## Key rating drivers and their description

### Credit strengths

**Strong parentage and strategic importance to the Group; supports financial flexibility** – TCL is a majority-owned subsidiary of TSL. It 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 it (through its subsidiaries) is the primary financial services lending arm for the Tata Group. The Tata Capital Group enjoys good financial flexibility, being a part of the Tata Group, with access to funds at competitive rates of interest from various sources. TCL's consolidated funding profile is fairly diversified with a mix of non-convertible debentures (NCDs), bank borrowings, and commercial paper. 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 help TCL maintain a comfortable capitalisation and liquidity profile.

ICRA also expects TSL to maintain 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, Rs. 1,000 crore in Q3 FY2020 and Rs. 594 crore in FY2023 and Rs. 986 crore in H1FY2024 by subscribing to the rights issue of equity of TCL. A significant dilution in TSL's stake in TCL or in the 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) grew by ~25% (annualised basis) to Rs. 1,34,762 as on September 30, 2023 from Rs. 1,19,573 crore as on March 31, 2023 driven by growth in home loan and personal loan/business loan amongst other segments, consequently the share of retail loans increased to ~57% of the aggregate portfolio on September 30, 2023 from 54% on March 31, 2023. The loan book is fairly diversified across various products within the wholesale and the retail lending segments. The retail loan book comprises of home loans (19% of the total combined loan book as on September 30, 2023), home equity/loan against property (LAP; 14%), personal/business loans (14%), auto financing (5%), construction equipment financing (4%) and microfinance (1%). The wholesale loan book comprises of corporate loans, credit substitutes, corporate CV and builder loans (23% of the total combined loan book as on September 30, 2023), channel financing/bill discounting (10%), infrastructure and project loans (8%) and loan against securities (2%). ICRA also notes the relatively lower credit concentration of large exposures within the wholesale book compared to its peers. The loan book is expected to remain well diversified across products and borrower/Group-level exposures.

TCHFL's loan portfolio stood at Rs. 43,254 crore as on September 30, 2023, compared to Rs. 32,991 crore as on September 30, 2022 (Rs. 37,733 crore as on March 31, 2023). As on September 30, 2023, the book comprised housing loans (61% of total portfolio), LAP (25%) and builder loans (14%).

**Comfortable asset quality and healthy provision cover** – High loan book growth and controlled slippages resulted in improvement in the asset quality improved on a consolidated basis in FY2023 with the GS3 and the NS3 improving to 1.7% and 0.4%, respectively, as on March 31, 2023 from 1.9% and 0.6%, respectively, as on March 31, 2022 and provision cover at 77% on March 31, 2023 (71% as on March 31, 2022). Further, asset quality remained comfortable in H1FY2024 with GS3 and NS3 of 1.6% and 0.4%, respectively, and provision cover of 73% as on September 30, 2023. ICRA expects the overall asset quality to remain comfortable and expects the company to maintain a healthy provision cover to protect the balance sheet against asset quality risks. 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.

TCHFL's asset quality remains comfortable on account of controlled slippages and a high provision cover (GS3/NS3 of 1.4%/0.6% as on September 30, 2023 compared to 1.6%/0.8% as on September 30, 2022 (1.6%/0.6% as on March 31, 2023). Moreover, it has a good solvency ratio of 4.5% as on September 30, 2023 (66.6% as on September 30, 2022), which provides comfort.

**Adequate earnings profile** - In FY2023, on a consolidated basis, TCL reported a profit after tax (PAT) of Rs. 2,946 crore compared to Rs. 1,801 crore in FY2022. TCL's net interest margins (NIMs) remained stable at 4.5% in FY2023 (4.5% on FY2022) due to commensurate increase in yields compared to increase in the cost of funds, however, better than the 5 year average of 4.1%. Further, decline in credit costs (0.5% of ATA in FY2023 from 1.2% of ATA in FY2022) due to controlled slippages, stable operating expenses (2.2% of ATA in FY2023 and 2.3% in FY2022), stable non-interest income (0.7% of ATA in FY2023 from 0.8% in FY2022) led to an improvement in the Group's reported average RoA to 2.5% in FY2023 compared with 1.9% in FY2022. Further, the company reported a consolidated PAT of Rs. 1,539 crore in H1FY2024 compared to PAT of Rs. 1,287 crore in H1FY2023 supported by stable NIMs and low credit costs, despite increase in operating expenses primarily on account of branch expansion during the year. Going forward, increase in share of business loan/personal loan and microfinance business could bode well for the profitability profile. The Group's ability to grow the loan book while maintaining the improved profitability profile through controlled slippages and operating expenses will be a key rating monitorable.

In line with the consolidated performance, TCHFL's reported improvement in profitability with RoA of 2.3% in FY2023 from 2.0%, in FY2022 primarily due to decline in credit costs owing to controlled slippages. Further, the company reported a PAT of Rs. 526 crore in H1FY2024 translating to RoA of 2.5%.

## Credit challenges

**Moderate capitalisation profile; stated intent of TSL to keep TCL Group adequately capitalised provides comfort** - Capital infusion of Rs. 594 crore by TSL in FY2023 and Rs. 896 crore in H1FY2024 through rights issue, good internal accruals strengthened the net worth to Rs. 20,965 crore on September 30, 2023 from Rs. 18,149 as on March 31, 2023, consequently, despite the strong loan book growth in H1FY2024 the gearing declined to 5.8 times on September 30, 2023 from to 6.2 times as on March 31, 2023. Gearing, nonetheless, remains moderate and the group may need external capital if the growth in portfolio is higher than the internal capital generation, to maintain prudent capitalisation levels. 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.

TCHFL's capitalisation has been supported by regular capital infusions from TCL (latest capital infusion of Rs. 500 crore in FY2023) and good internal accruals. Consequently, the gearing improved to 7.0 times on September 30, 2023 (7.2 times on March 31, 2023 and 7.6 times on March 31, 2022).

## Liquidity position: Strong

The Group's liquidity profile is strong at the consolidated level. As on September 30, 2023, total combined (TCFSL+TCHFL+TCCL+TCL) debt repayments<sup>1</sup> stood at Rs. 18,434 crore till December 31, 2023, of which majority of the working capital demand loan (WCDL) of Rs. 5,000 crore is expected to roll over. As on September 30, 2023, the combined cash and liquid investments and unutilised bank facilities stood at Rs. 14,458 crore. ICRA takes comfort from the Group's cash flow from its short-term assets, which augurs well for its liquidity profile. The Group also enjoys strong financial flexibility for mobilising long-term funding on the back of its established track record and strong parentage.

## Rating sensitivities

**Positive factors** – Not applicable

**Negative factors** – Pressure on the ratings could emerge because of a deterioration in TCL's consolidated capitalisation profile on a sustained basis and/or weakening of the asset quality leading to a deterioration in solvency (NS3/Net worth >20%) on a sustained basis. A significant change in the likelihood of support from the parent or a deterioration in the parent's credit profile could warrant a rating revision.

## Analytical approach

| Analytical Approach             | Comments  |
|---------------------------------|---|
| Applicable Rating Methodologies | <a href="#">ICRA's Credit Rating Methodology for Non-Banking Finance Companies</a><br><a href="#">Rating approach - Implicit support from parent or group</a><br><a href="#">Rating approach – Consolidation</a>  |
| Parent/Group Support            | Ultimate Parent/Investor: Tata Sons Limited<br>TCL is a majority-owned subsidiary of TSL, which held 94.6% of TCL's equity shares as on September 30, 2023. 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. |
| Consolidation/Standalone        | While arriving at the rating for TCL, 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 II.</i>  |

## About the company

Tata Capital Housing Finance Limited (TCHFL) is a 100% subsidiary of Tata Capital Limited (TCL) and was incorporated for providing long-term housing finance. The company's incorporation was an integral part of TCL's plan to augment its existing product pipeline in the retail segment. TCHFL is registered with National Housing Bank as a housing finance company. It commenced its lending operations in July 2009 and had a total portfolio of ~Rs. 43,254 crore as on September 30, 2023. For FY2023, the company reported a profit after tax (PAT) of Rs. 821 crore (Rs. 569 crore in FY2022) on a total income of Rs. 3,818 crore in FY2023 (Rs. 2,863 crore in FY2022). Further, the company reported a net profit of Rs. 526 crore in H1 FY2023 on a total income of Rs. 2,361 crore.

### Tata Capital Limited

TCL is a subsidiary of Tata Sons Limited, which holds 94.6% of TCL as on September 30, 2023. The balance shareholding of TCL is owned by Tata Investment Corporation Limited, TCL Employee Welfare Trust and others.

<sup>1</sup> Including interest; excluding ICDs to group subsidiaries

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.

On a standalone basis, the company reported a standalone net profit of Rs. 720 crore on a total standalone asset base of Rs. 15,163 crore in FY2023 compared to a net profit of Rs. 83 crore on a total asset base of Rs. 11,263 crore in FY2022. Further, the company reported a net profit of Rs. 39 crore on a total asset base of Rs. 15,803 crore in H1FY2024.

On a consolidated basis, TCL reported a PAT of Rs. 2,946 crore on total asset base of Rs. 135,562 crore in FY2023 compared to a PAT of Rs. 1,801 crore on total asset base of Rs. 102,376 crore in FY2022. Further, the company reported a net profit of Rs. 1,539 crore on a total asset base of Rs. 1,46,780 crore in H1FY2024.

### 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 the owner of the Tata brand and the associated trademark. Charitable trusts own most of TSL's shareholding at 66%. While income from dividends and profit generated on the 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 are, however, largely spent on brand promotion. TCS, one of the largest software companies in India and the highest contributor to TSL in terms of revenues and profits, was spun off into a separate entity in FY2005. Currently, TSL's 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

| Tata Capital Housing Finance Limited (standalone) | FY2021  | FY2022  | FY2023  | H1FY2024  |
|---|---------|---------|---------|-----------|
|   | Audited | Audited | Audited | Unaudited |
| Profit after tax                                  | 355     | 569     | 821     | 526       |
| Net worth (adjusted)                              | 3,079   | 3,567   | 4,864   | 5,390     |
| Total managed portfolio                           | 25,442  | 29,311  | 37,733  | 43,254    |
| Total assets                                      | 27,002  | 31,247  | 40,660  | 43,604    |
| Return on assets                                  | 1.3%    | 2.0%    | 2.3%    | 2.5%      |
| Return on equity                                  | 12.1%   | 17.1%   | 19.5%   | 20.5%     |
| Gearing (times)                                   | 7.7     | 7.6     | 7.2     | 7.0       |
| Gross NPA/stage 3%                                | 2.1%    | 1.6%    | 1.6%    | 1.4%      |
| Net NPA/stage 3%                                  | 1.0%    | 0.7%    | 0.6%    | 0.6%      |
| (Net NPA/stage 3) / Net worth                     | 7.8%    | 6.0%    | 4.9%    | 4.5%      |
| CAR%  | 18.6%   | 17.8%   | 18.2%   | 19.0%     |

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. Crore

| Tata Capital Limited (consolidated) (In Rs. crore) | FY2021  | FY2022  | FY2023  | H1FY2024  |
|--|---------|---------|---------|-----------|
|  | Audited | Audited | Audited | Unaudited |
| Total Income                                       | 9,988   | 10,311  | 13,637  | 8,300     |
| Profit after Tax                                   | 1,245   | 1,801   | 2,946   | 1,539     |
| Net Worth (Including Minority Interest)            | 10,807  | 12,836  | 18,149  | 20,965    |
| Total Assets                                       | 82,930  | 102,376 | 135,562 | 1,46,780  |
| Return on Assets (%)                               | 1.5%    | 1.9%    | 2.5%    | 2.2%      |
| Return on Equity (%)                               | 12.4%   | 15.2%   | 19.0%   | 15.7%     |
| Gearing (times)                                    | 6.4     | 6.7     | 6.2     | 5.8       |
| Gross NPA/stage 3%                                 | 2.5%    | 1.9%    | 1.7%    | 1.5%      |
| Net NPA/stage 3%                                   | 0.9%    | 0.6%    | 0.4%    | 0.4%      |
| (Net NPA/stage 3) / Net Worth                      | 6.2%    | 4.0%    | 2.6%    | 3.0%      |

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

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

**Any other information: None**

## Rating history for past three years

| S. No. | Instrument                           | Current Rating (FY2024) |                          |  |                           |                    | Chronology of Rating History for the Past 3 Years |                       |                         |                         |  |
|--------|--------------------------------------|-------------------------|--------------------------|--|---------------------------|--------------------|---|-----------------------|-------------------------|-------------------------|--|
|        |                                      | Type                    | Amount Rated (Rs. crore) | Amount Outstanding as of Sep-30-23 (Rs. crore) | Date and rating in FY2024 |                    | Date and rating in FY2023                         |                       | Date & rating in FY2022 | Date & rating in FY2021 |  |
|        |                                      |                         |                          |  | Nov-24-23                 | Apr-26-23          | Feb-21-23<br>Dec-09-22<br>Nov-01-22               | Sep-6-22<br>May-26-22 | Jan-20-22               | Mar-16-21<br>Jan-22-21  |  |
| 1      | Long term fund based/non-fund based  | Long term               | 10,500                   | -  | [ICRA]AAA (Stable)        | -                  | -   | -                     | -                       | -                       |  |
| 2      | Non- convertible debenture programme | Long term               | 8,743                    | 5,935.10                                       | [ICRA]AAA (Stable)        | [ICRA]AAA (Stable) | [ICRA]AAA (Stable)                                | [ICRA]AAA (Stable)    | [ICRA]AAA (Stable)      | [ICRA]AAA (Stable)      |  |
| 3      | Subordinated debt programme          | Long term               | 1,475.50                 | 973.00   | [ICRA]AAA (Stable)        | [ICRA]AAA (Stable) | [ICRA]AAA (Stable)                                | [ICRA]AAA (Stable)    | [ICRA]AAA (Stable)      | [ICRA]AAA (Stable)      |  |
| 4      | Retail bond programme                | Long term               | 5,000                    | 2,000  | [ICRA]AAA (Stable)        | [ICRA]AAA (Stable) | [ICRA]AAA (Stable)                                | [ICRA]AAA (Stable)    | [ICRA]AAA (Stable)      | [ICRA]AAA (Stable)      |  |
| 5      | Commercial paper programme           | Short term              | 8,000                    | 3,435  | [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                       | Simple               |
| Retail bonds programme              | Simple               |
| Subordinated debt programme         | Simple               |
| Commercial paper                    | Very Simple          |
| Long term fund based/non-fund based | 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 analysing 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 are available on ICRA's website: [Click Here](#)



**Annexure I: Instrument details as on September 30, 2023**

| ISIN         | Instrument Name                     | Date of Issuance | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|--------------|-------------------------------------|------------------|-------------|---------------|--------------------------|----------------------------|
| INE033L07GL1 | Retail Bonds Programme #            | Jan-14-20        | 8.00%       | Jan-14-23     | 29.93                    | [ICRA]AAA(Stable)          |
| INE033L07GM9 | Retail Bonds Programme #            | Jan-14-20        | 8.10%       | Jan-14-23     | 1,422.45                 | [ICRA]AAA(Stable)          |
| INE033L07GN7 | Retail Bonds Programme #            | Jan-14-20        | 7.92%       | Jan-14-25     | 5.19                     | [ICRA]AAA(Stable)          |
| INE033L07GO5 | Retail Bonds Programme #            | Jan-14-20        | 8.01%       | Jan-14-25     | 54.15                    | [ICRA]AAA(Stable)          |
| INE033L07GP2 | Retail Bonds Programme #            | Jan-14-20        | 8.20%       | Jan-14-25     | 33.59                    | [ICRA]AAA(Stable)          |
| INE033L07GQ0 | Retail Bonds Programme #            | Jan-14-20        | 8.30%       | Jan-14-25     | 234.80                   | [ICRA]AAA(Stable)          |
| INE033L07GR8 | Retail Bonds Programme #            | Jan-14-20        | 8.01%       | Jan-14-28     | 1.20                     | [ICRA]AAA(Stable)          |
| INE033L07GS6 | Retail Bonds Programme #            | Jan-14-20        | 8.10%       | Jan-14-28     | 38.28                    | [ICRA]AAA(Stable)          |
| INE033L07GT4 | Retail Bonds Programme #            | Jan-14-20        | 8.30%       | Jan-14-28     | 11.79                    | [ICRA]AAA(Stable)          |
| INE033L07GU2 | Retail Bonds Programme #            | Jan-14-20        | 8.40%       | Jan-14-28     | 90.57                    | [ICRA]AAA(Stable)          |
| INE033L08270 | Retail Bonds Programme #            | Jan-14-20        | 8.55%       | Jan-14-30     | 78.05                    | [ICRA]AAA(Stable)          |
| NA^          | Retail Bonds Programme #            | NA               | NA          | NA            | 3,000.00                 | [ICRA]AAA(Stable)          |
| INE033L08122 | Subordinated Debt Programme         | Apr-15-13        | 9.70%       | Apr-15-23     | 25.00                    | [ICRA]AAA(Stable)          |
| INE033L08171 | Subordinated Debt Programme         | Sep-26-14        | 10.15%      | Sep-26-24     | 48.00                    | [ICRA]AAA(Stable)          |
| INE033L08189 | Subordinated Debt Programme         | Apr-28-15        | 9.25%       | Apr-28-25     | 40.00                    | [ICRA]AAA(Stable)          |
| INE033L08197 | Subordinated Debt Programme         | Jul-22-15        | 9.25%       | Jul-22-25     | 35.00                    | [ICRA]AAA(Stable)          |
| INE033L08205 | Subordinated Debt Programme         | Sep-16-15        | 9.20%       | Sep-16-25     | 10.00                    | [ICRA]AAA(Stable)          |
| INE033L08213 | Subordinated Debt Programme         | Sep-21-15        | 9.20%       | Sep-19-25     | 15.00                    | [ICRA]AAA(Stable)          |
| INE033L08221 | Subordinated Debt Programme         | Nov-04-15        | 8.99%       | Nov-04-25     | 30.00                    | [ICRA]AAA(Stable)          |
| INE033L08239 | Subordinated Debt Programme         | Dec-15-15        | 9.00%       | Dec-15-25     | 25.00                    | [ICRA]AAA(Stable)          |
| INE033L08247 | Subordinated Debt Programme         | Dec-17-15        | 9.00%       | Dec-17-25     | 25.00                    | [ICRA]AAA(Stable)          |
| INE033L08254 | Subordinated Debt Programme         | Mar-15-16        | 9.00%       | Mar-13-26     | 20.00                    | [ICRA]AAA(Stable)          |
| INE033L08262 | Subordinated Debt Programme         | Aug-04-16        | 8.92%       | Aug-04-26     | 200.00                   | [ICRA]AAA(Stable)          |
| INE033L08288 | Subordinated Debt Programme         | Jan-11-21        | 7.33%       | Jan-10-31     | 50.00                    | [ICRA]AAA(Stable)          |
| INE033L08296 | Subordinated Debt Programme         | Apr-19-21        | 7.50%       | Apr-18-31     | 150.00                   | [ICRA]AAA(Stable)          |
| INE033L08304 | Subordinated Debt Programme         | Mar-14-22        | 7.50%       | Mar-12-32     | 25.00                    | [ICRA]AAA(Stable)          |
| INE033L08304 | Subordinated Debt Programme         | Mar-29-22        | 7.50%       | Mar-12-32     | 146.00                   | [ICRA]AAA(Stable)          |
| INE033L08312 | Subordinated Debt Programme         | Aug-19-22        | 8.15%       | Aug-19-32     | 129.00                   | [ICRA]AAA(Stable)          |
| NA^          | Subordinated Debt Programme         | NA               | NA          | NA            | 502.50                   | [ICRA]AAA(Stable)          |
| INE033L07AU5 | Non-convertible Debentures          | Dec-09-14        | 9.22%       | Dec-09-24     | 200.00                   | [ICRA]AAA(Stable)          |
| INE033L07AZ4 | Non-convertible Debentures          | Jan-23-15        | 9.05%       | Jan-23-25     | 150.00                   | [ICRA]AAA(Stable)          |
| INE033L07DU9 | Non-convertible Debentures          | Aug-31-15        | 8.87%       | Aug-29-25     | 20.00                    | [ICRA]AAA(Stable)          |
| INE033L07DW5 | Non-convertible Debentures          | Oct-08-15        | 8.70%       | Oct-08-25     | 7.50                     | [ICRA]AAA(Stable)          |
| INE033L07EY9 | Non-convertible Debentures          | Jun-30-16        | 8.70%       | Jun-30-26     | 10.00                    | [ICRA]AAA(Stable)          |
| INE033L07HC8 | Non-convertible Debentures          | Jan-19-21        | 6.25%       | Jan-19-26     | 85.00                    | [ICRA]AAA(Stable)          |
| INE033L07HF1 | Non-convertible Debentures          | Jun-15-21        | 6.50%       | Jun-15-26     | 170.00                   | [ICRA]AAA(Stable)          |
| INE033L07HK1 | Non-convertible Debentures          | Nov-09-21        | 7.30%       | Nov-07-31     | 303.00                   | [ICRA]AAA(Stable)          |
| INE033L07HO3 | Non-convertible Debentures          | Feb-16-22        | 7.50%       | Feb-16-32     | 500.00                   | [ICRA]AAA(Stable)          |
| INE033L07HQ8 | Non-convertible Debentures          | May-18-22        | 7.75%       | May-18-27     | 178.00                   | [ICRA]AAA(Stable)          |
| INE033L07HQ8 | Non-convertible Debentures          | Jul-13-22        | 7.75%       | May-18-27     | 400.00                   | [ICRA]AAA(Stable)          |
| INE033L07HR6 | Non-convertible Debentures          | Jun-27-22        | 8.05%       | Jun-25-32     | 81.10                    | [ICRA]AAA(Stable)          |
| INE033L07HR6 | Non-convertible Debentures          | Jul-13-22        | 8.05%       | Jun-25-32     | 26.50                    | [ICRA]AAA(Stable)          |
| INE033L07HT2 | Non-convertible Debentures          | Aug-05-22        | 7.55%       | Aug-05-25     | 292.00                   | [ICRA]AAA(Stable)          |
| INE033L07HU0 | Non-convertible Debentures          | Aug-05-22        | 7.80%       | Aug-05-27     | 200.00                   | [ICRA]AAA(Stable)          |
| INE033L07HR6 | Non-convertible Debentures          | Aug-26-22        | 8.05%       | Jun-25-32     | 40.00                    | [ICRA]AAA(Stable)          |
| INE033L07HW6 | Non-convertible Debentures          | Sep-13-22        | 7.85%       | Sep-13-32     | 722.00                   | [ICRA]AAA(Stable)          |
| INE033L07HX4 | Non-convertible Debentures          | Nov-3-22         | 8.00%       | Nov-3-27      | 270.00                   | [ICRA]AAA(Stable)          |
| INE033L07HY2 | Non-convertible Debentures          | Nov-16-22        | 8.00%       | Nov-3-27      | 430.00                   | [ICRA]AAA(Stable)          |
| INE033L07HF1 | Non-convertible Debentures          | Jan-24-2023      | 6.50%       | Jun-15-2026   | 800.00                   | [ICRA]AAA(Stable)          |
| INE033L07HZ9 | Non-convertible Debentures          | Feb-08-2023      | 7.96%       | May-08-2026   | 300.00                   | [ICRA]AAA(Stable)          |
| INE033L07HQ8 | Non-convertible Debentures          | May-18-2023      | 7.75%       | May-18-2027   | 500.00                   | [ICRA]AAA(Stable)          |
| INE033L07IC6 | Non-convertible Debentures          | Jul-10-2023      | 7.84%       | Sep-18-2026   | 250.00                   | [ICRA]AAA(Stable)          |
| NA^          | Non-convertible Debentures          | NA               | NA          | NA            | 2,807.90                 | [ICRA]AAA(Stable)          |
| NA           | Long term fund based non-fund based | NA               | NA          | NA            | 10,106.01                | [ICRA]AAA(Stable)          |



| ISIN         | Instrument Name                     | Date of Issuance | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|--------------|-------------------------------------|------------------|-------------|---------------|--------------------------|----------------------------|
| NA^          | Long term fund based non-fund based | NA               | NA          | NA            | 393.99                   | [ICRA]AAA(Stable)          |
| INE033L14MH3 | Commercial Paper Programme          | Mar-08-23        | NA          | Mar-07-24     | 375.00                   | [ICRA]A1+                  |
| INE033L14MI1 | Commercial Paper Programme          | Mar-13-23        | NA          | Mar-12-24     | 275.00                   | [ICRA]A1+                  |
| INE033L14MJ9 | Commercial Paper Programme          | Apr-18-23        | NA          | Mar-26-24     | 300.00                   | [ICRA]A1+                  |
| INE033L14MK7 | Commercial Paper Programme          | Apr-18-23        | NA          | Mar-28-24     | 210.00                   | [ICRA]A1+                  |
| INE033L14ML5 | Commercial Paper Programme          | May-17-23        | NA          | May-16-24     | 500.00                   | [ICRA]A1+                  |
| INE033L14MM3 | Commercial Paper Programme          | Jun-27-23        | NA          | Jun-26-24     | 500.00                   | [ICRA]A1+                  |
| INE033L14MJ9 | Commercial Paper Programme          | Jul-17-23        | NA          | Mar-26-24     | 200.00                   | [ICRA]A1+                  |
| INE033L14MN1 | Commercial Paper Programme          | Jul-19-23        | NA          | Jul-18-24     | 100.00                   | [ICRA]A1+                  |
| INE033L14MO9 | Commercial Paper Programme          | Aug-23-23        | NA          | Nov-22-23     | 300.00                   | [ICRA]A1+                  |
| INE033L14MP6 | Commercial Paper Programme          | Sep-05-23        | NA          | Dec-05-23     | 200.00                   | [ICRA]A1+                  |
| INE033L14MQ4 | Commercial Paper Programme          | Sep-15-23        | NA          | Dec-15-23     | 475.00                   | [ICRA]A1+                  |
| NA^          | Commercial Paper Programme          | NA               | NA          | 7-365 days    | 4,565.00                 | [ICRA]A1+                  |

Source: Company; ^Yet to be placed; # Including non-convertible debentures and subordinated debt

[Please click here to view details of lender-wise facilities rated by ICRA](#)

#### Annexure II: 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            | 27.79%     | Full consolidation     |
| Tata Capital Growth Fund II             | 34.02%     | Full consolidation     |
| Tata Capital Healthcare Fund I          | 32.17%     | Full consolidation     |
| Tata Capital Healthcare Fund II         | 19.86%     | Full consolidation     |
| Tata Capital Pte Limited                | 100%       | Full consolidation     |

Source: Annual report FY2022; \*By TCL

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## ICRA Limited

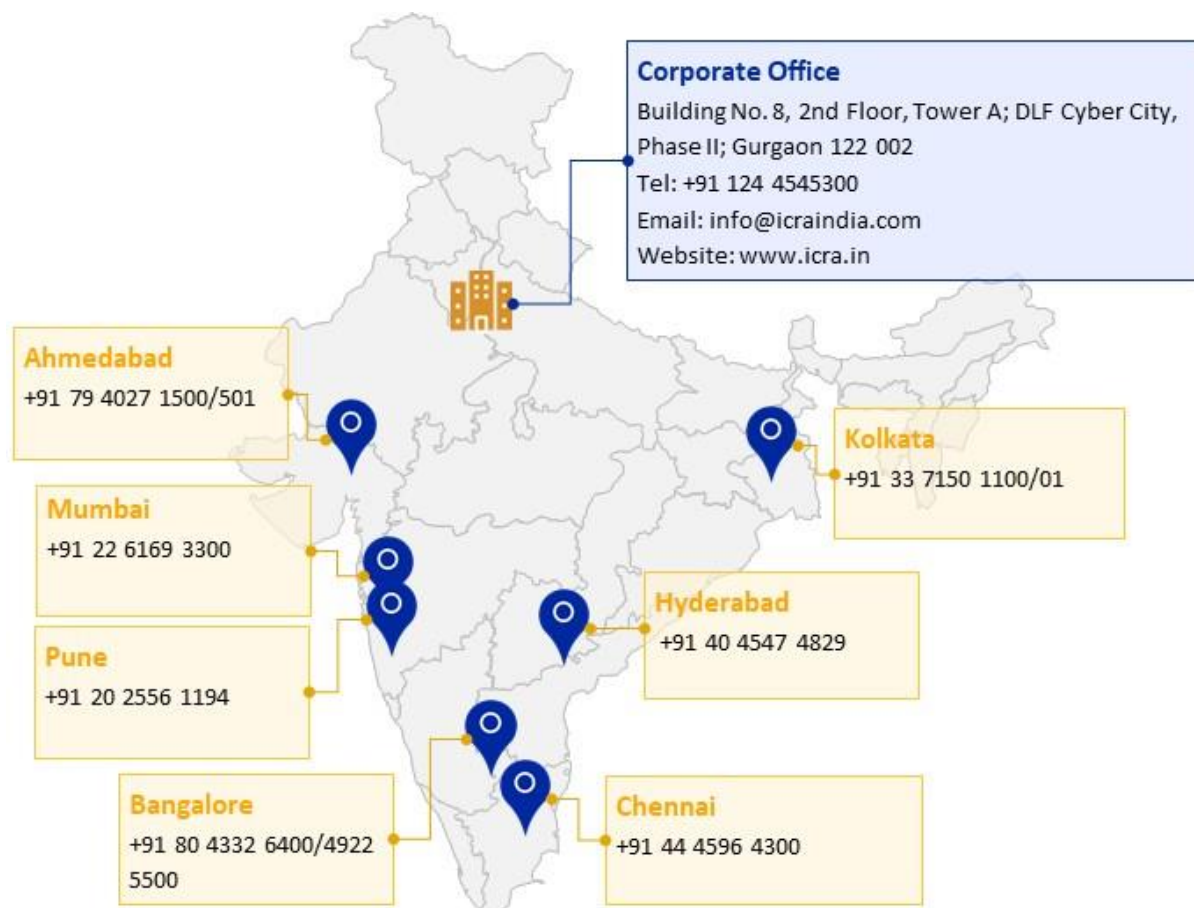


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### Branches



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