

Get ready for transition to ECL framework, PSBs told

FE BUREAU
New Delhi, November 12

FINANCIAL SERVICES SECRETARY M Nagaraju on Wednesday asked public sector banks (PSBs) to get ready for the transition to the Expected Credit Loss (ECL) framework. He told lenders to accelerate the credit flow to the MSME and agriculture sectors while sustaining growth in low-cost deposits. PSBs were also advised to strengthen risk management frameworks.

While reviewing PSBs' performance, Nagaraju told managing directors and CEOs to enhance preparedness for the transition to the ECL framework through robust models and data-driven provisioning.

Nagaraju commended the banks for their consistent progress and advised them to maintain the growth momentum in key sectors that drive employment and rural demand.

The secretary emphasised that digital transformation must be both inclusive and secure, urging banks to fortify cyber resilience, improve grievance redressal mechanisms, and adopt responsible AI and data analytics for superior customer service delivery.

The ECL framework is a new, forward-looking approach to loan-loss provisioning that requires banks to estimate and set aside reserves for potential credit losses

THE FINE PRINT

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■ He told managing directors and CEOs to enhance preparedness for transition to ECL framework through robust models and data-driven provisioning

■ As of September 2025, the aggregate business of PSBs stood at **₹261 lakh crore**, with advances growing **12.3% y-o-y** and deposits rising **9.6%**



■ Banks were advised to enhance efficiency in application turnaround times, expand assisted journeys through business correspondents, and intensify coordination at the SLBC level

■ Banks were encouraged to utilise digital platforms such as BAANKNET for faster, transparent resolution and to enhance early warning mechanisms to prevent slippages

much earlier than under the traditional "incurred loss" model. The banking sector has expressed concerns primarily regarding the significant one-time impact on profitability and capital, the high degree of subjectivity and judgement in modelling and substantial operational challenges in implementation.

The RBI has proposed that the ECL-based provisioning framework become applicable from April 1, 2027 for scheduled commercial banks (excluding SFBs, payment banks, RRBs) and All India Financial Institutions (AIFIs).

PSBs have reported a steady financial performance in the first half of FY26, with

aggregate net profit rising to ₹93,675 crore and gross NPAs declining to a multi-year low of 2.3%.

As of September 2025, the aggregate business of PSBs stood at ₹261 lakh crore, with advances growing 12.3% year-on-year (y-o-y) and deposits rising 9.6%. The net NPA ratio improved to 0.45%, the return on assets stood at 1.08% and the cost of funds declined to 4.97%, reflecting operational efficiency and robust profitability.

The progress under government flagship programmes such as PM Surya Ghar Muft Bijli Yojana, PM Vidya Lakshmi Yojana, PM Vishwakarma Yojana, and Jan Samarth digital

lending initiatives was also reviewed in the meeting. Banks were advised to enhance efficiency in application turnaround times, expand assisted journeys through business correspondents, and intensify coordination at the SLBC level.

PSBs have also improved their recovery performance. The National Asset Reconstruction Company (NARCL) has so far acquired stressed assets worth ₹1.62 lakh crore, achieving substantial recoveries during H1FY26. Banks were encouraged to utilise digital platforms such as BAANKNET for faster, transparent resolution and to enhance early warning mechanisms to prevent slippages.

DRAFT ECL NORMS

Banks to flag high loss-given default provisioning

KSHIPRA PETKAR & MAHESH NAYAK
Mumbai, November 12

WITH THE RESERVE Bank of India (RBI) set to stop receiving feedback on the draft expected credit loss (ECL) framework by November 30, banks are seeking flexibility on the loss-given default (LGD) assumption of 45% for exposures secured by eligible collateral. Lenders argue that this could overstate the loss potential in certain asset classes.

"Gold is also considered an eligible collateral. In such cases, assigning an LGD of 45% seems excessive; a 5-10% level would be more realistic," said a senior official of a public sector bank.

Loss-given default is a measure of the percentage of a loan that a lender is likely to lose if the borrower defaults even after recovery has been made. For example, if a borrower defaults on a property loan of ₹1 crore and the bank cannot recover it even after selling, it will be sitting at a loss. Therefore, the bank will have to make provisions on the assumption that the borrower will default and the recovery won't cover the cost of lending.

As per the draft, while provisioning requirements for Stage-1 assets are expected to remain largely unchanged, Stage-2 accounts — typically those overdue for 30-90 days — may see a significant increase in provisioning, bankers said.

The draft proposes 5% provisioning for secured retail and MSME loans, and about 1.5% for home and loan-against-property portfolios, compared with lower norms at present.

According to a report by Kotak Institutional Equities, in other countries, the provisioning for Stage-2 assets is in the range of 4-21%, with China being the only exception by having 2% provision on such assets. "While the move to ECL is directionally correct and aligns with global practice, some lenders may seek a longer implementation runway beyond 2031, as the RBI has done with earlier transitions such as Basel norms" Pratih Kumar, partner at JSA, said. "Stage-2 provisioning will be a key area of adjustment, particularly for smaller banks and those with higher retail exposures."

Based on disclosures from about 8-10 banks, the capital impact could range between 75

and 125 bps, though some lenders may face higher erosion, analysts at ICRA said. "Unsecured lenders or those with higher LGD ratios and elevated SMA-1 and SMA-2 accounts may see a sharper impact," said Anil Gupta, senior vice president & co-group head - financial sector ratings at ICRA. However, he added that "the overall sectoral impact should be less than 150 bps. The RBI has already provided a five-year transition window, which will allow banks to smoothen the provisioning requirement over time."

Sanjay Agarwal, senior director at CareEdge Ratings, said noted that several banks have already begun building provisions, which will help mitigate the transition effect. "The ECL adjustments aren't going to impact the P&L directly, so an upfront adjustment through net worth is preferable. It protects profitability and enhances return on equity compared to staggered provisioning."

The KIE report said its sees an impact of 0-4% of net worth and 0-60 bps of credit cost for most banks during transition, and believe that lenders would begin time for the transition.

Fujiyama Power raises ₹247 crore from anchor investors

PRESS TRUST OF INDIA
New Delhi, November 12

FUJIYAMA POWER SYSTEMS, which provides solutions for the rooftop solar industry, on Wednesday said it has raised ₹247 crore from anchor investors just a day before opening of its initial share sale for public subscription.

The anchor book saw participation from 15 entities, including Nippon India Mutual Fund (MF), Tata MF, BNP Paribas, ValueQuest — Investment Advisors, Societe Generale, LC Pharos Multi Strategy Fund, Astorine Capital, and Citigroup Global Markets Mauritius, according to a circular uploaded on the BSE website.

As per the circular, the company allocated over 1.08 crore equity shares at an anchor investor offer price of Rs 228 per equity share, raising Rs 246.89 crore.

Among these, a little over 56.66 lakh equity shares, or 52.33 per cent, were allocated to two domestic mutual funds, which have applied through six schemes.

AnZen INDIA ENERGY TRUST						
Anzen India Energy Yield Plus Trust						
Registered Office: Plot No.294/3, Edelweiss House, Off CST Road, Kalina, Santacruz East, MUMBAI, MAHARASHTRA, 400098 SEBI Registration Number: IN/InvIT/21-22/0020, Email-ID: InvITInvestorGrievances@eaa.in; Website: www.anzenenergy.in						
EXTRACT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2025						
(All amounts in INR million, except as stated)						
Particulars	Quarter ended September 30, 2025 (Unaudited)	June 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	Six months ended September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	Year ended March 31, 2025 (Audited)
1 Total Income from Operations	1,031.31	1,106.85	632.41	2,138.16	1,276.72	2,677.17
2 Net Profit / (Loss) for the period/year (before Tax, Exceptional and/or Extraordinary item)	(116.51)	71.76	(30.02)	(44.75)	(47.74)	(155.47)
3 Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	(116.51)	71.76	(30.02)	(44.75)	(47.74)	(155.47)
4 Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	(80.49)	95.52	(33.57)	15.03	(54.57)	(162.34)
5 Total Comprehensive income [(Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive income (after tax)]	(80.54)	95.48	(33.60)	14.94	(54.62)	(162.49)
6 Paid up Unit Capital (net of issue expenses) (face value of INR 100/- each)	19,571.53	19,571.52	15,624.79	19,571.53	15,624.79	19,571.64
7 Reserves (excluding Revaluation Reserve)	(5,072.37)	(4,452.29)	(3,185.02)	(5,072.37)	(3,185.02)	(4,067.09)
8 Net worth	14,499.16	15,119.23	12,439.77	14,499.16	12,439.77	15,504.55
9 Earnings per unit (INR per unit) - Basic & Diluted	(0.41)	0.49	(0.21)	0.08	(0.35)	(1.01)
10 Asset Cover (in times)	1.81	1.85	2.69	1.81	2.69	1.87
11 Debt Equity Ratio (in times)	1.30	1.25	0.60	1.30	0.60	1.22
12 Debt Service Coverage Ratio (in times)	1.92	2.32	3.49	2.12	3.52	2.98
13 Interest Service Coverage Ratio (in times)	2.07	2.51	3.49	2.29	3.52	3.11
14 Total debts to total assets (in times)	0.55	0.54	0.37	0.55	0.37	0.53
15 Distribution Per unit (INR per unit)	2.75	2.75	2.45	5.50	4.90	9.80
16 EBITDA Margin (%)	79.46%	88.94%	88.61%	84.37%	88.23%	87.19%
17 Net profit margin (%)	-7.80%	8.63%	-5.31%	0.70%	-4.27%	-6.06%
18 Current ratio (in times)	0.51	0.54	9.34	0.51	9.34	0.54
EXTRACT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2025						
(All amounts in INR million, except as stated)						
Particulars	Quarter ended September 30, 2025 (Unaudited)	June 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	Six months ended September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	Year ended March 31, 2025 (Audited)
1 Total Income from Operations	944.85	938.32	544.03	1,883.17	1,084.05	2,228.45
2 Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary item)	539.46	537.68	371.88	1,077.14	741.31	1,495.12
3 Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	539.46	537.68	371.88	1,077.14	741.31	1,495.12
4 Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	535.67	537.17	368.33	1,072.84	734.48	1,479.46
5 Total Comprehensive income [(Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive income (after tax)]	535.67	537.17	368.33	1,072.84	734.48	1,479.46
6 Earnings per unit (INR per unit) - Basic & Diluted	2.73	2.74	2.33	5.47	4.65	9.19
Notes:						
1. The above results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on November 11, 2025.						
2. On 8 March 2025, the Trust acquired 100% of paid up equity capital of Solzen Urja Private Limited (formerly known as Renew Sun Waves Private Limited) from ReNew Private Limited pursuant to Share Purchase Agreement dated 19 December 2024. Accordingly, the revenue and corresponding expenses reported in the financial results for various periods may not be comparable.						
3. On 4 March 2025, the Trust has issued 38,193,900 units at a price of INR 105.06 per unit to institutional investors and has raised funds of INR 4,012.65 million.						
4. The Trust has allotted 70,000 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of INR 0.10 million each for an aggregate amount of INR 7,000 million on 6 March 2025 on private placement basis.						
5. The Board of Directors of the Investment Manager approved a distribution of INR 2.75 per unit for the quarter ended 30 September 2025 to be paid within five working days from the record date.						
6. The above is an extract of the detailed format of financial results filed with the stock exchange(s). The full format of the financial results is available on the website of the stock exchanges i.e. www.bseindia.com, www.nseindia.com and on the website of the Trust - www.anzenenergy.in						
For Anzen India Energy Yield Plus Trust						
Sd/- Ranjita Deo Whole Time Director & Chief Investment Officer DIN No.: 09609160						
November 11, 2025, Mumbai						

TATA TATA STEEL LIMITED						
Registered Office: Bombay House, 24, Homi Mody Street, Fort, Mumbai - 400 001 India Tel.: 91 22 6665 8282 • Fax No.: 91 22 6665 7724 • Email: cosec@tatasteel.com • Website: www.tatasteel.com CIN: L27100MH1907PLC000260						
NOTICE						
Extract of Standalone Financial Results for the quarter/six months ended on 30th September 2025						
₹ Crore						
Particulars	Quarter ended on 30.09.2025	Quarter ended on 30.06.2025	Quarter ended on 30.09.2024	Six months ended on 30.09.2025	Six months ended on 30.09.2024	Financial year ended on 31.03.2025
	Audited	Audited	Audited	Audited	Audited	Audited
Total revenue from operations	34,679.54	31,014.36	32,399.48	65,693.90	65,357.37	1,32,516.66
Net Profit / (Loss) for the period (before tax and exceptional items)	5,802.88	4,776.84	4,772.02	10,579.72	9,473.87	19,620.88
Net Profit / (Loss) for the period before tax (after exceptional items)	5,403.37	4,557.76	4,785.84	9,961.13	9,251.12	18,718.84
Net Profit / (Loss) for the period after tax	4,060.13	3,523.25	3,590.99	7,583.38	6,921.94	13,969.70
Total comprehensive income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	4,114.98	6,743.37	7,303.20	10,858.35	10,683.49	(10,003.46)
Paid-up equity share capital [Face value ₹ 1 per share]	1,248.60	1,248.60	1,248.60	1,248.60	1,248.60	1,248.60
Reserves excluding revaluation reserves						1,25,483.34
Securities premium reserve	31,290.24	31,290.24	31,290.24	31,290.24	31,290.24	31,290.24
Net Worth	1,29,908.21	1,30,287.29	1,44,232.42	1,29,908.21	1,44,232.42	1,23,543.94
Paid-up Debt Capital	15,157.74	15,157.00	12,824.69	15,157.74	12,824.69	15,156.26
Net Debt Equity Ratio	0.51	0.46	0.36	0.52	0.36	0.44
Earnings per equity share:						
Basic earnings per share of ₹ 1 each (not annualised) - in Rupees (after exceptional items)	3.25	2.82	2.88	6.07	5.54	11.19
Diluted earnings per share ₹ 1 each (not annualised) - in Rupees (after exceptional items)	3.25	2.82	2.88	6.07	5.54	11.19
Debenture Redemption Reserve	1,328.75	1,328.75	1,328.75	1,328.75	1,328.75	1,328.75
Debt Service Coverage Ratio	2.51	1.34	3.51	1.80	3.31	3.82
Interest Service Coverage Ratio	7.95	6.91	17.41	7.44	11.54	9.94
Extract of Consolidated Financial Results for the quarter/six months ended on 30th September 2025						
₹ Crore						
Particulars	Quarter ended on 30.09.2025	Quarter ended on 30.06.2025	Quarter ended on 30.09.2024	Six months ended on 30.09.2025	Six months ended on 30.09.2024	Financial year ended on 31.03.2025
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total revenue from operations	58,689.29	53,178.12	53,904.71	1,11,867.41	1,08,676.10	2,18,542.51
Net Profit / (Loss) for the period (before tax and exceptional items)	4,642.88	3,199.20	2,146.24	7,842.08	4,880.99	9,267.51
Net Profit / (Loss) for the period before tax (after exceptional items)	4,222.47	3,067.08	2,164.33	7,289.55	4,541.15	8,412.87
Net Profit / (Loss) for the period after tax	3,183.09	2,007.36	758.84	5,190.45	1,677.41	3,173.78
Total comprehensive income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	4,673.88	4,351.52	1,491.24	9,025.40	2,585.74	3,447.08
Paid-up equity share capital [Face value ₹ 1 per share]	1,247.44	1,247.44	1,247.44	1,247.44	1,247.44	1,247.44
Reserves (excluding revaluation reserves) and Non controlling interest						90,105.34
Net Worth	91,548.11	91,464.44	86,747.87	91,548.11	86,747.87	87,770.44
Net Debt Equity Ratio	0.91	0.91	0.97	0.93	0.97	0.90
Earnings per equity share						
Basic earnings per share ₹ 1 each (not annualised) - in Rupees (after exceptional items)	2.49	1.67	0.67	4.15	1.44	2.74
Diluted earnings per share ₹ 1 each (not annualised) - in Rupees (after exceptional items)	2.49	1.67	0.67	4.15	1.44	2.74
Debenture Redemption Reserve	1,328.75	1,328.75	1,328.75	1,328.75	1,328.75	1,328.75
Debt Service Coverage Ratio	0.65	0.98	0.29	0.76	0.54	0.70
Interest Service Coverage Ratio	4.80	3.69	3.40	4.25	3.28	3.12
Note:						
The above is an extract of the detailed format of Standalone and Consolidated financial results for the quarter and half year ended September 30, 2025 filed with the Stock Exchanges under Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Standalone and Consolidated financial results for the quarter and half year ended September 30, 2025 are available on the websites of the Stock Exchanges (www.nseindia.com / www.bseindia.com) and the Company's website (www.tatasteel.com)						
Sd/- T V Narendran Chief Executive Officer & Managing Director						
Mumbai, November 12, 2025						
TATA STEEL						
Sd/- Koushik Chatterjee Executive Director & Chief Financial Officer						

