

## Rating Rationale

November 17, 2023 | Mumbai

### Tata Capital Financial Services Limited 'CRISIL AAA/Stable' assigned to Non Convertible Debentures

#### Rating Action

Rs.7500 Crore Non Convertible Debentures	CRISIL AAA/Stable (Assigned)
Rs.5183.94 Crore Retail Bond <sup>&amp;</sup>	CRISIL AAA/Stable (Reaffirmed)
Rs.1500 Crore Non Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
Rs.1000 Crore Subordinated Debt	CRISIL AAA/Stable (Reaffirmed)
Rs.15000 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)
Non Convertible Debentures Aggregating Rs.18043.8 Crore	CRISIL AAA/Stable (Reaffirmed)
Perpetual Bonds Aggregating Rs.993.55 Crore	CRISIL AA+/Stable (Reaffirmed)
Subordinated Debt Aggregating Rs.3000 Crore	CRISIL AAA/Stable (Reaffirmed)
Long Term Principal Protected Market Linked Debentures Aggregating Rs.1742.9 Crore	CRISIL PPMLD AAA/Stable (Reaffirmed)

*& Includes Non-Convertible Debentures and Subordinated Debt*

*Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*

*1 crore = 10 million*

*Refer to Annexure for Details of Instruments & Bank Facilities*

#### Detailed Rationale

CRISIL Ratings has assigned its '**CRISIL AAA/Stable**' rating to Rs.7,500 crore Non-Convertible Debentures of Tata Capital Financial Services Limited (TCFSL). CRISIL Ratings has also reaffirmed its ratings on the company's other debt instruments at '**CRISIL AAA/CRISIL PPMLD AAA/CRISIL AA+/Stable/CRISIL A1+**'.

Consequent to redemption, CRISIL Ratings has withdrawn its rating on retail bonds of Rs 1,533.95 crore in line with its withdrawal policy (See Annexure 'Details of rating withdrawn' for details). CRISIL Ratings has received independent confirmation that these instruments are fully redeemed.

For arriving at its ratings, CRISIL Ratings has combined the business and financial risk profiles of Tata Capital Limited and its subsidiaries TCFSL, Tata Capital Housing Finance Limited (TCHFL), Tata Cleantech Capital Limited (TCCL), Tata Securities Ltd and Tata Capital Pte Ltd, Singapore), all together referred to as Tata Capital Limited (TCL) group.

On March 28, 2023, the board of TCL had approved a scheme of arrangement involving merger of TCFSL and TCCL with the parent company TCL. TCHFL shall continue to operate as an HFC and will be a subsidiary of the merged entity. CRISIL Ratings notes that the group has received 'No Objection' for the scheme from the Reserve Bank of India (RBI), Competition Commission of India (CCI) and stock exchanges. It has also been approved by the shareholders in majority. The final hearing by the National Company Law Board (NCLT) was also concluded on November 10, 2023. The merger is likely to be consummated by the end of December 2023 subject to all the pending requisite approvals and formalities.

CRISIL Ratings understands that the merger is a part of the group's broader plans to meet the revised regulatory framework for its subsidiary, TCFSL identified as an Upper Layer NBFC, pursuant to RBI's scale-based regulations. The merger would further enable simplified organizational structure and improve operational and management efficiencies. Since CRISIL Ratings follows a consolidated analytical approach at TCL group level for evaluating credit profiles of TCL, TCFSL, TCHFL and TCCL, the proposed merger is unlikely to impact the ratings of the group. CRISIL Ratings shall monitor further developments on the above transaction and its impact on the group's overall business profile.

Ratings for TCL group is driven by increased strategic importance of the financial services business to Tata Sons Private Limited (Tata Sons; rated '**CRISIL AAA/Stable/CRISIL A1+**'). This is in line with the Tata group's focus on domestic consumption as a key theme in their growth philosophy. The TCL group, as the principal vehicle for non-captive lending, plays a key role through which this strategy will be implemented.

The rating also factors in the strong support by the parent Tata Sons demonstrated by articulation of its intention to (i) to maintain majority shareholding in the TCL group, (ii) to assist TCL group in organizing for any shortfall in maintaining capital adequacy as per applicable regulations and (iii) to conduct the business of TCL group in a manner that would enable TCL group to perform its obligations to all lenders and debt holders in full and timely manner.

The prefix '**PP-MLD**' indicates that the principal amount of the debentures is protected, while returns remain market-linked. Also, payments to investors are not fixed and are linked to external variables such as government yield, commodity prices, equity

indices, foreign exchange rates, or equity valuation of the company.

CRISIL Ratings has also taken note of the recent measures by Reserve Bank of India (RBI) covering the Banking and NBFC sector. Firstly, on the asset side for NBFCs, there is an increase in risk weights for unsecured consumer loans (including credit card receivables), by 25 percentage points to 125% from 100% earlier. This regulation applies to all retail loans except housing loans, vehicle loans, educational loans, loans against gold and microfinance/SHG loans. The increase in risk-weighted assets will lead to a decrease in the capital adequacy ratios but is not likely to materially impact the ratios.

Secondly, there is an increase in risk weights for Bank's exposure to NBFCs by 25 percentage points (over and above the risk weight associated with the given external rating) in all cases where the extant risk weight as per external rating of NBFCs is below 100%. Herein, loans to HFCs, and loans to NBFCs which are eligible for classification as priority sector are excluded. This development may potentially lead to an increase in cost of bank borrowings for NBFC sector. This could lead to diversification in the borrowings mix with higher share of capital market instruments and securitisation, amongst others. Ability of NBFCs to pass on the potentially higher borrowing costs will be monitored.

#### **Analytical Approach**

For arriving at its ratings, CRISIL Ratings has combined the business and financial risk profiles of TCL and its subsidiaries TCFSL, TCHFL, TCCL, Tata Securities Ltd and Tata Capital Pte Ltd, (Singapore). This is because they have significant operational and management linkages and operate under the common Tata Capital brand. The ratings also factor in strong support from TCL's parent, Tata Sons given the strategic importance of TCL and its subsidiaries as the principal vehicle of non-captive lending in the group and the Tata Sons' strong articulation of support.

*Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation*

#### **Key Rating Drivers & Detailed Description**

##### **Strengths:**

##### **Strategic importance to, and expectation of strong support from the ultimate parent, Tata Sons**

The ratings on debt instruments of TCL group continue to be based on the expectation of strong support that the group is expected to receive from the ultimate parent, Tata Sons. This is due to Tata Sons' majority ownership in the TCL group, coupled with the increasing importance of the financial services business to the Tata group.

Tata Sons directly owns 94.56% of TCL's equity shares and most of the remaining stake is held by the other Tata group companies and trusts as on March 31, 2023. TCL in turn holds 100% stake in its two main subsidiaries- TCFSL and TCHFL. Tata Sons also has personnel from its senior management on TCL's board. Tata Sons has infused capital of Rs 6,865 crore in Tata Capital since inception of which Rs 1,000 crore was infused in fiscal 2020, Rs 2,500 crore was in fiscal 2019 and Rs 565 crore in fiscal 2023 indicating the intent of the group to step up its focus on the lending business.

TCL group, as the Tata group's non-captive lending vehicle, is the primary financial services arm, and remains critical to the group, given the growth opportunities in this sector over the medium to long term. TCL group is also strategically important to the Tata group because it caters to the funding requirements of various entities associated with the group, such as its suppliers, vendors, and dealers. The shared brand and infrastructural synergies with various Tata group companies strengthen the integration of the TCL group with the overall Tata group. Business synergies are set to increase further as TCL taps into the Tata group ecosystem as part of its growth strategy. CRISIL Ratings believes that Tata Sons will continue to have majority ownership in, and management control of TCL and its subsidiaries, over the medium term.

##### **Comfortable capitalization to support medium term growth plans, supported by regular infusion from parent**

TCL group has comfortable capitalization, with consolidated net worth (including minority interest) of Rs 20,965 crore as on September 30, 2023 as compared to consolidated net worth of Rs 18,149 crore as on March 31, 2023. The group companies TCFSL, TCHFL and TCCL remain adequately capitalised and the TCL Group has been supported by regular infusion from its parent to support growth. TCL raised equity capital of Rs 593.8 crore during March 2023 through rights issue.

As on September 30, 2023, the net worth of TCFSL was Rs 11,885 crore and gearing was 6.0 times (Rs 10,258 crore and 6.4 times as on March 31, 2023). TCL had infused funds of Rs 1150 crore in form of equity shares into TCFSL during second half of fiscal 2023. The capital adequacy of TCFSL was comfortable with tier-1 capital level of 13.6% and total capital ratio of 17.8% as on September 30, 2023 (13.0% and 17.3% respectively as on March 31, 2023).

For TCHFL, as on September 30, 2023, the net worth was Rs 5,390 crore and gearing was 7.0 times (Rs 4,864 crore and gearing was 7.2 times as on March 31, 2023). TCL had infused funds of Rs 500 crore in form of equity shares into TCHFL in March 2023. The capital adequacy of TCHFL was comfortable with tier-1 capital level of 16.1% and total capital ratio of 19.0% as on September 30, 2023 (15.0% and 18.2% respectively as on March 31, 2023).

For TCCL, the networth was Rs 2,141 crore and the gearing was 4.5 times as on September 30, 2023 (Rs 1,957 crore and the gearing was 4.7 times as on March 31, 2023). The tier-1 capital and total capital ratio of TCCL was 17.3% and 22.1% as on September 30, 2023 (16.1% and 21.0% respectively as on March 31, 2023).

TCL's consolidated gearing stood at 5.8 times as on September 30, 2023 as compared to consolidated gearing at 6.2 times as on March 31, 2023. CRISIL Ratings believes that TCL group is adequately capitalized to absorb asset-side risks. CRISIL Ratings also believes that despite its significant growth plans, TCL group's capitalization is expected to remain comfortable, given Tata Sons' commitment to support growth in the financial services business.

##### **Diversified resource profile**

TCL group also has access to funding from a diverse base of lenders; the funding profile is balanced with a mix of non-convertible debentures, bank borrowings, and short-term debt. The borrowing mix of TCL (consolidated basis) as on September 30, 2023 was composed of NCDs (41% share), term loans (39% share), working capital loans (6% share), commercial papers (8% share) and external commercial borrowing (6% share). TCL and its subsidiaries have the ability to mobilize debt at competitive costs, given their association with the Tata group. The overall quantum of resources raised in fiscal 2023 was Rs 81,310 crore.

**Comfortable asset quality metrics**

The asset quality metrics for the group have improved with consolidated Gross Stage 3 (GS3) ratio at 1.6% as on September 30, 2023, 1.7% as on March 31, 2023 from a peak of 2.5% as on March 31, 2021. This is similar to the pre-Covid levels. Even on a 1 year lagged basis, the GS3 ratio has improved to 2.2% as on March 31, 2023 from 2.5% as on March 31, 2021. The overall standard restructured book stood at less than 2% of the portfolio as on March 31, 2023.

TCFSL's GS3 ratio improved to 1.9% as on September 30, 2023 (2.0% as on March 31, 2023) from 2.2% as on March 31, 2022. The company's provision coverage ratio (PCR) for stage 3 assets was 79% as on March 31, 2023 thereby translating into Net Stage 3 (NS3) ratio of 0.4%. Additionally, standard restructured book in TCFSL was 1.0% (Rs 741 crore) of the portfolio as on March 31, 2023.

TCHFL's reported GS3 ratio of 1.4% as on September 30, 2023 (1.5% as on March 31, 2023, 1.6% as on March 31, 2022). The PCR stood at 60% as on September 30, 2023 translating to NS3 ratio of 0.6%. Additionally, standard restructured book in TCHFL was 2.7% (Rs 1,005 crore) of the portfolio as on September 30, 2023.

TCCL's reported GS3 and NS3 ratios improved to 0.5% and 0.2% respectively as on September 30, 2023 (similar levels on March 31, 2023) from to 0.8% and 0.5% respectively as on March 31, 2022. The PCR of TCCL stood at 65% as on September 30, 2023.

The overall credit costs (as a proportion of average total assets) on a consolidated basis have also improved to 0.2% for first half of fiscal 2024 (H1 FY24) (0.5% for fiscal 2023) from 1.2% for fiscal 2022. Going forward, the credit costs are expected to be controlled given the provision coverage ratio at 73% as on September 30, 2023 (77% as on March 31, 2023).

All the Tata Capital group companies have put necessary systems in place for recognition of asset quality metrics as per the revised norms of RBI Circular issued in November 2021. However, the group's ability to contain the slippages and maintain its asset quality metrics as the portfolio continues to scale is a key monitorable.

**Weaknesses:****Moderate earnings profile**

TCL group's profitability has depicted improvement over last few years. TCL's consolidated PAT grew by 64% to Rs 2,946 crore in fiscal 2023 from Rs 1,801 crore reported for fiscal 2022, driven by lower credit costs and supported by net gain on derecognition of associates amounting to Rs 815 crore. The Return on Assets (ROA) improved to 2.5% for fiscal 2023 from 1.9% for fiscal 2022. Total provisioning expense for fiscal 2023 amounted to Rs 574 crore as compared to Rs 1,081 crore in fiscal 2022, with a healthy provision coverage ratio of 77%. Thereafter, for H1 FY24, TCL reported consolidated PAT of Rs 1,539 crore with ROA of 2.2%.

TCFSL reported an increase in PAT to Rs 1,382 crore on a total income (net of interest expense) of Rs 4,184 crore in fiscal 2022 from PAT of Rs 817 crore on a total income (net of interest expense) of Rs 3,507 crore in fiscal 2022. The ROA improved to 2.0% in fiscal 2023 as compared to 1.5% in fiscal 2022. The provisioning expense for fiscal 2023 amounted to Rs 504 crore as compared to Rs 890 crore for fiscal 2022. Thereafter, for H1 FY24, TCFSL reported PAT of Rs 893 crore with ROA of 2.2%.

TCHFL reported an increase in PAT to Rs 821 crore on a total income (net of interest expense) of Rs 1,767 crore in fiscal 2022 from PAT of Rs 569 crore on a total income (net of interest expense) of Rs 1,331 crore in fiscal 2022. The return on assets improved to 2.3% in fiscal 2023 from 2.0% in fiscal 2022. The provisioning expense for fiscal 2023 amounted to Rs 32 crore as compared to Rs 163 crore for fiscal 2022. Thereafter, for H1 FY24, TCHFL reported PAT of Rs 526 crore with ROA of 2.5%.

TCCL reported an increase in PAT to Rs 279 crore on a total income (net of interest expense) of Rs 480 crore in fiscal 2023 from PAT of Rs 204 crore on a total income (net of interest expense) of Rs 352 crore in fiscal 2021. The ROA stood healthy at 2.7% in fiscal 2023 (2.6% in fiscal 2022). Thereafter, for H1 FY24, TCCL reported PAT of Rs 186 crore with ROA of 3.2%.

CRISIL Ratings estimates that given a healthy provision coverage ratio, the incremental stress in the current loan portfolio from Covid-19 would be limited. However, the performance of the restructured portfolio of the group and its impact on profitability and credit cost remains monitorable.

**Liquidity: Superior**

TCFSL's Asset Liability Management (ALM) as on September 30, 2023 shows no cumulative negative mismatches upto 1 year maturity bucket. Also, TCL's consolidated ALM statement as on March 31, 2023 shows no cumulative negative mismatches upto 1 year maturity bucket (the inflows include existing committed bank lines).

In terms of liquidity, as on September 30, 2023, TCL Group had total liquidity of Rs 11,172 crore (cash equivalents and liquid investments of Rs 2,927 crore and unutilised working capital bank lines of Rs 8,245 crore), equivalent to next two months external debt obligations till November 2023 which amounted to Rs 10,737 crore. Additionally, it also had available undrawn term loans of ~Rs 7,419 crore as on September 30, 2023.

**Outlook: Stable**

CRISIL Ratings believes that TCL group will remain highly strategically important to Tata Sons, and continue to benefit from the strong parent support over the medium term. The outlook may be revised to 'Negative' in case of a decline in Tata Sons' credit quality or in CRISIL Ratings' view, a diminution in expected support to TCL group. The outlook may also be revised to 'Negative' in case of significant pressure on the TCL group's asset quality, impacting the group's earnings.

**Rating Sensitivity Factors****Downward factors**

- \* Downward revision in the credit rating of Tata Sons Private Limited (Tata Sons)
- \* Any change in the support philosophy of Tata Sons resulting in reduced support to Tata Capital Group
- \* Sharp deterioration in consolidated asset quality with consolidated gross NPA remaining above 6% and in-turn impacting capital and earnings.

**About the Company**

TCFSL is a wholly subsidiary of TCL, registered with the Reserve Bank of India as a Systemically Important Non-Deposit Accepting Non-Banking Financial Company (NBFC) and offers fund and fee-based financial services to its customers. A trusted and customer-centric, one-stop financial services provider, TCFSL caters to the diverse needs of retail, corporate and institutional customers, across various areas of business namely the Commercial Finance, Wealth Management, Consumer Loans. It has a diversified product portfolio, with almost equal presence across both retail and wholesale finance segments. As on March 31, 2022, TCFSL had net worth of Rs 7,763 crore.

TCL is the holding company for the financial services businesses of the Tata Capital group and is registered with the Reserve Bank of India as a systemically important, non-deposit-taking, Core Investment Company. Tata Capital has a diversified product portfolio with a presence in both the wholesale and retail finance segments. It had sizeable AUM of Rs 135,521 crore as on September 30, 2023 (Rs 119,950 crore as on March 31, 2023, Rs 94,349 crore as on March 31, 2022). The fund-based products and services are primarily offered by TCFSL (both wholesale and retail finance segments), TCHFL (mortgage finance), and TCCL (infrastructure finance). The fee-based services distribution of mutual funds and insurance products, stock broking, and investment banking are offered through the wholly owned subsidiary, Tata Securities Ltd.

**Key Financial Indicators: Tata Capital Limited (Consolidated)**

As On/For the period ended	Unit	Sept 2023 (H1 FY24)	March 2023 (FY23)	March 2022 (FY22)
<b>Total Assets</b>	<b>Rs.Crore</b>	<b>1,46,780</b>	<b>1,35,562</b>	<b>102,376</b>
<b>Total income (net of interest expenses)</b>	<b>Rs.Crore</b>	<b>3,874</b>	<b>7,036</b>	<b>5,422</b>
<b>Profit after tax</b>	<b>Rs.Crore</b>	<b>1,539</b>	<b>2,946</b>	<b>1,801</b>
<b>Gross NPA</b>	<b>%</b>	<b>1.6</b>	<b>1.7</b>	<b>1.9</b>
<b>Return on average assets</b>	<b>%</b>	<b>2.2</b>	<b>2.5</b>	<b>1.9</b>
<b>Gearing</b>	<b>Times</b>	<b>5.8</b>	<b>6.2</b>	<b>6.7</b>

**Key Financial Indicators: Tata Capital Financial Services Limited (Standalone)**

As On/For the period ended,	Unit	Sept 2023 (H1 FY24)	March 2023 (FY23)	March 2022 (FY22)
<b>Total Assets</b>	<b>Rs.Crore</b>	<b>86,674</b>	<b>78,499</b>	<b>59,453</b>
<b>Total income (net of interest expenses)</b>	<b>Rs.Crore</b>	<b>2,566</b>	<b>4,184</b>	<b>3,507</b>
<b>Profit after tax</b>	<b>Rs.Crore</b>	<b>893</b>	<b>1,382</b>	<b>817</b>
<b>Gross NPA</b>	<b>%</b>	<b>1.9</b>	<b>2.0</b>	<b>2.2</b>
<b>Return on managed assets</b>	<b>%</b>	<b>2.2</b>	<b>2.0</b>	<b>1.5</b>
<b>Gearing</b>	<b>Times</b>	<b>6.0</b>	<b>6.4</b>	<b>6.3</b>

**Any other information:** Not applicable

**Note on complexity levels of the rated instrument:**

CRISIL Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings' complexity levels please visit [www.crisilratings.com](http://www.crisilratings.com). Users may also call the Customer Service Helpdesk with queries on specific instruments.

**Annexure - Details of Instrument(s)**

ISIN	Name of the instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Crore)	Complexity level	Rating Assigned with outlook
NA	Commercial Paper	NA	NA	7-365 days	15,000.00	Simple	CRISIL A1+
INE306N07NB4	Long Term Principal Protected Market Linked Debentures	19-Sep-22	GSEC Linked	19-Aug-25	43.00	Highly Complex	CRISIL PPMLD AAA/Stable
NA	Long Term Principal Protected Market Linked Debentures@	NA	NA	NA	1,444.90	Highly Complex	CRISIL PPMLD AAA/Stable
INE306N07MN1	Non convertible debentures	29-Sep-21	7.10%	29-Sep-31	449.00	Simple	CRISIL AAA/Stable
INE306N07KK1	Non convertible debentures	19-Dec-18	9.25%	19-Dec-23	194.00	Simple	CRISIL AAA/Stable
INE306N07KK1	Non convertible debentures	3-Jan-19	9.25%	19-Dec-23	97.50	Simple	CRISIL AAA/Stable
INE306N07KL9	Non convertible debentures	19-Dec-18	9.25%	19-Dec-28	112.00	Simple	CRISIL AAA/Stable
INE306N07KL9	Non convertible debentures	3-Jan-19	9.25%	19-Dec-28	23.00	Simple	CRISIL AAA/Stable

INE306N07DT7	Non convertible debentures	20-Nov-14	9.36%	20-Nov-24	95.00	Simple	CRISIL AAA/Stable
INE306N07EC1	Non convertible debentures	8-Dec-14	9.22%	6-Dec-24	75.00	Simple	CRISIL AAA/Stable
INE306N07LB8	Non convertible debentures	27-May-19	8.82%	27-May-24	218.00	Simple	CRISIL AAA/Stable
INE306N07LC6	Non convertible debentures	4-Jun-19	8.67%	15-Jan-25	30.00	Simple	CRISIL AAA/Stable
INE306N07LE2	Non convertible debentures	20-Jun-19	8.65%	20-Jun-24	88.50	Simple	CRISIL AAA/Stable
INE306N07LF9	Non convertible debentures	20-Jun-19	8.70%	20-Jun-29	273.00	Simple	CRISIL AAA/Stable
INE306N07LO1	Non convertible debentures	6-Nov-19	8.50%	6-Nov-29	100.00	Simple	CRISIL AAA/Stable
INE306N07LV6	Non convertible debentures	29-Apr-20	7.65%	29-Apr-25	40.00	Simple	CRISIL AAA/Stable
INE306N07NA6	Non convertible debentures	07-Sep-22	7.68%	07-Sep-27	206	Simple	CRISIL AAA/Stable
INE306N07ND0	Non convertible debentures	19-Oct-22	8%	19-Oct-27	750	Simple	CRISIL AAA/Stable
INE306N07NF5	Non convertible debentures	18-Nov-22	7.89%	18-Nov-25	950	Simple	CRISIL AAA/Stable
INE306N07NH1	Non convertible debentures	17-Jan-23	7.8973%	17-Apr-26	500	Simple	CRISIL AAA/Stable
INE306N07NI9	Non convertible debentures	08-Feb-23	7.95%	08-Feb-28	262	Simple	CRISIL AAA/Stable
INE306N07NJ7	Non convertible debentures	21-Feb-23	8.05%	21-Feb-33	81	Simple	CRISIL AAA/Stable
INE306N07NK5	Non convertible debentures	21-Feb-23	8.1165%	21-May-26	310	Simple	CRISIL AAA/Stable
INE306N08490	Non convertible debentures	19-Mar-19	8.93%	17-Mar-34	590	Simple	CRISIL AAA/Stable
INE306N08508	Non convertible debentures	23-Mar-20	7.85%	23-Mar-35	500	Simple	CRISIL AAA/Stable
NA	Non convertible debentures@	NA	NA	NA	9986.6	Simple	CRISIL AAA/Stable
NA	Non convertible debentures@	NA	NA	NA	7500	Simple	CRISIL AAA/Stable
INE306N07MQ4	Non convertible debentures	29-Apr-22	7.65%	29-Apr-32	181.00	Simple	CRISIL AAA/Stable
INE306N07MS0	Non convertible debentures	1-Jun-22	@8% PER ANNUM	1-Jun-32	250.00	Simple	CRISIL AAA/Stable
NA	Perpetual Bonds@	NA	NA	NA	400.55	Highly Complex	CRISIL AA+/Stable
INE306N08235	Perpetual debt	21-Jun-17	9.05%	Perpetual	50.00	Highly Complex	CRISIL AA+/Stable
INE306N08250	Perpetual debt	14-Jul-17	8.77%	Perpetual	50.00	Highly Complex	CRISIL AA+/Stable
INE306N08268	Perpetual debt	11-Sep-17	8.61%	Perpetual	93.00	Highly Complex	CRISIL AA+/Stable
INE306N08276	Perpetual debt	26-Mar-18	8.90%	Perpetual	125.00	Highly Complex	CRISIL AA+/Stable
INE306N08391	Perpetual debt	30-Sep-20	8.10%	Perpetual	100.00	Highly Complex	CRISIL AA+/Stable
INE306N08409	Perpetual debt	19-Oct-20	8.10%	Perpetual	75.00	Highly Complex	CRISIL AA+/Stable
INE306N08466	Perpetual debt	28-Feb-22	7.89%	Perpetual	100.00	Highly Complex	CRISIL AA+/Stable
NA	Retail Bond*@	NA	NA	NA	1,969.74	Simple	CRISIL AAA/Stable
INE306N08284	Retail Bonds*	27-Sep-18	9.00%	27-Sep-28	29.55	Simple	CRISIL AAA/Stable
INE306N08292	Retail Bonds*	27-Sep-18	9.10%	27-Sep-28	341.85	Simple	CRISIL AAA/Stable
INE306N07LJ1	Retail Bonds*	26-Aug-19	8.40%	26-Aug-24	97.71	Simple	CRISIL AAA/Stable
INE306N07LK9	Retail Bonds*	26-Aug-19	8.50%	26-Aug-24	340.92	Simple	CRISIL AAA/Stable
INE306N07LL7	Retail Bonds*	26-Aug-19	8.55%	26-Aug-27	92.48	Simple	CRISIL AAA/Stable
INE306N07LM5	Retail Bonds*	26-Aug-19	8.65%	26-Aug-27	600.39	Simple	CRISIL AAA/Stable
INE306N08334	Retail Bonds*	26-Aug-19	8.75%	26-Aug-29	4.65	Complex	CRISIL AAA/Stable
INE306N08342	Retail Bonds*	26-Aug-19	8.85%	26-Aug-29	172.70	Complex	CRISIL AAA/Stable

INE306N08441	Subordinated debt	24-Nov-21	0.0744	24-Nov-31	500.00	Complex	CRISIL AAA/Stable
INE306N08326	Subordinated debt	16-Apr-19	8.95%	16-Apr-29	214.50	Complex	CRISIL AAA/Stable
INE306N08029	Subordinated debt	26-Sep-14	10.15%	26-Sep-24	100.00	Complex	CRISIL AAA/Stable
INE306N08037	Subordinated debt	7-Jan-15	9.35%	7-Jan-25	35.00	Complex	CRISIL AAA/Stable
INE306N08045	Subordinated debt	30-Jan-15	9.32%	30-Jan-25	75.00	Complex	CRISIL AAA/Stable
INE306N08052	Subordinated debt	31-Mar-15	9.37%	31-Mar-25	200.00	Complex	CRISIL AAA/Stable
INE306N08078	Subordinated debt	22-Jul-15	9.25%	22-Jul-25	90.00	Complex	CRISIL AAA/Stable
INE306N08151	Subordinated debt	30-Mar-16	9.17%	30-Mar-26	200.00	Complex	CRISIL AAA/Stable
INE306N08193	Subordinated debt	11-Aug-16	8.92%	11-Aug-26	200.00	Complex	CRISIL AAA/Stable
INE306N08201	Subordinated debt	26-Oct-16	8.45%	26-Oct-26	15.00	Complex	CRISIL AAA/Stable
INE306N08300	Subordinated debt	28-Dec-18	9.32%	28-Dec-28	200.00	Complex	CRISIL AAA/Stable
INE306N08359	Subordinated debt	13-Nov-19	8.65%	13-Nov-29	170.00	Complex	CRISIL AAA/Stable
INE306N08383	Subordinated debt	17-Sep-20	7.60%	17-Sep-30	300.00	Complex	CRISIL AAA/Stable
NA	Subordinated debt@	NA	NA	NA	550.50	Complex	CRISIL AAA/Stable
INE306N08433	Subordinated debt	28-Jun-21	7.30%	27-Jun-31	150.00	Complex	CRISIL AAA/Stable
INE306N07KK1	Non convertible debentures	15-Feb-19	9.25%	19-Dec-23	30.00	Simple	CRISIL AAA/Stable
INE306N07KL9	Non convertible debentures	15-Feb-19	9.25%	19-Dec-28	55.00	Simple	CRISIL AAA/Stable
INE306N07LE2	Non convertible debentures	10-Jul-19	8.65%	20-Jun-24	100.00	Simple	CRISIL AAA/Stable
INE306N07LF9	Non convertible debentures	19-Jul-19	8.70%	20-Jun-29	100.00	Simple	CRISIL AAA/Stable
INE306N07LC6	Non convertible debentures	26-Feb-20	8.67%	15-Jan-25	35.00	Simple	CRISIL AAA/Stable
INE306N07MV4	Non convertible debentures	30-Jun-22	7.75%	25-Jul-25	800.00	Simple	CRISIL AAA/Stable
INE306N07MW2	Non convertible debentures	26-Jul-22	Zero Interest	10-Sep-25	261.00	Simple	CRISIL AAA/Stable
INE306N07MX0	Non convertible debentures	26-Jul-22	7.89%	26-Jul-27	725.00	Simple	CRISIL AAA/Stable
INE306N07MZ5	Non convertible debentures	12-Aug-22	7.95%	12-Aug-32	187.50	Simple	CRISIL AAA/Stable
INE306N07NC2	Non convertible debentures	13-Oct-22	7.90%	13-Oct-25	35.00	Simple	CRISIL AAA/Stable
INE306N07NP4	Non convertible debentures	19-Jul-2023	7.97%	19-Jul-2028	610	Simple	CRISIL AAA/Stable
INE306N07NT6	Non convertible debentures	20-Oct-2023	8.07%	20-Oct-2028	243.7	Simple	CRISIL AAA/Stable
INE306N08516	Subordinated debt	27-Jul-2023	8.15%	27-Jul-2033	1000	Complex	CRISIL AAA/Stable

@rated but utilized

\*Retail bonds -Includes Non-Convertible Debentures and Subordinated Debt

#### Annexure - Details of Rating Withdrawn

ISIN	Instrument	Date of issuance	Coupon rate (%)	Maturity Date	Complexity of instrument	Issue Size	Rating Assigned with outlook
INE306N07KE4	Retail Bonds*	27-Sep-18	8.80%	27-Sep-23	Simple	76.88	Withdrawn
INE306N07KF1	Retail Bonds*	27-Sep-18	8.90%	27-Sep-23	Simple	1,457.07	Withdrawn

\*Retail bonds -Includes Non-Convertible Debentures and Subordinated Debt

#### Annexure - List of Entities Consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
Tata Capital Limited	Full	Holding Company
Tata Capital Financial Services Limited	Full	Subsidiary
Tata Capital Housing Finance Limited	Full	Subsidiary

Tata Cleantech Capital Limited	Full	Subsidiary
Tata Securities Limited	Full	Subsidiary
Tata Capital Pte Ltd, Singapore and its subsidiaries	Full	Subsidiary

## Annexure - Rating History for last 3 Years

Instrument	Current			2023 (History)		2022		2021		2020		Start of 2020
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
<b>Commercial Paper</b>	ST	15000.0	CRISIL A1+	21-08-23	CRISIL A1+	04-11-22	CRISIL A1+	11-10-21	CRISIL A1+	30-12-20	CRISIL A1+	CRISIL A1+
			--	25-05-23	CRISIL A1+	27-04-22	CRISIL A1+	31-03-21	CRISIL A1+	07-10-20	CRISIL A1+	--
			--	24-04-23	CRISIL A1+	10-03-22	CRISIL A1+	--	--	23-01-20	CRISIL A1+	--
			--	06-04-23	CRISIL A1+	--	--	--	--	--	--	--
			--	07-02-23	CRISIL A1+	--	--	--	--	--	--	--
			--	30-01-23	CRISIL A1+	--	--	--	--	--	--	--
<b>Commercial Paper Programme(IPO Financing)</b>	ST		--		--	04-11-22	Withdrawn	11-10-21	CRISIL A1+	30-12-20	CRISIL A1+	--
			--		--	27-04-22	CRISIL A1+	31-03-21	CRISIL A1+	07-10-20	CRISIL A1+	--
			--		--	10-03-22	CRISIL A1+	--	--	--	--	--
<b>Non Convertible Debentures</b>	LT	27043.8	CRISIL AAA/Stable	21-08-23	CRISIL AAA/Stable	04-11-22	CRISIL AAA/Stable	11-10-21	CRISIL AAA/Stable	30-12-20	CRISIL AAA/Stable	CRISIL AAA/Stable
			--	25-05-23	CRISIL AAA/Stable	27-04-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	07-10-20	CRISIL AAA/Stable	--
			--	24-04-23	CRISIL AAA/Stable	10-03-22	CRISIL AAA/Stable	--	--	23-01-20	CRISIL AAA/Stable	--
			--	06-04-23	CRISIL AAA/Stable	--	--	--	--	--	--	--
			--	07-02-23	CRISIL AAA/Stable	--	--	--	--	--	--	--
			--	30-01-23	CRISIL AAA/Stable	--	--	--	--	--	--	--
<b>Perpetual Bonds</b>	LT	993.55	CRISIL AA+/Stable	21-08-23	CRISIL AA+/Stable	04-11-22	CRISIL AA+/Stable	11-10-21	CRISIL AA+/Stable	30-12-20	CRISIL AA+/Stable	CRISIL AA+/Stable
			--	25-05-23	CRISIL AA+/Stable	27-04-22	CRISIL AA+/Stable	31-03-21	CRISIL AA+/Stable	07-10-20	CRISIL AA+/Stable	--
			--	24-04-23	CRISIL AA+/Stable	10-03-22	CRISIL AA+/Stable	--	--	23-01-20	CRISIL AA+/Stable	--
			--	06-04-23	CRISIL AA+/Stable	--	--	--	--	--	--	--
			--	07-02-23	CRISIL AA+/Stable	--	--	--	--	--	--	--
			--	30-01-23	CRISIL AA+/Stable	--	--	--	--	--	--	--
<b>Retail Bond</b>	LT	5183.94	CRISIL AAA/Stable	21-08-23	CRISIL AAA/Stable	04-11-22	CRISIL AAA/Stable	11-10-21	CRISIL AAA/Stable	30-12-20	CRISIL AAA/Stable	CRISIL AAA/Stable
			--	25-05-23	CRISIL AAA/Stable	27-04-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	07-10-20	CRISIL AAA/Stable	--
			--	24-04-23	CRISIL AAA/Stable	10-03-22	CRISIL AAA/Stable	--	--	23-01-20	CRISIL AAA/Stable	--
			--	06-04-23	CRISIL AAA/Stable	--	--	--	--	--	--	--
			--	07-02-23	CRISIL AAA/Stable	--	--	--	--	--	--	--
			--	30-01-23	CRISIL AAA/Stable	--	--	--	--	--	--	--
<b>Subordinated Debt</b>	LT	4000.0	CRISIL AAA/Stable	21-08-23	CRISIL AAA/Stable	04-11-22	CRISIL AAA/Stable	11-10-21	CRISIL AAA/Stable	30-12-20	CRISIL AAA/Stable	CRISIL AAA/Stable
			--	25-05-23	CRISIL AAA/Stable	27-04-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	07-10-20	CRISIL AAA/Stable	--
			--	24-04-23	CRISIL AAA/Stable	10-03-22	CRISIL AAA/Stable	--	--	23-01-20	CRISIL AAA/Stable	--
			--	06-04-23	CRISIL AAA/Stable	--	--	--	--	--	--	--
			--	07-02-23	CRISIL AAA/Stable	--	--	--	--	--	--	--

			--	30-01-23	CRISIL AAA/Stable		--		--		--	--
<b>Long Term Principal Protected Market Linked Debentures</b>	LT	1742.9	CRISIL PPMLD AAA/Stable	21-08-23	CRISIL PPMLD AAA/Stable	04-11-22	CRISIL PPMLD AAA r /Stable	11-10-21	CRISIL PPMLD AAA r /Stable	30-12-20	CRISIL PPMLD AAA r /Stable	CRISIL PPMLD AAA r /Stable
			--	25-05-23	CRISIL PPMLD AAA/Stable	27-04-22	CRISIL PPMLD AAA r /Stable	31-03-21	CRISIL PPMLD AAA r /Stable	07-10-20	CRISIL PPMLD AAA r /Stable	--
			--	24-04-23	CRISIL PPMLD AAA/Stable	10-03-22	CRISIL PPMLD AAA r /Stable		--	23-01-20	CRISIL PPMLD AAA r /Stable	--
			--	06-04-23	CRISIL PPMLD AAA/Stable		--		--		--	--
			--	07-02-23	CRISIL PPMLD AAA/Stable		--		--		--	--
			--	30-01-23	CRISIL PPMLD AAA r /Stable		--		--		--	--

All amounts are in Rs.Cr.

## Criteria Details

<b>Links to related criteria</b>
<a href="#">CRISILs Approach to Financial Ratios</a>
<a href="#">Rating Criteria for Banks and Financial Institutions</a>
<a href="#">Rating Criteria for Finance Companies</a>
<a href="#">CRISILs Criteria for rating short term debt</a>
<a href="#">Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support</a>
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