



May 23, 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 known as Dhanvarsha Finvest Limited) at its meeting held today i.e. May 23, 2023 has approved the Audited Financial Results (Standalone & Consolidated) for the quarter and year ended March 31, 2023 and the same has been uploaded on website of the stock exchange i.e. www.bseindia.com and website of the Company i.e. www.trucapfinance.com.

A copy of the earnings presentation for the quarter and year ended March 31, 2023 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@trucapfinance.com | www.trucapfinance.com | CIN : L24231MH1994PLC334457

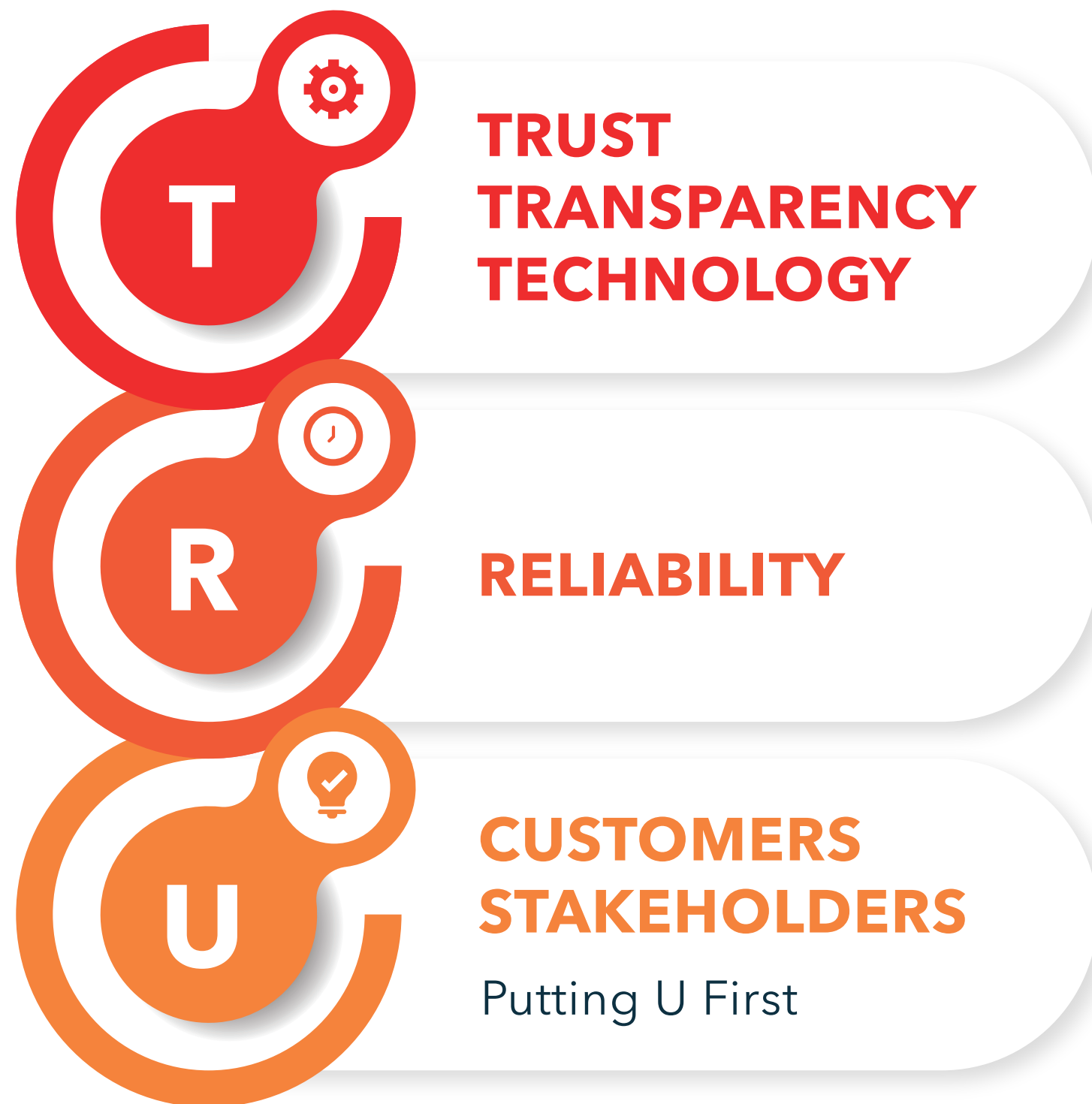


TruCap
Finance
Ltd

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TRU 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.

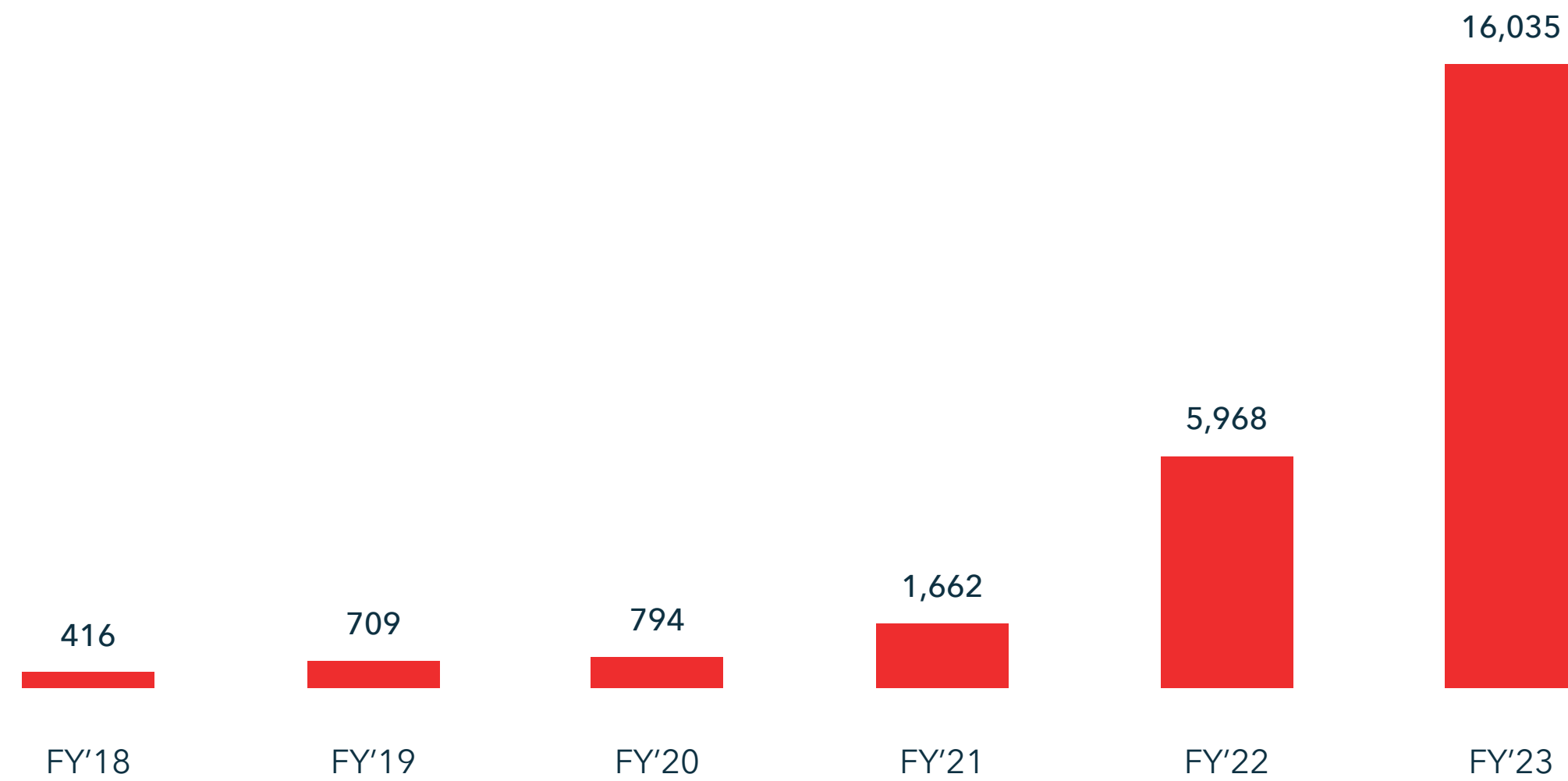
We want our stakeholders to believe that capital is not difficult but flexible, and we have their back as they chase sustainable economic & business growth.

The background features a large, stylized number '4' on the left side, rendered in a dark red color. To the right of the '4' is a large, light orange shape that resembles a ribbon or a stylized 'U' with a tail, extending towards the right edge of the frame. The overall background is a gradient of orange and red tones.

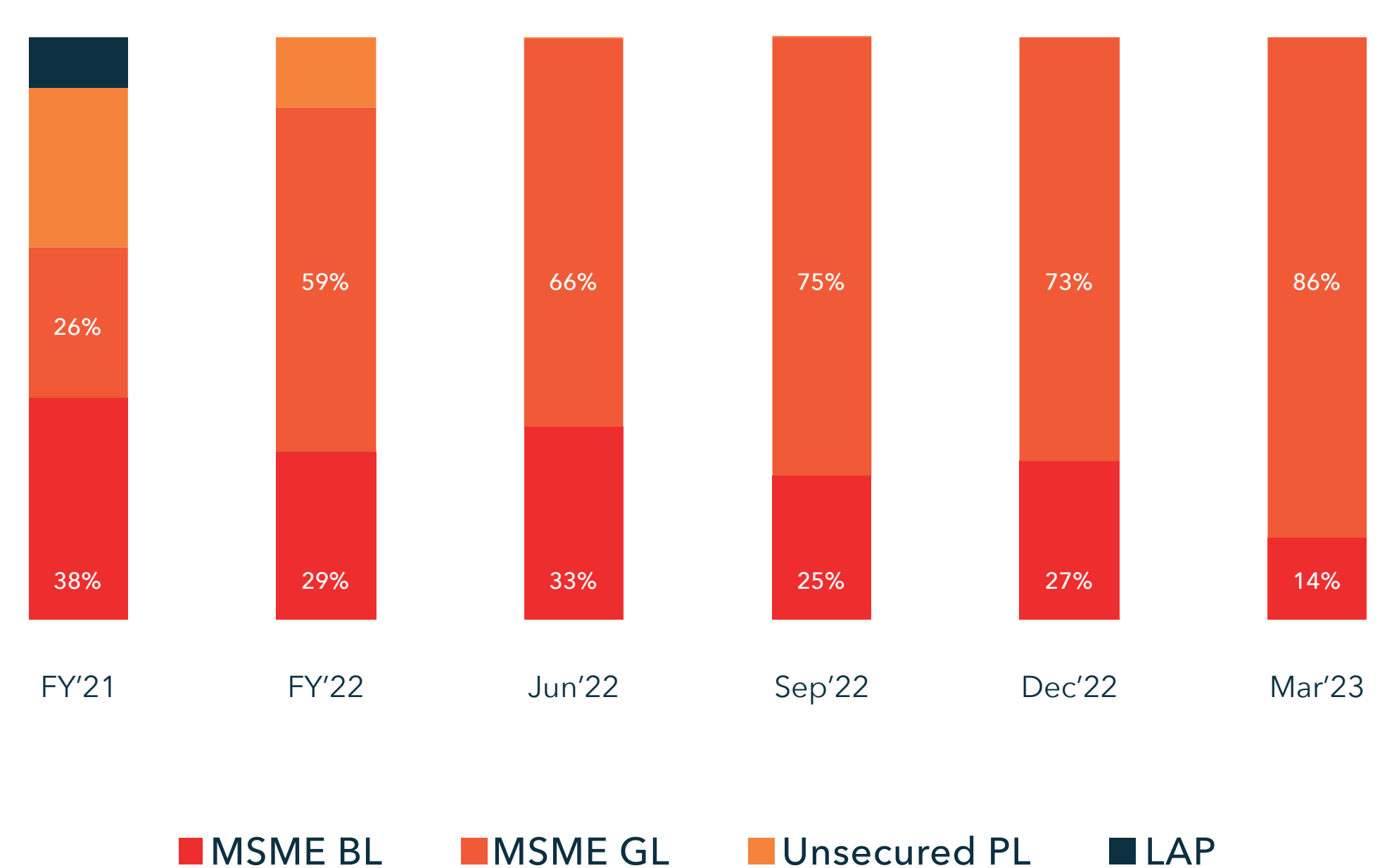
Significant Milestones Achieved in FY'23

Cumulative Disbursements of over 16 bn Focussed on MSME Gold loans

Cumulative Disbursement INR Mn.



TRU Disbursement Mix*



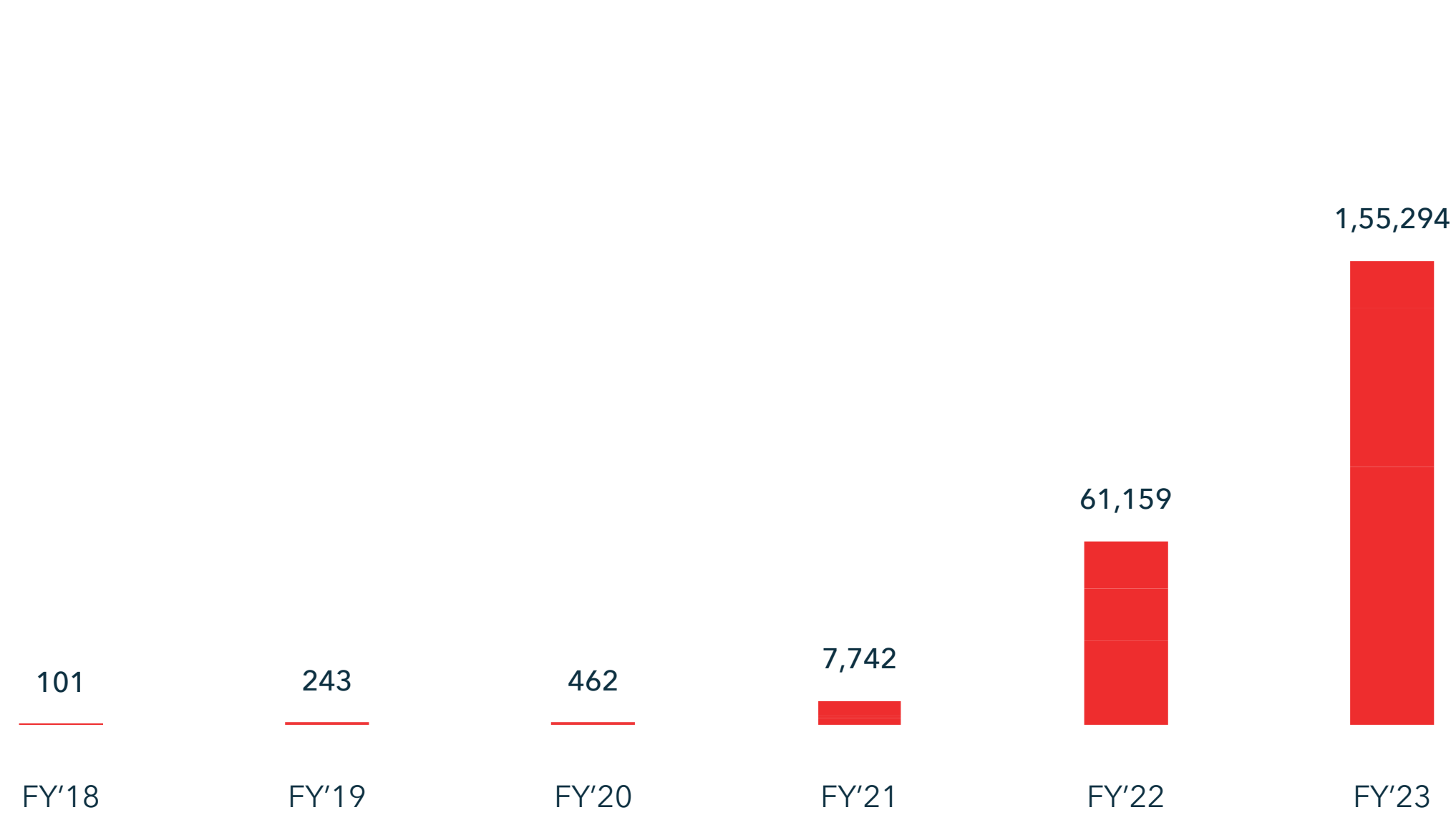
TRU in 5 years has disbursed over INR 16 billion and served close to 155,000+ customers

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

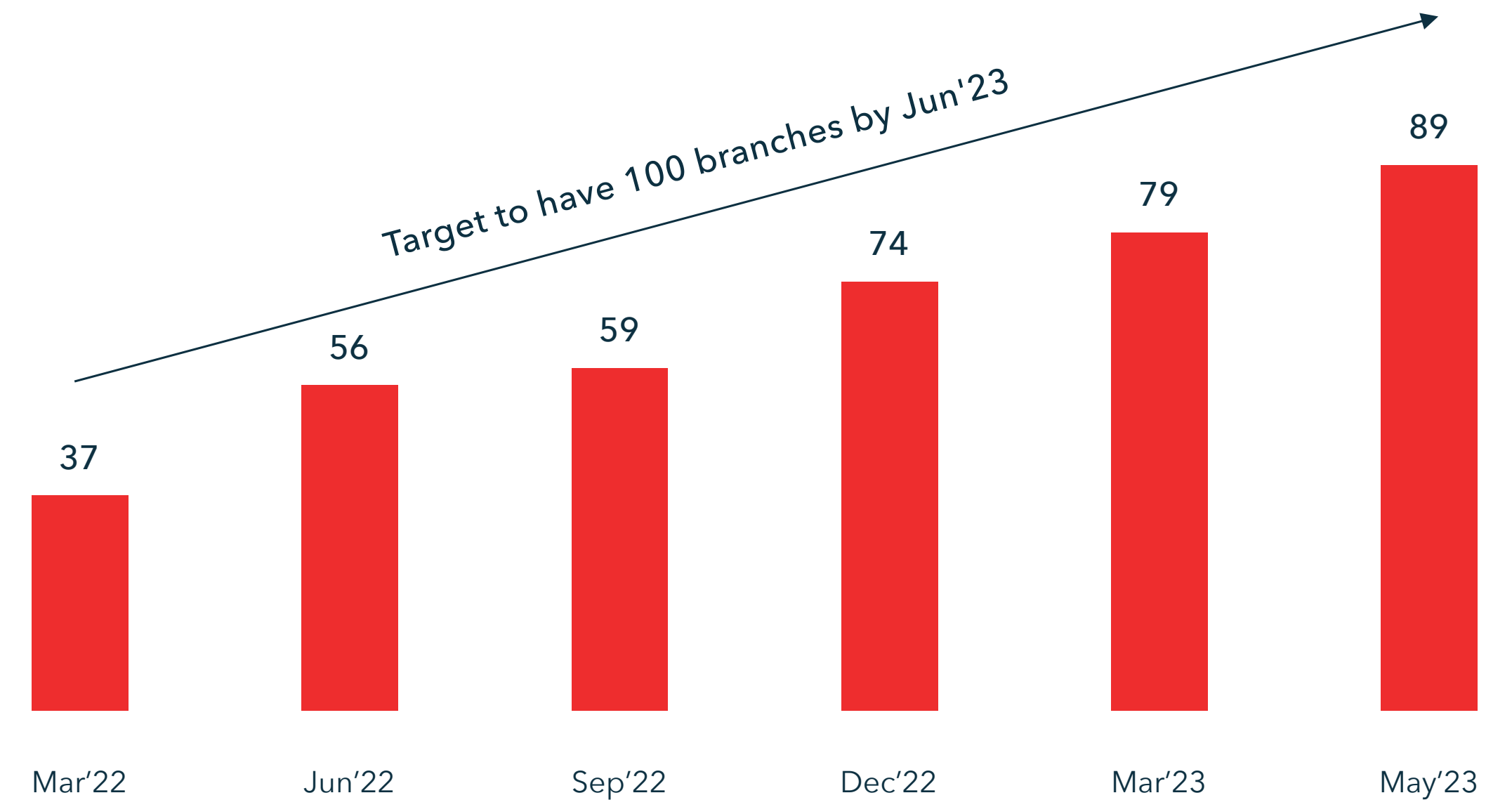
*Products and Portfolio mix based on on & off balance sheet AUM
AUM includes on & off- balance sheet loans

Large number of Customers Served with Expanding Phygital Presence

Customers Served



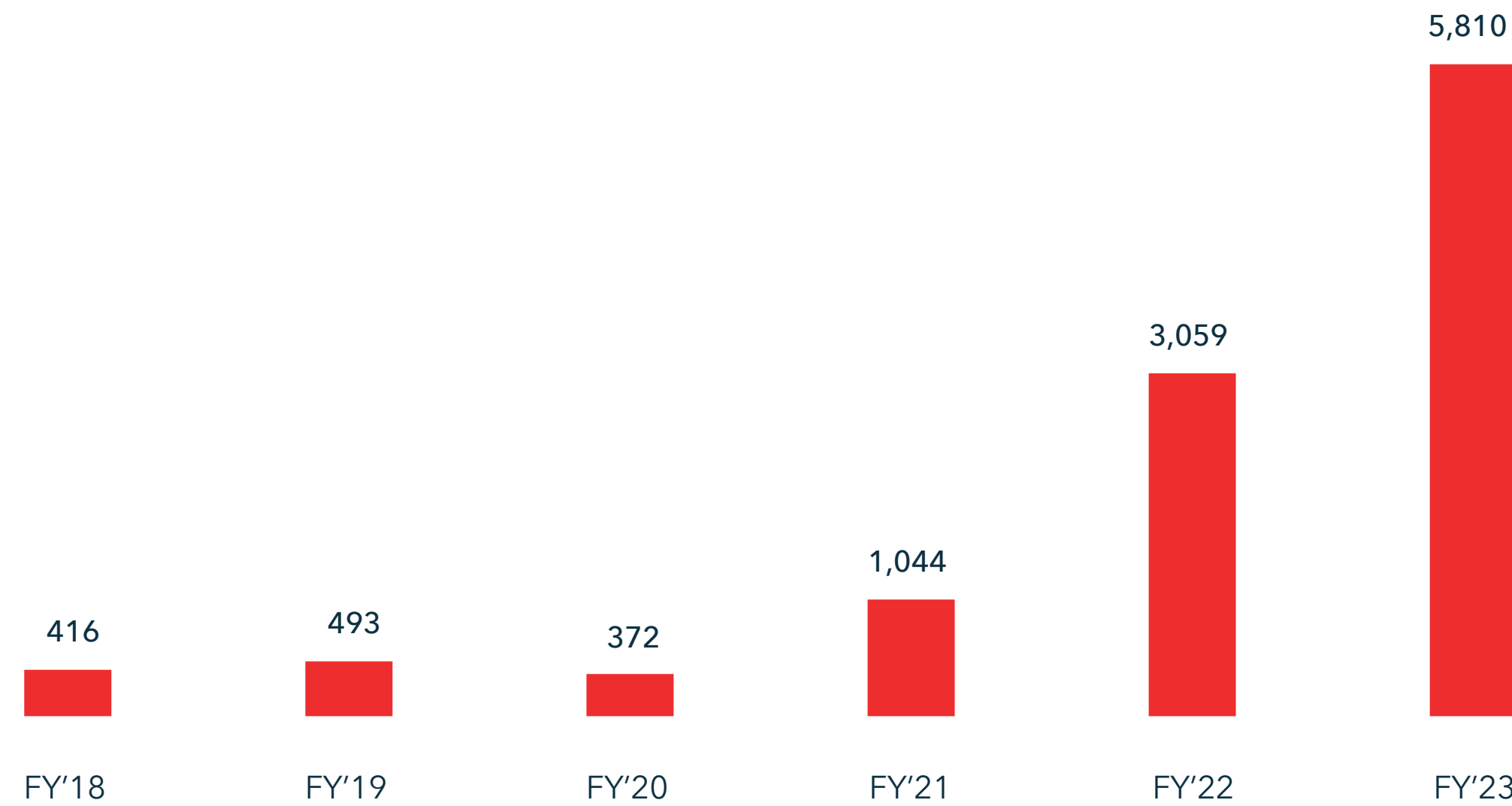
Increasing Branch Presence



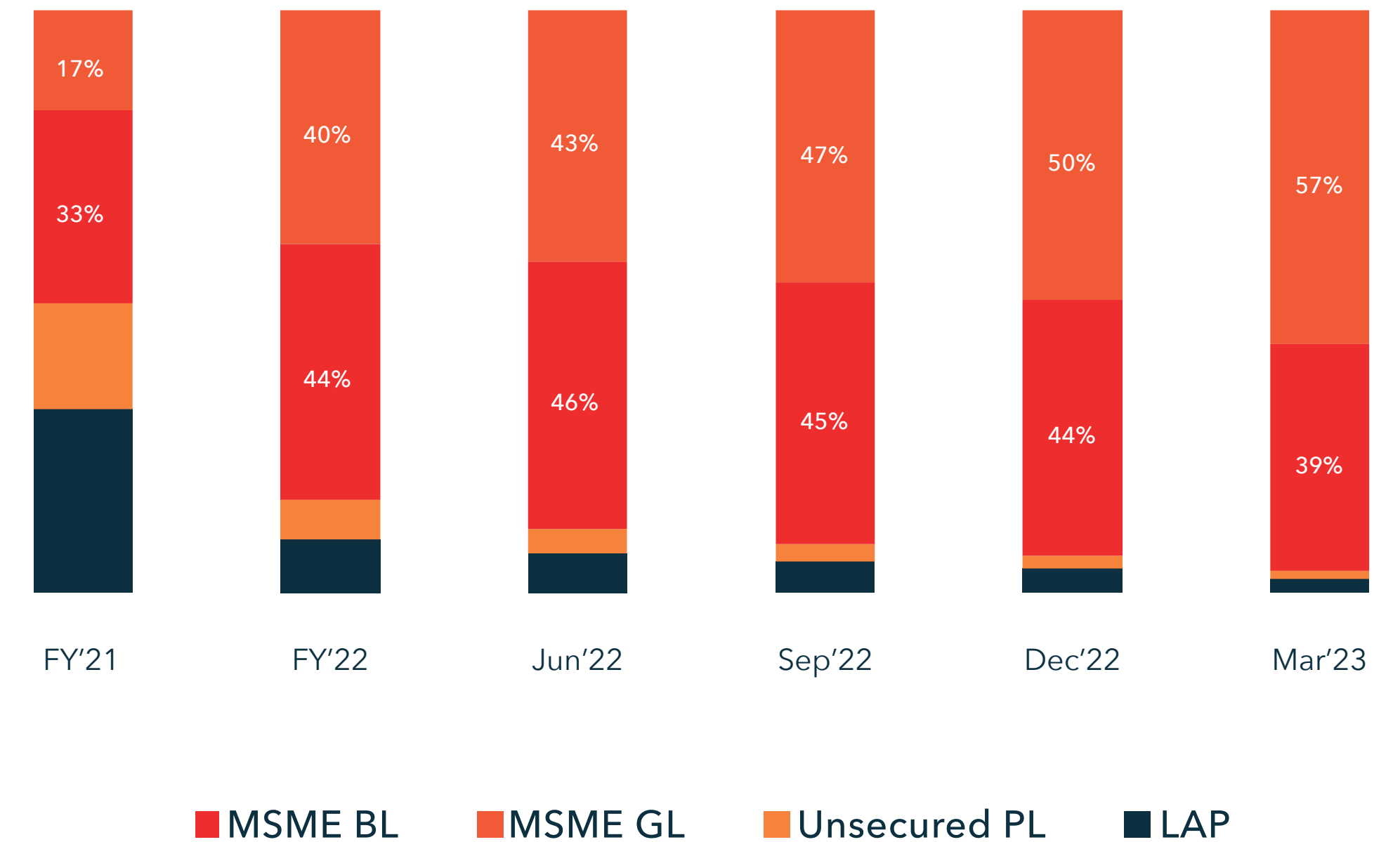
TRU's demonstrated branch network coupled with tech enabled process in underwriting and collections have facilitated substantial partnerships in lending as a service (L-a-a-S) with large and reputable financial institutions.

Granular & Capital Efficient Portfolio mix

Gross Loan Portfolio (AUM) INR Mn*



Focused MSME Gold and Business Loan Portfolio*



TRU has disbursed more than INR 10 billion in gold loans to 86,000+ borrowers.

In business loans we have disbursed more than INR 4.40 billion to 52,500+ borrowers.

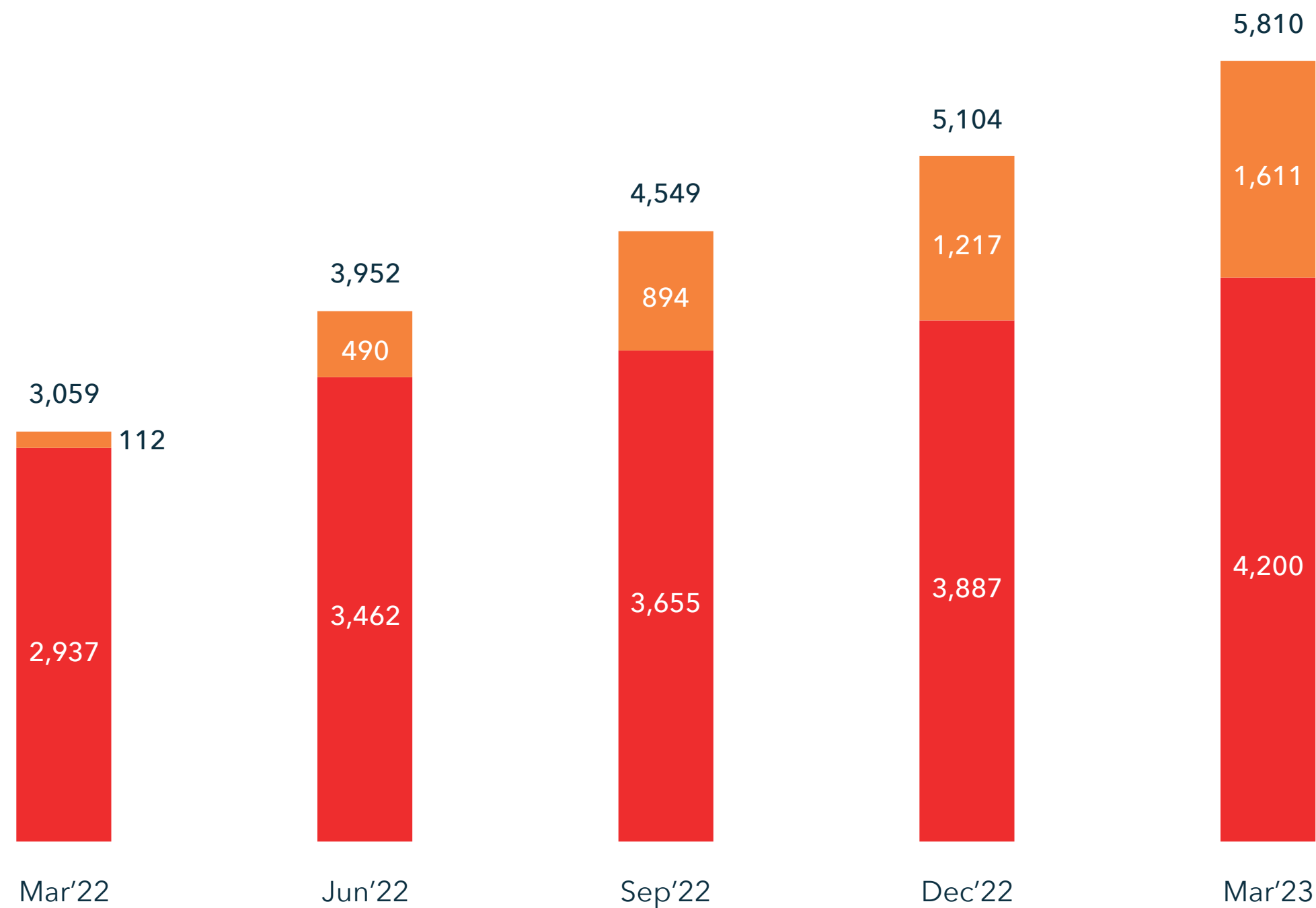
MSME Gold & Business loans are upto 97% of AUM.

LAP and Personal loans which were 16% of AUM in Mar-22 is down to 3% of AUM in Mar-23.

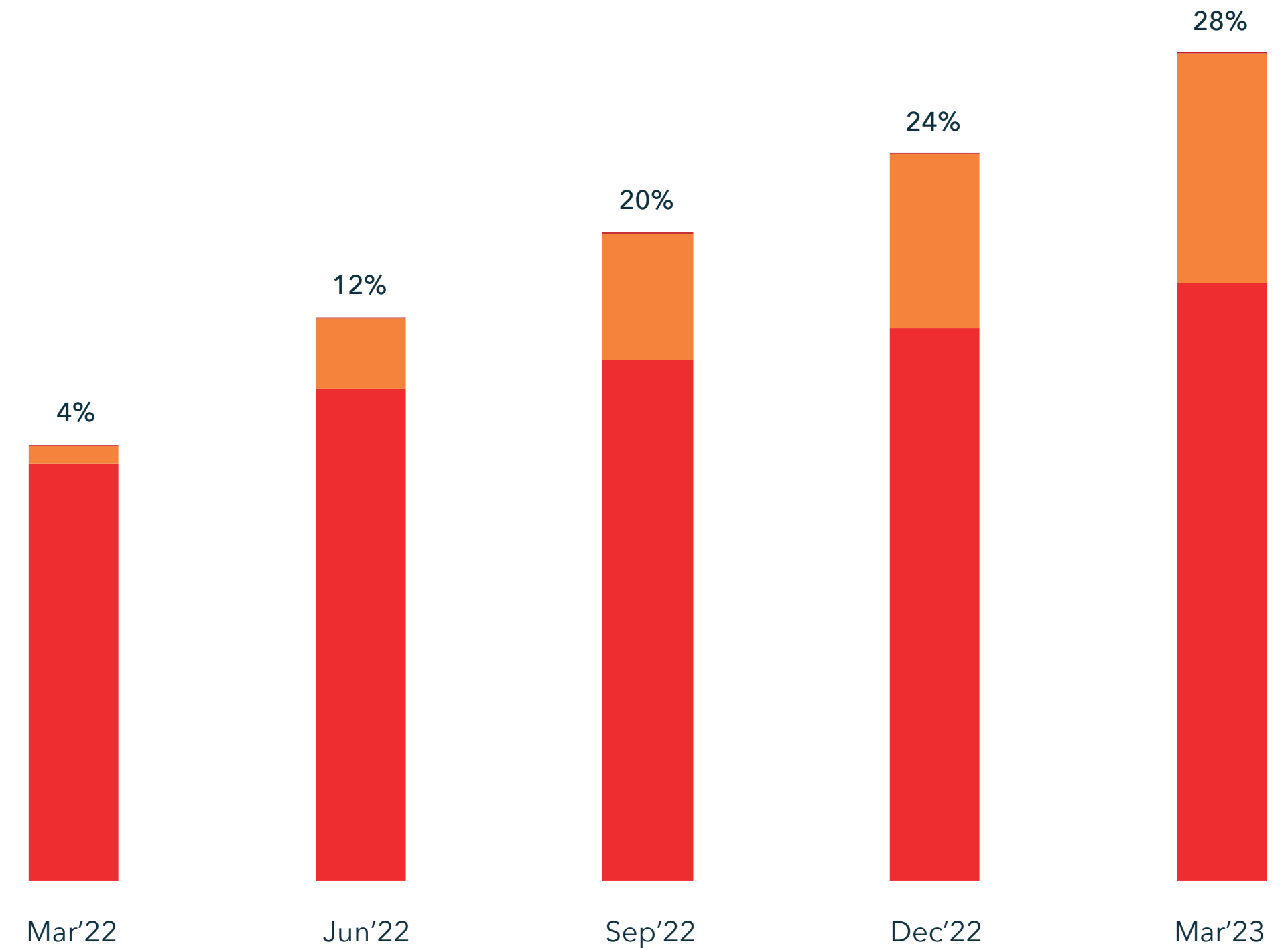
*Products and Portfolio mix based on on & off balance sheet AUM
TRU entered the Gold loan business in August 2020

Loan growth with Increasing Capital Efficiency through L-a-a-S Partnerships

Gross Loan Portfolio (AUM) INR Mn*



L-a-a-S AUM (INR Mn) as a % of Total AUM



AUM = managed book which includes on & off- balance sheet loans

L-a-a-S = Lending as a Service where TRU is a minority capital provider but does the entire sourcing, servicing and collection effort in the partnership

Over INR 3.0 billion of L-a-a-S Disbursements

	Mar'22	Jun'22	Sep'22	Dec'22	Mar'23
L-a-a-S Disbursement (INR Mn)	306	470	574	645	1,258
L-a-a-S Disbursement %	22%	23%	29%	30%	33%
L-a-a-S AUM (INR Mn)	122	490	894	1,217	1,611
L-a-a-S AUM %	4%	12%	20%	24%	28%

L-a-a-S Partner Name	Product	Cumulative Disbursement	Total AUM
Central Bank of India	Gold Loan	2,717	1,528
Shivalik Small Finance Bank	Gold Loan	347	246
Ugro Capital	MSME Business Loan	157	156
DCB Bank Limited*	Gold loan	6	6
HDFC Bank**	Business & Gold Loan	0	0

*Disbursements with DCB Bank commenced in late March 2023

** Disbursements with HDFC Bank commenced recently in business loans. Disbursements in gold loans is expected to commence shortly.

Benefit for TRU

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

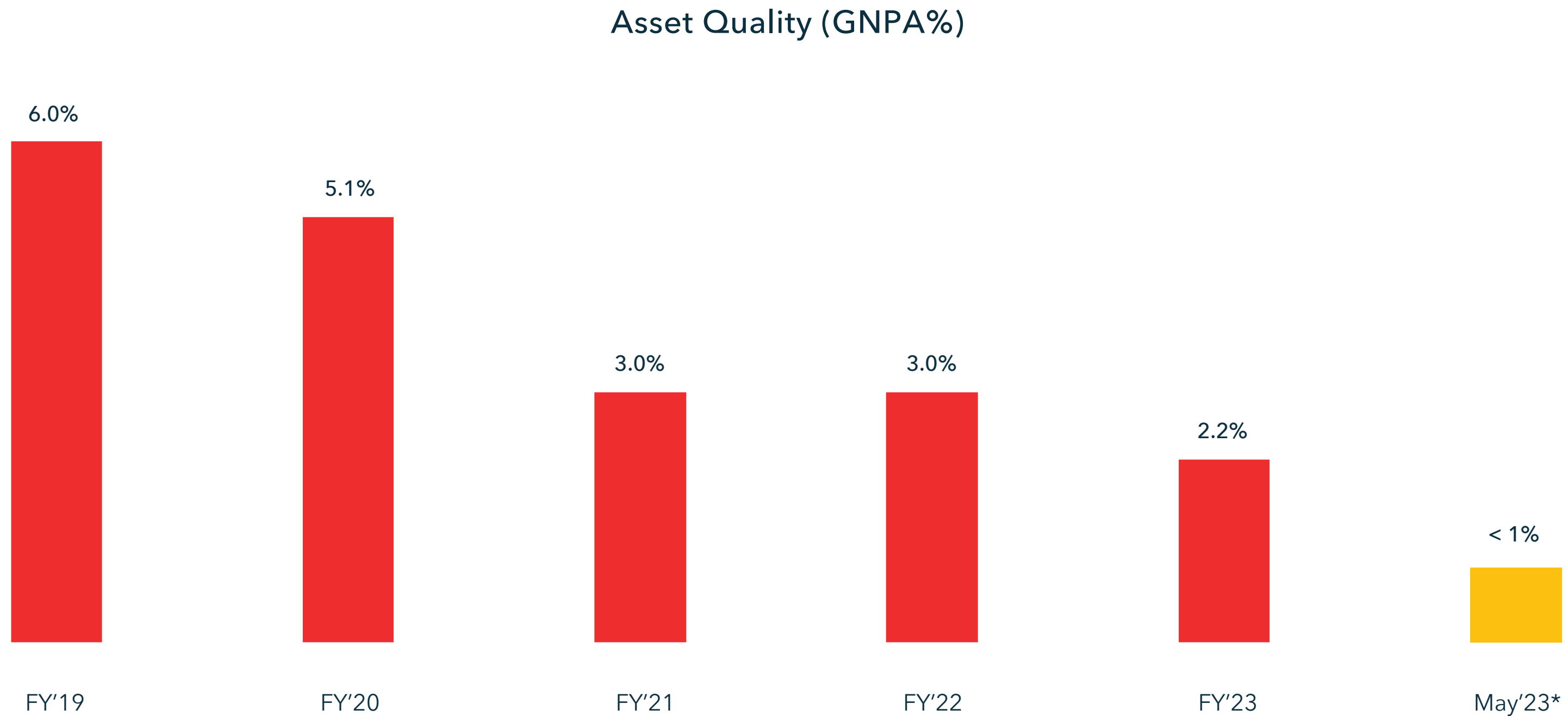
TRU serves as the minority capital provider but is responsible for the entire sourcing, servicing and collection on loans offered to end borrowers for which it gets paid a fee.

Benefit for Partner Institutions

Derive benefit from TRU's distribution, robust underwriting practices and collection processes.

No cost of opex, capex or marketing

Substantial Improvement in Asset Quality



GNPAs in the gold loan book are negligible; business loan are currently 1.6%

Gold taken to auctions are less than INR 38 Mn (0.4% of cumulative disbursements).

Resolution and sell-down of LAP and personal loans of INR 97 million in the last one year.

Robust Collection Efficiency driven by Gold Loans

INR Mn

Month	Demand for the month	Collection done for the month	Collection efficiency (CE) 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%
Jan-23	227	202	89.1%	766	426.7%
Feb-23	237	211	89.1%	880	460.0%
Mar-23	259	236	90.8%	781	391.9%

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.

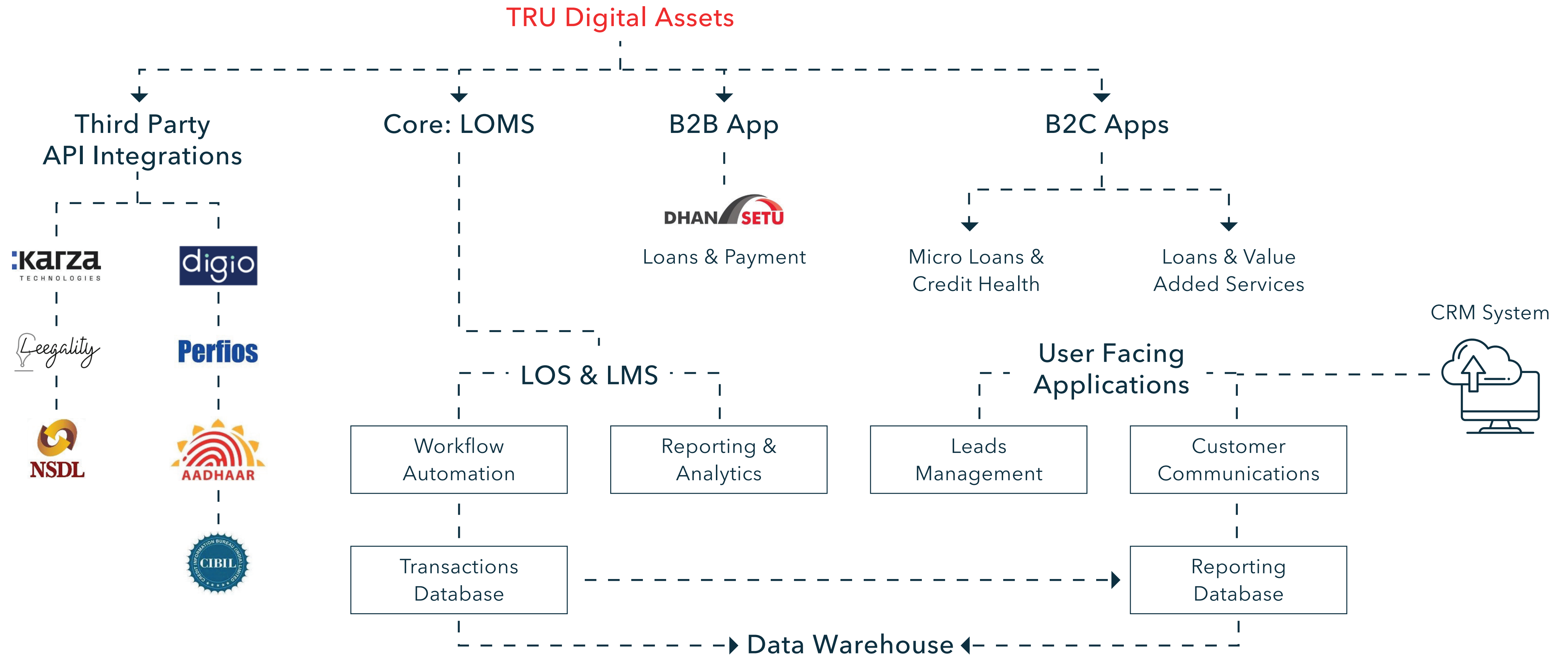
The background features abstract geometric shapes in shades of red and orange. On the left, there are several overlapping rectangular and trapezoidal shapes in a vibrant red color. On the right, there is a large, light orange shape that resembles a stylized 'U' or a bracket, with a curved top and a pointed bottom. The overall composition is clean and modern, with a focus on geometric forms and a warm color palette.

*Omnichannel Distribution Platform Powering
Capital Efficient Loan Growth*

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



... with Technology as a Strong Enabler...



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

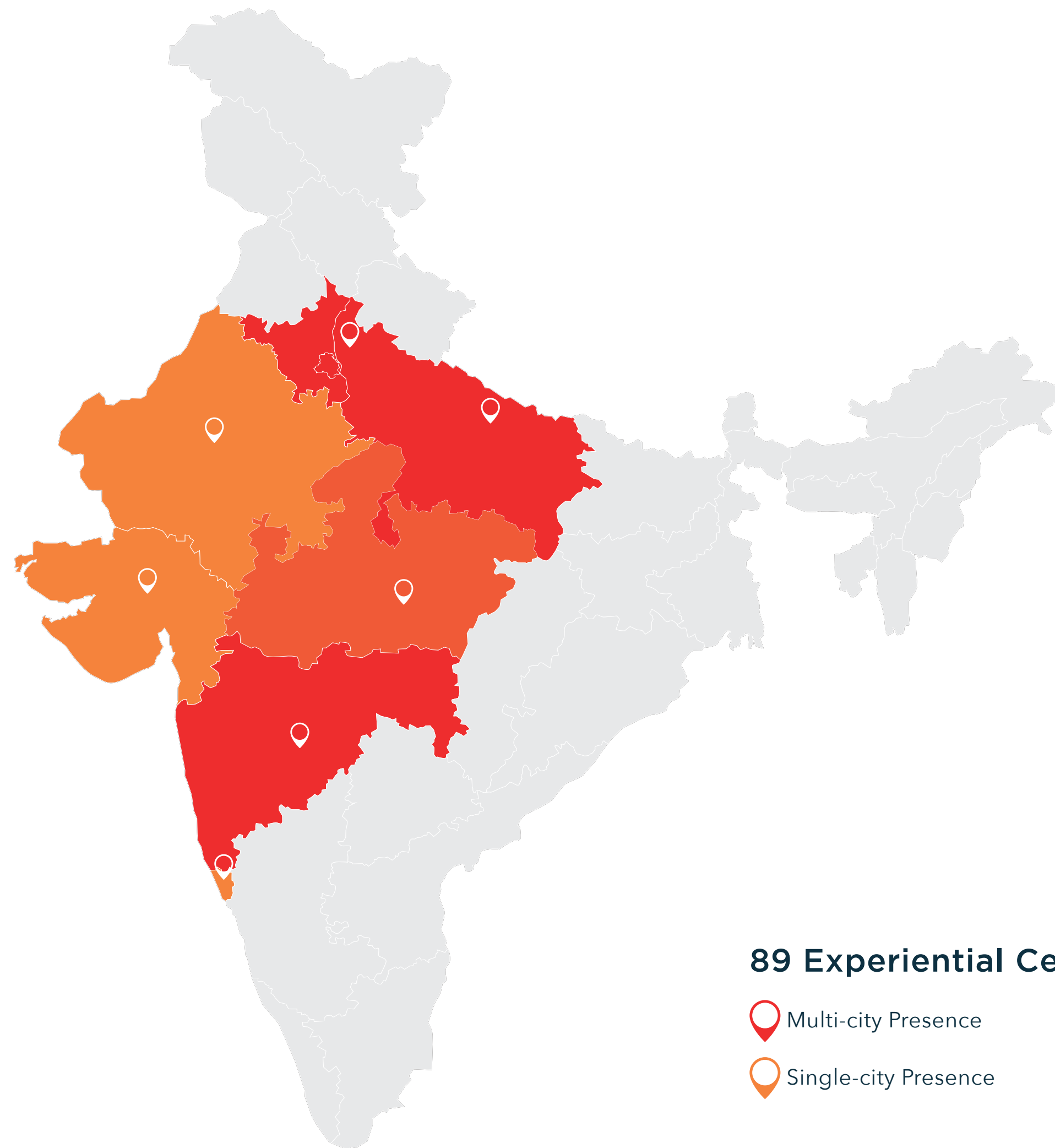
MicroServices Centric

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 Cluster-based Distribution Network through Experiential Centres...



- 28 Maharashtra
- 23 Madhya Pradesh
- 18 Delhi NCR/ Haryana
- 10 Gujarat
- 7 Goa
- 3 Rajasthan

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

TRU has entered Gujarat in the previous quarter and expansion in Rajasthan has started in the current quarter.

...Focused Largely in Tier II/III/IV Towns

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

Branch additions		FY'20	FY'21	FY'22	FY'23	May'23	Total branches
Tier I	MH	-	3	4	5	-	22
	Delhi NCR	-	-	5	4	-	
	Goa	-	-	-	-	-	
	MP	-	-	-	-	-	
	Gujarat	1	-	-	-	-	
	Rajasthan	-	-	-	-	-	
Tier II/III/IV	MH	-	4	5	4	3	67
	Delhi NCR	-	4	2	2	1	
	Goa	-	-	2	4	1	
	MP	-	-	9	14	-	
	Gujarat	-	-	-	5	4	
	Rajasthan	1	-	-	-	2	

AUM distribution Over the Years

State	Mar'19	Mar'20	Mar'21	Mar'22	Sep'22	Dec'22	Mar'23
Maharashtra	100%	100%	81.3%	52.8%	39.6%	37.4%	36.2%
Madhya Pradesh			1.6%	8.9%	17.5%	19.0%	19.1%
Delhi NCR			12%	23%	23%	22%	24%
Goa			0.0%	3.2%	5.7%	6.1%	7.1%
Rajasthan			2.5%	2.9%	2.5%	2.4%	1.8%
Gujarat			1.7%	1.7%	2.2%	2.7%	4.1%

Having commenced operations in Mumbai in 2018, TRU has diversified its presence in 6 other states.

MH which was 100% of asset market in 2018 & 2019, has now dropped to ~37% of AUM

Target to reach Branch Network of 100 by Jun'23

FY23 Results

Key Highlights - FY23

INR Mn

Particulars	Mar'21	Mar'22	Mar'23
Disbursements	867	4,308	10,063
AUM	1,046	3,059	5,810
MSME Gold Loans	179	1,223	3,328
MSME Business Loans	346	1,346	2,257
LAP	332	279	147
PL	190	211	78
L-a-a-S Portfolio	2	122	1,611
L-a-a-S Portfolio %	0.2%	4%	28%
Interest Income	122	455	932
Finance Cost	42	244	508
Total Income	244	700	1,240
Total Opex	180	337	668
Profit After Tax	7	74	55
Experiential Centers (Count)	14	41	79
Customers (Count)	5,935	33,430	64,824
Women Customers (Count)	1,084	6,208	16,478
Employees (Count)	175	321	473
CRAR %	66%	39%	34%

Significant scale up in L-a-a-S partnership with addition of large and reputable financial institutions

Disbursement growth has outpaced branch growth, reflecting scaling up of vintage branches

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

Continued scale up of distribution franchise to cater to larger L-a-a-S partnerships has led to increase in opex

AUM share of MSME customers across Gold & Business Loans is at 97%.

Income Statement

INR Mn

Income Statement	Mar'21	Mar'22	Mar'23
Interest Income	122	455	932
Less: Finance Cost	42	244	508
Net Interest Income	80	211	424
Other Income	122	246	308
Operating Expenses	185	350	659
Profit Before Tax	17	107	72
Less: Tax	11	33	18
Profit for the period	7	74	55

Standalone results

Substantial increase in interest income, ahead of AUM growth

Increase in finance cost due to RBI rate hikes from May'22.

Continued addition to experiential center and technology build out led to higher opex in FY'23

INR Mn

Income Statement	QE Dec'22	QE Mar'23	Q-o-Q Change%
Interest Income	241	225	-7%
Less: Finance Cost	137	149	8%
Net Interest Income	103	76	-26%
Other Income	106	102	-3%
Operating Expenses	199	164	-18%
Profit Before Tax	10	14	38%
Less: Tax	4	4	3%
Profit for the period	7	11	57%

Balance Sheet

INR Mn

Balance Sheet	Mar'21	Mar'22	Mar'23
Financials Assets	1,682	4,362	6,299
Cash and Investments	496	1,085	1,183
Gross Loans	1,044	2,937	4,200
Less: Impairment Loss Allowance	47	47	20
Net Loans	997	2,891	4,179
Non Financials Assets	164	360	486
Total Assets	1,846	4,722	6,786
Financial Liabilities	833	2,935	4,462
Trade payables & Other liabilities	27	71	37
Borrowings	805	2,865	4,425
Non-Financial Liabilities	20	47	96
Total Liabilities	852	2,982	4,558
Equity Share capital	153	178	232
Other Equity	841	1,562	1,995
Total Equity	994	1,739	2,228
Total Liabilities and Equity	1,846	4,722	6,786

*Standalone results

Consistent build up of secured and more granular loan assets led by gold

Well capitalized and low gearing, to enable high growth in future

Reduction in impairment allowance due to resolution of impaired assets in LAP and personal loans

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

The background features a large, stylized graphic composed of several overlapping geometric shapes. On the left, there is a prominent red shape that resembles a stylized letter 'A' or a similar character. To its right, there are several orange and light-orange shapes, including a large, rounded, U-shaped element and a vertical rectangular shape on the far right. The overall aesthetic is modern and abstract, with a color palette of red, orange, and light orange.

Risk & Governance

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 done in FY23 in line with management guidance
All embracing LAP collection	Pre-SARFESI notice for 60+ day delinquent borrowers	LAP NPAs currently out of the loan portfolio
Comprehensive & exhaustive criteria on risk assessment for preferred sourcing partners	Partnership framework and SOP that ensures high quality customer selection & servicing	Negligible NPAs from preferred sourcing partners

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 148 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 148 checkpoints with weighted scores to measure compliance

Branch Self Certification Process is additionally applicable to measure risk

Implemented Surprise audits in FY23

Implemented Regional Head based Branch assessment in FY23

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

