

CareEdge Global downgrades TruCap Finance Limited's rating to 'CareEdge D'

USD 10 million Foreign Currency Bonds	CareEdge D (Downgraded from CareEdge C)
USD 20 million External Commercial Borrowing (proposed)	CareEdge D (Downgraded from CareEdge C)

Rating Rationale

CareEdge Global has downgraded the rating of TruCap Finance Limited's (TruCap) foreign currency loan facilities to '**CareEdge D**' from '**CareEdge C**'. The rating downgrade follows TruCap's default in paying interest on the rated facilities.

The company informed on December 03, 2025, of its default in interest payments on the foreign currency bonds due on December 02, 2025

Earlier, on September 29, 2025, CareEdge Global had downgraded the rating of TruCap debt instruments to 'CareEdge C' from 'CareEdge CCC/Credit watch with developing implications'. The rating downgrade reflected CareEdge Global's view that TruCap's credit profile had been significantly impaired following non-materialisation of equity infusion plans from Marwadi Chandarana Intermediaries Brokers Private Limited (MCIBPL) and its poor liquidity position.

Analytical Approach

CareEdge Global has analysed the company's credit profile on a standalone basis.

Rating Sensitivities

Upward Factors

- Track record of timely service of debt obligations (i.e., principal and interest)

Downward Factors

Not Applicable

Rating Outlook

Not Applicable

Strengths & Weaknesses

Not Applicable

Liquidity

Not Applicable

About the Company

TruCap Finance Limited (formerly known as Dhanvarsha Finvest Limited) is an RBI-registered non-deposit-taking NBFC that has been in operation since 1998. It is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE). TruCap is promoted by Mumbai-headquartered Wilson Group, which acquired the company in 2018.

The company provides financing options to underbanked micro, small & medium enterprises (MSMEs) and low-to-mid income (LMI) groups, offering a range of secured and unsecured financing products tailored to the borrower's requirements. TruCap's portfolio is focused on gold loans, business loans to MSMEs and EV financing.

TruCap's financial performance deteriorated in the second quarter of FY26, reporting a net loss of Rs 32.6 crore, compared to a Rs 1.2 crore profit for the same period of the previous fiscal. Its gross non-performing assets (GNPA) and net non-performing assets (NNPA) increased to 6.6% and 4%, respectively, as of September 30, 2025, from 2.6% and 1.9%, respectively, as of September 30, 2024.

Details of the instrument

Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Issue Size	Rating
Foreign Currency Bonds	INIFD1705026	December 2, 2024	490 basis points plus Term SOFR ¹	December 2, 2027	USD 5 million	CareEdge D
External Commercial Borrowing (proposed)	-	-	-	-	-	CareEdge D

Rating History

Instrument	Type	Rating	Date
Foreign Currency Bond/ External Commercial Borrowing Bonds	Long-Term Foreign Currency (Solicited)	CareEdge D	December 03, 2025
Foreign Currency Bond/ External Commercial Borrowing Bonds	Long-Term Foreign Currency (Solicited)	CareEdge C	September 29, 2025

¹ Secured Overnight Financing Rate (SOFR) is a broad measure of the cost of borrowing cash overnight collateralized by treasury securities

Foreign Currency Bond/ External Commercial Borrowing Bonds	Long-Term Foreign Currency (Solicited)	CareEdge CCC/Credit Watch with Developing Implications	July 23, 2025
Foreign Currency Bond/ External Commercial Borrowing Bonds	Long-Term Foreign Currency (Solicited)	CareEdge B-/Credit Watch with Developing Implications	June 03, 2025
Foreign Currency Bond/ External Commercial Borrowing Bonds	Long-Term Foreign Currency (Solicited)	CareEdge B-/Credit Watch with Developing Implications	March 13, 2025
Foreign Currency Bond/ External Commercial Borrowing Bonds	Long-Term Foreign Currency (Solicited)	CareEdge B-/Stable (Assigned)	December 24, 2024

Criteria Applied

[CareEdge Global's Rating Methodology for Financial Institutions](#)

Analytical Contacts

Ankit Kedia

Ankit.kedia@careedgeglobal.com

Abhilash Dash

Abhilash.dash@careedgeglobal.com

Siddhi Jain

Siddhi.jain@careedgeglobal.com

Media Contact

Mradul Mishra

mradul.mishra@careedge.in

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Unit No. 501, Fifth Floor, FLEXONE, Building Footprint 15C2, Block 15, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar – 382050, Gujarat, India.
CIN-U66190GJ2024PLC151103