



February 25, 2025

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

Scrip Code: 540268

To,
The Manager
Department of Corporate Compliance
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051.

Scrip Code: TRU

Subject: Press Release/Media Release

Dear Sir/Madam,

Please find enclosed herewith copy of the Press Release which will be published in due course of time in print/digital mode.

We request you to take the above information 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)



TruCap Finance Limited

TruCap signs binding term sheet with Incred Finance to sell its gold loan business

Transaction augments net worth and reduces debt substantially

Enhancement in capital efficiency should significantly improve profitability

Driving growth through a strategic focus on Green Energy & MSME Business Financing

Mumbai, 25th February 2025:

TruCap Finance Limited ("TruCap") has announced signing of a binding term sheet with Incred Finance, the new-age diversified lending arm of InCred Group, to sell its Gold loan business for a consideration of approximately ₹330 crores (subject to certain adjustments including the principal outstanding as on the date of transaction closing as set forth in the binding term sheet and the long form documents to be executed in connection with the proposed transaction) through the process of slump sale, subject to execution of long form documents, obtaining necessary approvals and fulfilment of conditions precedent to closing.

This transaction marks a significant milestone for TruCap Finance since post-closing, which is expected in end of April 2025, TruCap's balance sheet leverage is projected to go below 1.5x while its cost structure is anticipated to reduce by more than ~70%. This transaction will not just augment net-worth, reduce debt, and enhance capital efficiency but substantially improve profitability in the focused products - secured Green Energy Finance and MSME business loans with an AUM in excess of ₹450 crores as of 31st December 2024.

Since 2018 when the Company began lending operations with financial inclusion at the helm, TruCap has cumulatively disbursed more than ₹1,100 crores and served more than 1,00,000 borrowers across these product lines. As of 31st December 2024, TruCap had an active borrower base of ~34,400 customers with an average ticket size of ₹1.1 lakhs in MSME business loans including Green Energy Financing. The Company also has an active base of more than 7,500 women borrowers having served over 19,000 women borrowers cumulatively over the last 5 years. TruCap's growth journey has been supported by over 30 lenders in these products over the last five years.

Going forward, TruCap continues to remain committed to serving underserved and underbanked MSME customers through these products and is actively working on plans to further bolster its net-worth to propel growth through its captive sales network and distribution partners.

Key Metrics of MSME Business Loans (including Green Energy Finance)

- **Cumulative Disbursements:** over ₹1,100 crores
- **Cumulative Borrowers Served:** over 1,00,000
- **Cumulative Women Borrowers:** over 19,000, reinforcing our commitment to gender-inclusive financing.



- **Market Presence:** With a growing network of more than 300 distribution partners, we continue to enhance our outreach and borrower engagement.

Credit & Collection Strength

- **Credit:** Led by a banking veteran with over 32 years' experience at one of India's leading nationalised banks, diligent underwriting policies and robust risk assessment framework have enabled healthy risk adjusted returns.
- **Collections:** Led by a BFSI veteran with 30+ years of experience in collections and recoveries across secured and unsecured lending where he has successfully scaled collections, and managed diverse portfolios including auto, home, and business loans. His expertise comes from leadership roles at Peerless Housing Finance, Tata Finance, GE Capital, Bajaj Finance, and Samrat Motor Finance.
- **Collections Module:** Feet on street team along with a strong tech-enabled collection module focussing on proactive customer engagement along with supporting digital tracking mechanisms help mitigate risk.