



February 13, 2023

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 Dhanvarsha Finvest Limited) at its meeting held today i.e. February 13, 2023, has approved the Standalone and Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 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

Sonal Sharma
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



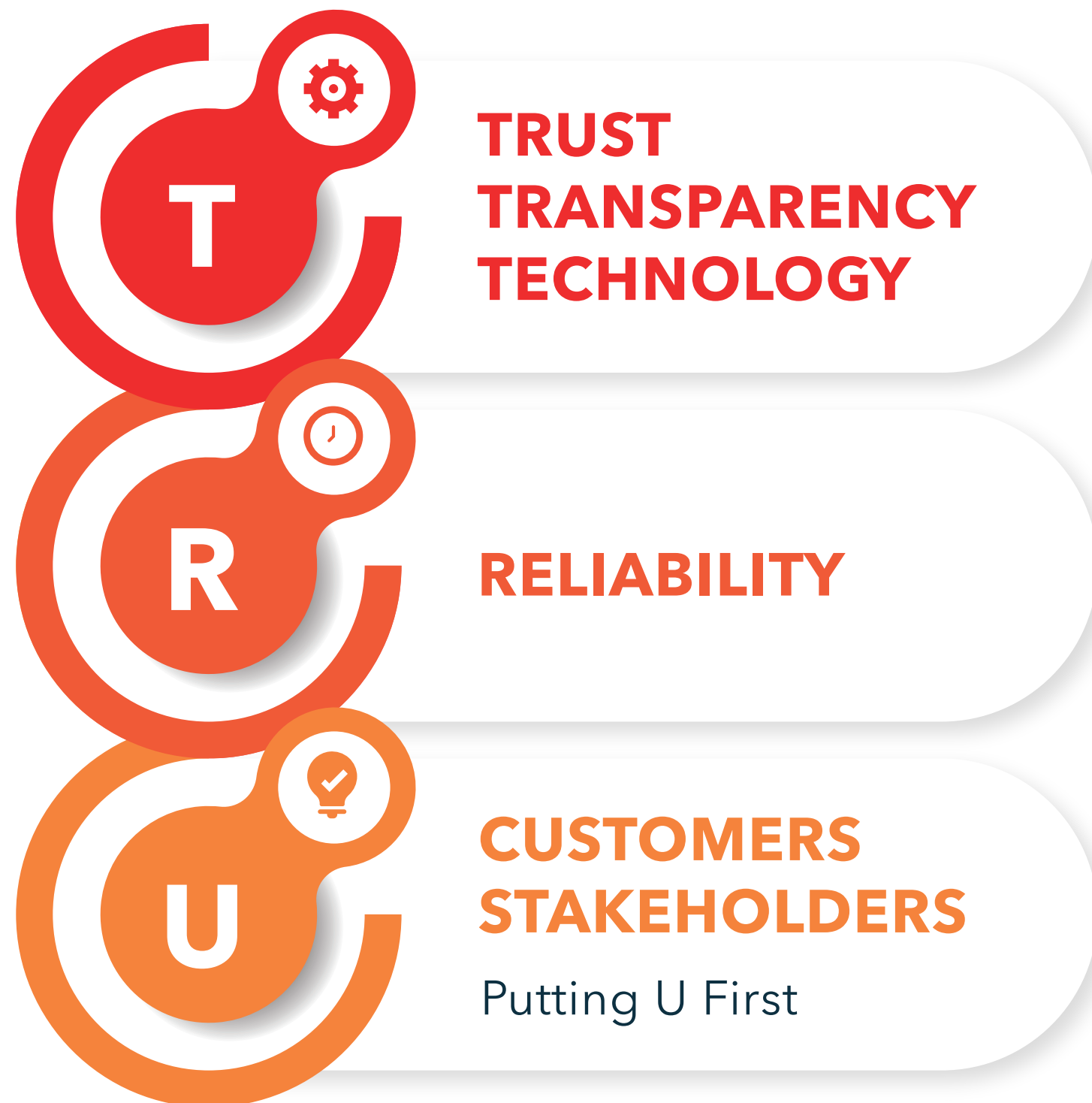
TruCap
Finance
Ltd

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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.

Another milestone in
TruCap's Journey.

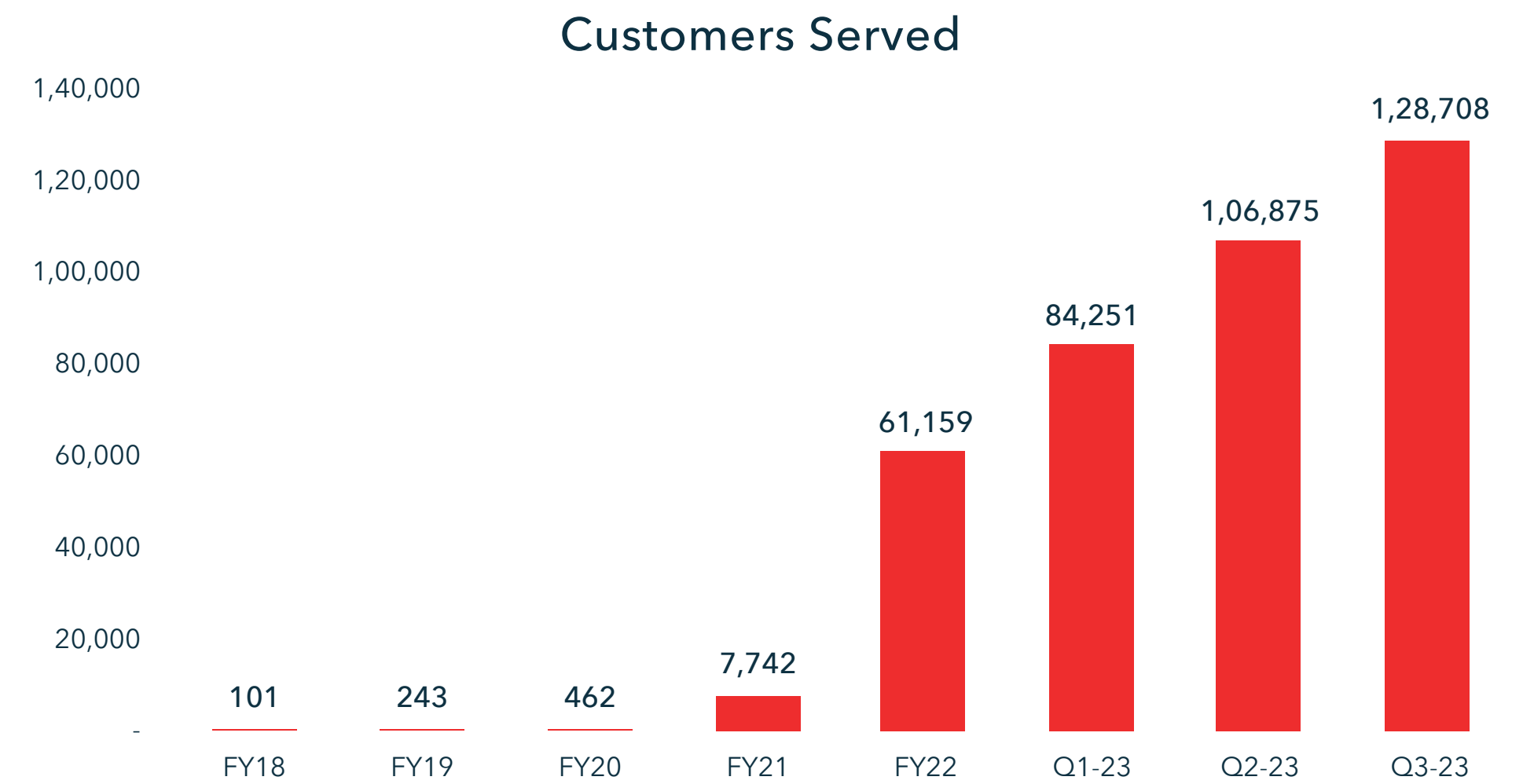
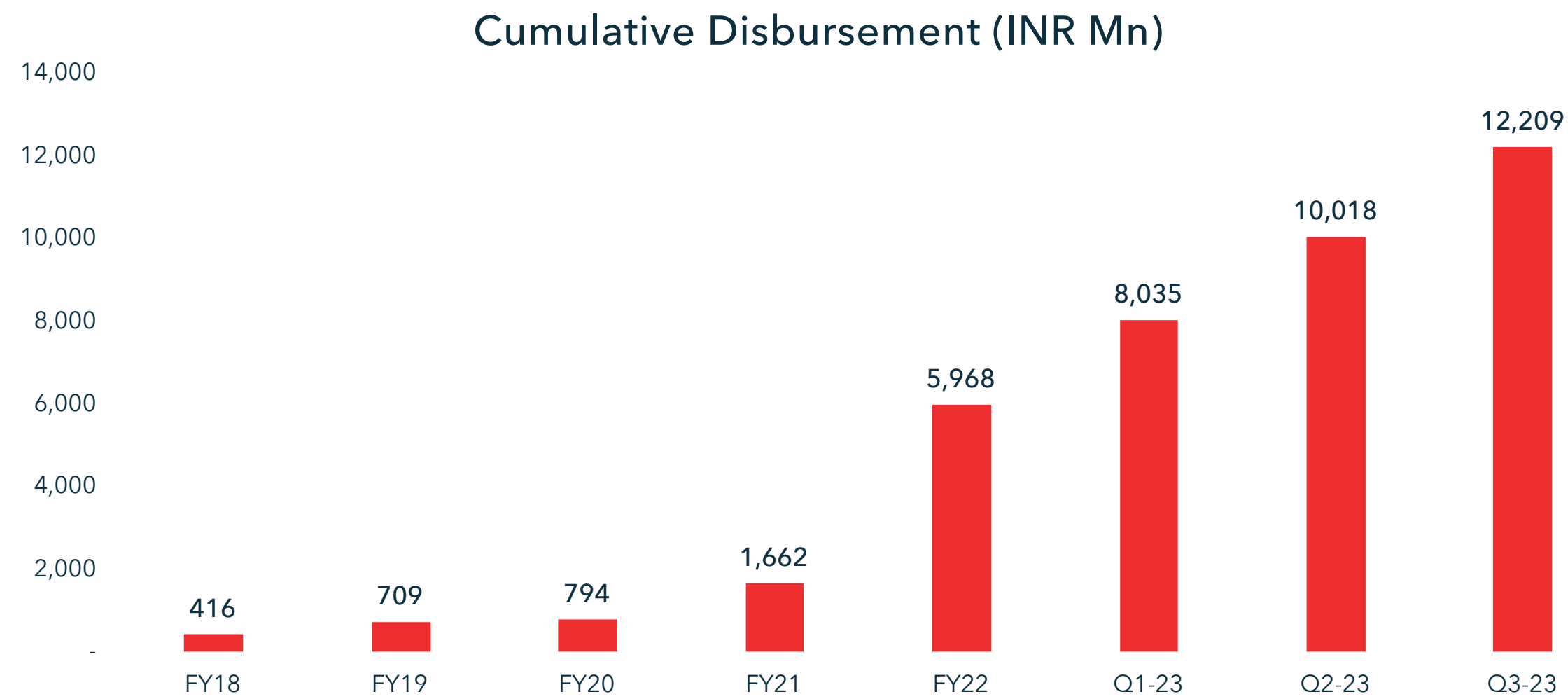
5000
CRORE
AUM ACHIEVED

tru



TruCap Finance - Lending Journey

TruCap Finance - Journey to Cross INR 5 billion of AUM...



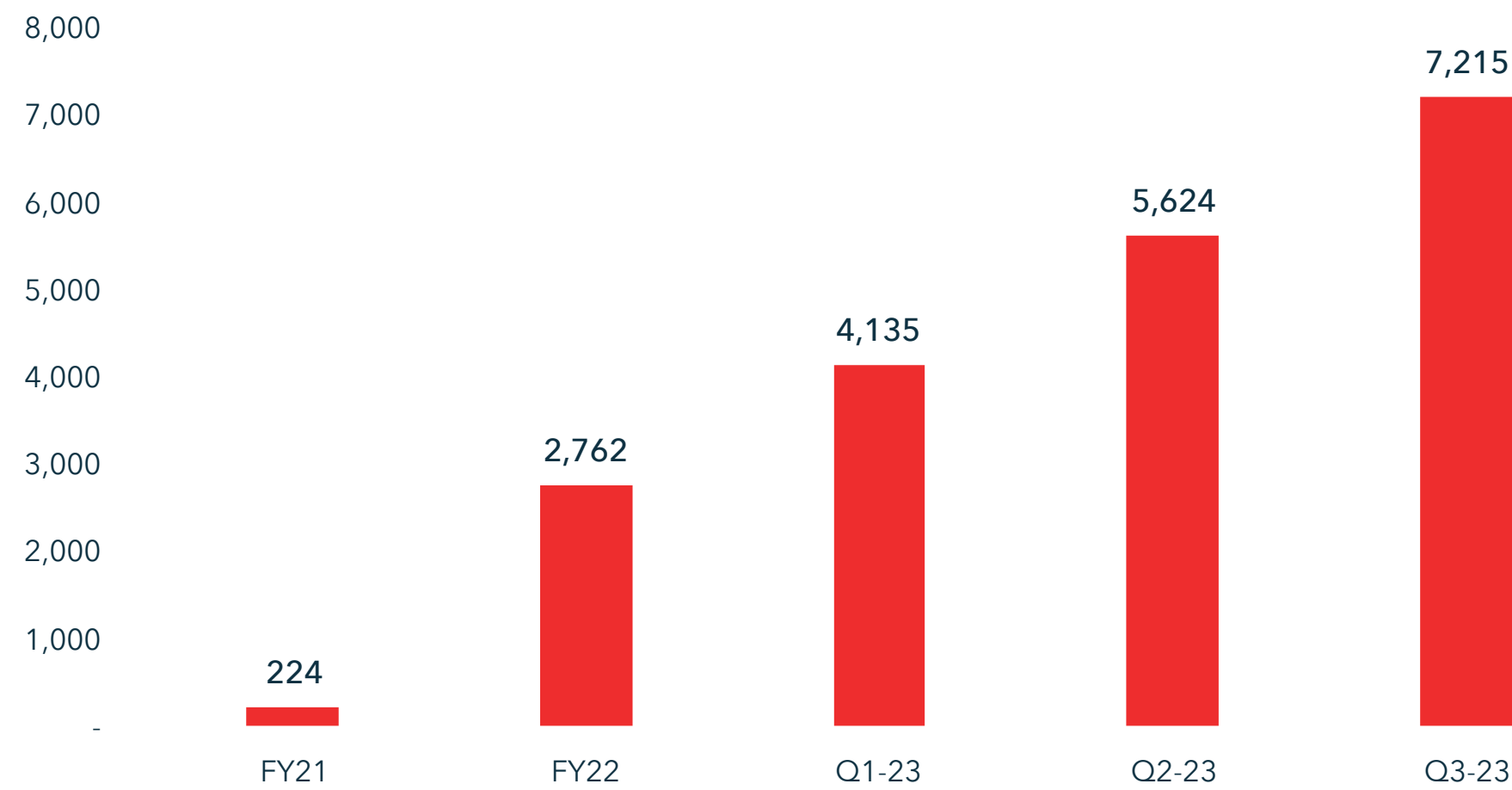
TruCap Finance in 5 years has disbursed over INR 12 billion and served close to 0.13mn customers

This has been built with a focus on MSME gold and business loans - both targeted to serve the Micro end of the MSME segment

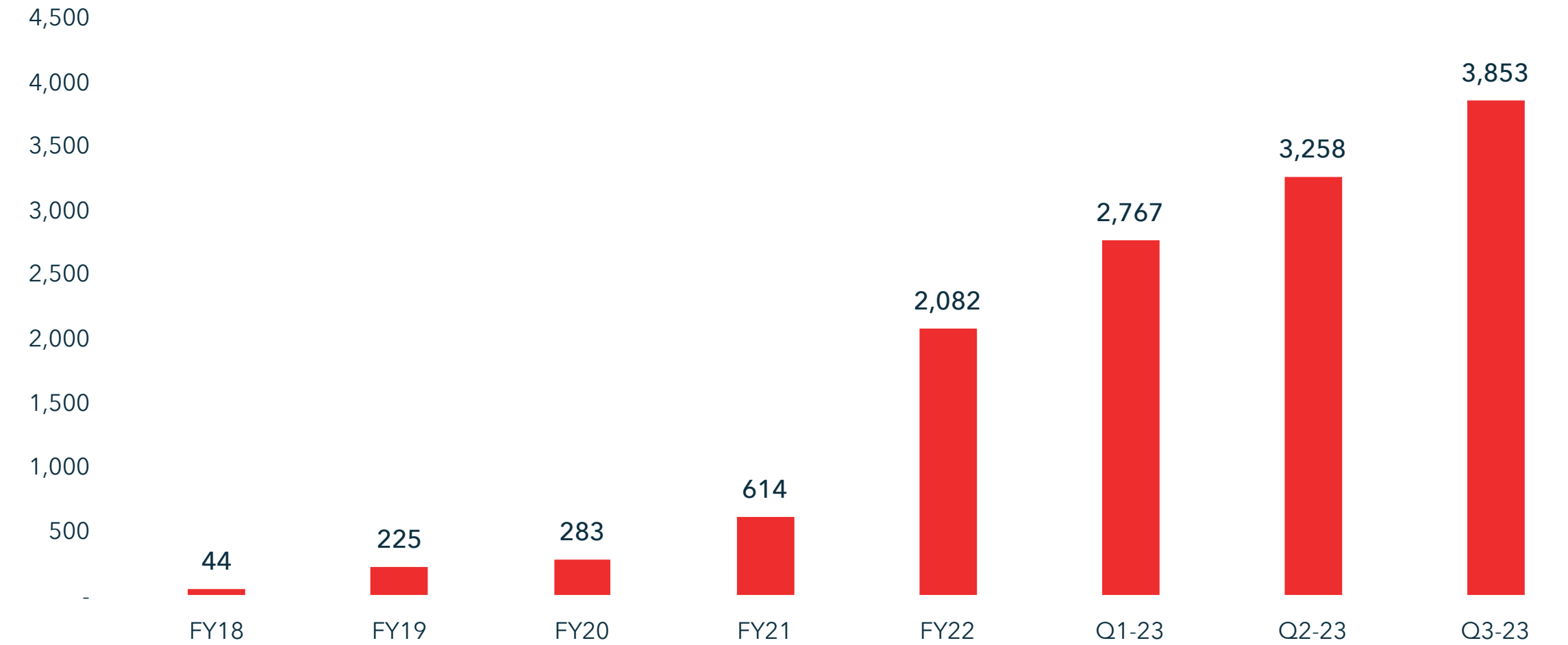
TruCap's demonstrated branch network, tech enabled underwriting and process have made us a pioneer of Lending as a Service

...TruCap Finance - Journey to Cross INR 5 billion of AUM

MSME Gold Loan Cumulative Disbursement (INR Mn)



MSME Business Loan Cumulative Disbursement (INR Mn)



TruCap Finance has disbursed more than INR 7 billion in gold loans to 65,000+ borrowers

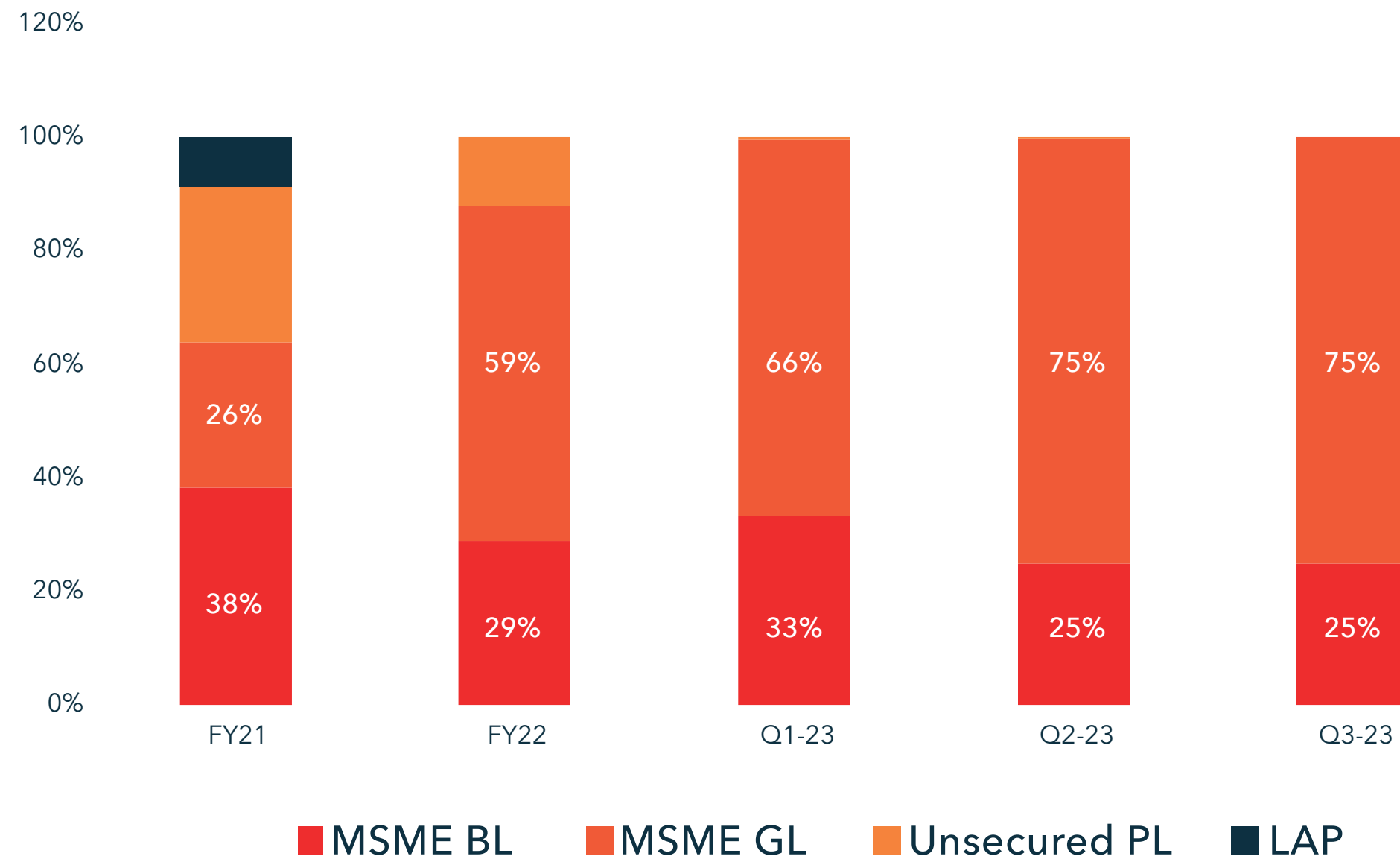
In business loans we have disbursed more than INR 3.85 billion to 47,000+ borrowers

GNPA's in the gold loan book are very low at 0.17% and in business loans are at 2.63%

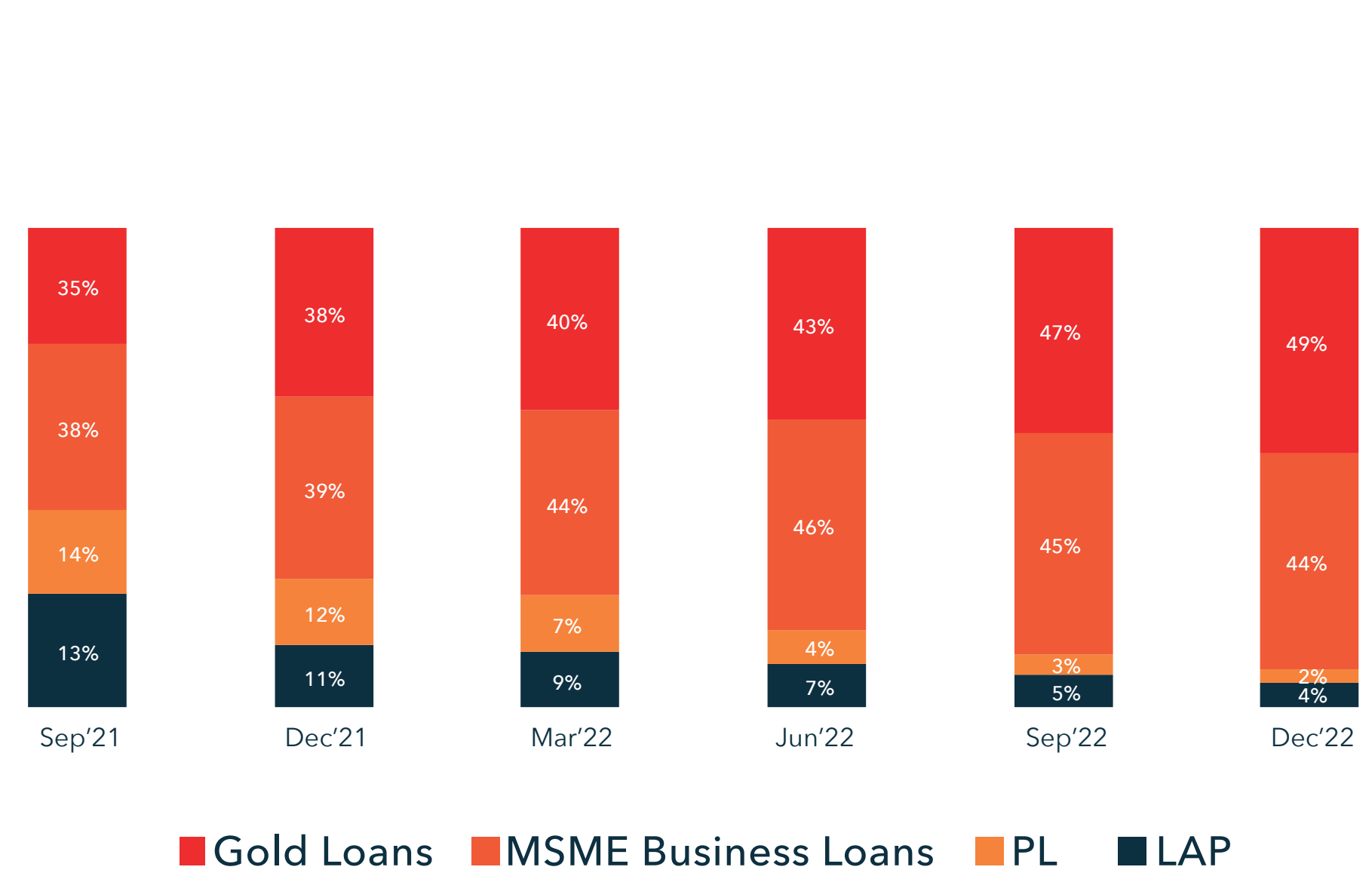
Gold taken to auctions at INR 36.3 Mn (0.2% of cumulative disbursements and 0.3% of customers).

Granular MSME Gold and Business Loan Disbursement

TruCap Transformation - Changing Product Mix*



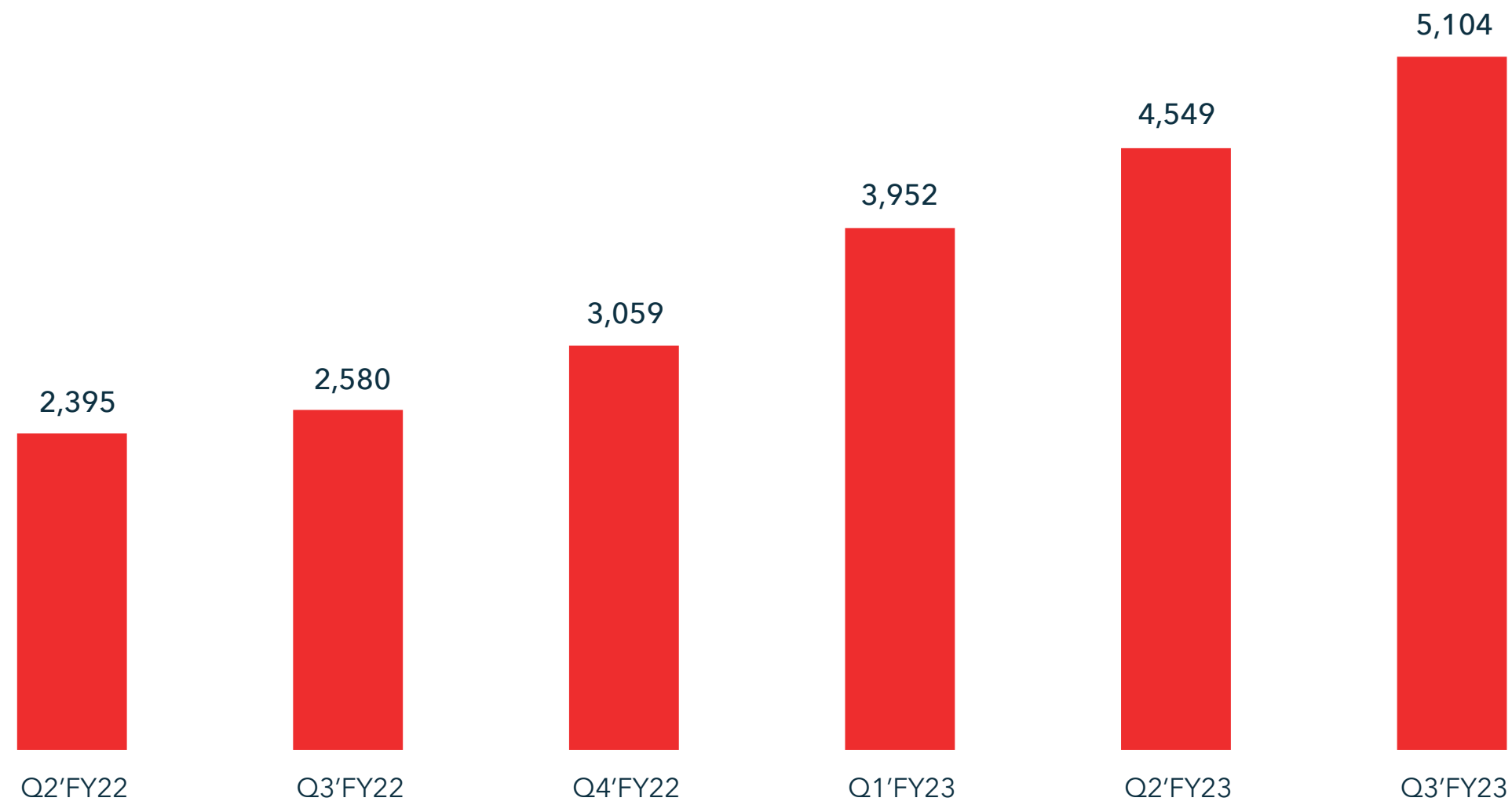
Focused Business Loans & Gold Loans Portfolio*



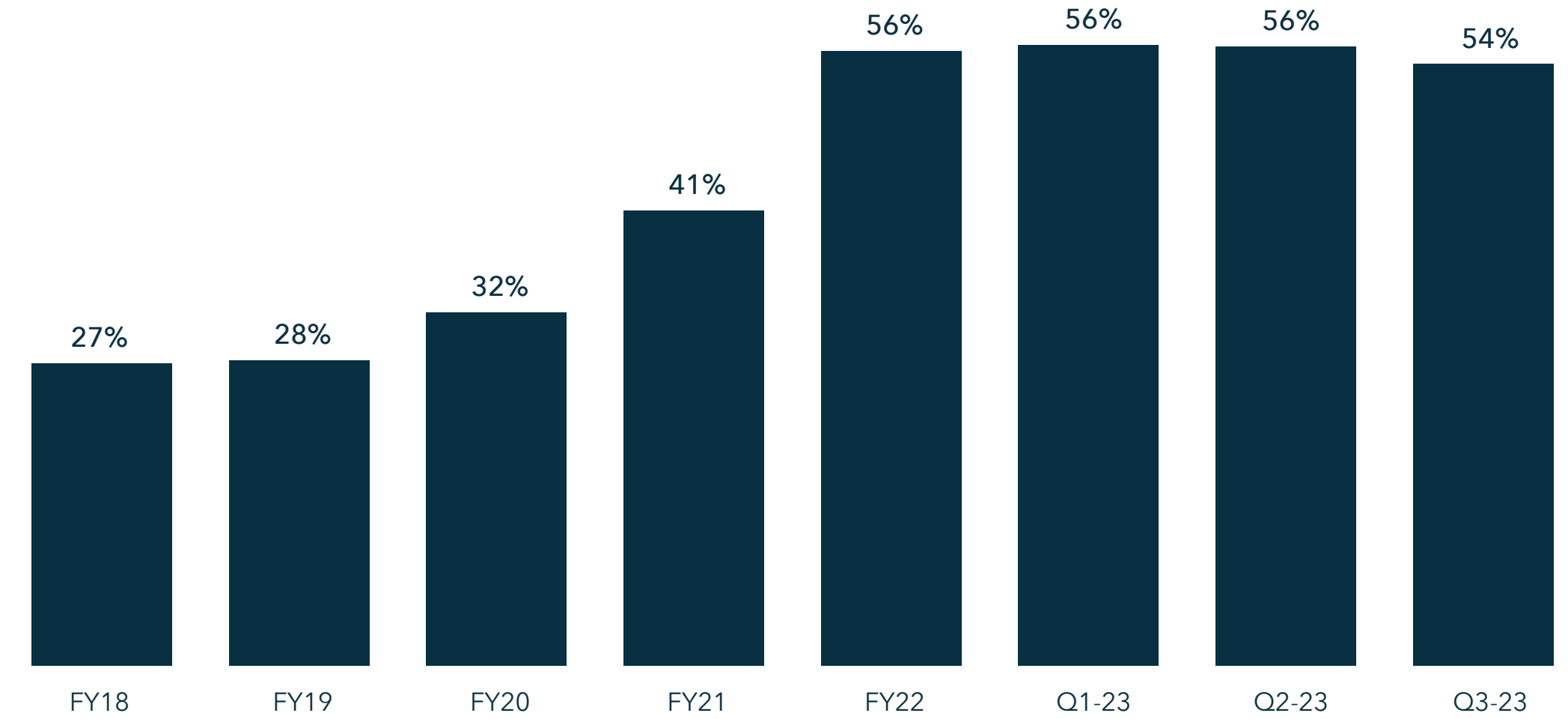
*Product and portfolio mix based on on and off balance sheet AUM

Focus on Essential Sector Across MSME Gold & Business Loans

Gross Loan Portfolio (AUM) INR Mn



Essential Sector* Portfolio Mix

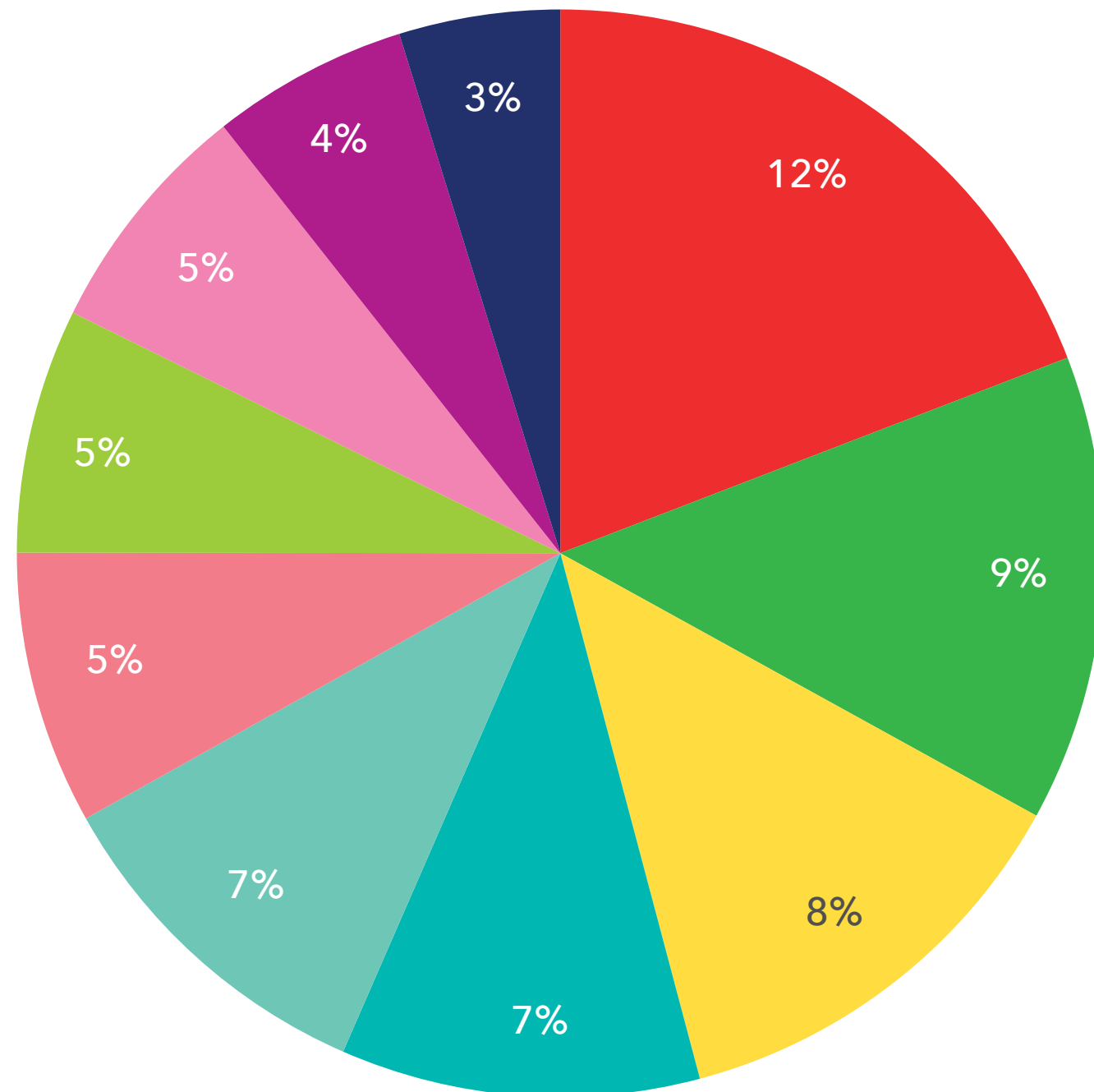


AUM = managed book which includes on and off balance sheet loans

*TruCap identifies sectors such as Agri, Home/Retail, Kirana stores, E-comm, Garments amongst others as Essential Goods.

Sectoral Composition

Sector Mix - Top10
Sector Composition



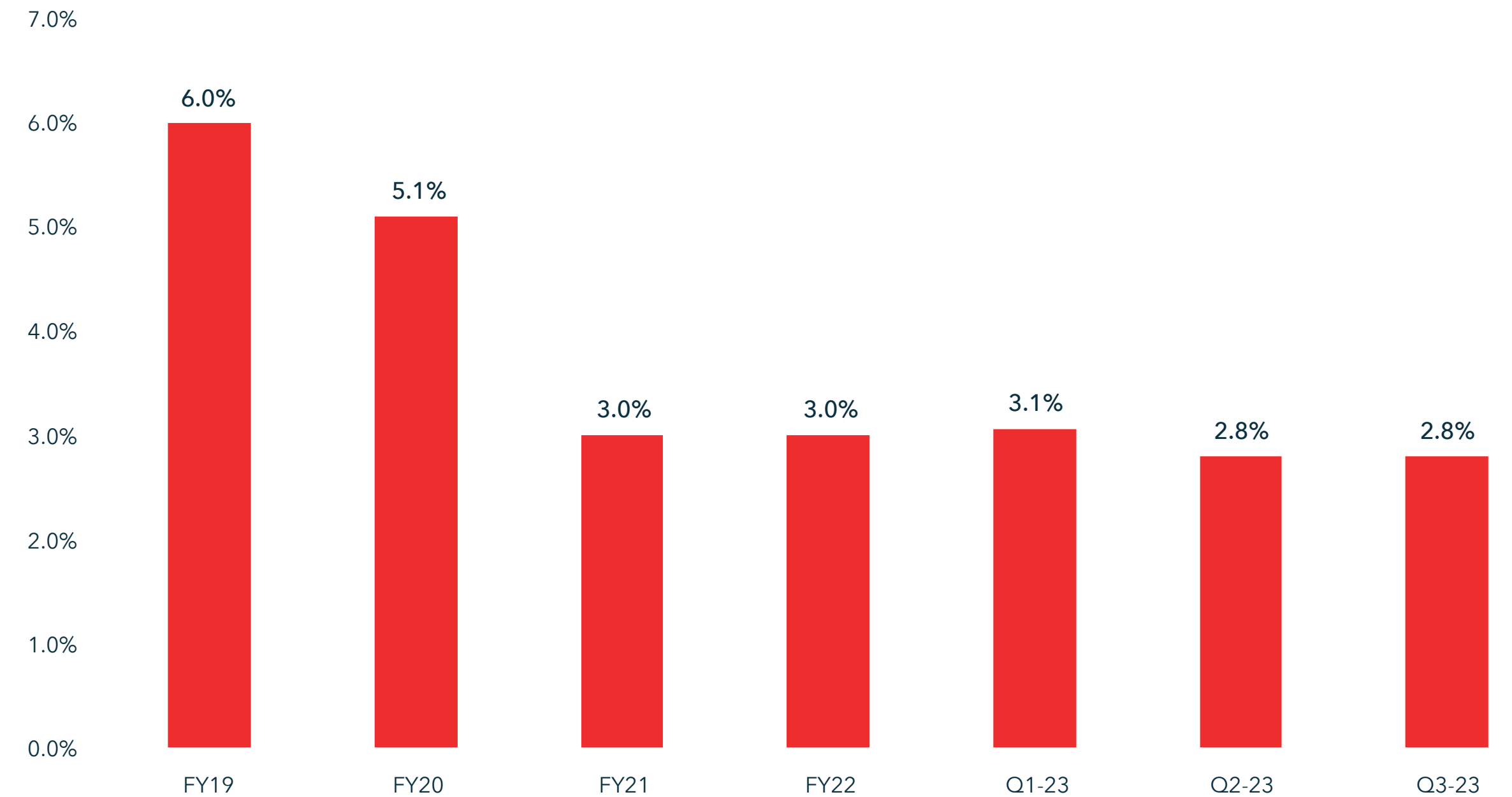
- Beauty / Fashion / Apparels
- Agriculture
- FMCG
- Home / Office-Retail
- Media / Advertising
- Medical
- Transport & Tourism
- Garments
- Others
- Kirana / General Store

Customer Engagement in Essential goods segments

Deep Sectoral understanding

Wide spread sourcing capabilities through technology & branch network

Asset Quality Performance (GNPA%)



GNPA is calculated on Total AUM (On-book and off-book)

GNPA's in the gold loan book are very low at 0.17% and in business loans are at 2.63%

Gold taken to auctions at INR 36.3 Mn (0.2% of cumulative disbursements and 0.3% of customers).

Multi Channel Distribution Built in the Last Few Years...

Experiential Centers

Offers Superior Value Proposition for MSME Customers in BL & GL

Significantly increasing financial inclusion in 5 key states

74 Centers today and on track to have 100 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 Feet on Street

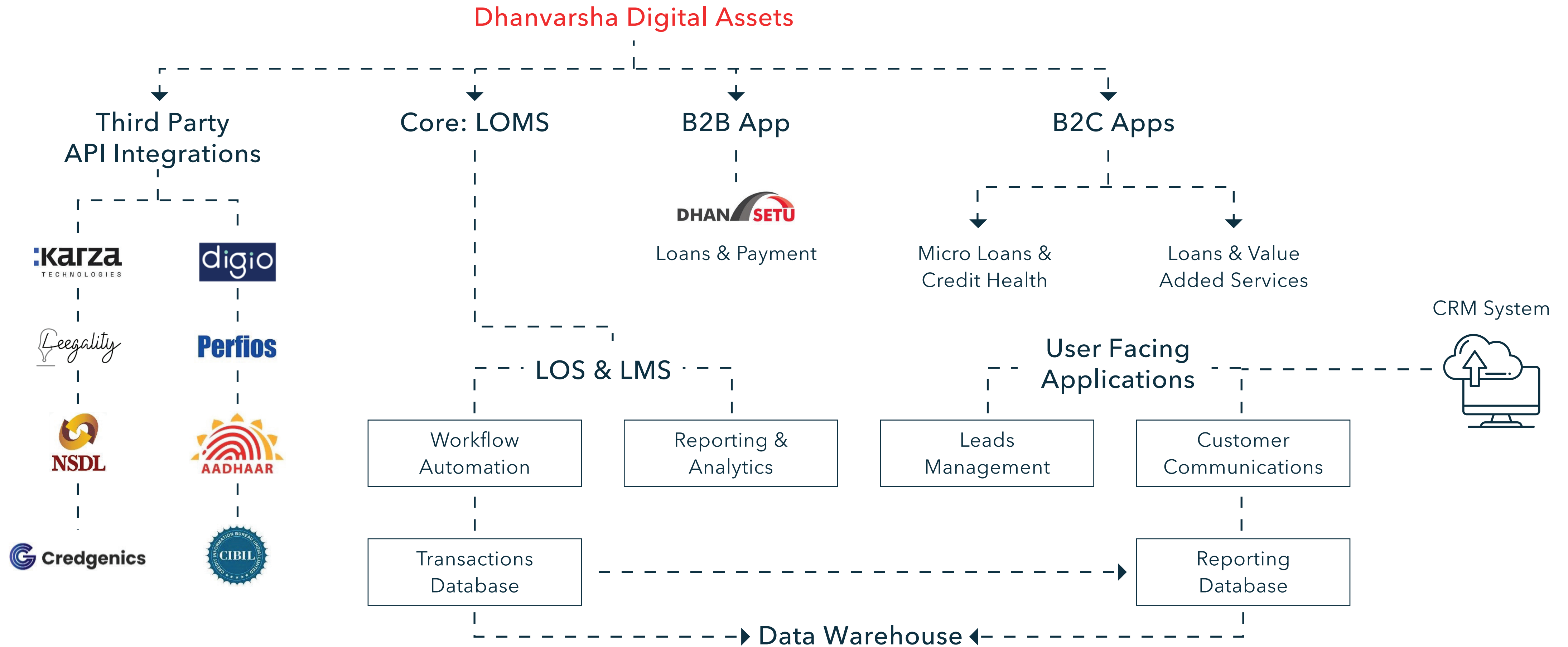
These individuals play an instrumental role in accessing the end customer for MSME Business and Gold Loans

Direct Selling Agents

Partner agents to reach and acquire the last mile customer

Constant DSA engagements for efficient product deployment and ensure customer satisfaction

Lending with Technology Enablement



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

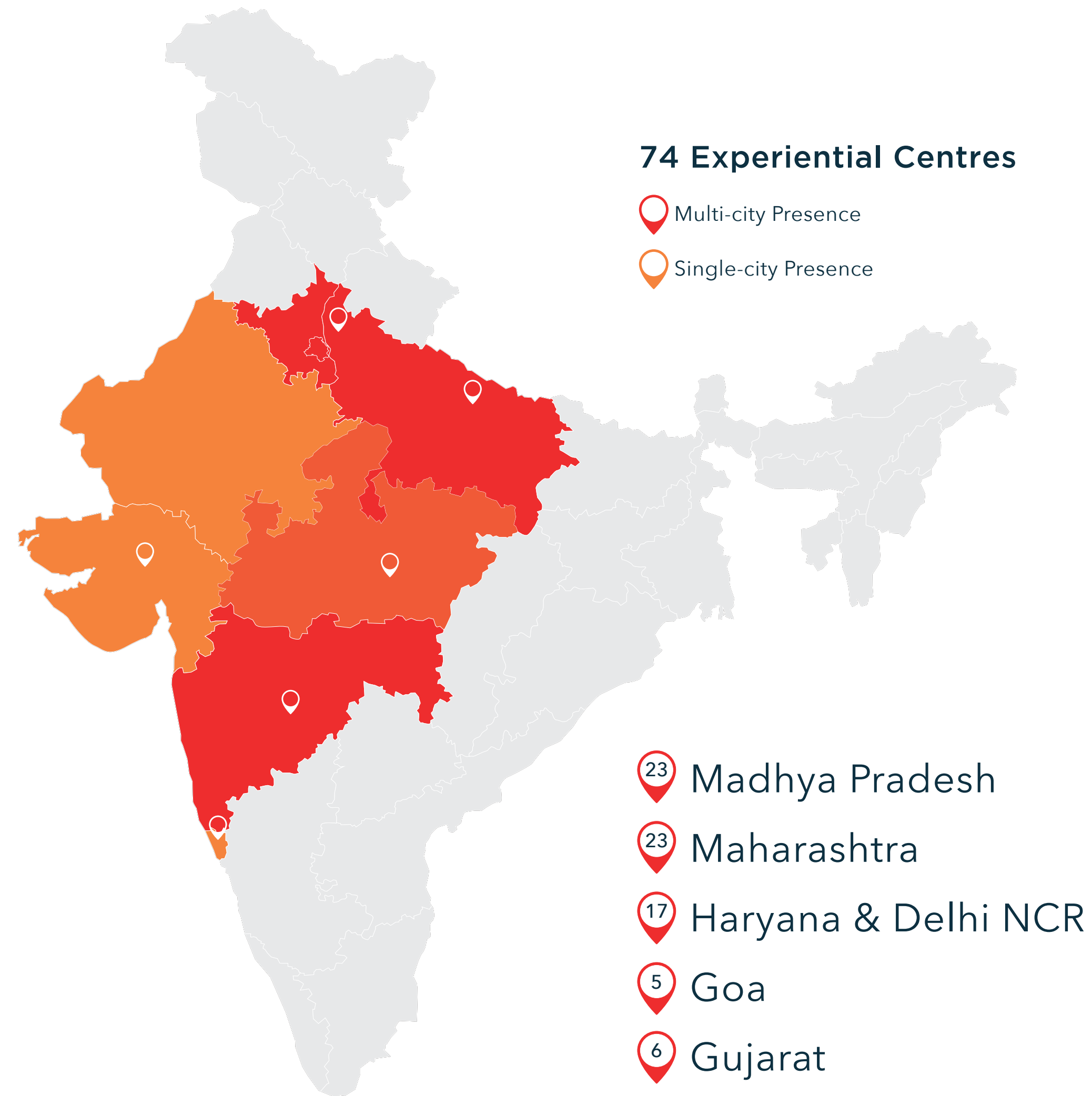
MicroServices Centric

Open API architecture allowing seamless integration with 3rd parties

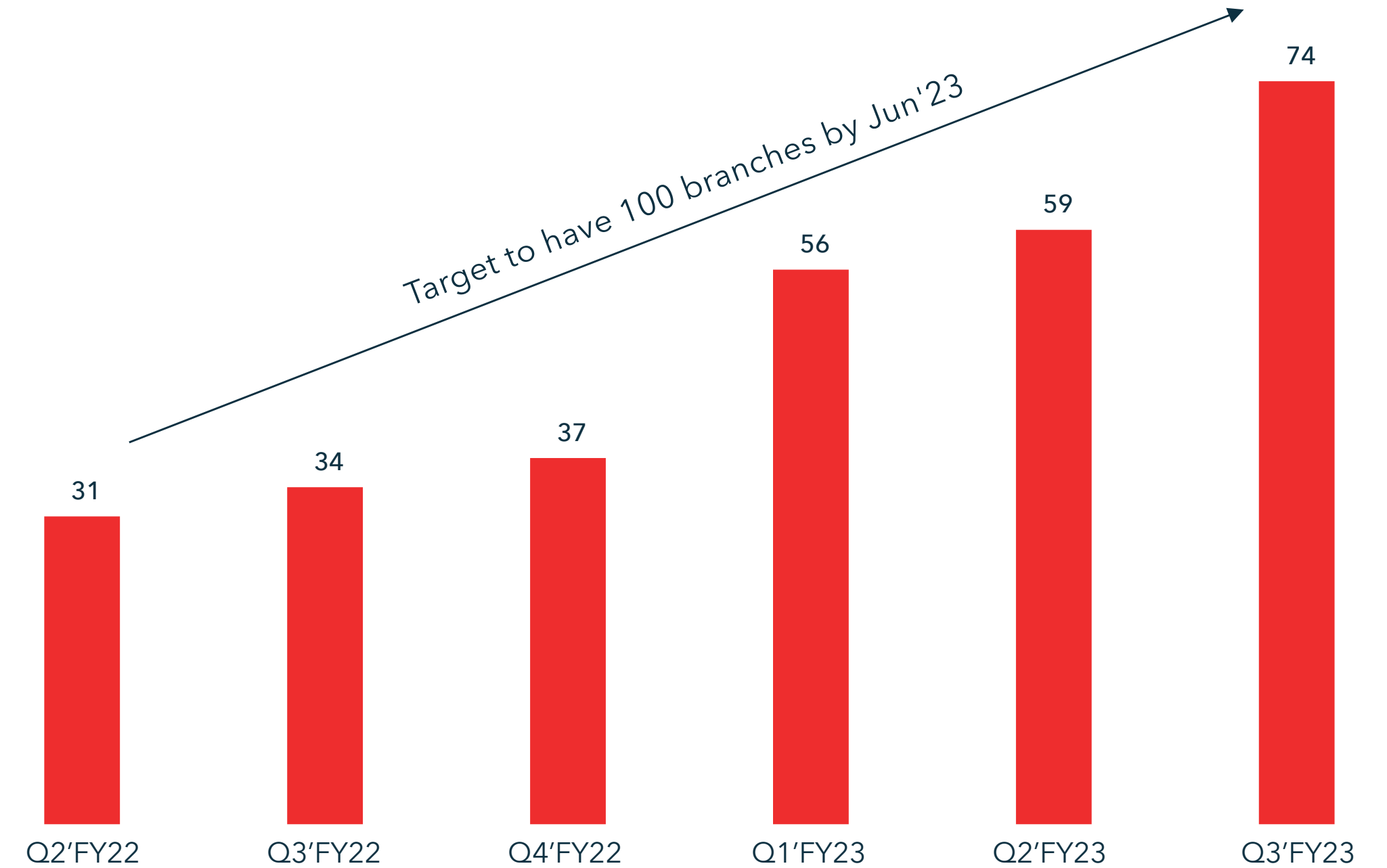
Automation & Rules Driven

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

...And Expanding Experiential Centre Presence Built over the last few years



Increasing Branch Presence



Expanding network to cater to MSME customers for both Gold & Business Loans

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

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

TruCap entered the state of Gujarat with 5 branches

Expanding Geographic Presence & AUM - TruCap Entered Gujarat in Q3FY23

AUM distribution Over the Years

State	FY19	FY20	FY21	FY22	H1FY23	9MFY23
Maharashtra	100%	100%	81.3%	52.8%	39.6%	37.4%
Madhya Pradesh			1.6%	8.9%	17.5%	19.0%
Delhi NCR			12.3%	22.5%	22.5%	22.2%
Goa			0.0%	3.2%	5.7%	6.1%
Rajasthan			2.5%	2.9%	2.5%	2.4%
Gujarat			1.7%	1.7%	2.2%	2.7%

Having commenced operations in Mumbai, over 5 years TruCap has spread its presence

MH which was 100% of asset market, has now dropped to below 40% of AUM

Our growth plans to broaden our L-a-a-S partnerships will ensure we are more broad based in our asset base

Increasing Branch Distribution with Focus on Tier II/III/IV

		FY20	FY21	FY22	1HFY23	Q3FY23	
Tier I	Maharashtra	0	2	4	1		16
	Delhi NCR	0		5	3		
	Goa	0					
	MP	0					
	Gujarat					1	
Tier II/III/IV	Maharashtra	0	4	5		7	58
	Delhi NCR	0	3	2	2	2	
	Goa	0		2	3		
	Madhya Pradesh	0		9	14		
	Gujarat					5	
		0	9	27	23	15	74

Target to reach Branch Network of 100 by Jun'23

A stylized background graphic consisting of a house-like shape on the left and a ribbon-like shape on the right. The house shape is composed of several overlapping rectangular and triangular blocks in shades of red and orange. The ribbon shape is a large, curved, U-shaped element in a lighter orange color. The entire graphic is set against a background with a vertical color gradient from dark red on the left to light orange on the right.

Lending-as-a-Service - Accretive & Accelerating

TruCap Finance Differentiated Approach in Lending

Capital efficiency & risk management at the fore

Own balance sheet lending

MSME Business loans and Gold loans

Small ticket (1-20 lakhs)

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

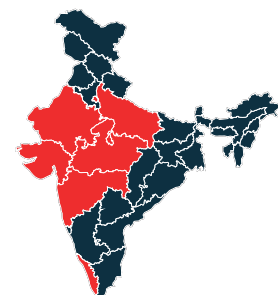
High ROA with minimal asset quality risk

MSME Business
Loans

Sourcing



74 branches



Cluster Focused
Sourcing Strategy



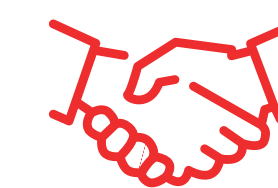
Partner
B2B App



Tie up with large retail
distribution channels



~200 partners



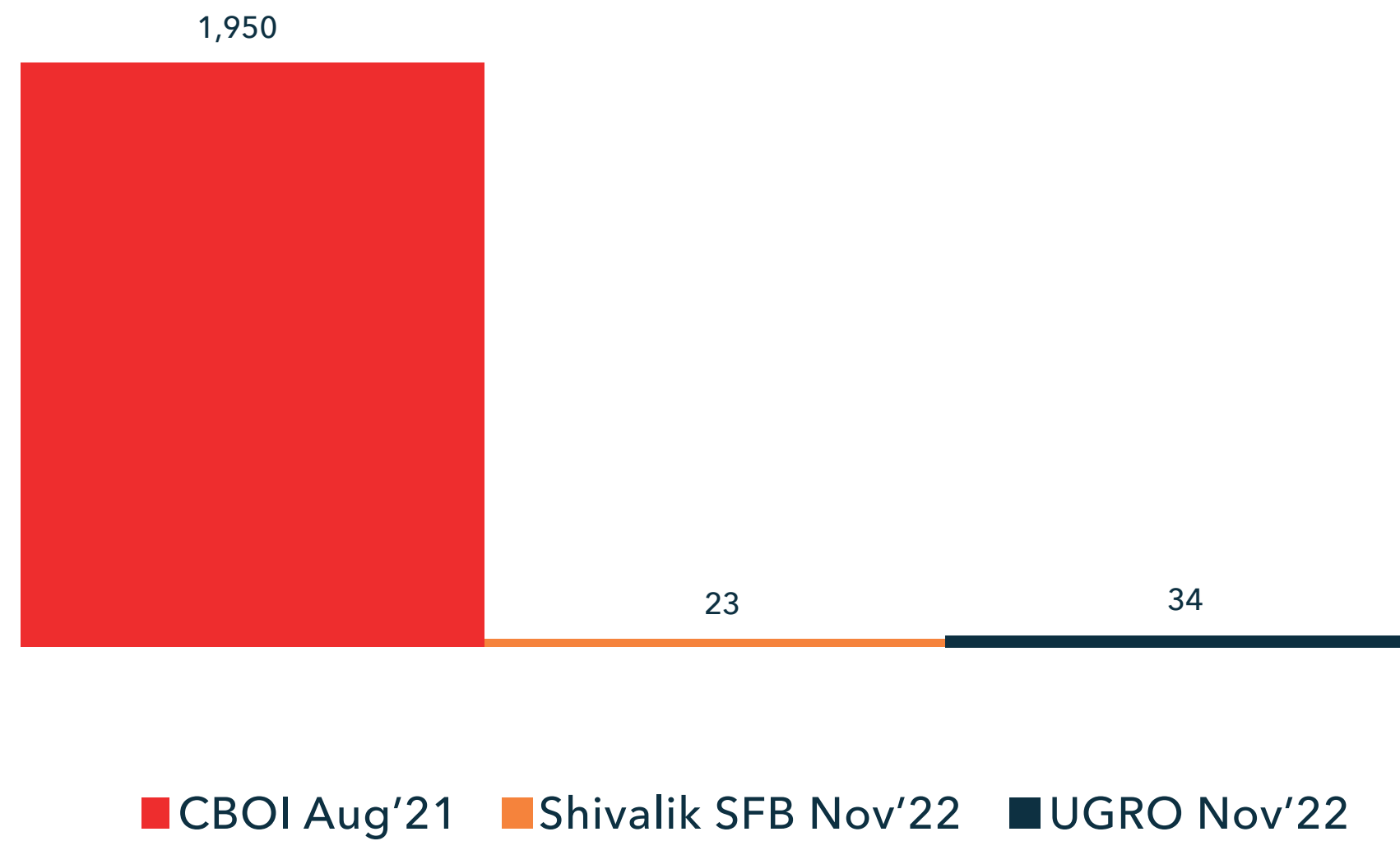
Cross source
from co-lending
platform



Tie up with
Marquee Lenders

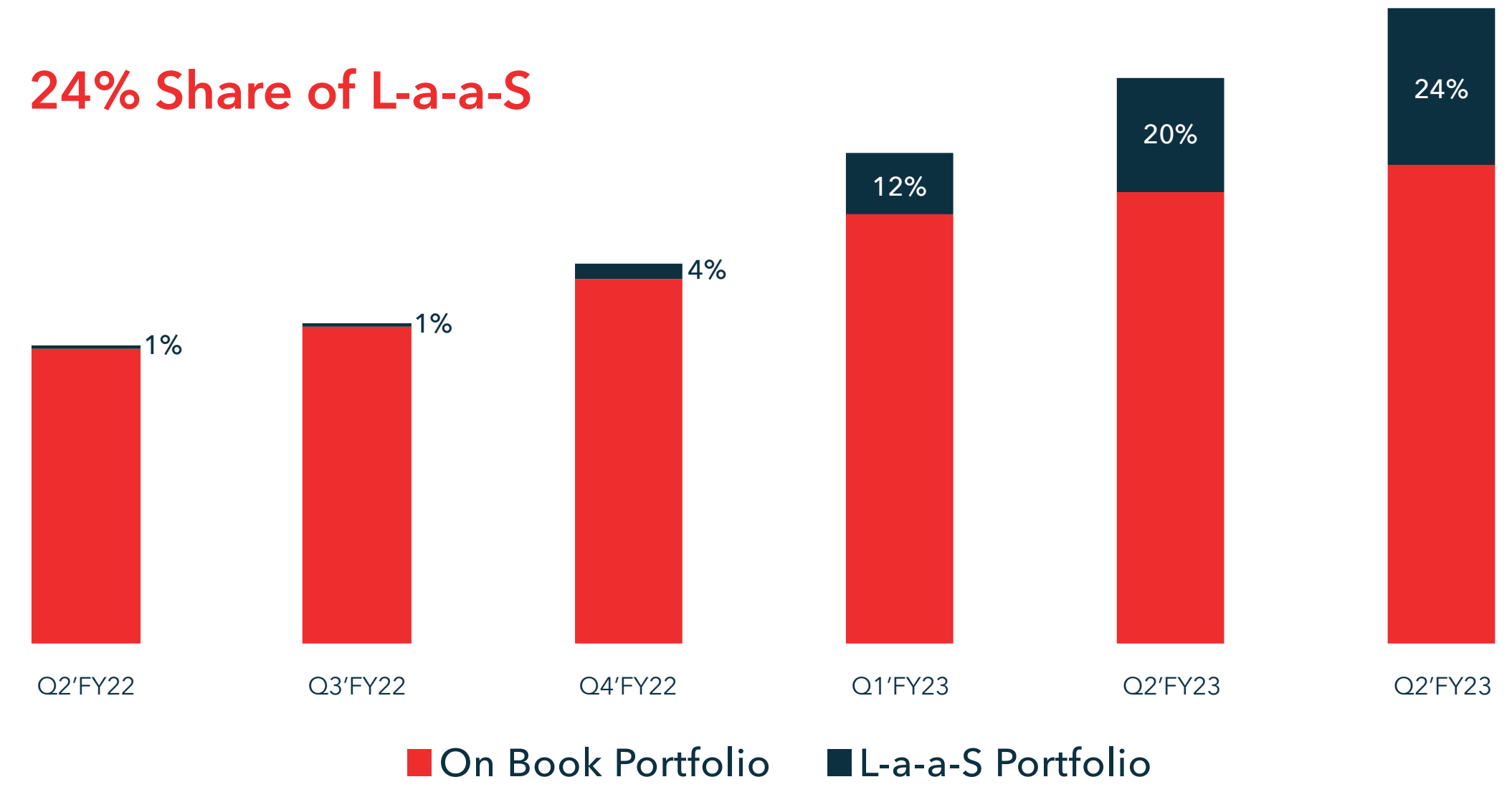
Over INR 2.0 billion of L-a-a-S disbursements

Since commencement of Partnerships



Leading to 24% L-a-a-S AUM Portfolio Mix

24% Share of L-a-a-S



	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22
L-a-a-S AUM (INR Mn)	24	32	122	490	894	1,217
L-a-a-S AUM%	1%	1%	4%	12%	20%	24%

Increasing and Accelerating L-a-a-S Partnerships



What does it entail

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



Commercial synergies

Benefit for TruCap Finance

Superior Growth with 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



Partnerships details across products

TruCap Live Partnership with Central Bank of India

Co-Lending with CBOI now live across 38+ branches

AUM in CBOI L-a-a-S partnership at INR 1.6 billion (as on date), under 80-20 Model

Signed Co-Lending for MSME Business Loans with large NBFC

The background features a large, stylized graphic composed of several overlapping geometric shapes. On the left, there are vertical bars in shades of red and orange. On the right, there is a large, semi-circular shape in a lighter orange hue. The overall aesthetic is modern and corporate.

2QFY23 Quarterly Results

Key Highlights - H1FY23

INR Mn

Particulars	9MFY22	9MFY23	Y-o-Y Change
Disbursements	2,787	6,237	2.2x
AUM	2,581	5,104	2x
MSME Gold Loans	981	2,533	2.6x
MSME Business Loans	999	2,240	2.2x
LAP	294	214	(0.7x)
PL	307	117	(0.4x)
On Book Portfolio	2,548	3,887	1.5x
L-a-a-S Portfolio	32	1,217	39x
L-a-a-S Portfolio %	1.3%	24%	-
Interest Income	310	707	2.3x
Finance Cost	159	359	2.2x
Total Income	468	913	2x
Total Opex	204	496	2.2x
Profit After Tax	49	45	0.9x
NIM	6.1%	8.3%	1.4x
Experiential Centers (Count)	34	74	2.2x
Customers (Count)	23,952	64,596	2.7x
Women Customers (Count)	5,725	15,863	2.8x
Employees (Count)	284	428	1.5x
CRAR %	47%	37%	-

Significant scale up in L-a-a-S partnership reflecting in Off-book AUM.

Disbursement growth has outpaced branch growth, as vintage branches have matured.

Growth in interest income has stayed ahead of AUM indicating accretive asset creation.

Keeping with management's stated objective, LAP & PL portfolios have de-grown and are in run-off mode.

AUM share of MSME customers across Gold & Business Loans are at 94%.

Income Statement

INR Mn

Income Statement (INR Mn)	Dec'20	Dec'21	Dec'22
Interest Income	29.9	132.6	240.5
Less: Finance Cost	5.4	72.5	137.4
Net Interest Income	24.6	60.1	103.1
Other Income	24.1	70.8	106.1
Operating Expenses	39.7	100.3	198.6
Profit Before Tax	8.9	30.6	10.5
Less: Tax	15.7	1.2	3.7
Profit for the period	-6.8	29.4	6.8

Substantial increase in interest income, ahead of AUM growth

Increase in operating expenses due to continued addition to experiential center and technology build out

Standalone results

Balance Sheet

INR Mn

Balance Sheet	Dec'20	Dec'21	Dec'22
Financials Assets	1,132	3,442	5,623
Cash and Investments	416	938	1,784
Gross Loans	763	2,549	3,839
Less: Impairment Loss Allowance	47	45	48
Net Loans	716	2,504	3,791
Non Financials Assets	132	303	453
Total Assets	1,264	3,745	6,076
Financial Liabilities	344	2,006	3,817
Trade payables & Other liabilities	27	57	52
Borrowings	317	1,949	3,764
Non-Financial Liabilities	13	45	67
Total Liabilities	357	2,051	3,883
Equity Share capital	153	156	232
Other Equity	754	1,539	1,961
Total Equity	907	1,694	2,193
Total Liabilities and Equity	1,264	3,745	6,076

Consistent build up of secured and more granular loan assets

Well capitalized and low gearing, ensures high growth in future

Debt provided by marquee financial institutions, testament to credibility and growth potential

*Standalone results

Well Capitalized for Growth

INR Mn

Equity (INR Mn)	
Current Equity (INR MN)	2,193
Capital infusion concluded in May'22, has a residual infusion towards warrants. This round was led by Aviator Emerging Market Fund (AEMF) backed by marquee investors such as Porter Collins and Vincent Daniel*	270
Net Worth (On Fully Diluted Basis)	2,463

INR Mn

Debt (INR Mn)	
Borrowings from Banks & FIs	3,712
NCD & other debentures	51
Total debt	3,763
Debt to Equity ratio	~1.5

~ Debt to equity measured on fully diluted networkth

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

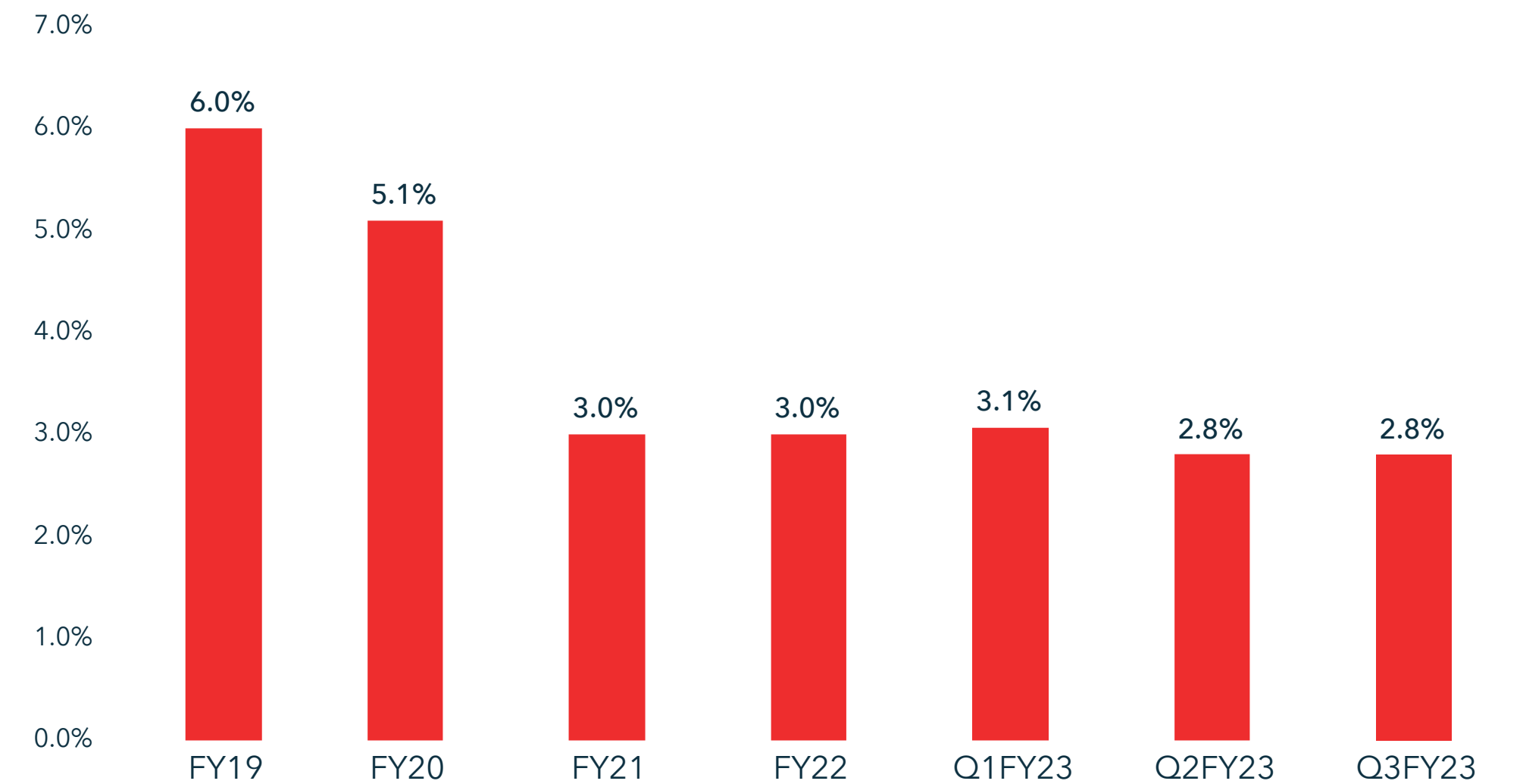
Risk & Governance

Robust Collections and Asset quality

INR Mn

Months	Demand for the month	Collection done for the month	Collection efficiency for the month	Payment & foreclosures in the month	CE including prepayment /part payment
Apr-22	129	116	89.8%	358	366.5%
May-22	143	127	88.9%	291	293.1%
Jun-22	158	142	89.4%	253	249.1%
Jul-22	187	167	89.5%	268	232.9%
Aug-22	190	169	89.1%	323	258.9%
Sep-22	204	183	89.3%	347	258.9%
Oct-22	212	189	89.3%	291	226.7%
Nov-22	196	176	89.6%	371	278.7%
Dec-22	214	193	89.9%	544	343.8%

Asset Quality Performance



Excluding **LAP** and **Personal loans** which are in run-off mode, **GNPA would be 1.32%**

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

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

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	Majority of resolution to be concluded in Q3 & Q4 FY23 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 & exhaustive criteria on risk assessment for preferred sourcing partners	Partnership framework and SOP that ensures high quality customer selection & servicing	Zero NPA's from preferred sourcing partners (~17% of quarterly disbursements)

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

Shareholding Pattern

Substantial management ownership in the company

