

# Tata Capital Ltd.'s US\$2 Billion MTN Program Assigned 'BBB-' Rating

December 23, 2024

SINGAPORE (S&P Global Ratings) Dec. 23, 2024--S&P Global Ratings today assigned its 'BBB-' long-term foreign currency issue rating to a US\$2 billion medium-term note (MTN) program of Tata Capital Ltd.

We equalized the ratings on the senior secured and senior unsecured notes under the MTN program with our long-term issuer credit rating on Tata Capital (BBB-/Positive/A-3). This is because the company is prudentially regulated.

The senior unsecured notes will constitute direct, unconditional, and unsubordinated obligations of Tata Capital. They shall at all times rank equally with all other senior unsecured obligations of the finance company.

The senior secured notes are secured obligations of the issuer and shall at all times rank equally and without any preference among themselves.

Tata Capital must maintain a minimum security coverage ratio of at least 1.0x for the senior secured notes. Details of the security will be provided in the pricing supplement.

There are also covenants that require Tata Capital to maintain regulatory capital ratios above the regulatory minimum and net non-performing assets ratio of less than or equal to 5%.

Under the program, Tata Capital may also issue index-linked notes. Under our rating criteria, we do not rate the notes if principal payments are linked to fluctuations in equity or commodity prices, or equity or commodity indices.

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## Related Criteria

- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, April 30, 2024
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017

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- General Criteria: Ratings Above The Sovereign--Corporate And Government Ratings: Methodology And Assumptions, Nov. 19, 2013
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.spglobal.com/ratings](http://www.spglobal.com/ratings) for further information. Complete ratings information is available to RatingsDirect subscribers at [www.capitaliq.com](http://www.capitaliq.com). All ratings affected by this rating action can be found on S&P Global Ratings' public website at [www.spglobal.com/ratings](http://www.spglobal.com/ratings).

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