



February 13, 2024

To, The General Manager Department of Corporate Services BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. <u>Scrip Code: 540268</u>	To, The Manager Department of Corporate Compliance National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. <u>Scrip Code: TRU</u>
--	--

Subject: Earnings Presentation

Dear Sir/Madam,

This is to inform you that the Board of Directors of TruCap Finance Limited at its meeting held today, i.e., Tuesday, February 13, 2024, has approved the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2023.

In this regard, pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and in furtherance to our letter dated February 08, 2024, please find attached herewith the Earnings Presentation. The same is uploaded on the website of the Company i.e. www.trucapfinance.com.

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: As above

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

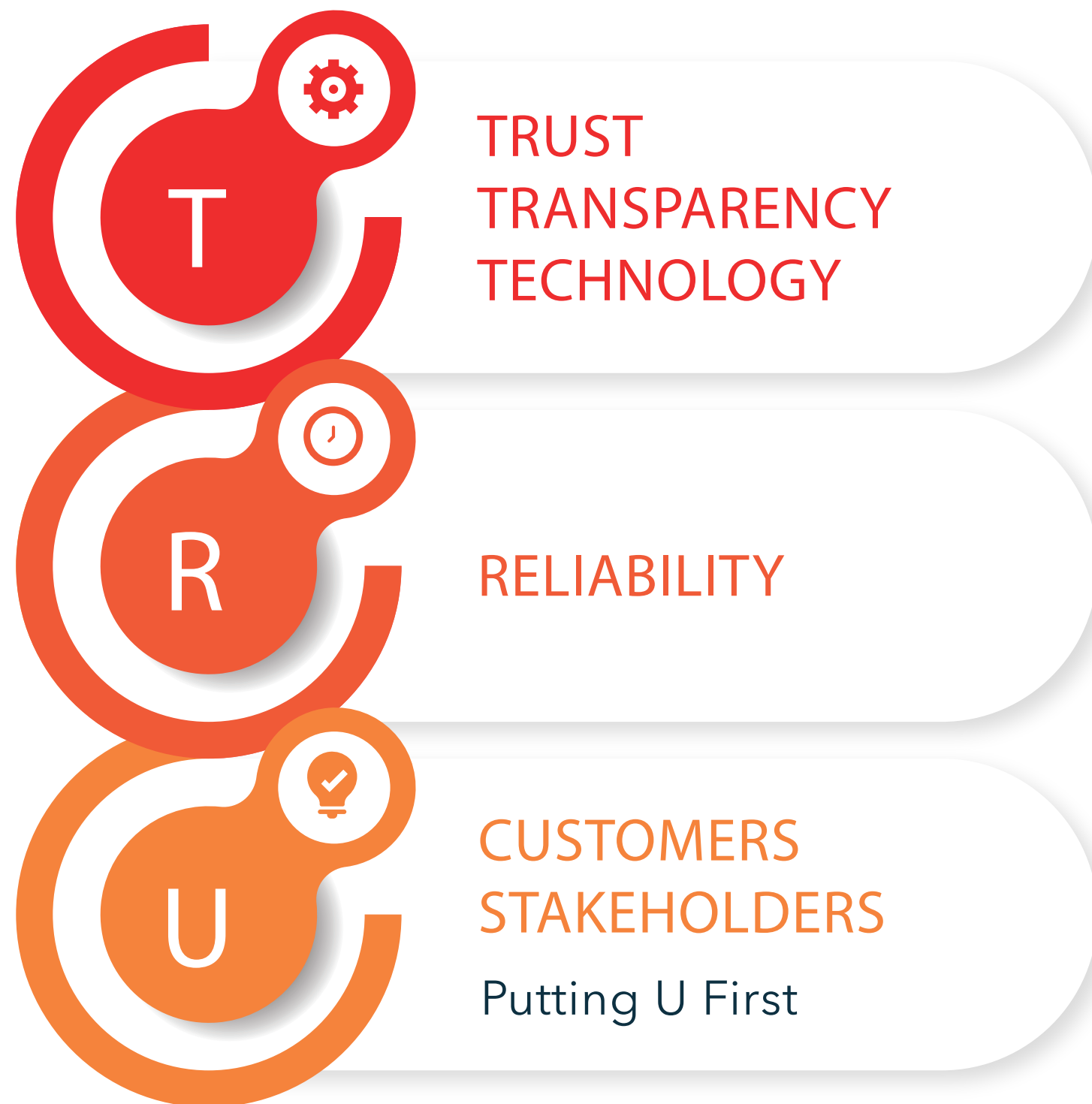


TruCap
Finance
Ltd

Safe Harbor

- This presentation is not a prospectus, a statement in lieu of a prospectus, an offering circular / memorandum, an advertisement, an offer, an invitation to offer or an offer document in terms of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, or any other applicable law in India. This presentation does not constitute or form part of, and should not be construed as, directly or indirectly, any offer or invitation or inducement to sell or issue any securities or an offer / solicitation of any offer, to purchase or sell any securities.
- This presentation should not be considered as a recommendation that any person should subscribe or purchase any securities of this Company, its subsidiaries and / or the promoter companies/entities of this Company (collectively, the "Group") and should not be used as a basis for any investment decision. The information contained in this presentation is only current as of its date, unless specified otherwise, and has not been independently verified. Please note that, you will not be updated in the event the information in the presentation becomes stale. You must make your own assessment of the relevance, accuracy and adequacy of the information contained in this presentation and make such independent investigation as you may consider necessary or appropriate for such purpose. Moreover, no express or implied representation or warranty is made as to, and no reliance should be placed on, the accuracy, fairness or completeness of the information presented or contained in this presentation. Further, past performance is not necessarily indicative of future results.
- Any opinions expressed in this presentation, or the contents of this presentation are subject to change without notice. The presentation should not be construed as legal, tax, investment or other advice. None of the Group or any of its affiliates, advisers or representatives accepts any liability whatsoever for any loss howsoever arising from any information presented or contained in this presentation. Furthermore, no person is authorized to give any information or make any representation which is not contained in, or is inconsistent with, this presentation. Any such extraneous or inconsistent information or representation, if given or made, should not be relied upon as having been authorized by or on behalf of the Group.
- This presentation contains certain statements of future expectations and other forward-looking statements, including those relating to the Group's general business plans and strategy, its future financial conditions, growth prospects and future developments in its sectors and its competitive and regulatory environment. In addition to statements which are forward looking by reason of context, the words such as 'may', 'will', 'should', 'expects', 'plans', 'intends', 'anticipates', 'believes', 'estimates', 'predicts', 'potential' 'continue' and similar expressions identify forward- looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results, performances or events to differ materially from the results contemplated by the such statements. The factors which may affect the results contemplated by the forward-looking statements could include, inter alia future changes or developments in (i) the Group's business, (ii) the Group's regulatory and competitive environment, (iii) the information technology service sector, and (iv) the political, economic, legal and social conditions in India. Given the risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements.
- The distribution of this presentation in certain jurisdictions may be restricted by law. Accordingly, any persons in possession of this presentation should inform themselves about and observe any such restrictions.

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 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 wide, shallow bowl, with a vertical rectangular element on its right side. The overall composition is clean and modern, with a warm color palette.

Highlights of Q3 FY24

Key Highlights - Q3 FY24

INR Mn

Particulars	Jun'23	Sep'23	Dec'23
Disbursements (Excl. Renewal)	2,608	2,946	2,999
AUM	6,597	7,803	8,514
MSME Gold Loans AUM	4,049	5,012	5,518
MSME Business Loans AUM	2,368	2,657	2,889
L-a-a-S Portfolio	2,209	3,075	3,467
L-a-a-S Portfolio %	34%	39%	41%
Total Income	378	427	488
Profit After Tax	13	15	31
Debt to Equity	1.9x	2.0x	2.3x
Experiential Centers (Count)	108	122	128
Customers (Count)	67,997	80,552	84,900
Women Customers (Count)	18,254	20,521	20,929
CRAR %	35%	33%	30%

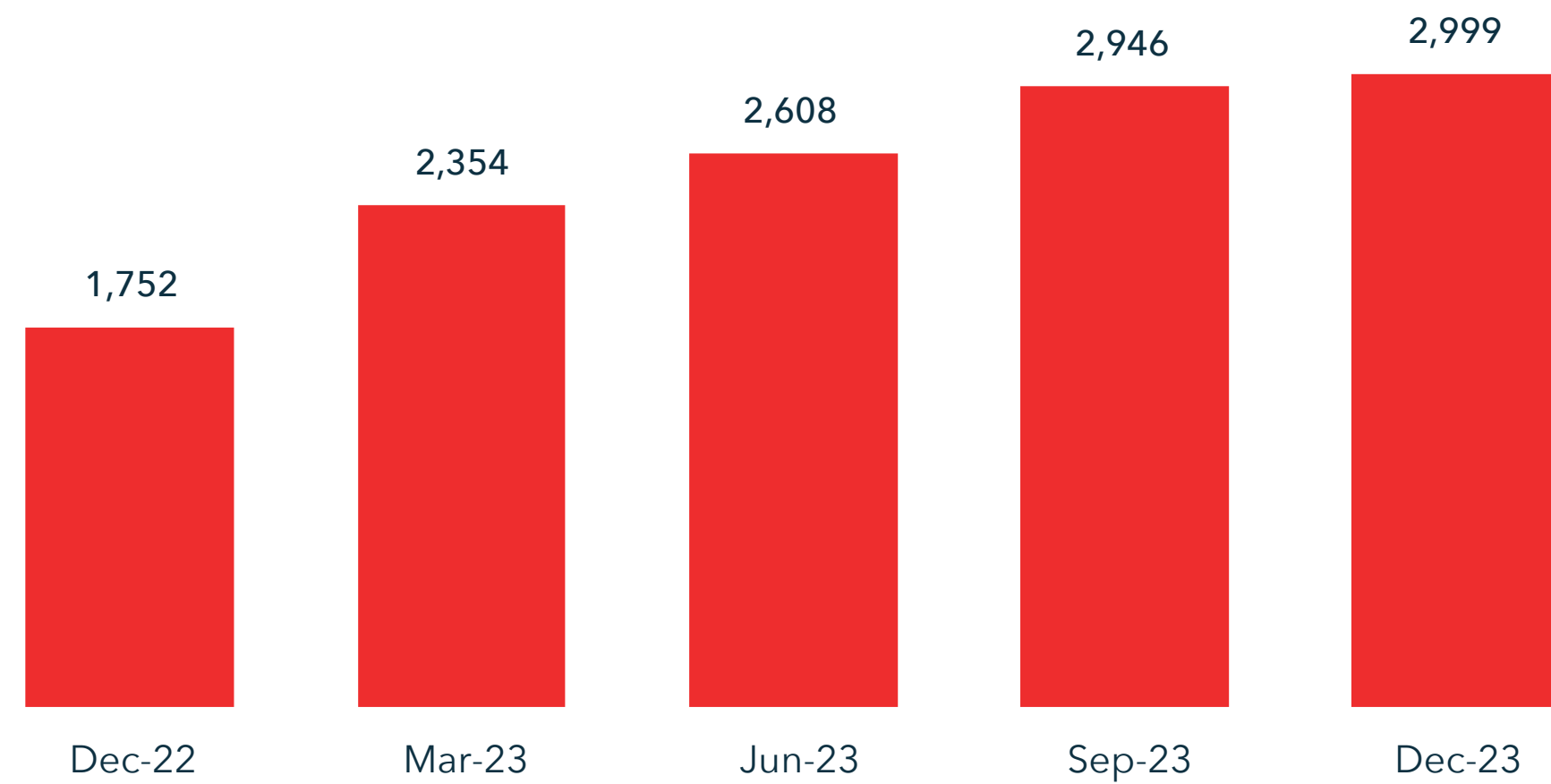
77% of quarterly disbursements driven by Gold Loan product.

65% of Total AUM backed by Gold Loans.

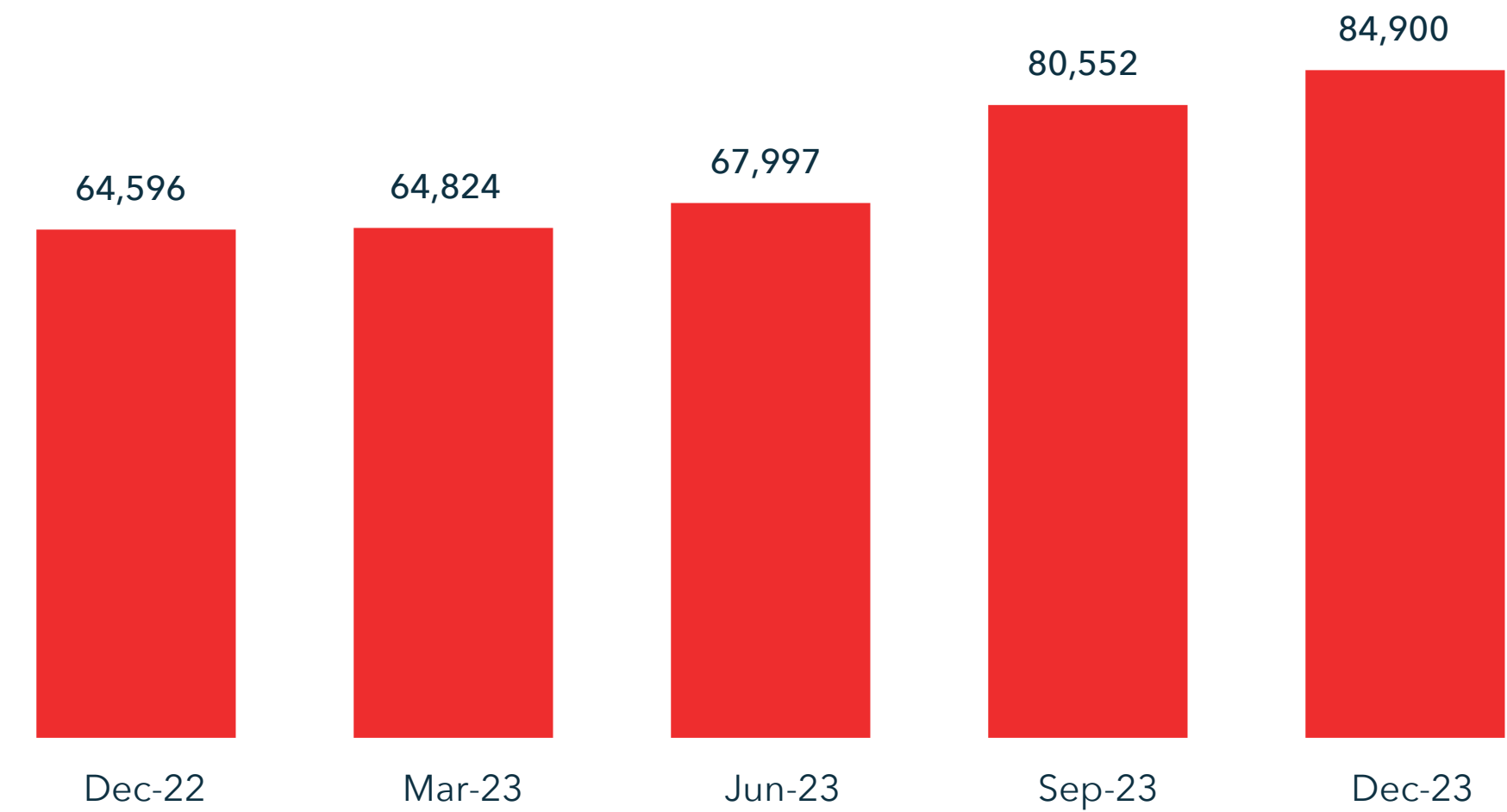
Significant scale up in L-a-a-S partnership with addition of large and reputable financial institutions & banks.

Quarterly Disbursements focused on MSME Business & Gold loans

Quarterly Disbursements INR Mn



Active Customers Count



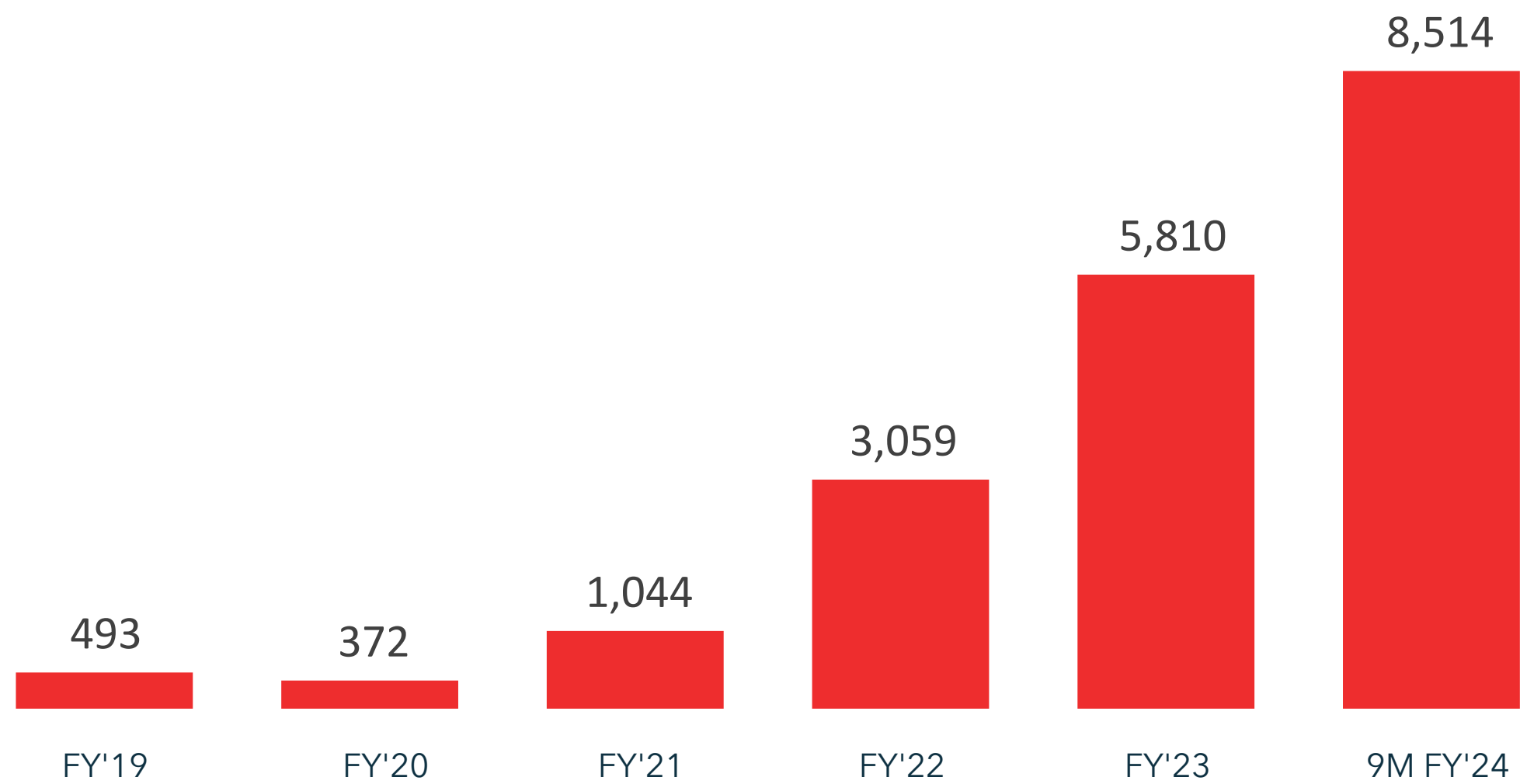
TRU has cumulatively disbursed INR 28.7 billion in both MSME Gold & MSME Business loan product.

Over the last 5 years, TRU has lent to over 0.26 millions customers with almost 85,000 active customers on the books today.

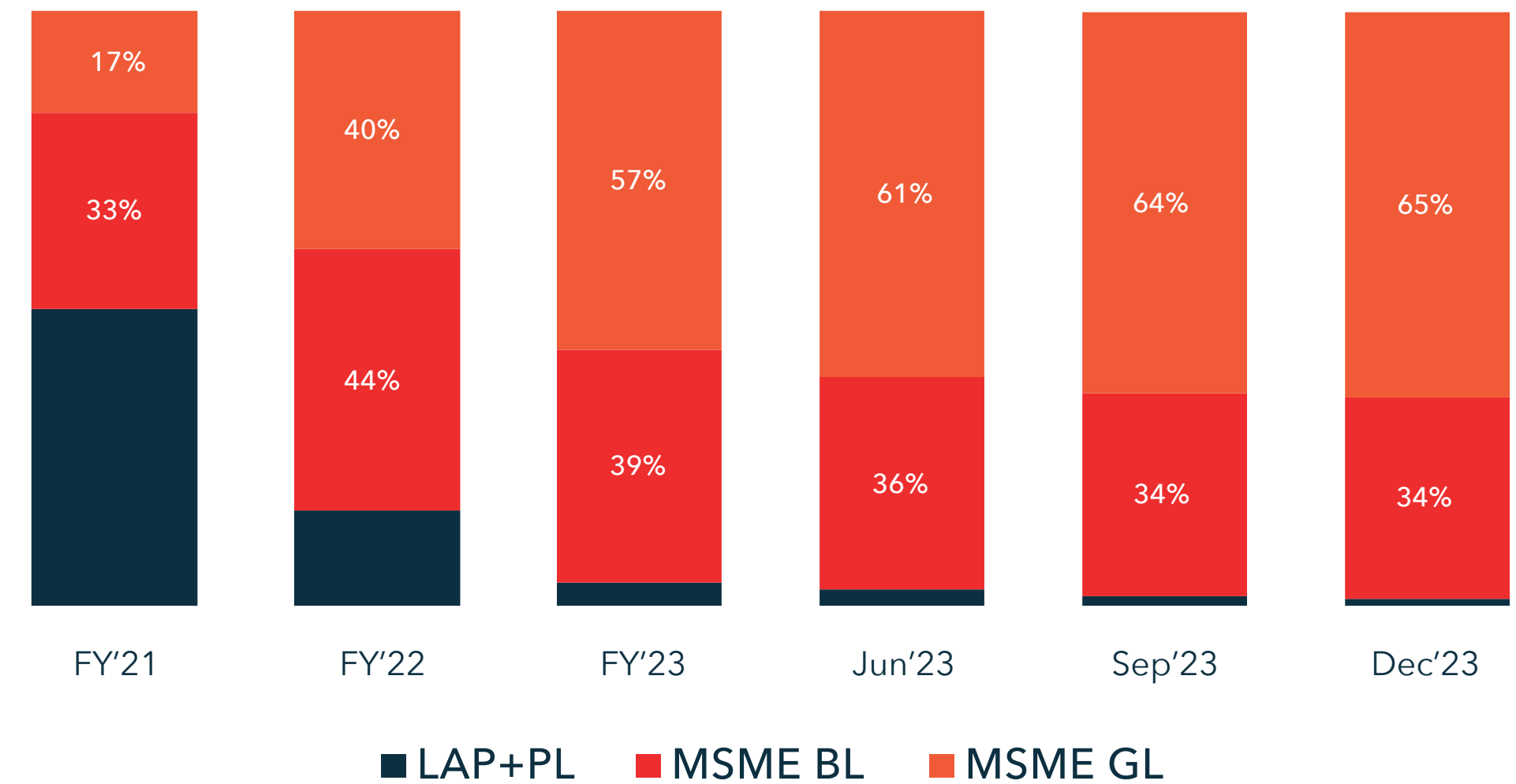
* Includes On and Off Book disbursals and excludes gold loan renewals

Granular & Capital Efficient Portfolio mix

Gross Loan Portfolio (AUM) INR Mn*



Focused MSME Gold and Business Portfolio



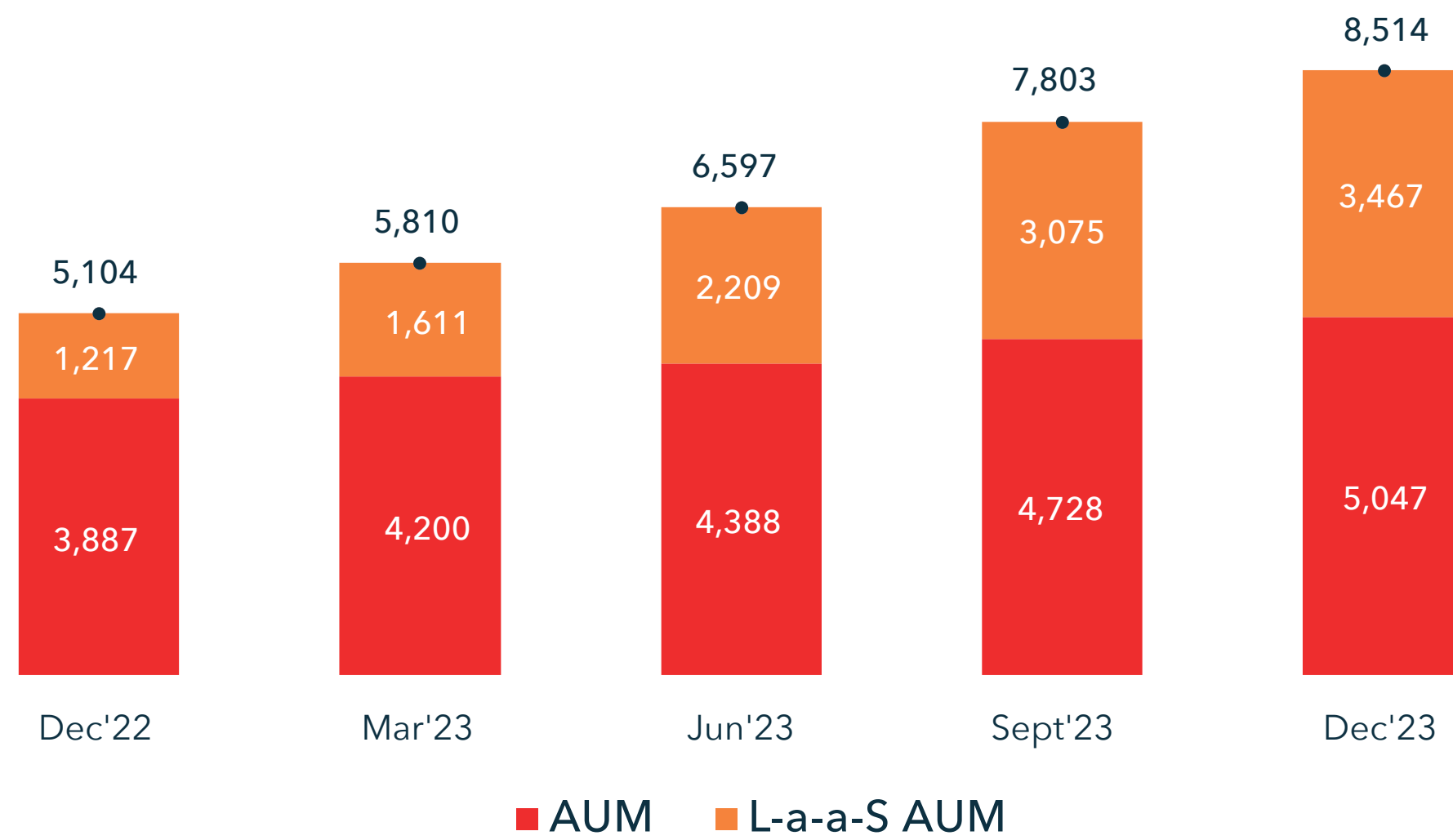
MSME Gold & Business loans are up to 99% of AUM.

LAP and Personal loans which were 16% of AUM in Mar-22 is down to 1% of AUM in Dec-23.

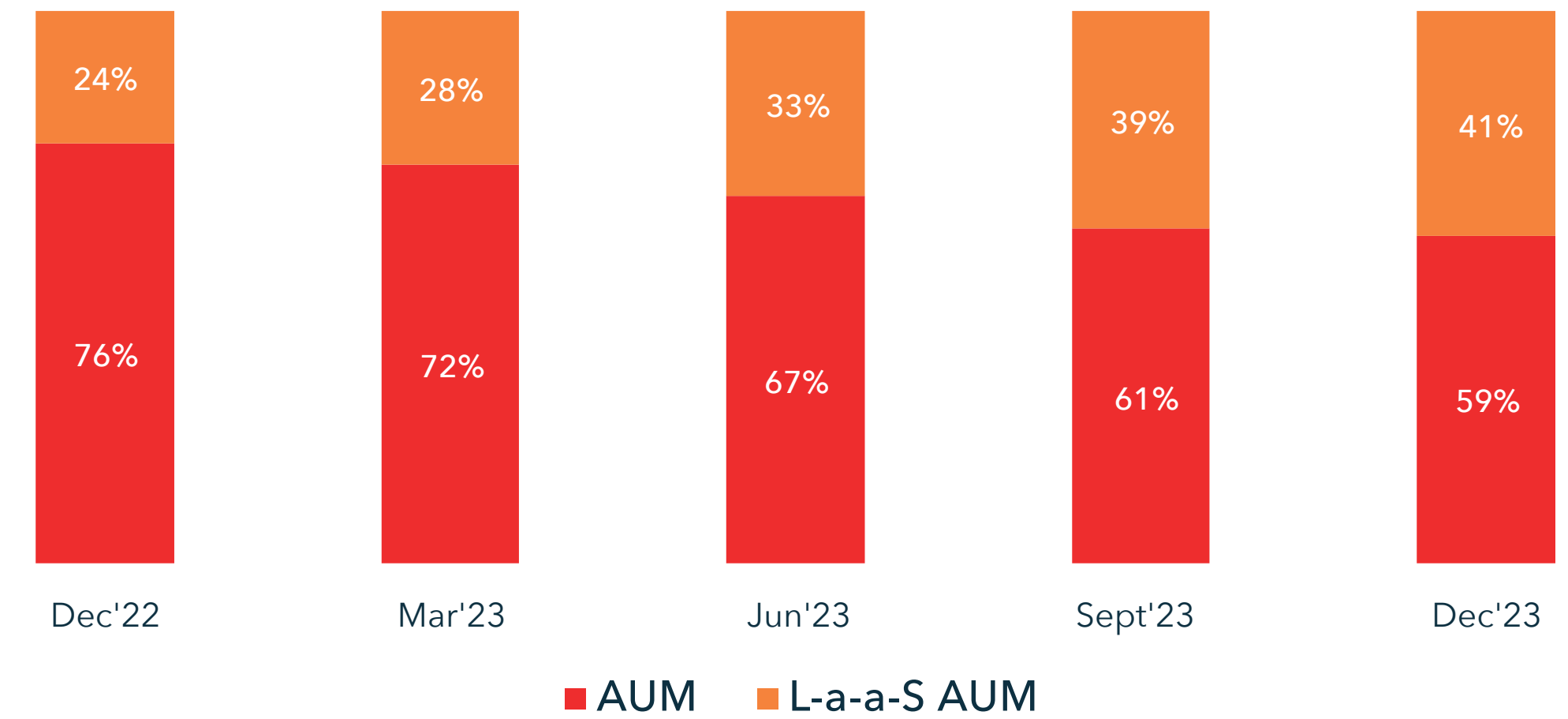
*Products and Portfolio mix based on on & off balance sheet AUM.

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



*Gross Loan Portfolio is based on on & off balance sheet AUM.

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.

~INR 11 billion of L-a-a-S Cumulative Disbursements

INR Mn

	Jun'22	Sep'22	Dec'22	Mar'23	Jun'23	Sep'23	Dec'23
L-a-a-S Disbursement (INR Mn)	470	574	645	1,258	2,057	2,048	2,023
L-a-a-S Disbursement %	23%	29%	30%	33%	43%	46%	45%
L-a-a-S AUM (INR Mn)	490	894	1,217	1,611	2,209	3,075	3,467
L-a-a-S AUM %	12%	20%	24%	28%	33%	39%	41%

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.

INR Mn

L-a-a-S Partner Name	Product	Cumulative Disbursement	Total AUM
DCB Bank Limited*	Gold Loan	3,943	1,912
Central Bank of India	Gold Loan	4,243	986
Shivalik Small Finance Bank	Gold Loan	1,598	590
Ugro Capital	Business Loan	475	448
HDFC Bank Limited**	Business Loan & Gold Loan	383	228

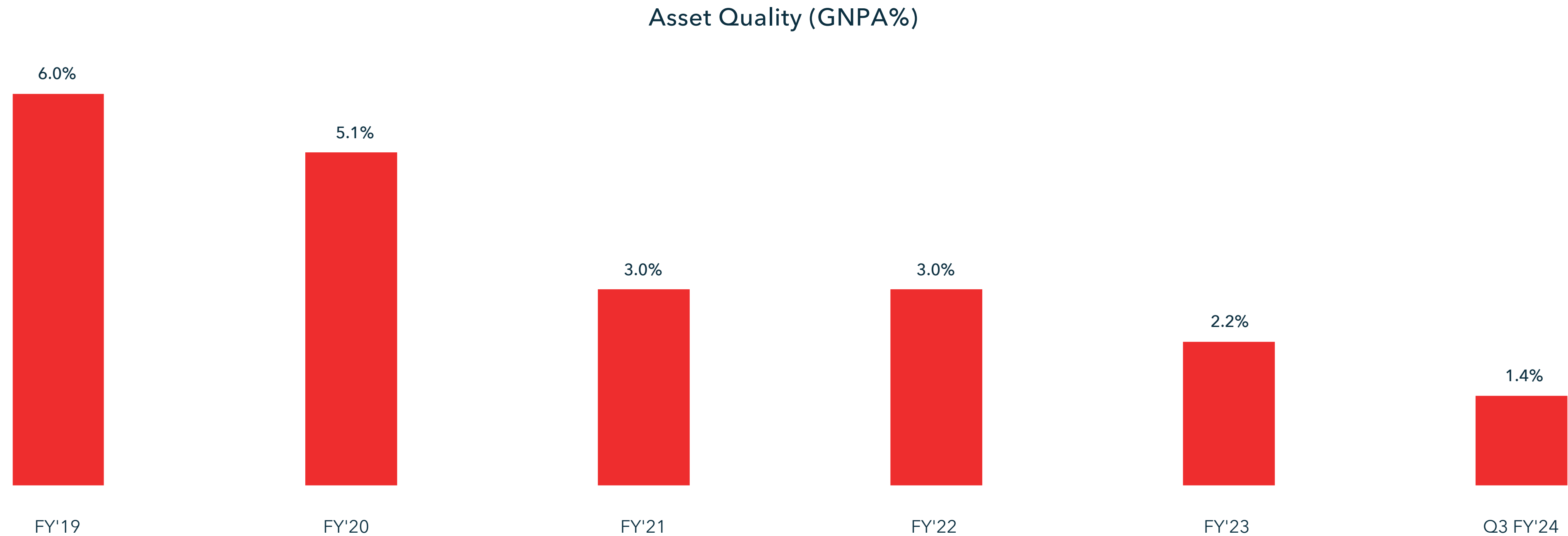
Benefit for Partner Institutions

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

No cost of opex, capex or marketing.

** Disbursements with HDFC Bank commenced in Jun'23 quarter for business loans and recently for gold loans.

Sturdy Improvement in Asset Quality...



GNPAs in the gold loan book are negligible at 0.1%; Business loan are currently 3.6%

Gold taken to auctions are INR 0.1 Bn (0.5% of cumulative disbursements).



*Omnichannel Distribution Platform Powering
Capital Efficient Loan Growth*

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



... with Technology as a Strong Enabler

TRUSS Portal : Tech-enabled Efficiency

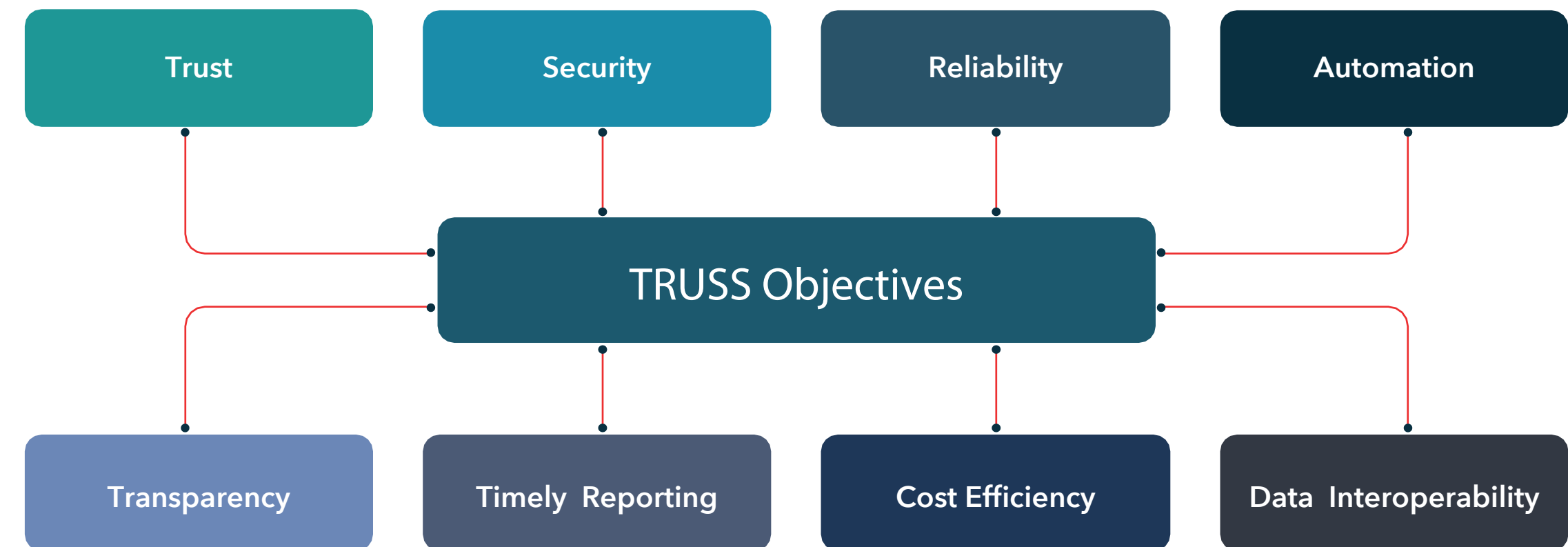
The portal is being built as a critical asset to fulfill long-term requirements of internal & external stakeholders while eliminating need for manual intervention in standardized but voluminous operational activities

TRUSS Portal: A secure and user-friendly data bank

Purpose: Enhance security, improve efficiency, and drive data-driven strategies.

Benefits: Future-proof operations, strengthen security, and customer-centric growth.

Key Focus: Streamline standard and high-volume operations, Advanced analytics and automated reporting.



Direct Contribution to Strategic Pursuits

- Consolidated, Enriched I.P. Asset
- GL2C Unique Experience & Handling Exceptions
- Iterative LOS land grab for higher control
- Re-purpose Leads Management
- Opportunity for custom credit products, exceptions, monitoring

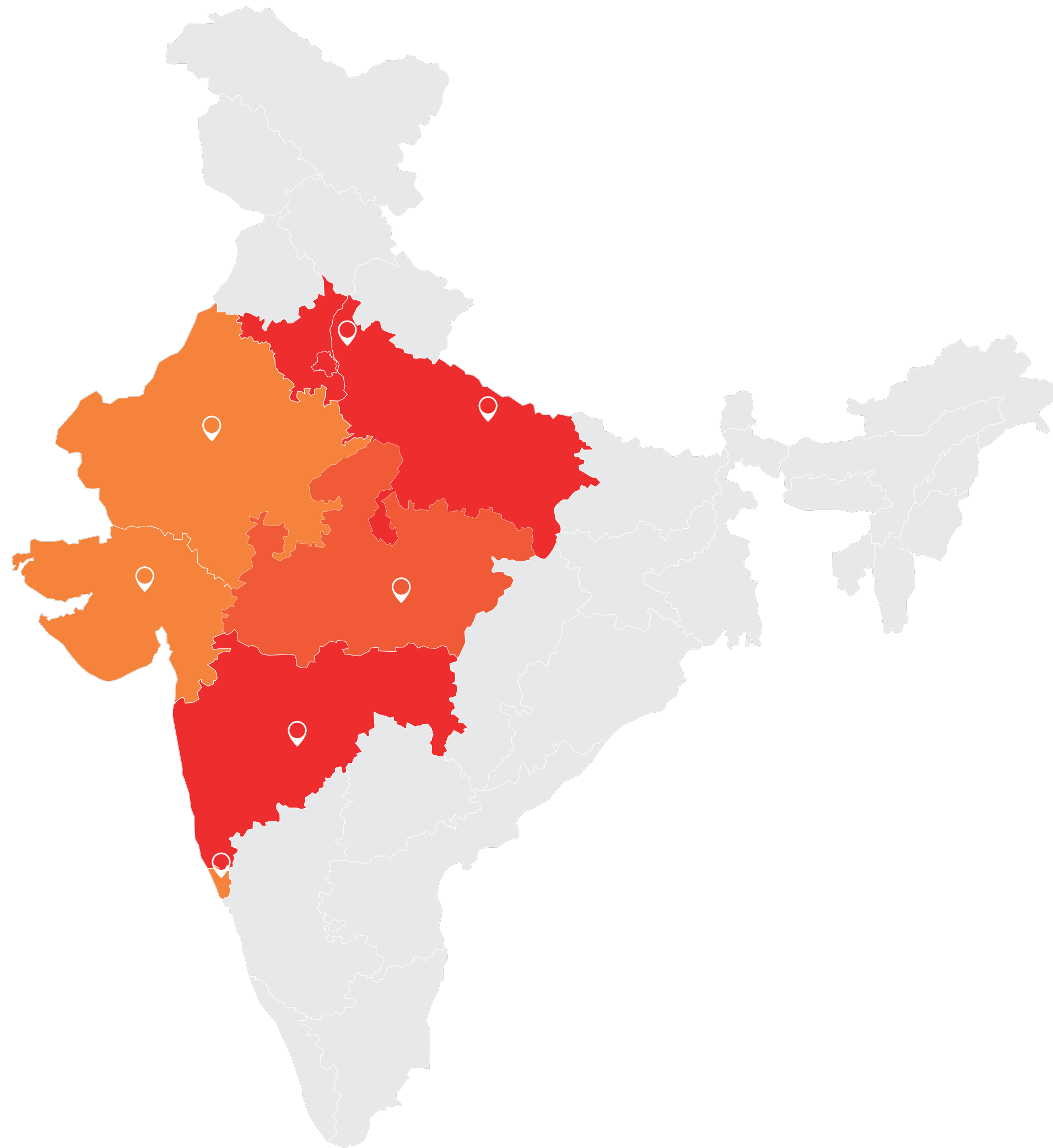
Eliminating Legacy Baggage Issue

- One-Stop Automated Reporting
- Compliance Reporting Internal Reporting
- Business Analytics Limitations
- Better Channel Partner Collaboration

One Data Storage

- Self-Reliance
- Business Analytics
- Flexibility to interact with Internal and External Systems
- Integration with Co-lending and Compliance Partners

Cluster-based Distribution Network...



128 Experiential Centres

- 33 Maharashtra
- 20 Madhya Pradesh
- 22 Rajasthan
- 18 Delhi NCR/ Haryana
- 16 Gujarat
- 11 Punjab
- 8 Goa

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

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

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

...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	9MFY'24	Total branches
Tier I	Delhi/NCR			3	4		19
	Goa						
	Gujarat	1					
	Madhya Pradesh						
	Maharashtra		2	4	5		
	Punjab						
	Rajasthan						
Tier II/III/IV	Delhi/NCR		4	1	2	4	109
	Goa			2	4	2	
	Gujarat				5	10	
	Madhya Pradesh			7	13		
	Maharashtra		4	3	5	10	
	Punjab					11	
	Rajasthan	1				21	

AUM distribution Over the Years

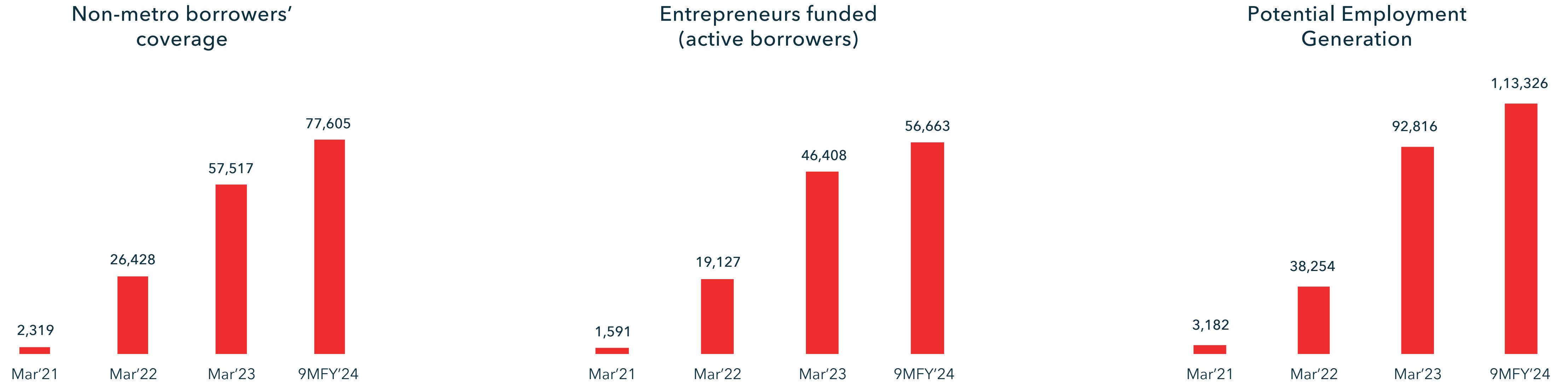
State	Mar'20	Mar'21	Mar'22	Mar'23	Jun'23	Sep'23	Dec'23
Maharashtra	100%	81%	53%	36%	36%	33%	32%
Delhi NCR		12%	23%	24%	23%	23%	22%
Madhya Pradesh		2%	9%	19%	18%	17%	16%
Goa			3%	7%	9%	9%	9%
Gujarat		2%	2%	4%	5%	6%	7%
Rajasthan		3%	3%	2%	2%	4%	6%
Punjab					4%	4%	4%

85% of our branch network is in Tier II/III/IV towns.

Having commenced operations in Mumbai in 2018, TRU has diversified its presence in 7 other states.

MH which was 100% of asset market in 2018 & 2019, has now dropped to 32% of AUM

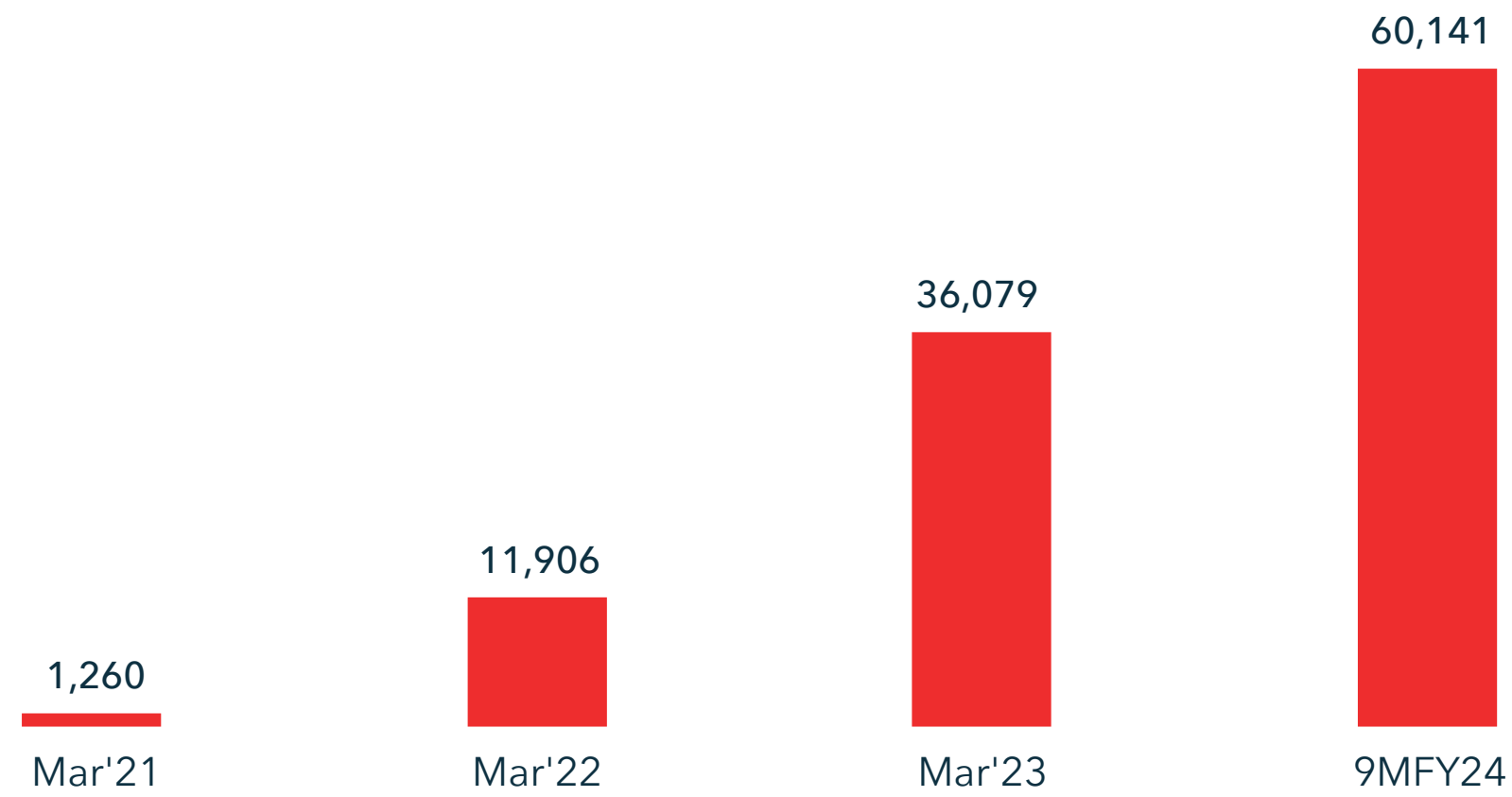
Solving for Access and Inclusion..



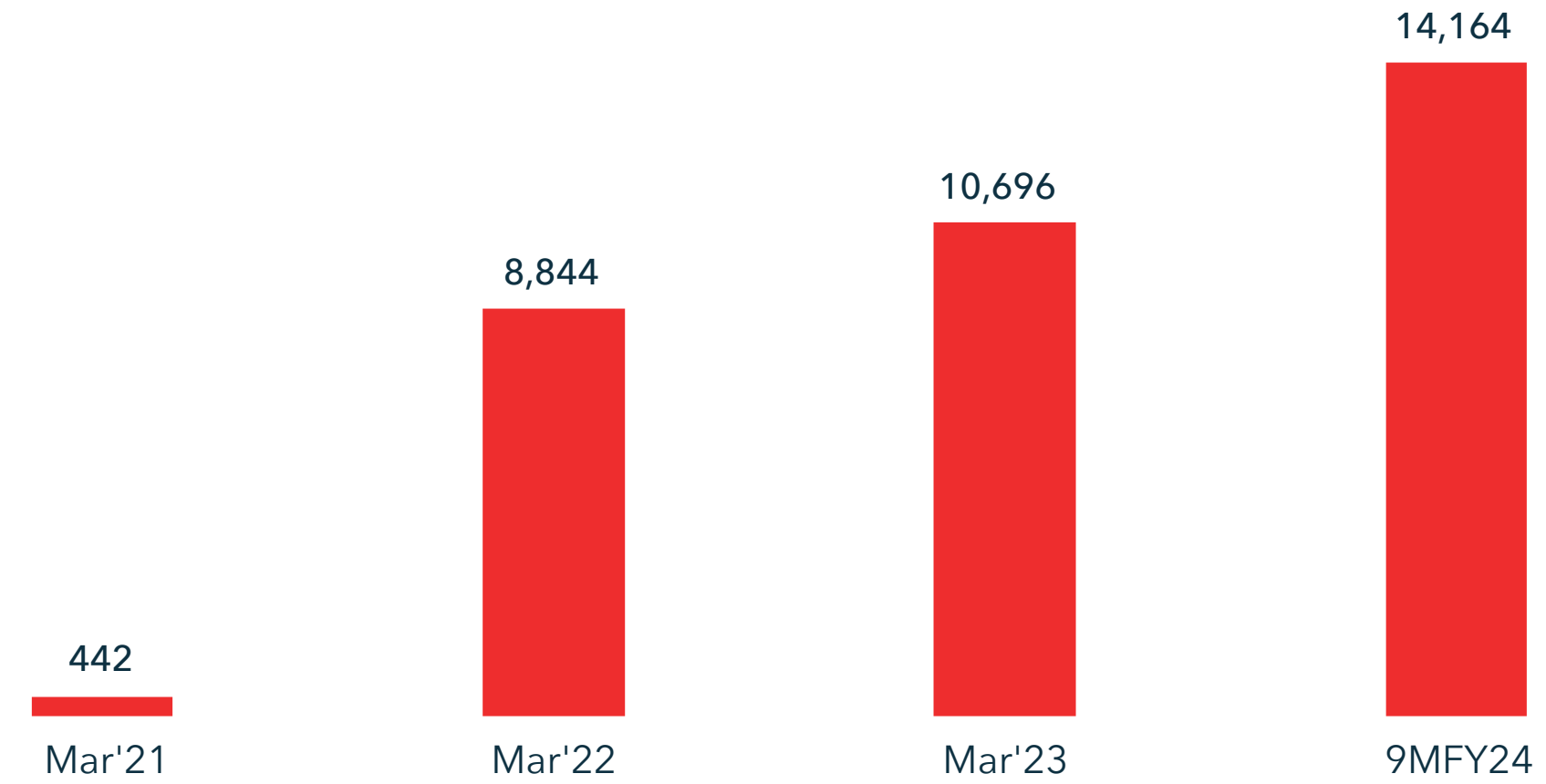
ESG Pillars	Access		Inclusion		Sustainability		Impact Quantification
UN-SDGs	<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>5 GENDER EQUALITY</p>	<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>10 REDUCED INEQUALITIES</p>

..Including Women Entrepreneurs and new to credit borrowers

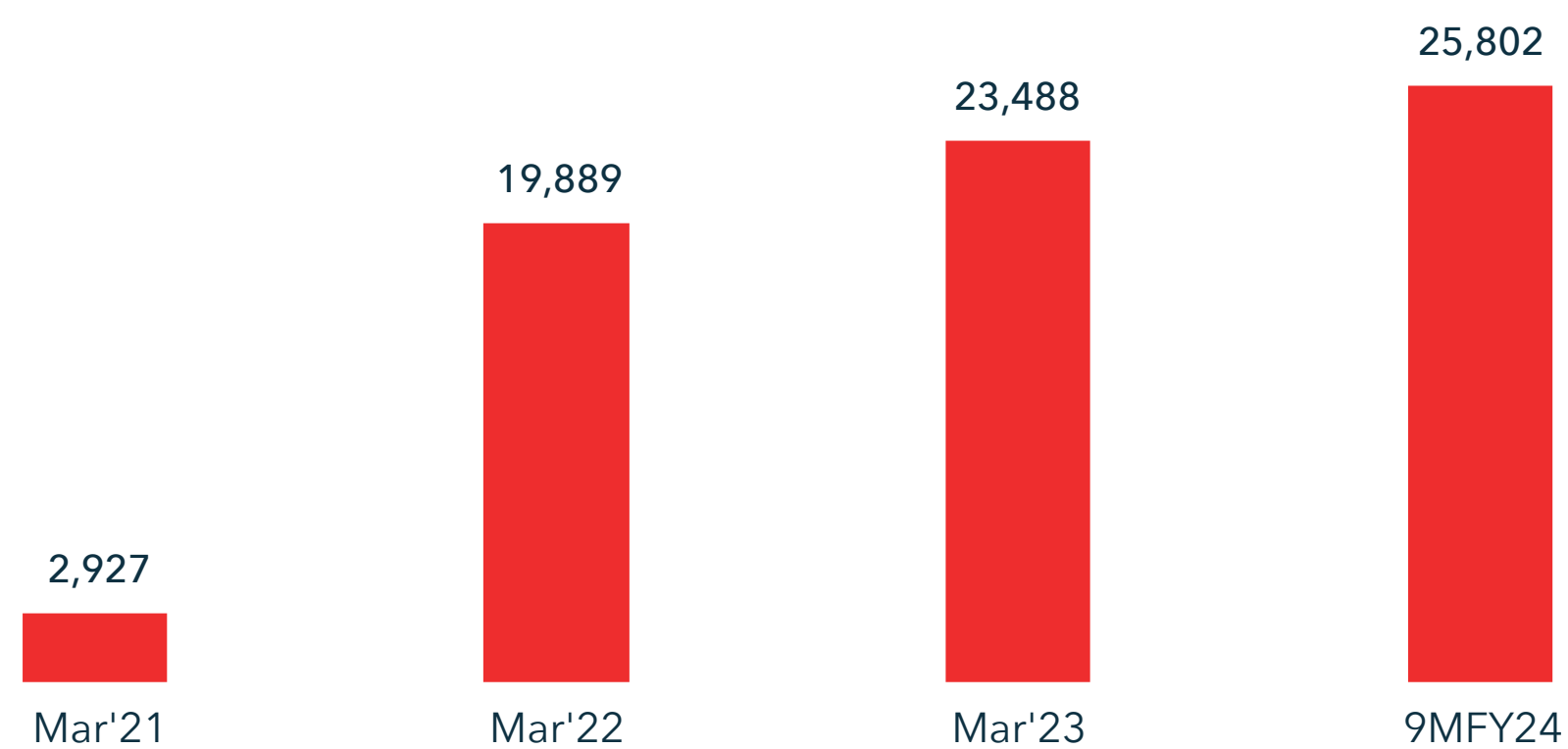
Women borrowers' coverage



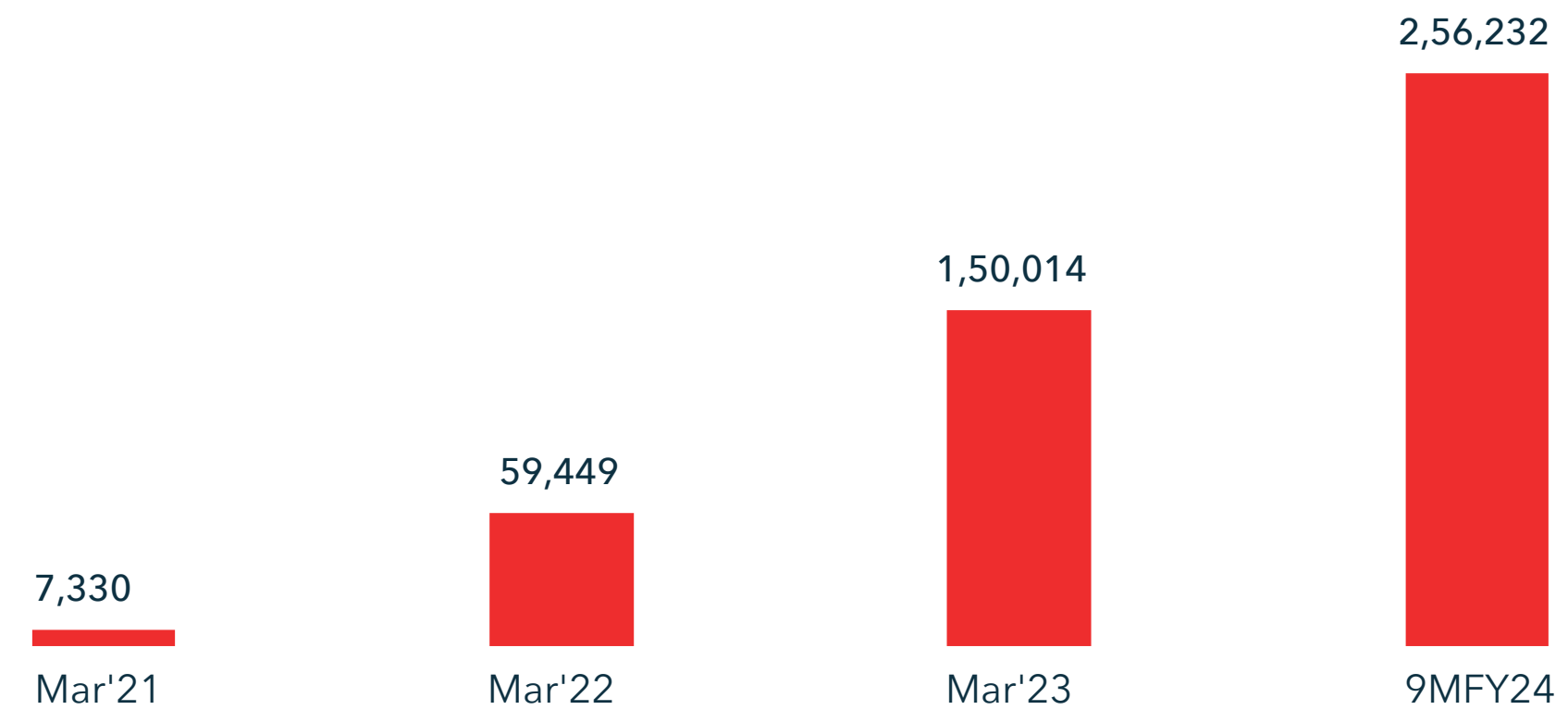
Thinfile* women borrowers' coverage



Active NTC borrowers' coverage



Borrowers having exposure below INR 5L ticket size



*Thinfile customers: Consumers who are just starting out and may never have taken out a loan

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 FY24 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
Regular Monitoring of portfolio trends	Portfolio Quality report, Collection Efficiency, Vintage analysis	Develop strategies to minimise risk on the portfolio

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 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

Implemented Infosec Controls testing process 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 20+ years of experience, in India and USA

Statutory Auditor

Bansal Bansal & Co.

Concurrent Auditor

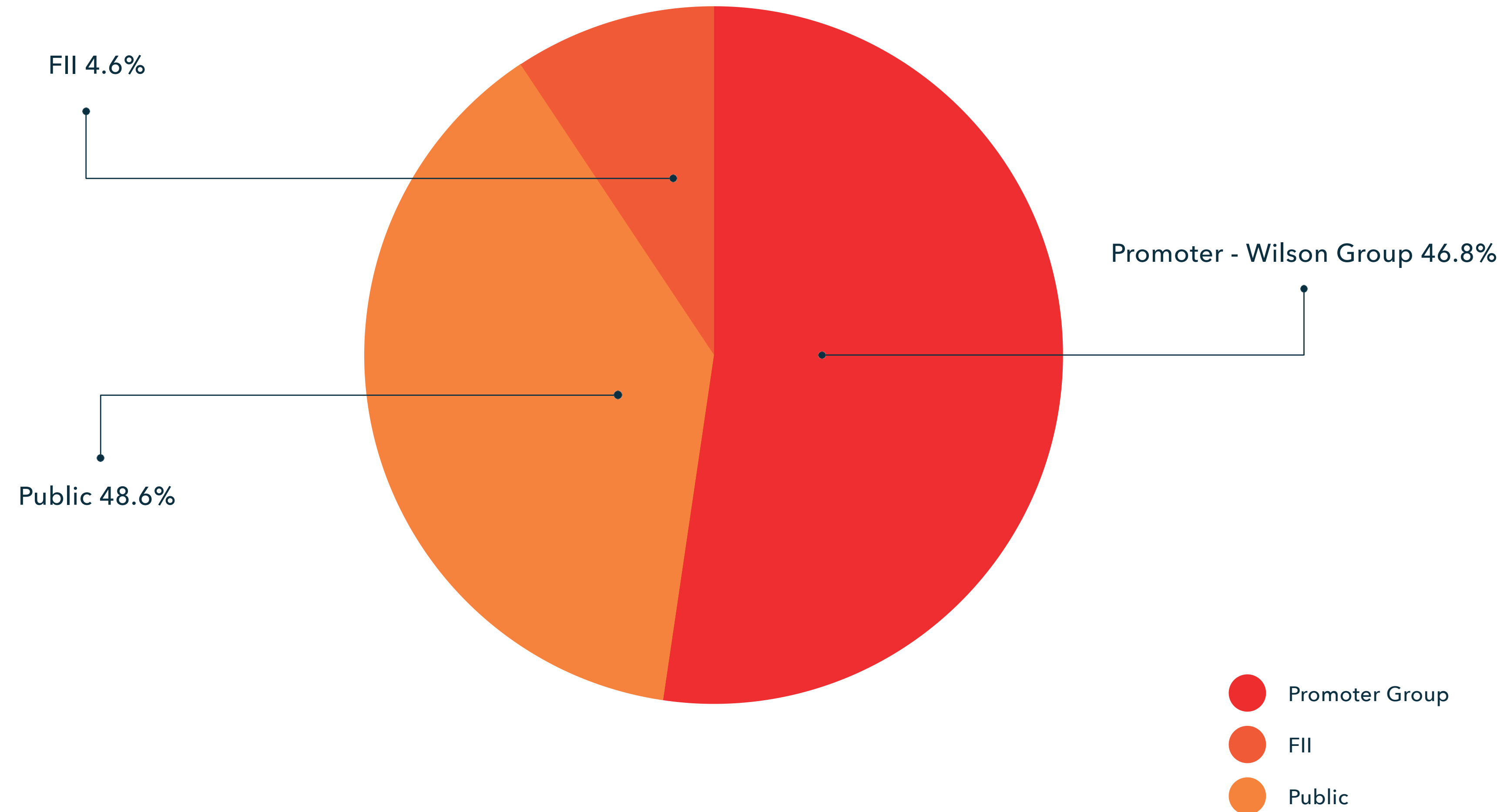
Grant Thornton

Secretarial Auditor

U. Hegde & Associates

Shareholding Pattern

Substantial management ownership in the company





Q3 FY'24 Results

Income Statement

INR Mn

Income Statement	Jun'23	Sep'23	Dec'23
Interest Income	266	270	297
Less: Finance Cost	173	182	205
Net Interest Income	93	88	92
Other Income	112	157	191
Operating Expenses	188	219	247
Profit Before Tax	17	27	35
Less: Tax	4	12	5
Profit for the period	13	15	31

*Standalone results

Strong revenue growth driven by consistent disbursement trajectory.

Sturdy Q/Q growth in profits.

Balance Sheet

INR Mn

Balance Sheet	Jun'23	Sep'23	Dec'23
Financials Assets	6,031	6,540	7,018
Cash and Investments	865	867	889
Gross Loans	4,388	4,728	5,047
Less: Impairment Loss Allowance	31	35	45
Net Loans	4,357	4,693	5,002
Other Financial Assets	809	980	1,127
Non - Financials Assets	527	544	548
Total Assets	6,558	7,084	7,566
Financial Liabilities	4,251	4,733	5,247
Trade payables & Other liabilities	47	78	57
Borrowings	4,204	4,655	5,190
Non-Financial Liabilities	52	40	53
Total Liabilities	4,303	4,774	5,300
Equity Share capital	233	233	234
Other Equity	2,023	2,078	2,032
Total Equity	2,256	2,311	2,266
Total Liabilities and Equity	6,558	7,084	7,566

Low debt equity levels at 2.3x.

Over 30 lenders have provided debt to Tru.

