

Tata Capital Ltd.

IPO Note



Subscribe

A trusted name poised for growth in financial services

Tata Capital Limited, incorporated in 1991 and headquartered in Mumbai, is one of India's leading diversified non-banking financial companies (NBFCs), providing a comprehensive suite of financial products across retail, SME, corporate, and infrastructure segments. A subsidiary of Tata Sons Pvt. Ltd., the company operates through key entities such as Tata Capital Financial Services, Tata Capital Housing Finance, and Tata Cleantech Capital, offering personal loans, housing finance, business loans, vehicle loans and project financing solutions tailored to diverse customer needs.

Over the years, Tata Capital has demonstrated strong AUM growth, supported by expansion in retail lending, increasing home loan disbursements, and deeper presence in emerging urban and semi-urban markets. The recent merger with Tata Motors Finance Ltd. has further enhanced its scale, strengthened its balance sheet, and broadened its customer base. Backed by robust risk management practices and a diversified funding mix, the company has maintained industry-leading asset quality, with one of the lowest GNPA ratios among large NBFCs, reflecting prudent underwriting and collection discipline.

In the past few years, Tata Capital has delivered consistent financial growth driven by steady loan book expansion, improving net interest margins, and strong profitability. It has also accelerated its digital transformation journey, leveraging analytics, automation, and AI-driven credit models to improve turnaround times and enhance customer experience. The company's diversified business portfolio, emphasis on sustainability through green financing, and alignment with Tata Group's values of trust and governance reinforce its long-term resilience. With a focus on retail and housing segments, conservative leverage, and sound asset quality, Tata Capital is well-positioned to sustain growth momentum and capture opportunities in India's expanding financial ecosystem.

Industry	Fin. Services
----------	---------------

Scrip Details

Listing	BSE & NSE
Open Date	Oct 6, 2025
Close Date	Oct 8, 2025
Price Band	INR 310 -326
Face Value	INR 10
Market Lot	46 Shares
Minimum Lot	1

Issue Structure

Issue Size (INR cr)	INR 15,511.87
Issue Size (Shares)	47,58,24,280
QIB Share (%)	50%
Non-Inst Share (%)	15%
Retail Share (%)	35%
Pre-Issue sh. (in cr.)	3.24
Post Issue sh. (in cr.)	403
Post Issue Market Cap (in cr)	131,378

Shareholding (%)	Pre (%)	Post (%)
Promoter	95.6	85.5
Public	4.4	14.5
TOTAL	100	100

Key Consolidated Financial Data (INR Cr, unless specified):

	Interest Earned	NII	PPOP	Net Profit	NIM (%)	EPS (₹)	BVPS (₹)	RoAA (%)	RoAE (%)	P/E (X)	P/BV (X)
FY23	11,910.9	5,310.3	4,510.9	2,945.8	-	7.3	43.0	-	-	44.6	7.6
FY24	16,366.5	6,798.3	4,984.3	3,326.9	4.6	8.3	58.1	2.1	16.3	39.5	5.6
FY25	25,719.8	10,690.2	7,745.5	3,655.2	5.4	9.1	82.4	1.7	12.9	35.9	4.0

Source: Ventura Research & Company update

Issue Structure and Offer Details:

Tata Capital Ltd. is a book build issue of INR 15,511.87 cr. The issue is a combination of fresh issue of 21.00 cr. shares aggregating to INR 6,846.00 cr. and offer for sale of 26.58 cr. shares aggregating to INR 8,665.87 cr.

Issue Structure	
Investor Category	Allocation
QIB	49.87% of the Offer
NII (HNI)	14.96% of the Offer
Retail	34.91% of the Offer

Number of shares based on a higher price band of INR 326

Source: Company Reports

Objects of the Issue:

The Company proposes to utilize the Net Proceeds from the Issue towards funding the following object:

- **Augmentation of our Company's Tier-I capital base to meet our Company's future capital requirements including onward lending.**

Financial Summary

Fig in INR Cr. (unless specified)	FY23	FY24	FY25	Fig in INR Cr. (unless specified)	FY23	FY24	FY25
Income Statement				Ratio Analysis			
Interest Income	11,910.9	16,366.5	25,719.8	Efficiency Ratios (%)			
Interest Expense	6,600.6	9,568.2	15,029.6	Int Expended / Int Earned	55.4165	58.4621	58.4359
Net Interest Income	5,310.3	6,798.3	10,690.2	Int Income / Total Funds	9.6	10.0	11.1
NIM (%)	-	4.6	5.4	NII / Total Income	38.9	37.4	37.7
YoY change (%)	-	28.0	57.2	Other Inc. / Total Income	12.7	10.1	9.3
Non Interest Income	1,726.6	1,831.9	2,650.1	Op. Exp. / Total Income	18.5	20.0	19.7
Total Net Income	7,036.9	8,630.2	13,340.3	Net Profit / Total Funds	2.4	2.0	1.6
Total Operating Expenses	2,526.0	3,645.9	5,594.8	Loan-to-borrowings	109.9	113.0	111.7
Pre provision operating profit	4,510.9	4,984.3	7,745.5	Investment / Borrowings	11.9	5.7	4.4
PPOP Margin (%)	33.1	27.4	27.3	NIM	-	4.6	5.4
Cost to income (%)	35.9	42.2	41.9				
YoY change (%)	-	10.5	55.4				
Impairment	574.3	592.3	2,826.8	Solvency			
Profit Before Tax	3,936.6	4,392.0	4,918.7	Gross NPA	2,059.7	2,364.3	4,234.3
YoY change (%)	-	11.6	12.0	Net NPA	472.2	611.9	1,757.0
Taxes	990.8	1,065.1	1,263.5	Gross NPA (%)	1.7	1.5	1.9
Net profit	2,945.8	3,326.9	3,655.2	Net NPA (%)	0.4	0.4	0.8
YoY change (%)	-	12.9	9.9	Capital Adequacy Ratio (%)	18.2	18.8	19.0
Net Margin (%)	21.6	18.3	12.9	Tier I Capital (%)	15.0	15.8	16.8
				Tier II Capital (%)	3.2	3.0	2.2
Balance Sheet							
Cash & Eqvts. and Bank Bal.	3,316.7	6,995.6	10,443.1	Per Share Data			
Non-Financial Assets	1,597.7	2,300.0	4,466.5	EPS	7.3	8.3	9.1
Investments	12,659.0	7,902.0	8,717.8	Book Value per share	43.0	58.1	82.4
Loan and Advances	116,788.7	157,760.6	221,950.4	Adj Book Value per share	41.9	56.6	78.0
Other Assets	1,264.0	1,735.8	2,887.2				
Total Assets	135,626.1	176,694.0	248,465.0	Valuation Ratios			
Debt Securities	51,375.6	60,503.7	80,141.6	Price/Earnings (x)	44.6	39.5	35.9
Borrowings	54,934.1	79,142.9	118,620.4	Price/Book Value (x)	7.6	5.6	4.0
Other Liability	11,976.4	13,630.4	16,511.2	Price/Adj.Book Value (x)	7.8	5.8	4.2
Equity	17,340.0	23,417.0	33,191.8				
Share warrant O/s	-	-	-	Return Ratios			
Total Liabilities and Equity	135,626.1	176,694.0	248,465.0	RoAA (%)	-	2.1	1.7
				RoAE (%)	-	16.3	12.9
Dupont Analysis							
% of Average Assets				Growth Ratios (%)			
Net Interest Income	-	4.4	5.0	Interest Income	-	28.0	23.3
Non Interest Income	-	1.2	1.2	Interest Expenses	-	43.1	14.9
Net Interest Income	-	5.5	6.3	Other Income	-	42.9	19.4
Operating Expenses	-	2.3	2.6	Total Net Income	-	33.1	22.6
Operating Profit	-	3.2	3.6	Net profit	-	25.0	32.9
Impairment	-	0.4	1.3	Borrowings	-	31.9	15.8
Taxes	-	0.7	0.6	Advances	-	30.8	26.0
ROAA	-	2.1	1.7				

Source: Ventura Research

Disclosures and Disclaimer

Ventura Securities Limited (VSL) is a SEBI registered intermediary offering broking, depository and portfolio management services to clients. VSL is member of BSE, NSE and MCX-SX. VSL is a depository participant of NSDL. VSL states that no disciplinary action whatsoever has been taken by SEBI against it in last five years except administrative warning issued in connection with technical and venial lapses observed while inspection of books of accounts and records. Ventura Commodities Limited, Ventura Guaranty Limited, Ventura Insurance Brokers Limited and Ventura Allied Services Private Limited are associates of VSL. Research Analyst (RA) involved in the preparation of this research report and VSL disclose that neither RA nor VSL nor its associates (i) have any financial interest in the company which is the subject matter of this research report (ii) holds ownership of one percent or more in the securities of subject company (iii) have any material conflict of interest at the time of publication of this research report (iv) have received any compensation from the subject company in the past twelve months (v) have managed or co-managed public offering of securities for the subject company in past twelve months (vi) have received any compensation for investment banking merchant banking or brokerage services from the subject company in the past twelve months (vii) have received any compensation for product or services from the subject company in the past twelve months (viii) have received any compensation or other benefits from the subject company or third party in connection with the research report. RA involved in the preparation of this research report discloses that he / she has not served as an officer, director or employee of the subject company. RA involved in the preparation of this research report and VSL discloses that they have not been engaged in the market making activity for the subject company. Our sales people, dealers, traders and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein. We may have earlier issued or may issue in future reports on the companies covered herein with recommendations/ information inconsistent or different those made in this report. In reviewing this document, you should be aware that any or all the foregoing, among other things, may give rise to or potential conflicts of interest. We may rely on information barriers, such as "Chinese Walls" to control the flow of information contained in one or more areas within us, or other areas, units, groups or affiliates of VSL. This report is for information purposes only and this document/material should not be construed as an offer to sell or the solicitation of an offer to buy, purchase or subscribe to any securities, and neither this document nor anything contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This document does not solicit any action based on the material contained herein. It is for the general information of the clients / prospective clients of VSL. VSL will not treat recipients as clients by virtue of their receiving this report. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of clients / prospective clients. Similarly, this document does not have regard to the specific investment objectives, financial situation/circumstances and the needs of any specific person who may receive this document. The securities discussed in this report may not be suitable for all investors. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Persons who may receive this document should consider and independently evaluate whether it is suitable for his/ her/their particular circumstances and, if necessary, seek professional/financial advice. And such person shall be responsible for conducting his/her/their own investigation and analysis of the information contained or referred to in this document and of evaluating the merits and risks involved in the securities forming the subject matter of this document. The projections and forecasts described in this report were based upon a few estimates and assumptions and are inherently subject to significant uncertainties and contingencies. Projections and forecasts are necessarily speculative in nature, and it can be expected that one or more of the estimates on which the projections and forecasts were based will not materialize or will vary significantly from actual results, and such variances will likely increase over time. All projections and forecasts described in this report have been prepared solely by the authors of this report independently of the Company. These projections and forecasts were not prepared with a view toward compliance with published guidelines or generally accepted accounting principles. No independent accountants have expressed an opinion or any other form of assurance on these projections or forecasts. You should not regard the inclusion of the projections and forecasts described herein as a representation or warranty by VSL, its associates, the authors of this report or any other person that these projections or forecasts or their underlying assumptions will be achieved. For these reasons, you should only consider the projections and forecasts described in this report after carefully evaluating all of the information in this report, including the assumptions underlying such projections and forecasts. The price and value of the investments referred to in this document/material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance. Future returns are not guaranteed, and a loss of original capital may occur. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. We do not provide tax advice to our clients, and all investors are strongly advised to consult regarding any potential investment. VSL, the RA involved in the preparation of this research report and its associates accept no liabilities for any loss or damage of any kind arising out of the use of this report. This report/document has been prepared by VSL, based upon information available to the public and sources, believed to be reliable. No representation or warranty, express or implied is made that it is accurate or complete. VSL has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed. The opinions expressed in this document/material are subject to change without notice and have no obligation to tell you when opinions or information in this report change. This report or recommendations or information contained herein do/does not constitute or purport to constitute investment advice in publicly accessible media and should not be reproduced, transmitted or published by the recipient. The report is for the use and consumption of the recipient only. This publication may not be distributed to the public used by the public media without the express written consent of VSL. This report or any portion hereof may not be printed, sold or distributed without the written consent of VSL. This document does not constitute an offer or invitation to subscribe for or purchase or deal in any securities and neither this document nor anything contained herein shall form the basis of any contract or commitment whatsoever. This document is strictly confidential and is being furnished to you solely for your information, may not be distributed to the press or other media and may not be reproduced or redistributed to any other person. The opinions and projections expressed herein are entirely those of the author and are given as part of the normal research activity of VSL and are given as of this date and are subject to change without notice. Any opinion estimates or projection herein constitutes a view as of the date of this report and there can be no assurance that future results or events will be consistent with any such opinions, estimate or projection. This document has not been prepared by or in conjunction with or on behalf of or at the instigation of, or by arrangement with the company or any of its directors or any other person. Information in this document must not be relied upon b c as having been authorized or approved by the company or its directors or any other person. Any opinions and projections contained herein are entirely those of the authors. None of the company or its directors or any other person accepts any liability whatsoever for any loss arising from any use of this document or its contents or otherwise arising in connection therewith. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Securities Market.

Ventura Securities Limited - SEBI Registration No.: INH000001634

Corporate Office: I-Think Techno Campus, 8th Floor, 'B' Wing, Off Pokhran Road No 2, Eastern Express Highway, Thane (W) – 400608