



August 10, 2022

To,
The General Manager
Department of Corporate Services
BSE Limited
P.J. Towers, Dalal Street,
Mumbai - 400 001.

Scrip Code: 540268

Subject: Earnings Presentation

Dear Sir/Madam,

This is to inform you that the Board of Directors of TruCap Finance Limited (Formerly known as Dhanvarsha Finvest Limited) at its meeting held today i.e. August 10, 2022, has approved the Standalone and Consolidated Unaudited Financial Results for the quarter ended June 30, 2022, and the same has been uploaded.

A copy of the earnings presentation is attached herewith.

We request you to take the above on record.

Thanking you,

Yours faithfully,
For TruCap Finance Limited
(Formerly known as Dhanvarsha Finvest Limited)

Lalit Chendvankar
Company Secretary & Compliance Officer



Encl: a/a

TruCap Finance Limited
(Formerly known as Dhanvarsha Finvest Limited)

Regd. Off : 3rd Floor, A Wing, D. J. House, Old Nagardas Road, Andheri (East), Mumbai – 400 069
Tel : 1800 210 2100 | contact@dhanvarsha.co | www.dhanvarsha.co | CIN : L24231MH1994PLC334457



TruCap
Finance
Ltd

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Dhanvarsha is now TruCap Finance

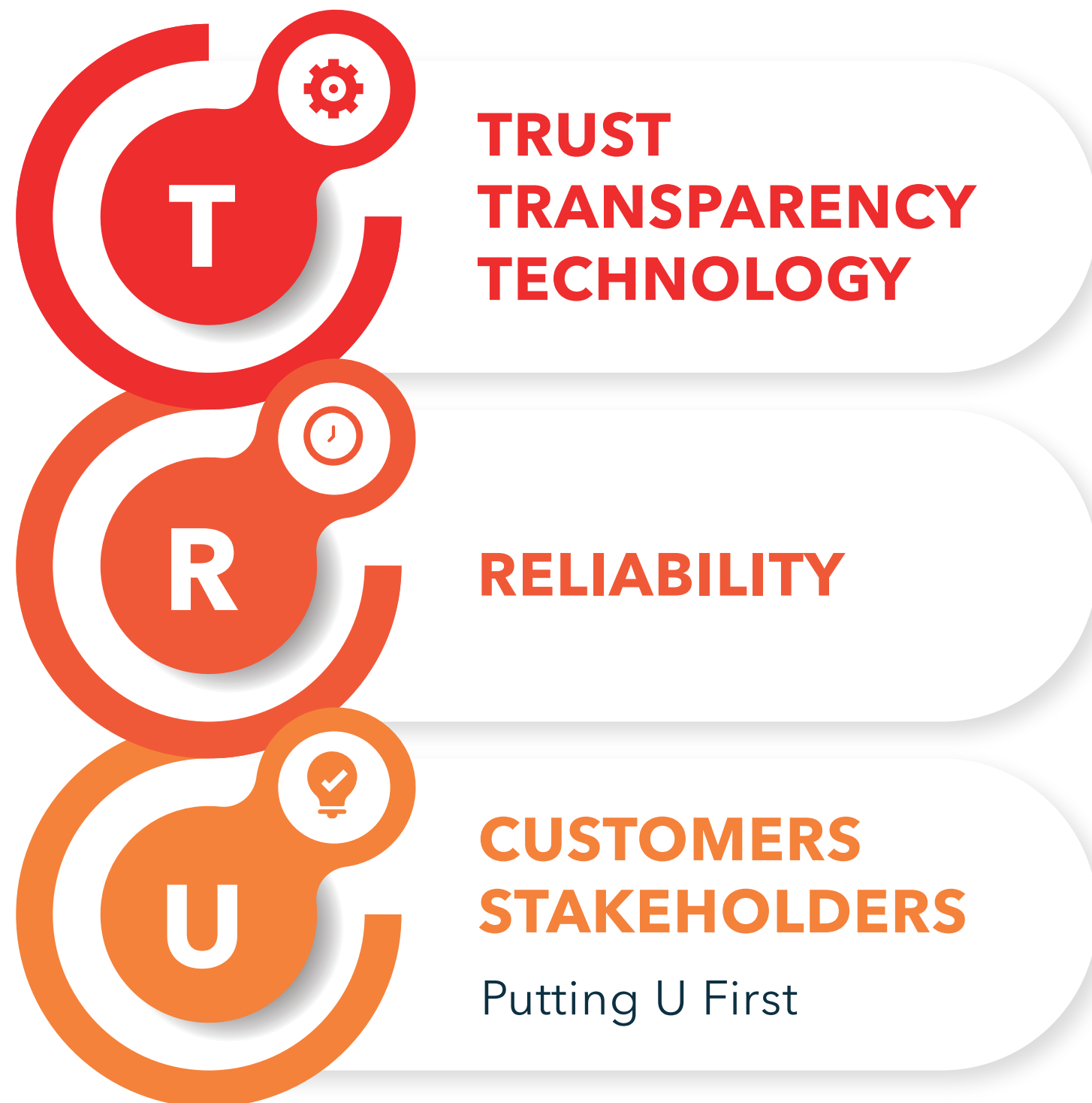


Introduction

The genesis of Tru is based on a singular focus on Trust. Making credit accessible for everyone by deploying technology and capital to power the growth of MSMEs. To remove red tape, fear of leverage and empower entrepreneurs to win in life. Our endeavor is to make credit 'worthy' for all, thus overcome the fear of 'who is creditworthy'.

Tru Cap Finance

Lender to India's MSME Needs



TRU Promise

We stand by the belief that technology & capital can be employed to catalyze the growth journey of MSMEs. It can bring positive social impact by creating opportunities & supporting livelihoods through fostering of talent and facilitating people to lead a more meaningful life.

We want our customers to feel confident dealing with money instead of dread, frustration & helplessness. It is a moment of pride for us if a woman entrepreneur breaks conventional barriers to establish a business and create in turn employment for people to earn their livelihood.

We want businesses to feel secure while expanding their units without the fear of lack of money by ensuring that our support will make their cash inflows run an extra mile to build capacity and improve their profitability.

We want our stakeholders to believe that capital is not difficult but flexible, and we have their back as they chase sustainable economic & business growth.

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Executive Summary

Key Highlights

INR Million

Particulars	Jun'21	Jun'22	Y-o-Y Change
Disbursements	417	1,621	3.9x
AUM*	1,318	3,952	3x
MSME Business Loans	550	1,817	3.3x
MSME Gold Loans	320	1,704	5.3x
Interest Income	61.8	219.7	3.6x
Total Income	114.2	260.9	2.3x
Net Profit	0.35	18.5	53x
Cost to Income	54%	51%	-
Debt to Equity	0.7x	1.5x	-
CRAR%	86%	42%	-
Number of customers	10,956	45,985	4.2x
Number of Women Customers	1,952	9,121	4.7x
Number of Branches	24	56	2.3x
Number of lenders	13	29	2.2x

Technology & branch network leads to ~3x increase in disbursements

TruCap increased customer count by over 4x, with focus on women customers that moved up 4.7x

Portfolio focus on MSME customers now forming ~90% of customer base

Interest income growth outpaced growth in disbursements & AUM

Strong capital adequacy maintained with runway for increased growth

Low leverage with further capital infusion in May 2022 and focus on L-a-a-S model

Standalone results

*AUM includes Off Balance Sheet assets

A Differentiated approach in lending

Capital efficiency & risk management at the fore

Own balance sheet lending

MSME Business loans and Gold loans

Small ticket (1-20lakhs)

Short tenor, high yield products (12-36 months)

Conservative underwriting

Robust collection and recovery platform

MSME Loans Backed
by Gold

MSME Business
Loans

Lending as a Service (L-a-a-S)

High IRR generating business with share of interest & fee

Ability to collaborate with large lenders to build substantial off-balance sheet AUM

Large sourcing platform that enables successful build up of profitable AUM

MSME Loans Backed
by Gold

MSME Business
Loans

Preferred Sourcing Partnership

Solid sourcing in new geographies with very low acquisition cost

Joint credit underwriting policy

Risk moved to partner with funded guarantee provided by them

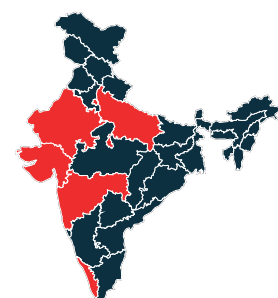
High ROA with minimal asset quality risk

MSME Business
Loans

Sourcing



56 branches



Cluster Focused
Sourcing Strategy



Consumer
B2C App



Tie up with large retail
distribution channels



~200 partners



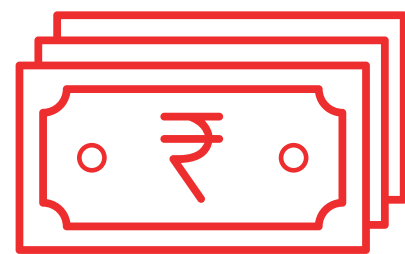
Cross source
from co-lending
platform



Tie up with
Marquee Lenders

Lending as a Service (L-a-a-S) Resulting in Capital Light Growth

Last Mile Financial Inclusion



Benefit for TruCap Finance

Sourcing partnership with large lenders to realize last mile affordable credit inclusion

TruCap Finance contributes between 5% to 20% while the remainder portion is funded by the financial institution

Benefit for Partner Institutions

Derive benefit from TruCap Finance's distribution, robust underwriting practices and collection processes

Supported by a robust risk and technology framework

Highly Accretive Partnerships



TruCap Finance Partnerships Ecosystem Co-Lending with CBOI now live across 40+ branches

80-20 Lending Partnership Model

EZ Capital in Delhi-NCR

1-2 Experiential Centers & 95-5 Partnership Model

Potential Co-Lending for MSME Business & Gold Loans sourced through Experiential Centers

Capital Efficiency & Profitability



Benefit for TruCap Finance

Superior Growth backed by High IRR

TruCap Finance earns on 100% of the loan book

Enables cheaper funding in debt table

Benefit for Partner Institutions

No cost of opex, capex or marketing

Growth of loan book in the PSL segments

Enables to build scale and volume in business

L-a-a-S: Substantial MSME Gold Co-Lending Partnership

The company has partnered with Central Bank of India across Madhya Pradesh, Maharashtra, Goa and Delhi-NCR for Co-lending of up to INR 10 billion to MSME Gold loan customers.

The company has recently also partnered with EZ Capital for co-lending in Delhi NCR to gold loan customers.

Under these partnerships, TruCap Finance will originate, service and collect MSME gold loans and will retain 5 - 20% of loan balances on its balance sheet. This will enable substantial scale up of AUM with capital efficiency for the company.

These partnerships offer customized solutions and a superior experience to the underbanked and underserved MSME customers.

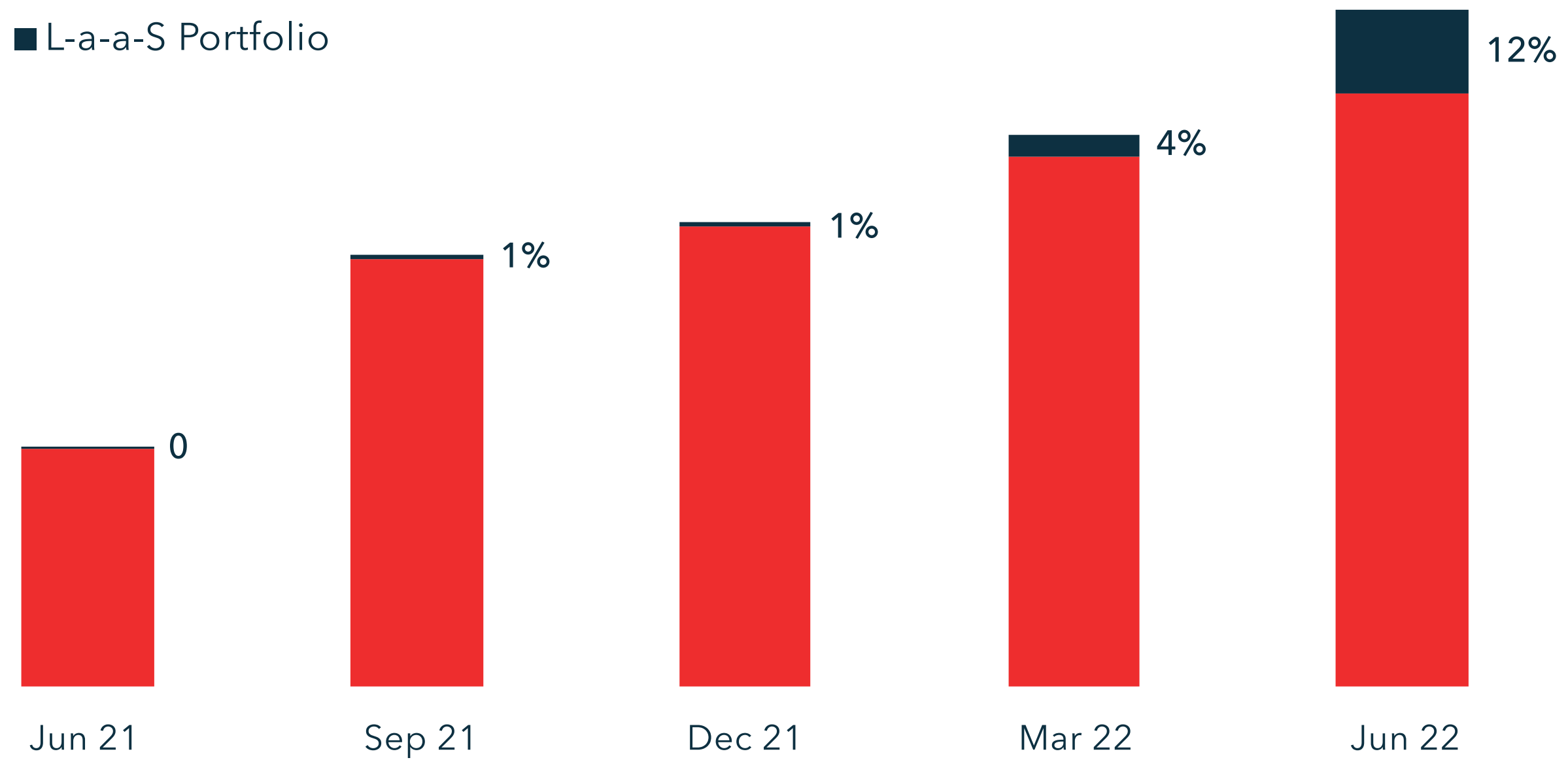


Increasing L-a-a-S Footprint

Portfolio Mix

12% Share of L-a-a-S AUM

■ On Book Portfolio ■ L-a-a-S Portfolio



2
Live Partnerships

4
Active Discussions

Across Pvt. Banks,
PSU Banks, SFB's & NBFC

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Distribution Strategy

Multi Channel Approach Empowered with Technology

Experiential Centers
Offers Superior Value Proposition for MSME Customers in BL & GL
Significantly increasing financial inclusion in 4 Key States
56 Centers today and on track to have 65 centers in coming months

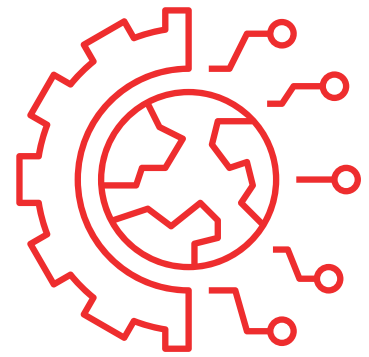
Technology Assets
Differentiated Assets to organically scale customer acquisition
Fully integrated LOMS for monitoring and reduce TAT
Augmented systems to retain and upsell



Captive Sales Team
Tru Cap Finance has a team of ~150 Strong Fleet on Street
These individuals play an instrumental role in accessing the end customer for MSME Business and Gold Loans

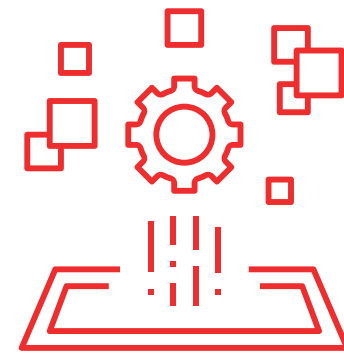
Direct Selling Agents
Partner agents to reach and acquire the last mile customer
Constant DSA engagements for efficient product deployment and ensure customer satisfaction

Pillars of Digital Strategy



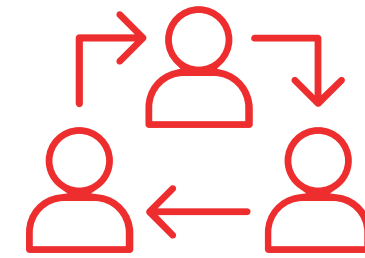
Build Future Ready Organization

Build a future ready organization focused on enhancing technology and digital capabilities and allowing TruCap Finance to scale on the back of new age tech and platforms



Multi-Product Penetration

Leverage various digital platforms and partnerships to enhance TruCap Finance's product positioning (balance sheet and distribution products) and drive higher engagement



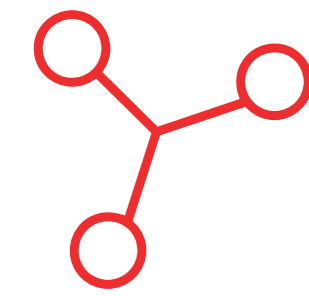
Collaborative User Acquisition

Collaborate with partners to leverage data, platforms, and build new tech solutions. This will help us better underwrite, cross-sell, and service our customers



Risk Mitigation

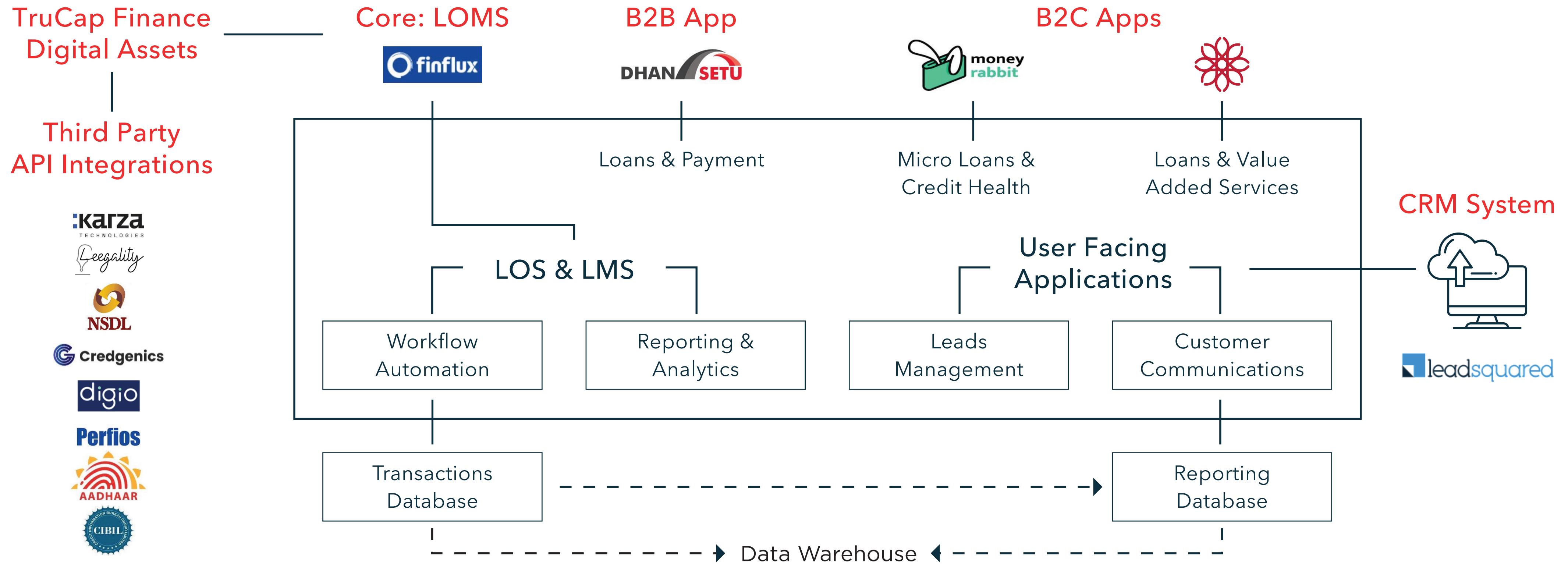
Focus on data driven underwriting approach that includes bureau, financial, and alternate data sources to build AI/ML models to assess underbanked customers better



Connecting Assets

Connecting all digital assets in our ecosystem to improve customer engagement and cross-selling, with focus on omni-channel experience and incremental customer relationship value

Digital Architecture - Full Stack



A robust platform enabling seamless onboarding, underwriting, servicing, monitoring and on-time collections.

Salient Attributes

Speed with Scale

Seamless loan origination and management platform that enables faster onboarding and disbursement for multiple loan products

Modular Architecture

Customizable workflows allow changes with minimal turnaround time

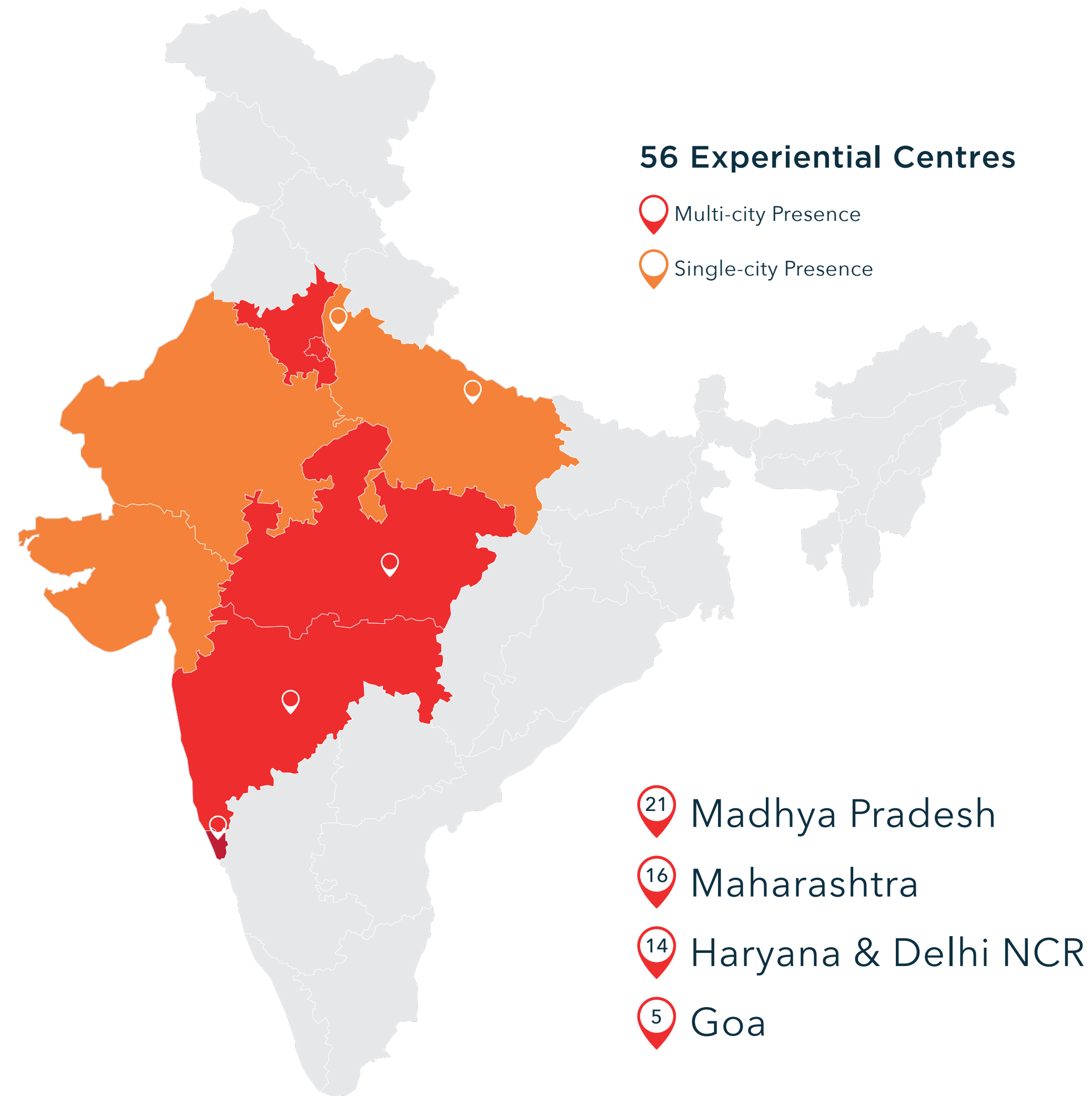
MicroServices Centric

Open API architecture allowing seamless integration with 3rd parties

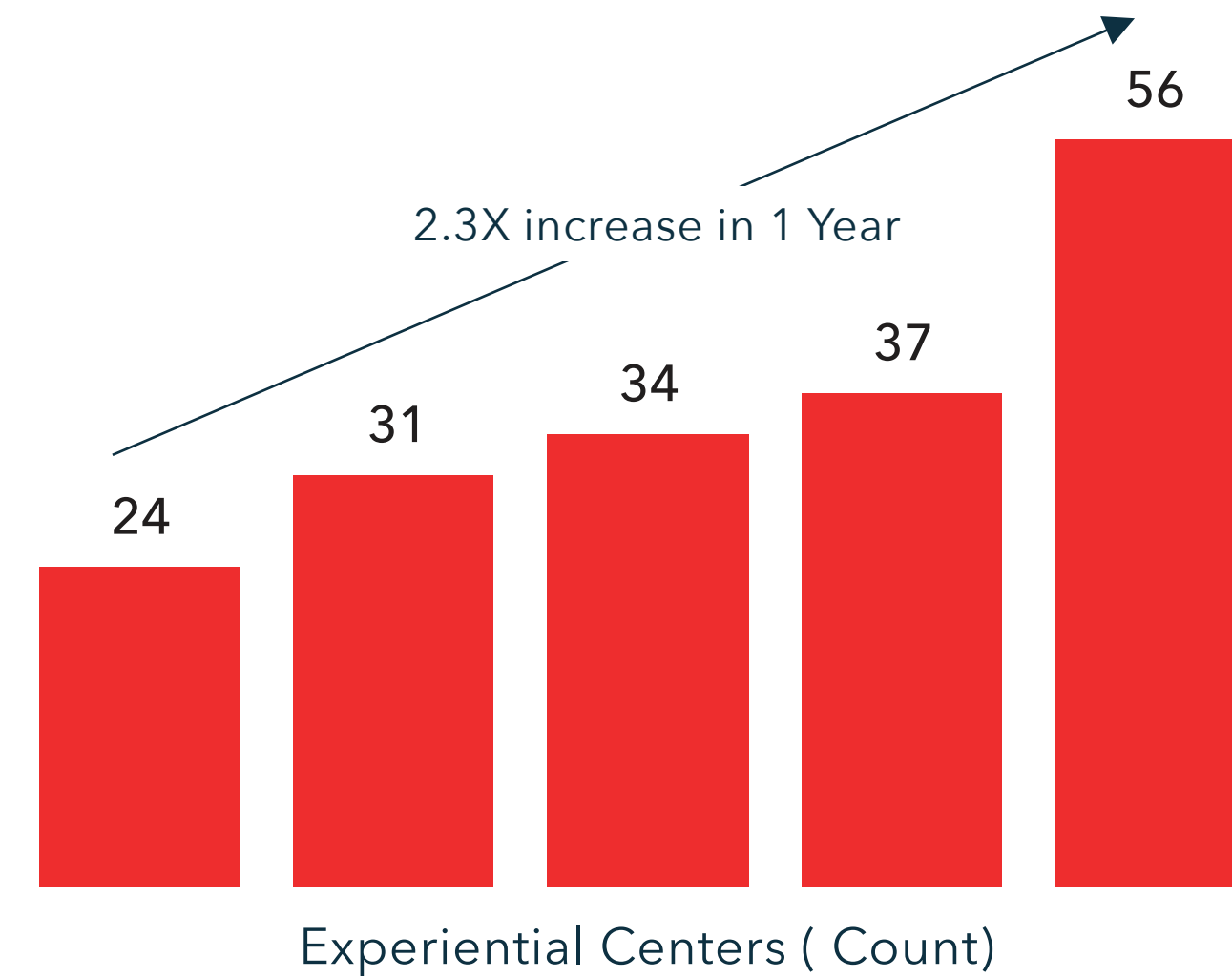
Automation & Rules Driven

Automated rules engine, credit underwriting and fulfilment resulting in lower risk, reduced TAT, enhanced scalability & better decision making

Experiential Centers to Drive Growth



Increasing Branch Presence



India's overall formal gold financing penetration is ~10% with penetration in the western and northern states being even lower.

However, the above two markets together hold ~45% of the gold in the country.

Similarly, the states of Maharashtra, Gujarat, Haryana and Delhi-NCR comprise 35% of MSME enterprises*

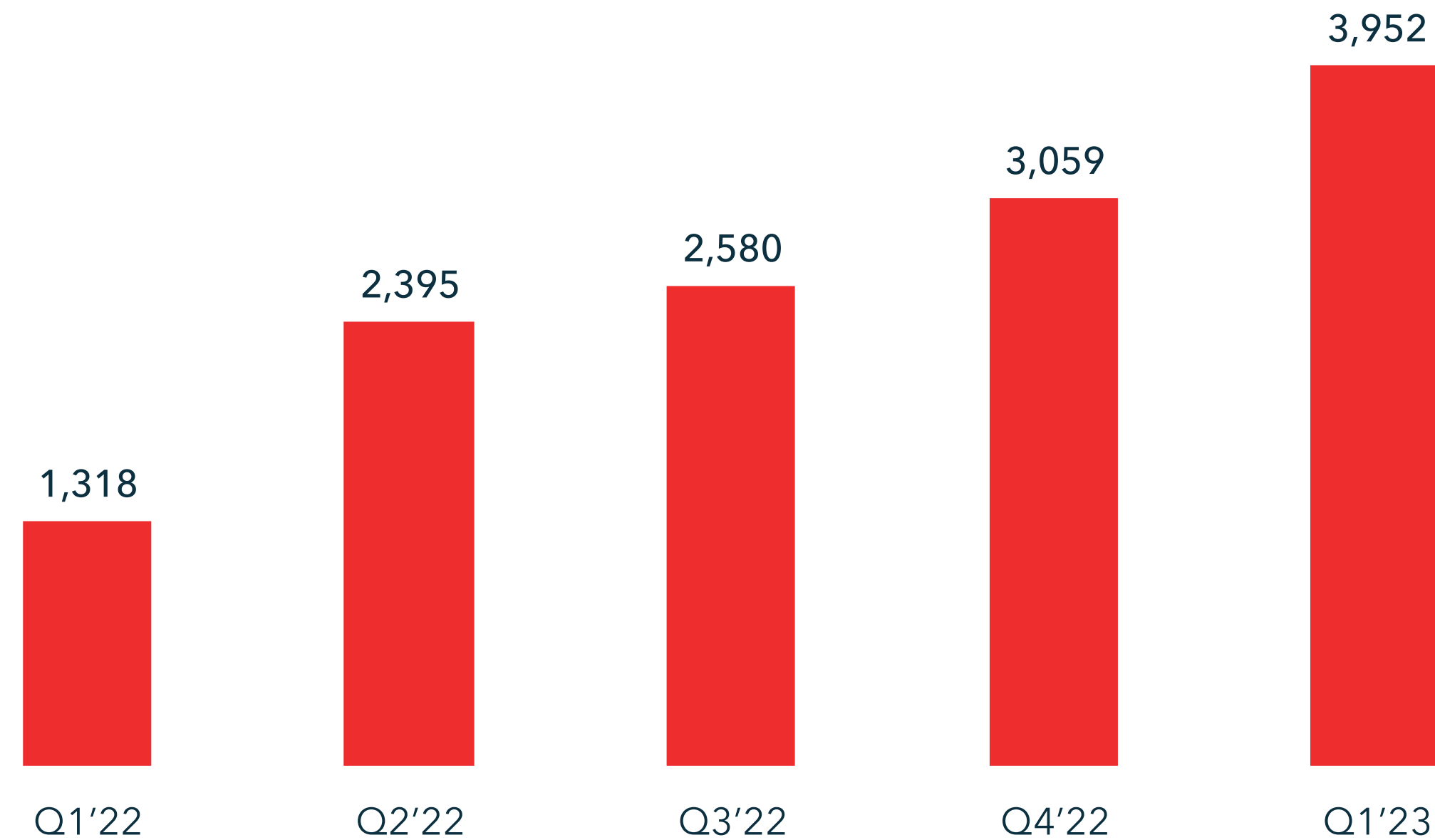
56 Experiential Centres are located in these geographies which are the hub of micro and small enterprise units



Portfolio Highlights

Sustainable Growth in AUM...

Gross Loan Portfolio INR Mn



Growth spread across products
Prime focus on profitable lending

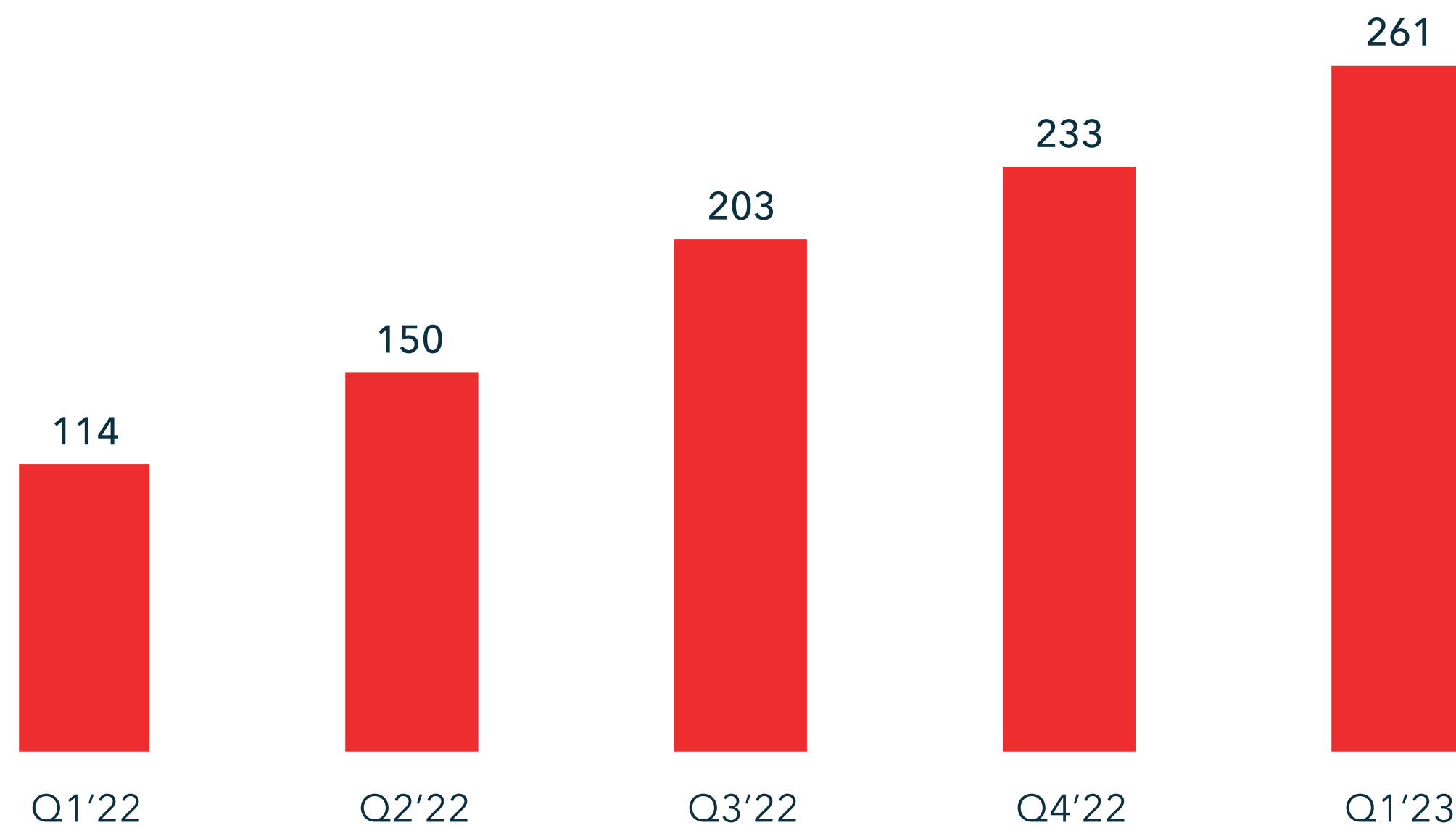
Fuelled by enhancing tech & branch reach

With increasing share of L-a-a-S AUM

	Jun'21	Sep'21	Dec'21	Mar'22	Jun-22
L-a-a-S AUM (INR Mn)	4.4	23.5	31.9	122.1	492.5
L-a-a-S AUM %	0%	1%	1%	4%	12%

...Resulting in - Robust Income Growth

Total Income INR Mn



Consistent growth in Income
Led by interest earning assets

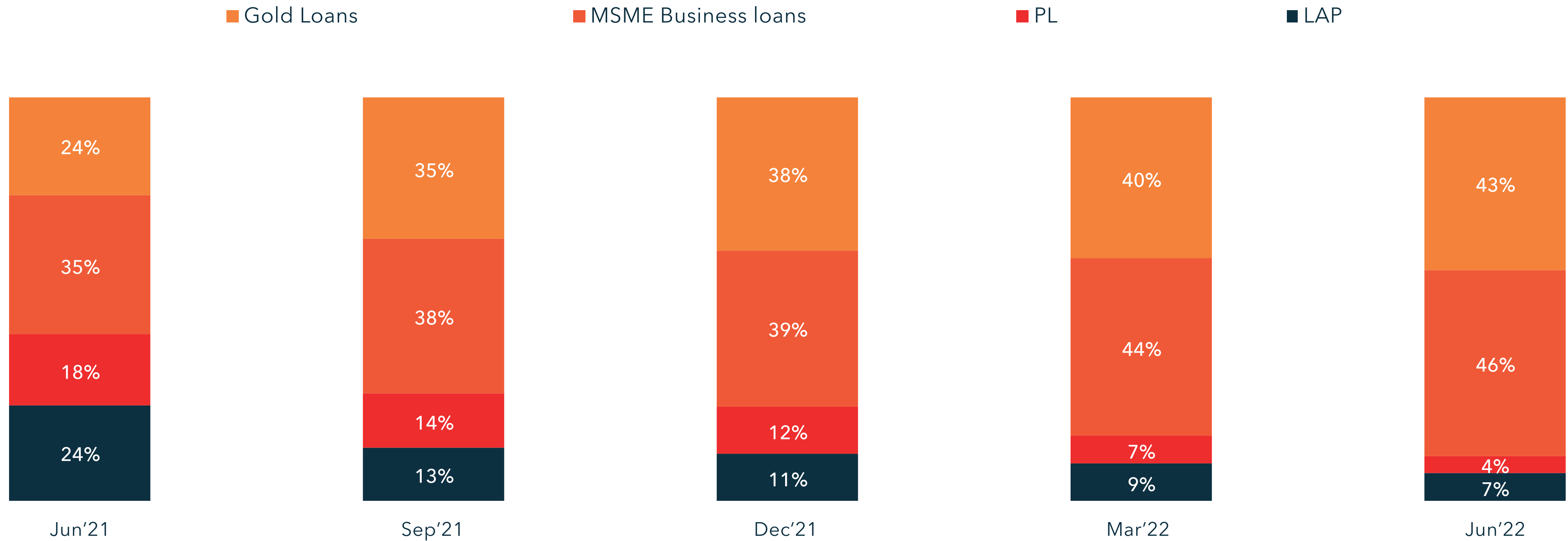
Backed by Fee generation

Front ending of Capex will Bear Fruits
In terms of higher Customer growth

Ability to integrate with other lenders
to boost L-a-a-S income

Portfolio Breakup: Focussed MSME Lender

Focussed MSME & Gold Loan Portfolio



INR Mn Including managed book

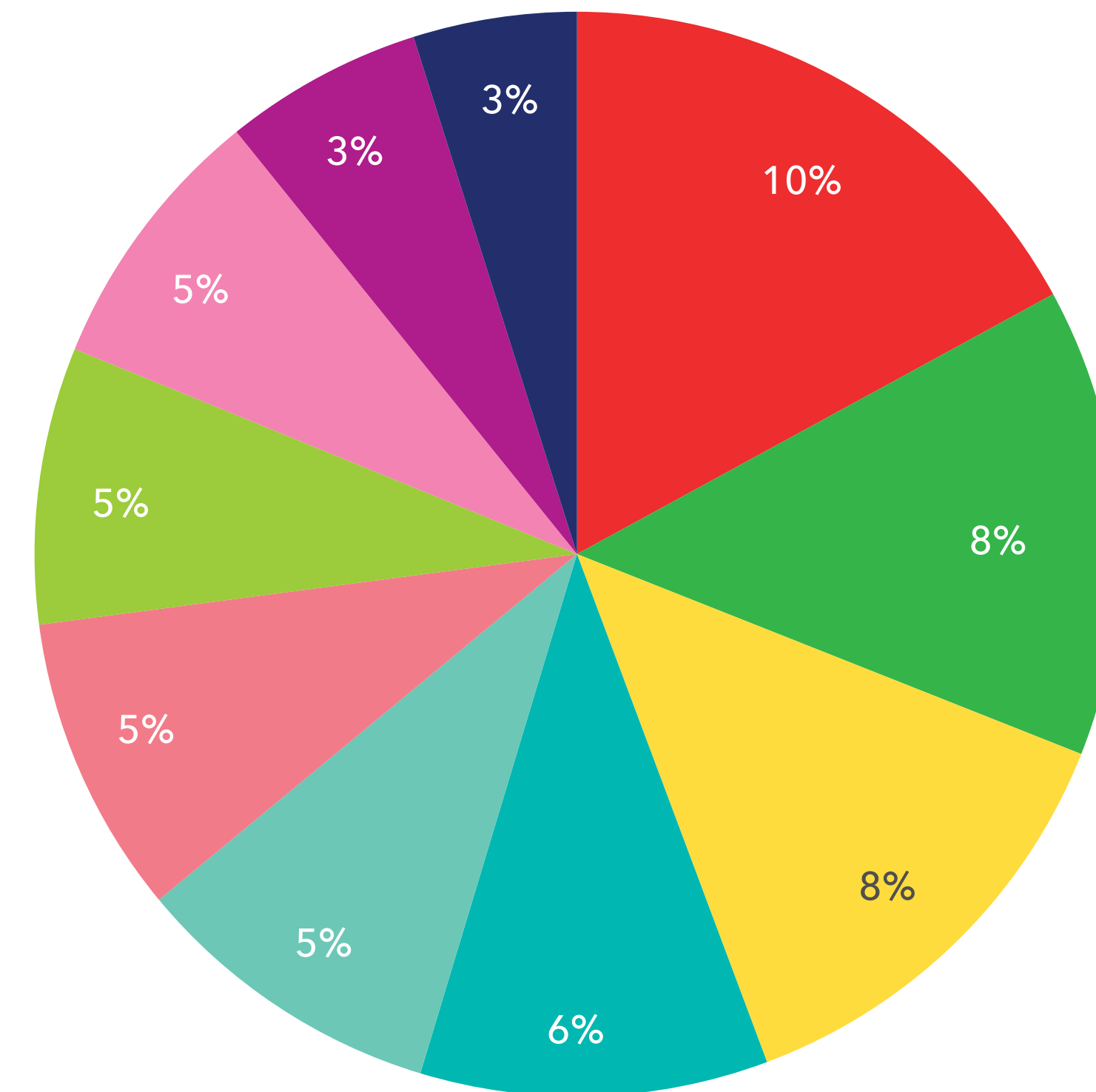
Sectoral Portfolio Composition

Customer Engagement
in Essential goods segments

Deep Sectoral understanding

Wide spread sourcing capabilities
through technology & branch network

Sector Mix - Top10

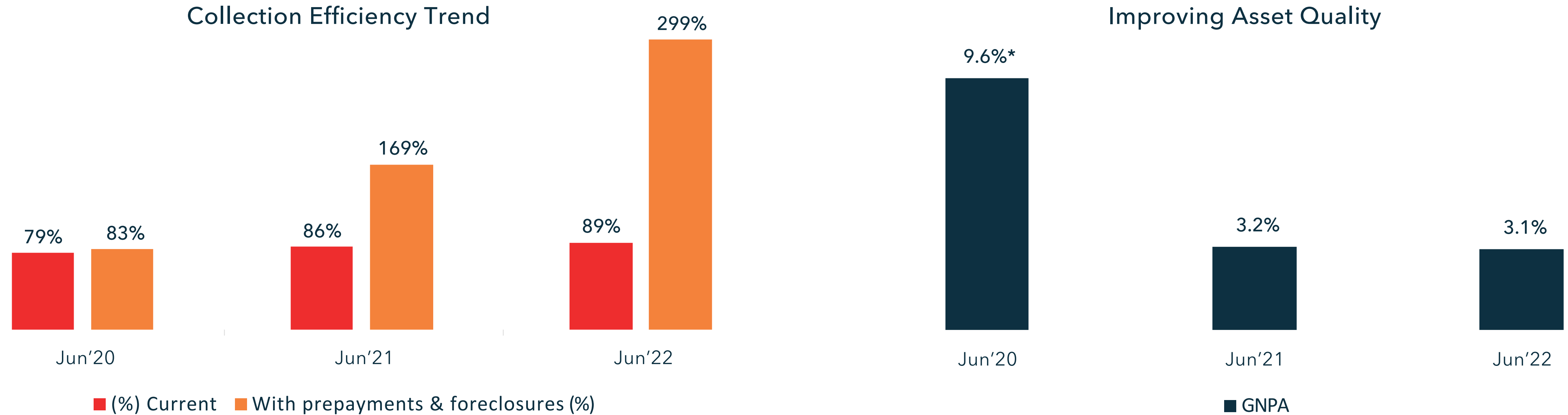


- FMCG
- Beauty / Fashion / Apparels
- Home / Office-Retail
- Agriculture
- Garments
- Medical
- Media / Advertising
- Transport & Tourism
- Kirana / General Store
- Construction

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Risk & Governance

Growth with Robust Asset Quality



Collection efficiency exceeds 100% after considering pre-payments & foreclosures on the gold loan book.

It's important to note that pre-payments & foreclosures is a regular feature in the gold loan business and customers endeavor to repay ahead of time to release the asset.

Experienced in-house collection management team comprising specialized legal resources and tele-callers.

Wide network of arbitrators and empaneled lawyers with expertise in loan recovery to manage the portfolio collection efficiency.

NPAs in the LAP portfolio constitute ~50% of total NPAs

Excluding **LAP and Personal loans** which are in run-off mode, **GNPA would be 1.4%** and **NNPA would be 0.8%**

*This has been restated to reflect adoption of 90DPD recognition of NPA(done in Sept'21)

Comprehensive Risk Management Framework

Action Undertaken >>>	Aspects Covered >>>	Objective Achieved / To Be Achieved
Risk Assessment Framework	Credit, liquidity, solvency, financial, and information security risks	Common standards for management of various risks at portfolio level
Independent unit for internal controls - Standard Assessment of Branch Performance through Branch Control Score Card	Gold loan branches, audit of partners, hind-sighting of traditional business	Branch control score card for objective assessment to aimed to achieve low risk rating
Rigorous review of infant/non-starter	Revised allocation of these cases to sales/credit to resolve	Resolution of `96% in Dec and `90% in Jan of infant/non-starter cases
All embracing LAP collection	Pre-SARFESI notice for 60+ day delinquent borrowers	Expected higher recoveries on legacy LAP loans
Comprehensive and exhaustive criteria for assessing and onboarding preferred sourcing partners	Revamped FLDG framework and SOP for invocation of FLDG	Zero NPA's from preferred sourcing partners (~19% of loan book)

Standardised Branch Score Card

Mitigate Risk and Maintain Quality Service

Standard Branch Audit Score Card Mechanism

Standard scoring mechanism following weighted average mechanism based upon risk rating of 12 comprehensive processes and 130 checkpoints

RBI tenets, internal auditors and external auditors observations compliant

Performance Management of Branch to Mitigate Risk

Evaluate the branch process and internal controls

Prescriptive and corrective action driven

Audit is comprehensive, detail-oriented and full-scale for all loan accounts



Branch Score Card

Objective

Standardised

Evolving & aligned to Growth

Centralized Monitoring

Branch Score Matrix

Risk	Rating
High	C
Medium	B
Low	A

There are 12 risk parameters with 130 checkpoints

All checkpoints are assigned weighted scores to measure compliance

Branch Self Certification Process is additionally applicable to measure risk

Focus on Governance

Independent and Eminent Board Comprising of Industry Stalwarts

Rakesh Sethi

Non-Executive Chairman

Past experience:

Over 38+ years of experience, ex-CMD of Allahabad Bank, ED of PNB

Nirmal Momaya

Independent Director

Past experience:

Entrepreneur with 26+ years of experience. BoD at Camlin Life Sciences

Atwood Porter Collins

Non-executive Director

Past experience:

Global Portfolio Manager. 22+ years of global investment experience. Co-founder Seawolf Capital. Partner at FrontPoint - featured in the book & movie 'The Big Short' for accurately predicting 2008 global financial crisis

Rajiv Kapoor

Non-executive Director

Past experience:

Former Senior Executive at VISA Inc with 36+ years of experience in corporate advisory, consulting, sales and marketing

KP Raghuvanshi

Independent Director

Past experience:

Past Experience 1980 batch IPS Officer. Served as Commissioner of Police (Thane) from 2011-14. Currently Strategic Advisor.

Geetu Gidwani Verma

Independent Director

Past experience:

Global Business Leader having been associated with FMCG giants such as Unilver & P&G.

Abha Kapoor

Independent Director

Past experience:

Entrepreneur with 26+ years of experience. BoD at Quint Digital Media

Rushina Mehta

Non-executive Director

Past experience:

She is an entrepreneur and a Finance graduate with specialization in accounting & audit.

Rohan Juneja

Managing Director & CEO

Past experience:

An investment banker, hedge fund manager and Head of Strategy & Research for an HFC and NBFC with 17+ years of experience, in India and USA

Statutory Auditor

Bansal Bansal & Co.

Concurrent Auditor

Grant Thornton

Secretarial Auditor

U. Hegde & Associates

Income Statement

INR Million

Income Statement	Jun'20	Jun'21	Jun'22
Interest Income	16.0	61.8	219.7
Less: Finance Cost	6.3	35.1	99.9
Net Interest Income	9.7	26.7	119.8
Other Income	37.2	52.3	37.6
Operating Expenses	36.6	61.5	135.8
Profit Before Tax	10.3	17.5	25.1
Less: Tax	2.9	17.2	6.6
Profit for the period	7.4	0.4	18.5

Substantial increase in interest income, on the back of rising AUM

Upfronting of branch roll-out, sets runway for higher disbursements

Profit surge as operating efficiency starts to play out given deployment of technology and branches

Balance Sheet

INR Million

Balance Sheet	Jun'20	Jun'21	Jun'22
Financials Assets	568	2,612	4,918
Cash and Investments	189	1,348	733
Gross Loans	426	1,314	3,462
Less: Impairment Loss Allowance	47	50	45
Net Loans	379	1,264	3,416
Non Financials Assets	74	190	427
Total Assets	642	2,802	5,345
Financial Liabilities	266	1,187	3,171
Trade payables & Other liabilities	19	49	448
Borrowings	247	1,138	3,728
Non-Financial Liabilities	14	31	64
Total Liabilities	280	1,219	3,235
Equity Share capital	143	153	214
Other Equity	218	1,430	1,896
Total Equity	362	1,583	2,110
Total Liabilities and Equity	642	2,802	5,345

Sturdy growth across MSME Business loans and MSME loans backed by Gold

Extremely liquid balance sheet driven by capital infusion in May '22

Robust capital adequacy and & low leverage along with L-a-a-S model supports capital light growth

Well Capitalized for Growth

INR Million

Current Equity	
Current Equity (INR MN) on June 30	2,110
Capital infusion concluded in May '22. Led by Aviator Emerging Market Fund (AEMF) backed by marquee investors such as Porter Collins and Vincent Daniel* & Promoter Group	*622
Total Equity (On Fully Diluted Basis)	~2,400

INR Million

Debt	
Borrowings from Banks & FIs	2,727
NCD & other debentures	388
Total debt	3,115
Debt to Equity ratio**	~1.3

TruCap successfully raised another Round of Capital in May 2022

Renewed confidence from Renowned Global Investors

Combined with lending through L-a-a-S partnerships

Will ensure future growth with continued low leverage

*Capital infusion included equity and warrants

**Debt to equity on fully diluted equity base

Shareholding Pattern

Substantial management ownership in the company

