

January 31, 2018

National Stock Exchange of India Limited
Exchange Plaza Bandra Kurla Complex
Bandra East Mumbai-400051
Symbol-CAPTRUST

Department of Corporate Services
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001
Scrip Code-511505

Dear Sir,

Sub: Investor Presentation

We are hereby enclosing Investor Presentation of the Company for the quarter ending 31st December, 2017.

This is for your information.

Thanking you,

Yours faithfully,

For Capital Trust Limited


Vinod Raina
Head – Compliances.

Contact no.:- 9999074312

Email:- cs@capital-trust.com



Capital Trust

INVESTOR PRESENTATION Q3 FY18

INDIA
SME100
Awards
Celebrating SME Achievers of 2015-16

Enriching Lives



Empowering Enterprises



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COMPANY OVERVIEW



BACKGROUND

- Incorporated in 1985
- Promoted by prominent bankers including former Governor RBI, Chief Justice of India
- Initial Business was advisory to foreign banks
- Listed on BSE (in 1985) and NSE (in 2016)
- Started providing Micro loans in 2008

As on 31.12.2017

AUM:
Rs. 717 Crores

Clients:
1.54 Lakhs

Branches:
220

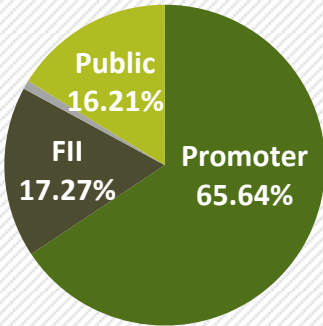
Employees:
1955

Bank Borrowings:
Rs. 536 Crores

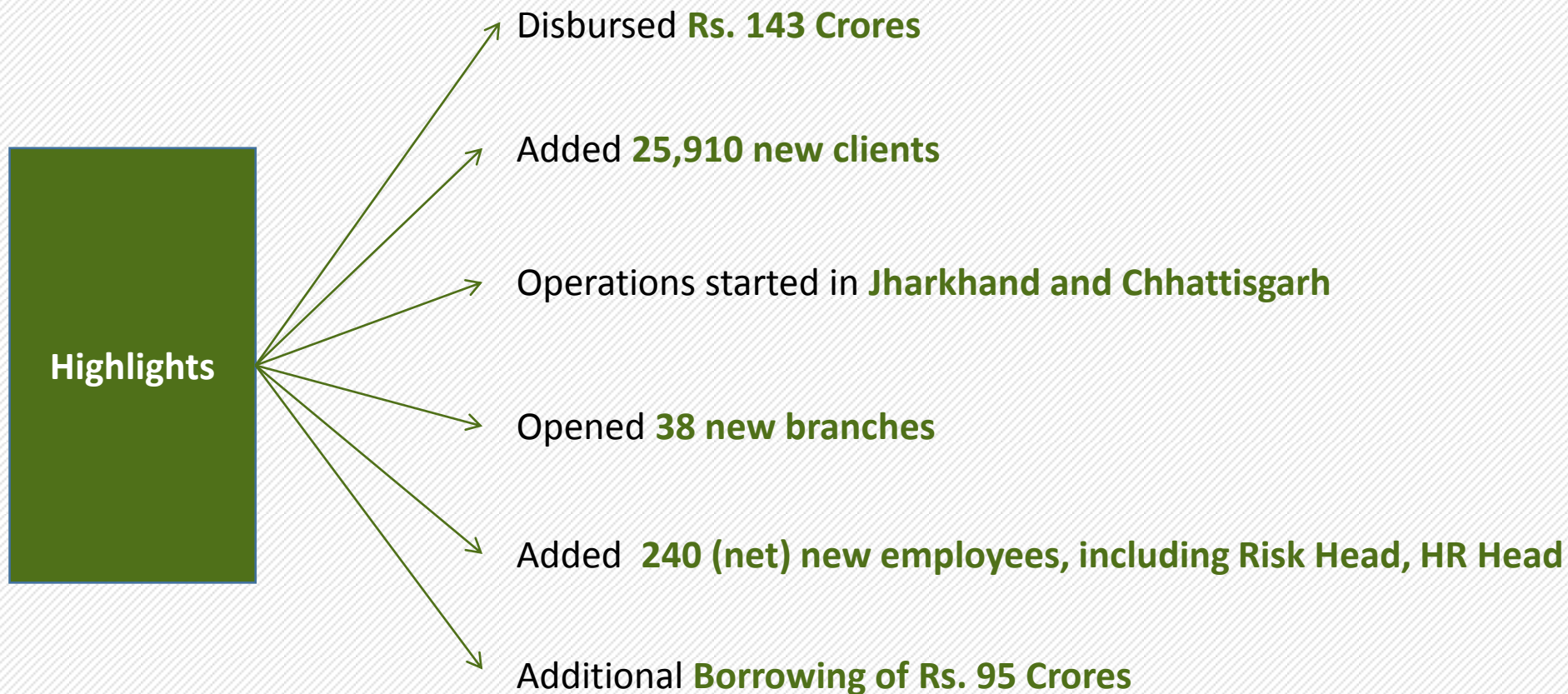
Profit After Tax:
Rs. 9.44 Crores

Net Worth:
Rs. 220 Crores

Credit Rating:
BBB+



QUARTER UPDATES



BUSINESS MODEL



UNIQUE BUSINESS MODEL

Capital Trust Microfinance

Capital Trust Limited

Banks and large NBFCs

MFIs
(Rs. 15K – Rs. 1Lac)

MISSING MIDDLE
(Rs. 1Lac – Rs. 10Lacs)

ASSET FINANCING
(Rs 10Lacs onwards)



Rs. 1.05Lac loan
Footwear Business (Saharanpur)



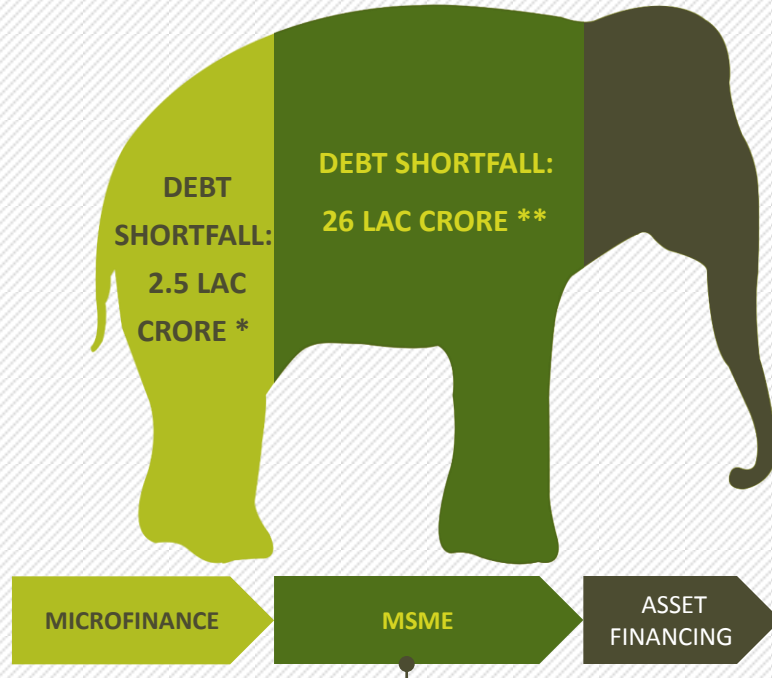
Rs. 2Lac loan
Yarn Production (Hapur)



Rs. 3Lac loan
Cloth Store (Bareilly)



Rs. 5Lac loan
Handloom Business (Hathras)



MSME SECTOR

94% of India's 2.65 Crore MSME's are **unregistered**, hence don't have access to traditional banking

8% of all Microfinance clients graduate to the next economic level each year but do not have access to traditional forms of funding (Mfin)

* Axis Securities Microfinance Report 2016
** IFC Report on Indian MSMEs (2015)



WHO

Typically family-run organizations that employ 1 - 10 people



WHY

MFIs not allowed to provide loans in this ticket size by RBI

Lack of comprehensive formal documentation of accounts, income and business transactions



WHY US

Methods and products designed to meet the customer requirement

Timely credit; feet-on-street model with transparent policies

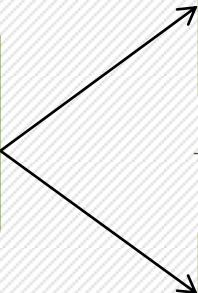


LOAN PRODUCTS

MICROFINANCE INDUSTRY

- Loans from Rs. 20,000 – Rs. 30,000
- Tenure: 24 months
- Joint Liability
- Interest Rate: 24.6%

MSME INDUSTRY



Micro-Enterprise Loan

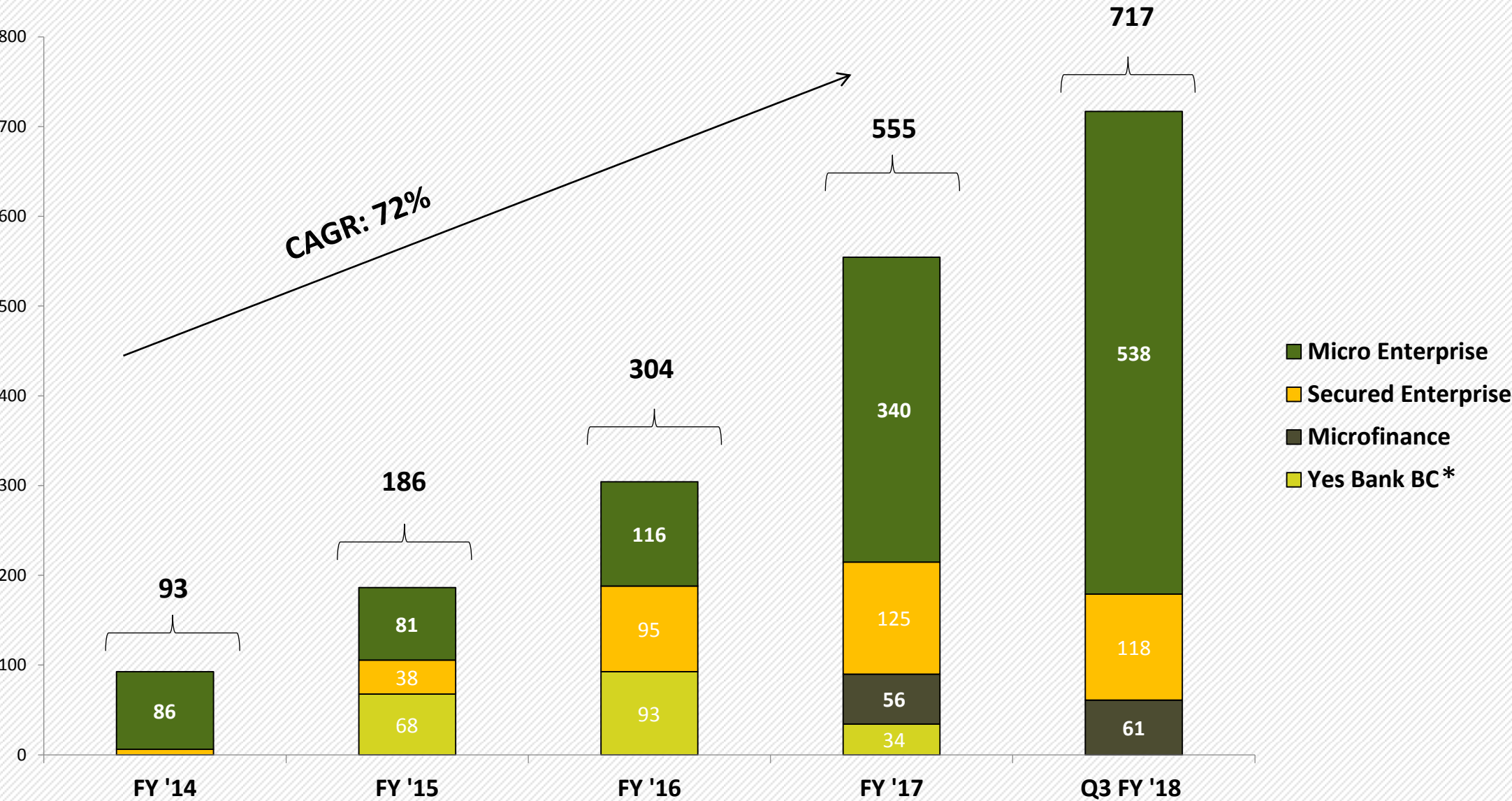
- Loans of Rs. 1,05,000
- Tenure: 36 months
- Joint Liability
- Interest Rate: 26%

Secured-Enterprise Loan

- Loans from Rs. 1,00,000 – Rs. 10,00,000
- Tenure: 36 – 48 months
- Secured by original property documents of client
- Interest Rate: 28% - 30%



PRODUCT UPDATE



* Microfinance Loan as a Business Correspondent

OPERATING MODEL



GEOGRAPHICAL PRESENCE

Existing States

Proposed States

PUNJAB
Branches: 41
Portfolio: 159 Crores

DELHI
Branches: 4
Portfolio: 19 Crores

RAJASTHAN
Branches: 31
Portfolio: 89 Crores

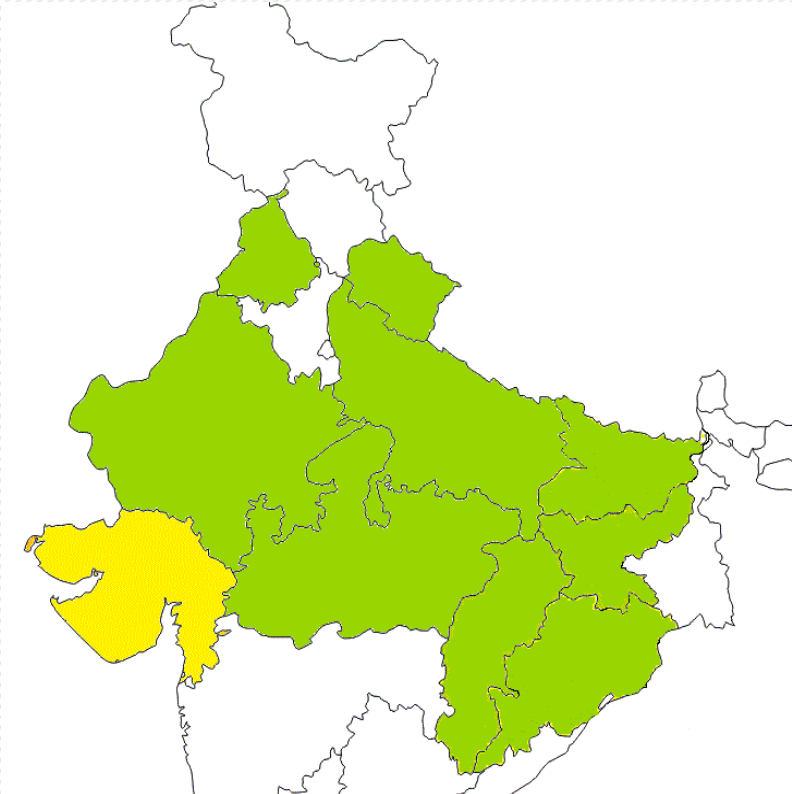
UTTARAKHAND
Branches: 17
Portfolio: 64 Crores

MADHYA PRADESH
Branches: 25
Portfolio: 66 Crores

UTTAR PRADESH
Branches: 65
Portfolio: 303 Crores

GUJARAT

BIHAR
Branches: 18
Portfolio: 12 Crores



CHHATISGARH
Branches: 4
Portfolio: .5 Crores

JHARKHAND
Branches: 5
Portfolio: .5 Crores

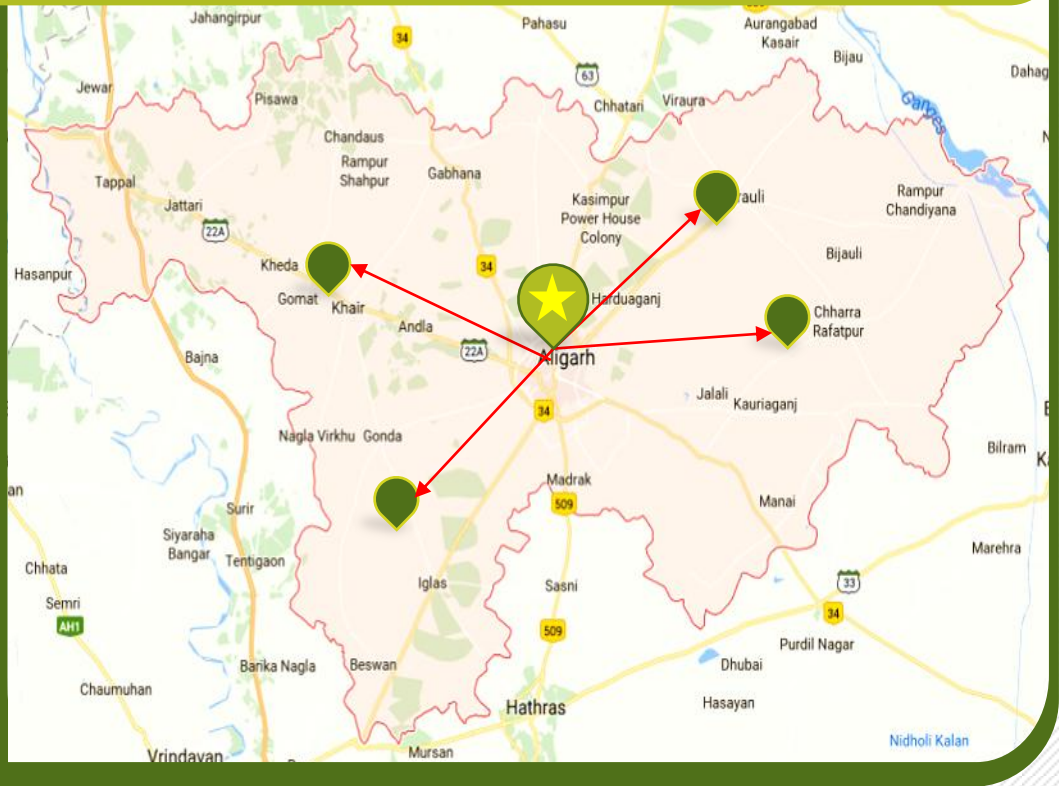
ODISHA
Branches: 10
Portfolio: 4 Crores



BRANCH NETWORK

HUB-AND-SPOKE MODEL

ALIGARH DISTRICT



DISTRICT LEVEL BRANCH



BLOCK LEVEL BRANCH

DISTRICT OFFICES

Aligarh



Bijnor

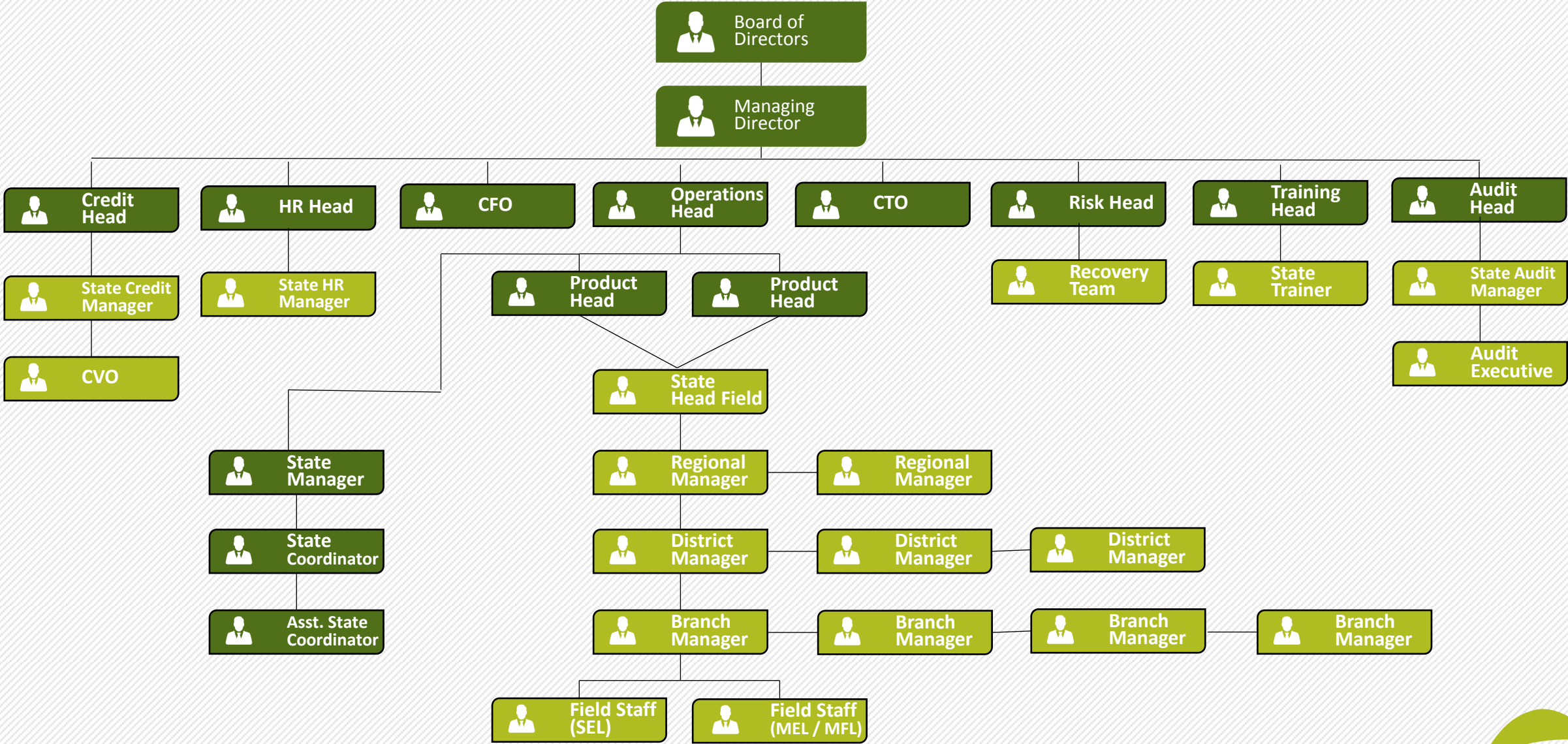


Khanpur



Sehore







Cashless Disbursement for all products since April 2015



Staff empowered with smartphones with access to customized mobile application



Client on-boarding and in-principle approval from scanning of client's Aadhar card



Information available to staff for collections on real-time basis at remotest location in country



Paperless Audit and closing of EOD cashbook branch-wise at 6PM



One of the most technologically advanced NBFCs in this sector

RECOVERY UPDATE



CHAIN OF EVENTS

Received negligible repayments in UP,
bordering branches of UKH

Even if client has paid 100% of installments since, reflecting as a NPA due to lagging
installments of Nov, Dec, Jan, Feb

Demonitisation

UP Farm Loan Waiver Rumors

UP Election Results

Cow Slaughter Ban

8 Nov Dec '16 Mar '17 Jun '17 Sep '17 Dec'17

AUM: 477Cr
UP AUM: 342Cr
% of AUM in UP: 72

Company decision
to **focus on**
recovery and **not**
restructure / give
top up loans to
any client

15 January:
MP, RJ, PUN back
to 100% collection
efficiency

11 March:
Cash released back
in system in UP.

Company decision
to **make the client**
active and not
force on lagging
installments

15 June:
UP collection
efficiency at 95%.

Disbursements at
pre-demonitisation
levels.

Started operations
in **new states of**
Bihar and Odisha

Company collection
efficiency at 100%+

Highest ever
disbursement in a
month (79C).

AUM: 717Cr
UP AUM: 303Cr
% of AUM in UP: 42

Company collection
efficiency at 111%

Started operations
in **new states of**
Jharkhand and
Chhattisgarh

567 Crores of new loans disbursed with cumulative collection efficiency of 99.85% (January onwards)

STATEWISE COLLECTION EFFICIENCY

Rajasthan



Portfolio: 89 Crores

Dec '17
100%

Madhya Pradesh



Portfolio: 66 Crores

Dec '17
100%

Punjab



Portfolio: 159 Crores

Dec '17
98%

Bihar



Portfolio: 12 Crores

Dec '17
100%

Company-wide



Portfolio: 717 Crores

Dec '17
111%

Odisha



Portfolio: 4 Crores

Dec '17
100%

Uttar Pradesh



Portfolio: 303 Crores

Dec '17
123%

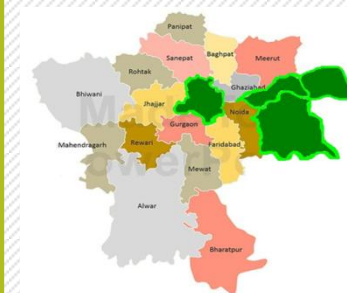
Uttarakhand



Portfolio: 64 Crores

Dec '17
128%

Delhi



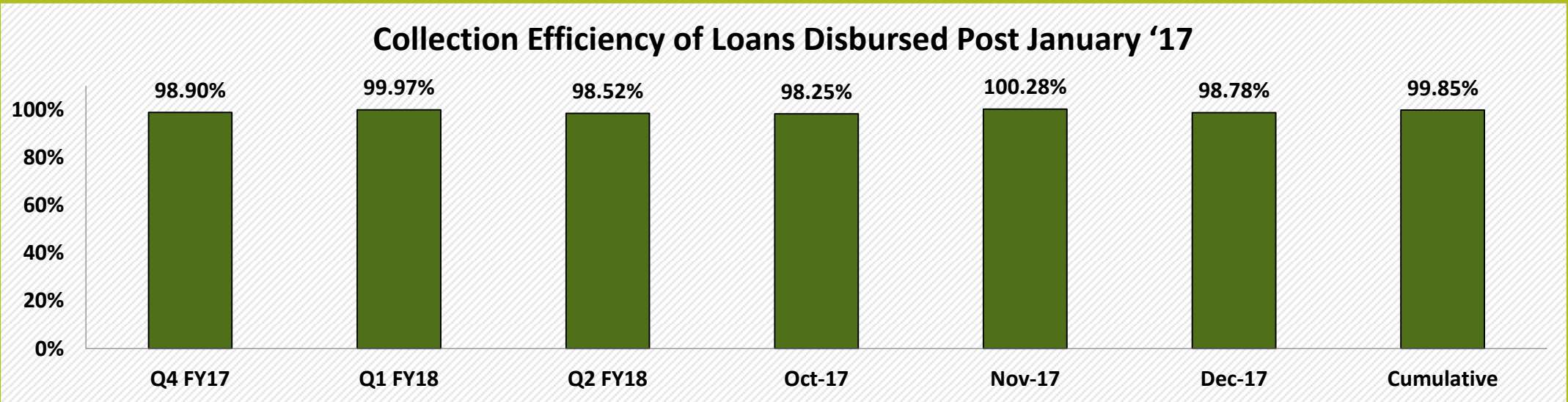
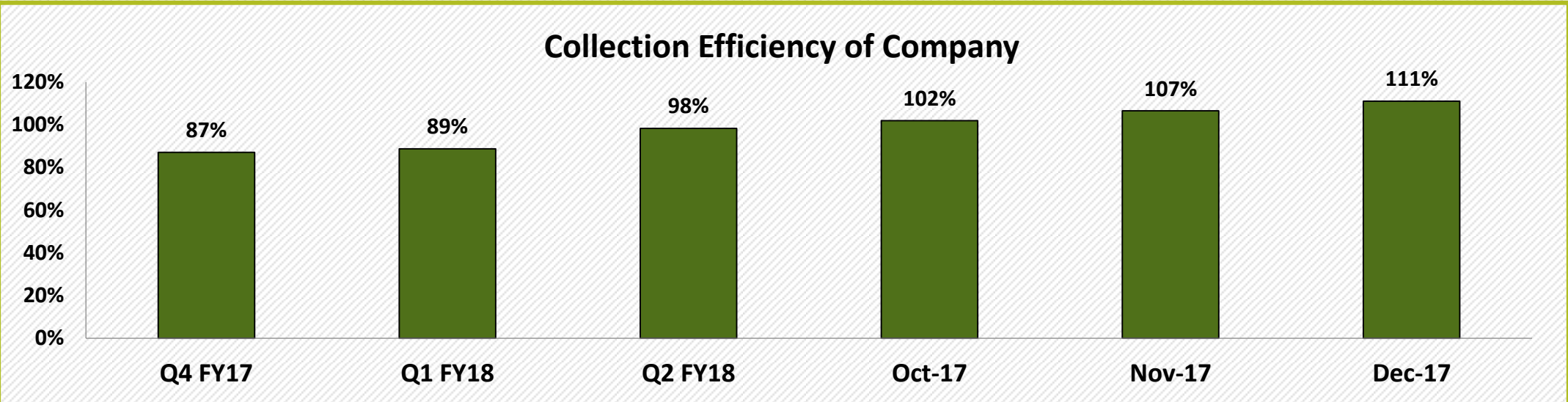
Portfolio: 19 Crores

Dec '17
101%



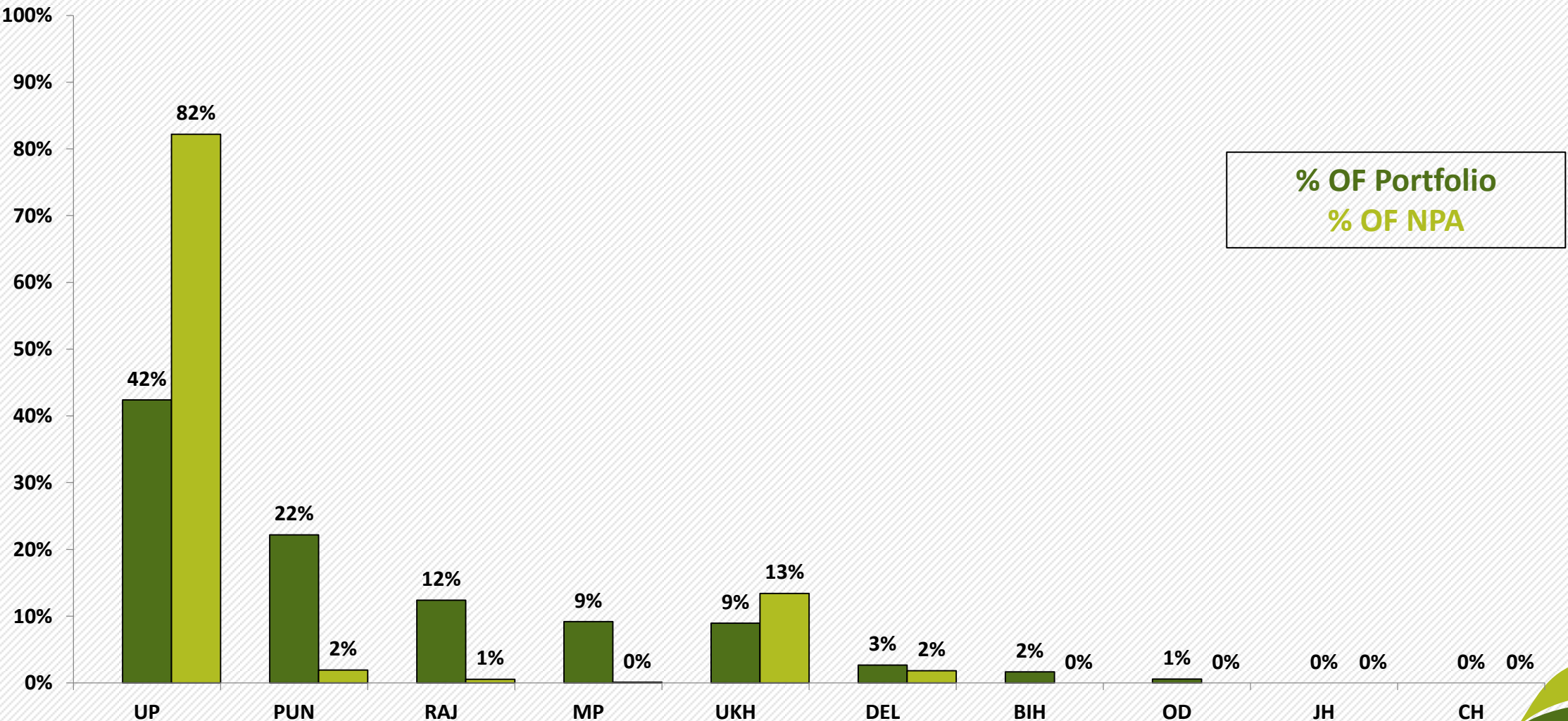
CUMULATIVE COLLECTION EFFICIENCY

Not only has the **company collection efficiency reached 100%+ levels**, the **loans disbursed post January 2017** have been performing extremely well, with a **collection efficiency of 99.85%**



> STATE-WISE PORTFOLIO AND NPA

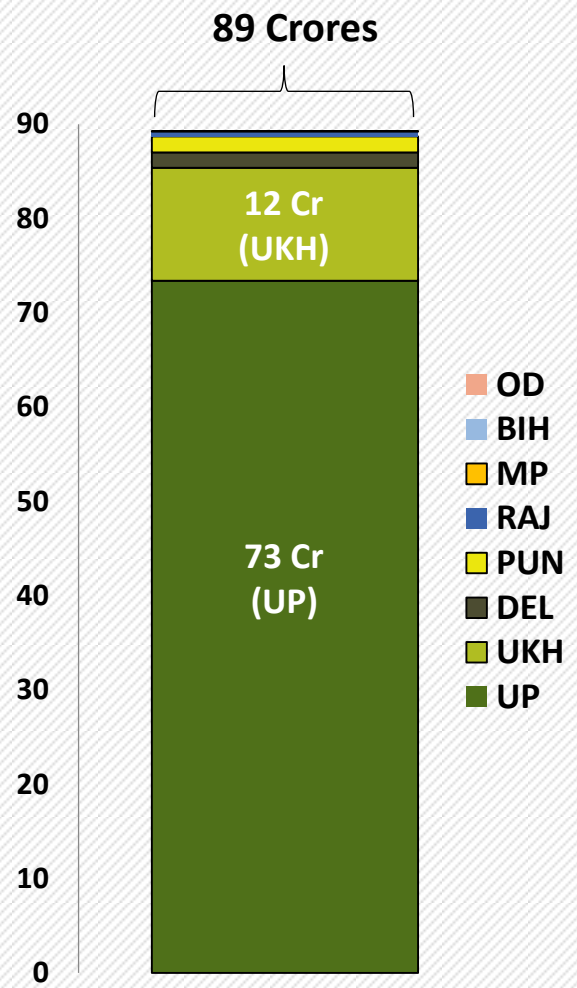
The company has been **reducing its exposure in Uttar Pradesh** as it was worst affected by the advent of demonitisation. From **74% of the portfolio as on 8 Nov, 2016**, UP contributes to **42% of the portfolio as on Q3 FY18**. The portfolio in UP is responsible for 82% of the company NPA



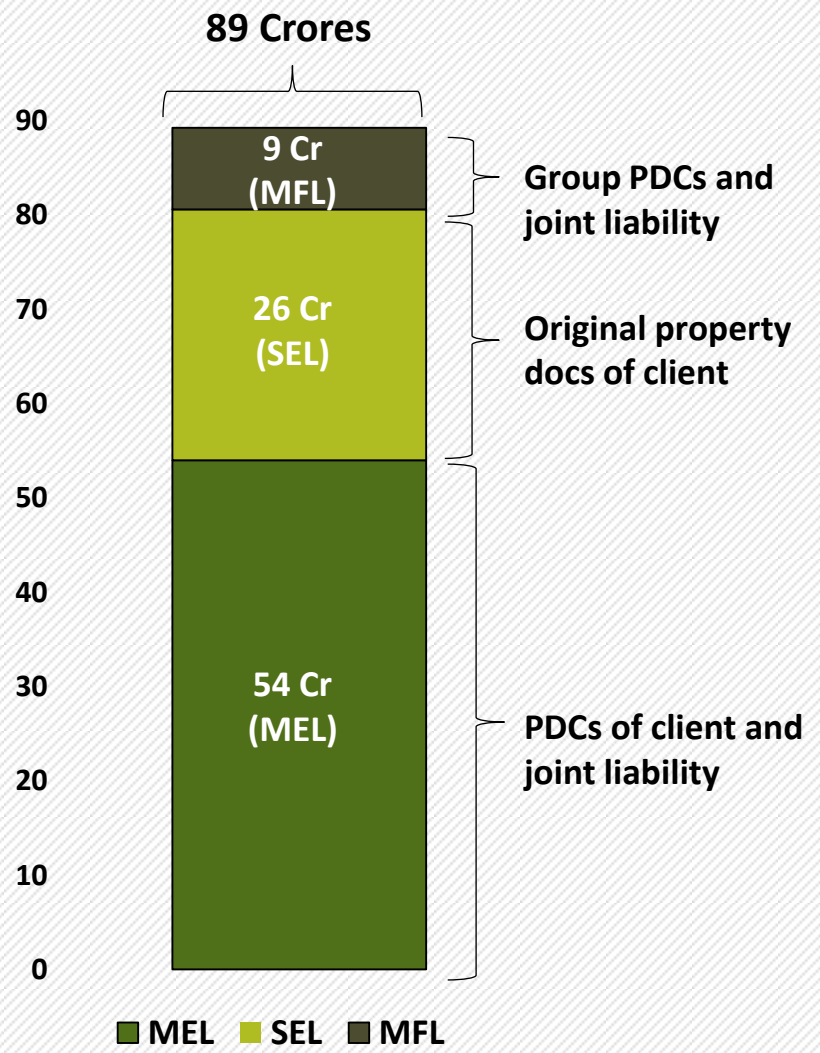


NPA SEGREGATION

State-wise NPA distribution



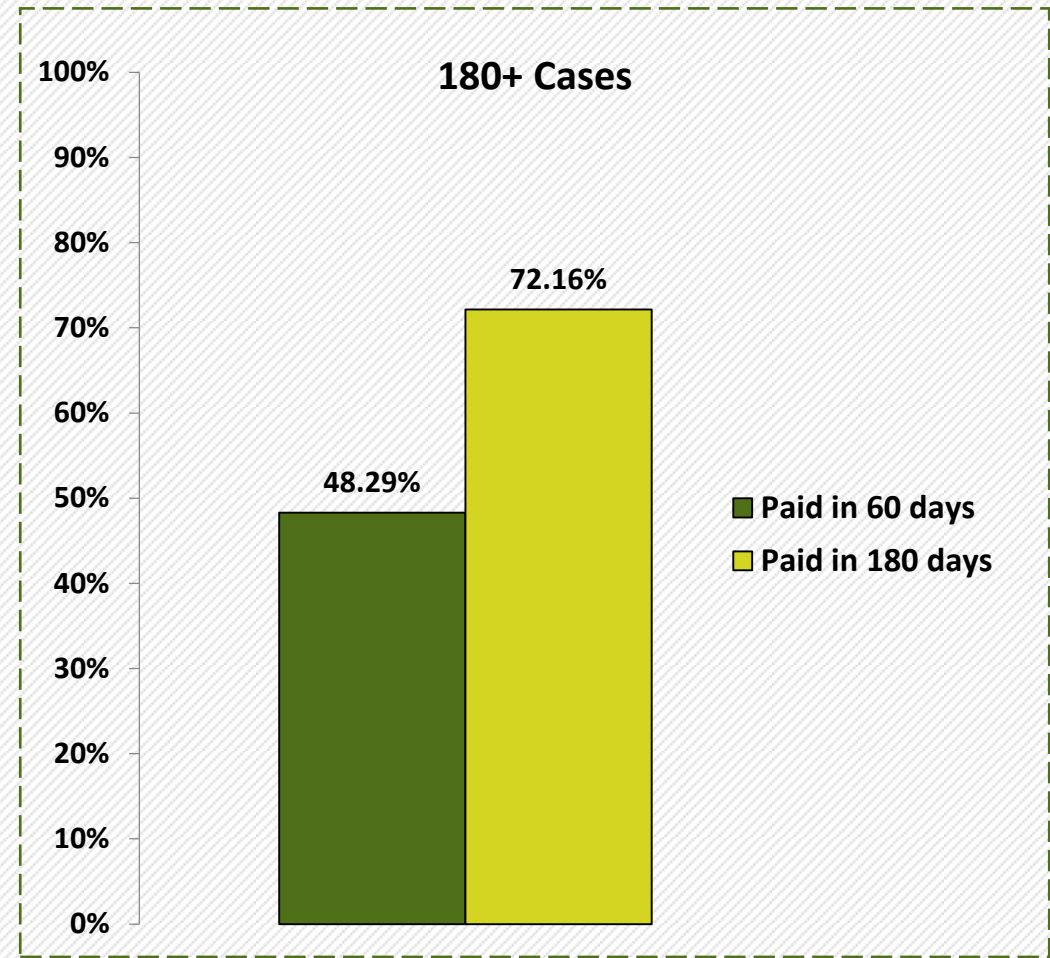
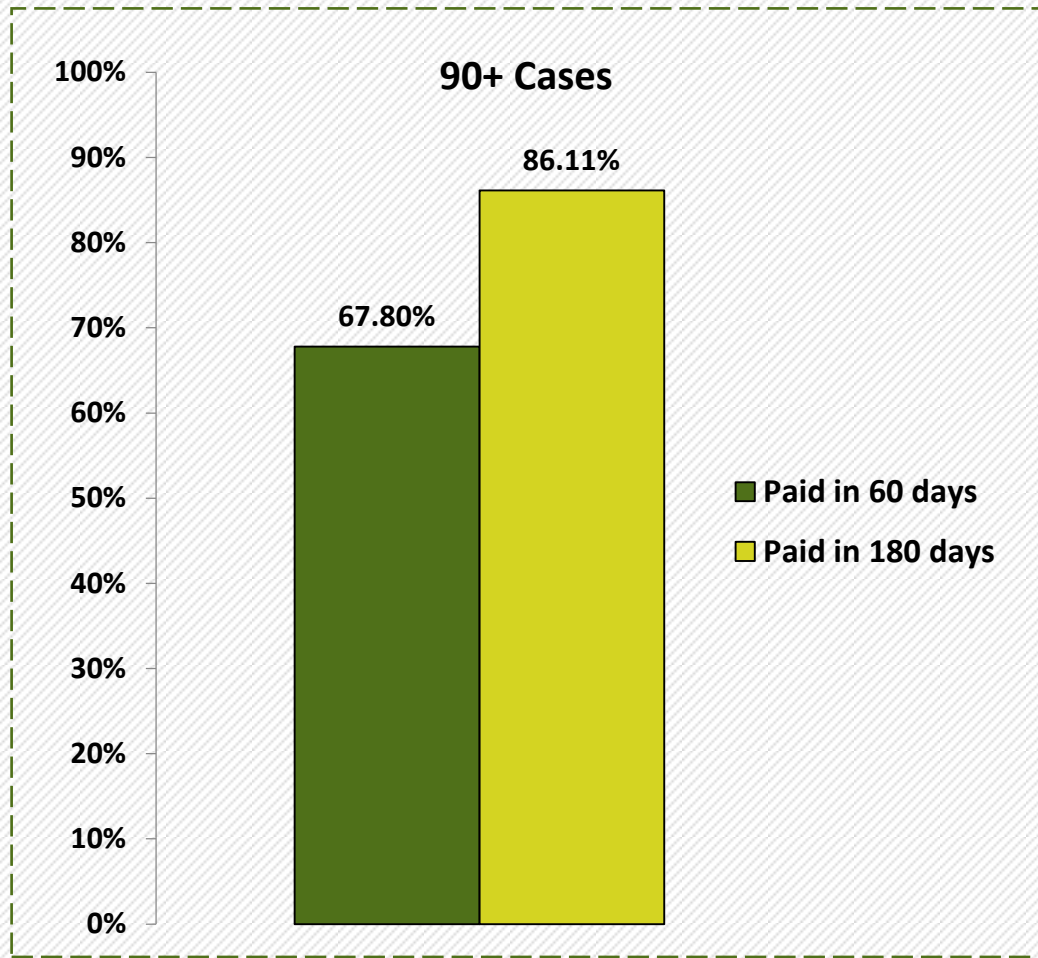
NPA mitigation





ACTIVE 90+ and ACTIVE 180+

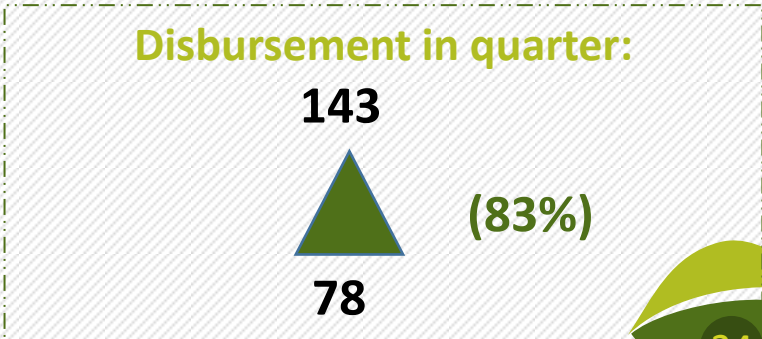
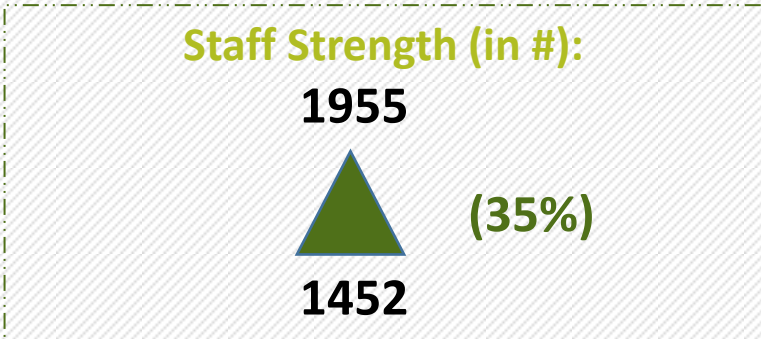
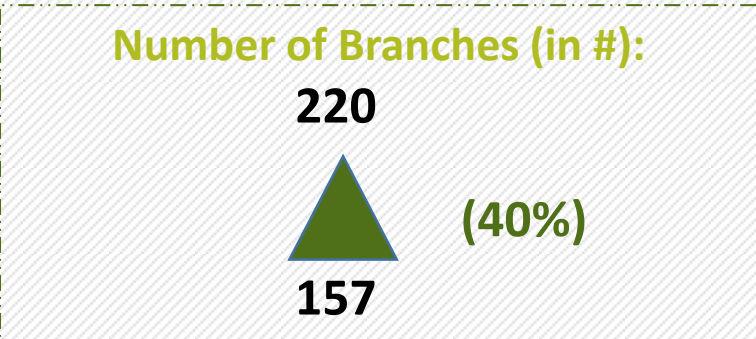
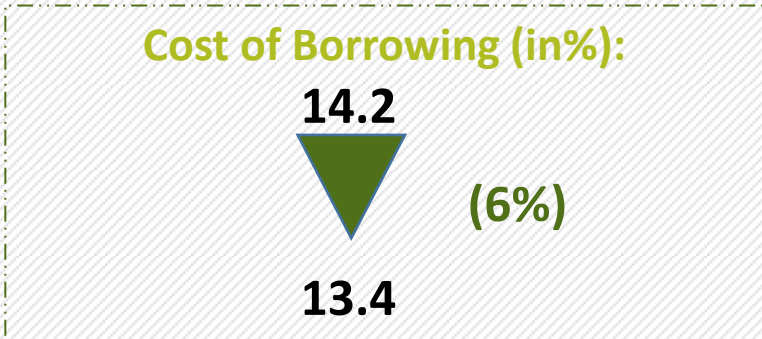
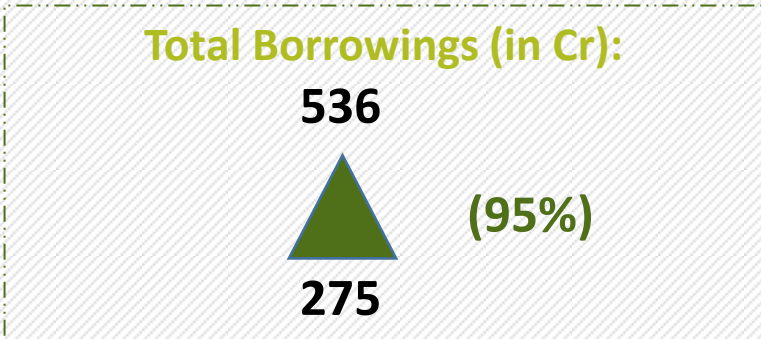
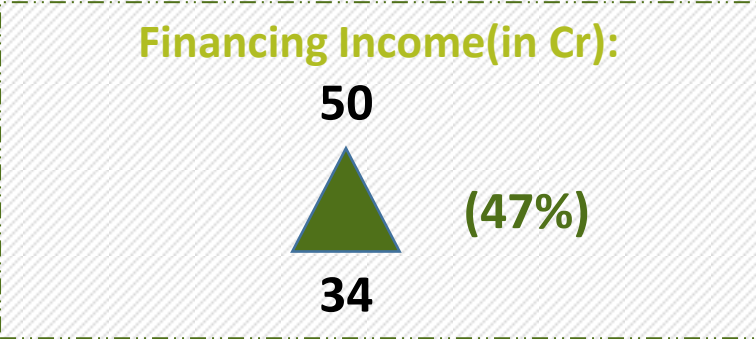
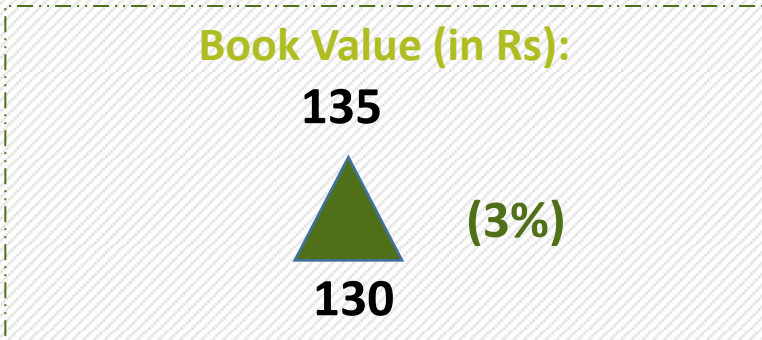
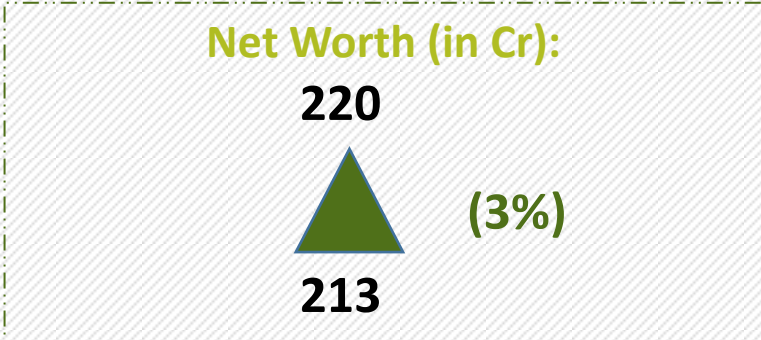
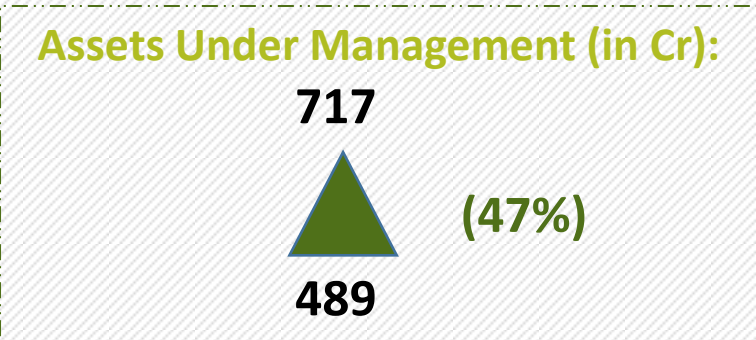
Owing to the lag of installments that has been represented earlier, the company is dealing with **“Active 90+ and Active 180+ cases.”** These are cases that are giving us **timely installments but are still potentially reflecting as NPAs** on our books because of the company’s decision to **not provide any top up loan / do any form of restructuring**



FINANCIALS

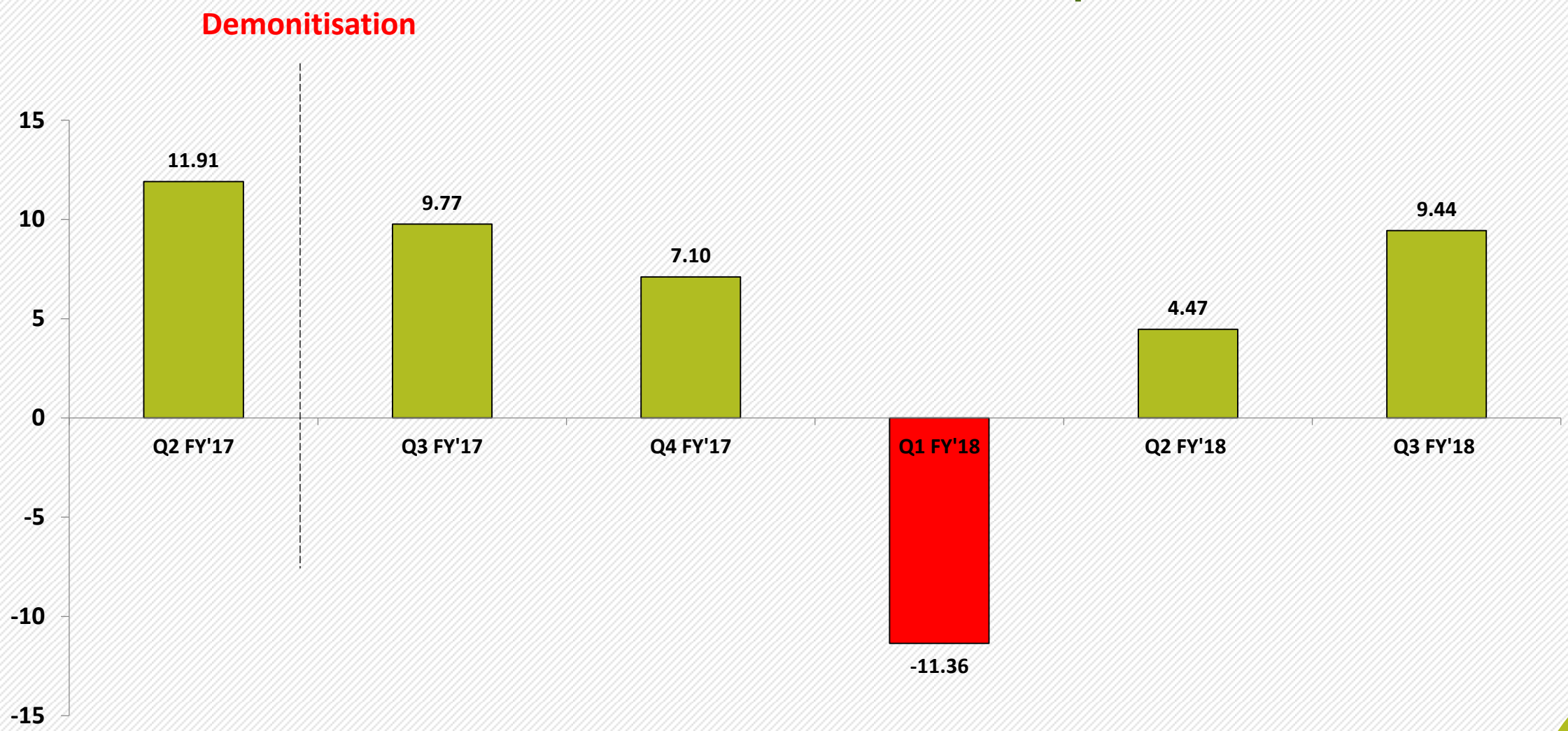


YEAR-OVER-YEAR GROWTH (Q3 FY18 vs Q3 FY17)



PROFIT AFTER TAX PERFORMANCE

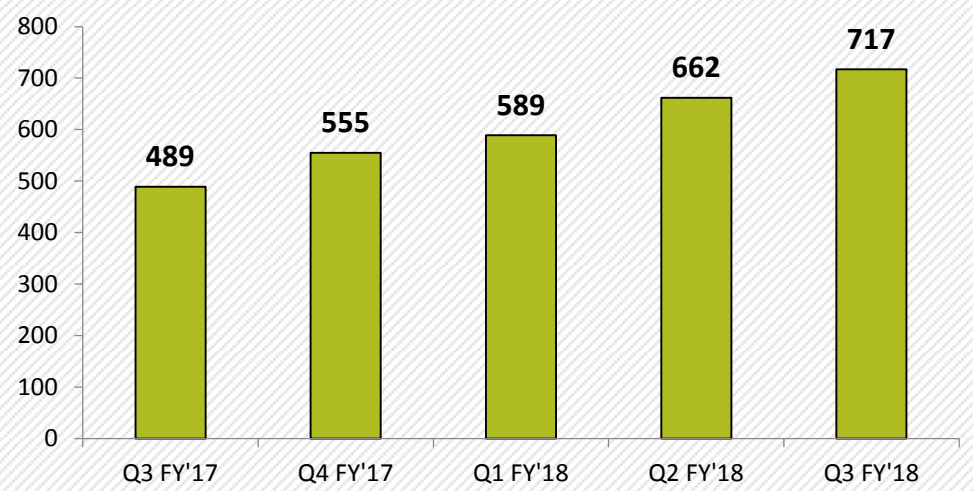
RETURN TO PROFABILITY 



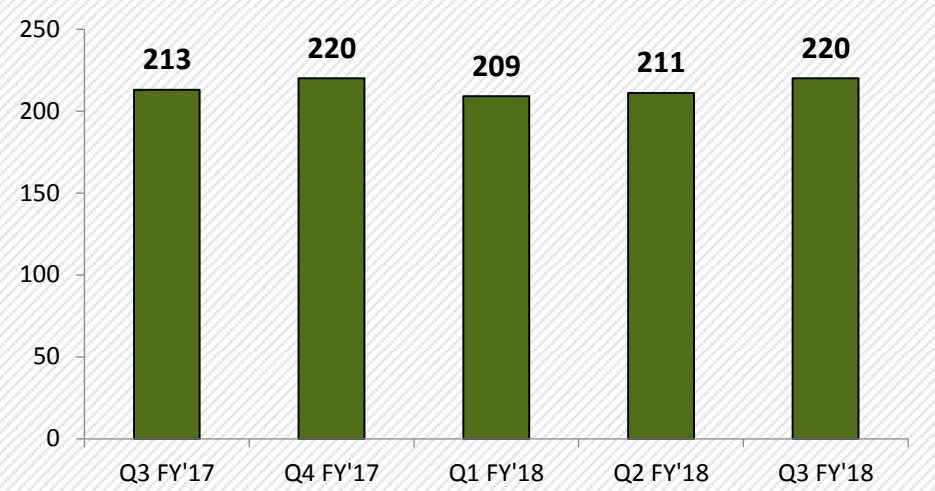


GROWTH ANALYTICS

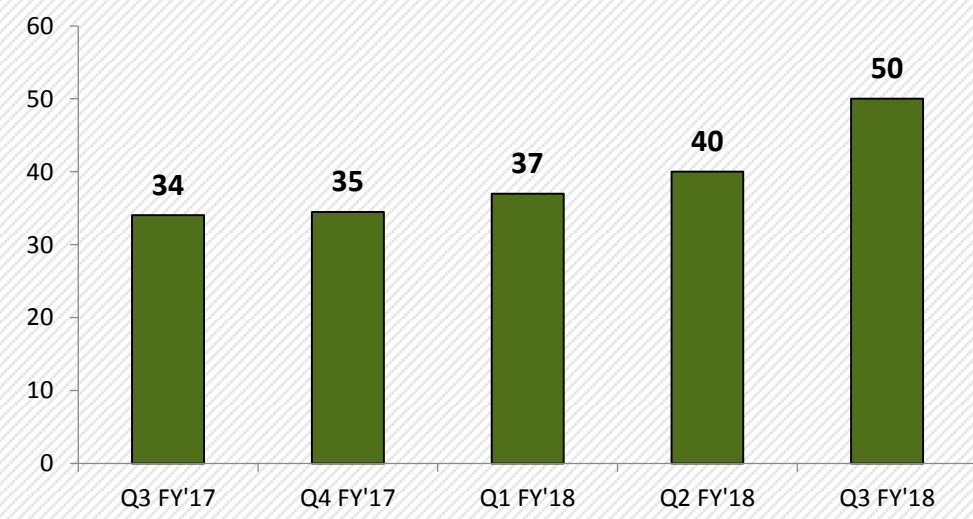
ASSETS UNDER MANAGEMENT (CR.)



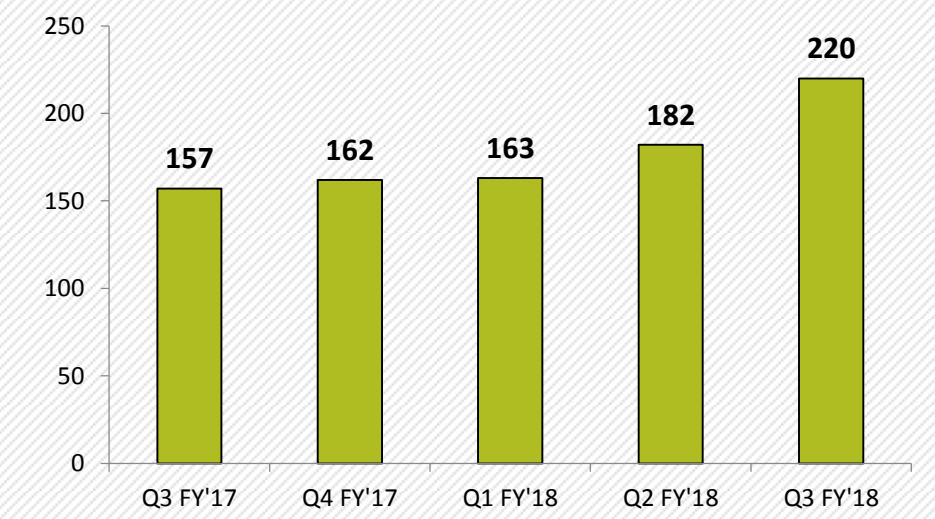
NET WORTH (CR.)



FINANCING INCOME (CR.)



BRANCHES





KEY FINANCIALS AND RATIOS

Line Item / Ratio	Q3 FY17	Q3 FY18	(YoY)	Q2 FY18	Q3 FY18	(QoQ)
Total Income	34.0	49.7	46%	39.5	49.7	26%
Total Expense (excluding tax)	19.0	33.7	77%	32.6	33.7	3%
Profit / (loss) after tax	9.8	9.4	-3%	4.5	9.4	110%
Net Worth	213.4	220.0	3%	210.6	220.0	4%

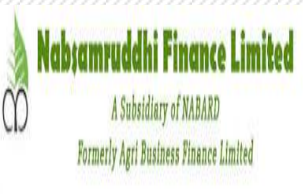
Micro-Enterprise Loan	272.7	538.2	97%	475.7	538.2	13%
Secured Enterprise Loan	112.7	117.9	5%	116	117.9	2%
Microfinance Loan	103.8	60.9	-41%	70.3	60.9	-13%
Total Assets Under Management (AUM)	489.3	717.0	47%	661.9	717.0	8%

Net Interest Margin	18.9%	13.5%	-28%	11.5%	13.5%	17%
Operating Cost to AUM Ratio	10.2%	8.0%	-21%	8.4%	8.0%	-5%
Earnings Per Share (Diluted) (Rs.)	20.7	23.1	11%	10.9	23.1	111%
Book Value Per Share (Rs.)	130.4	134.5	3%	128.7	134.5	4%
Return on Assets	7.9%	5.7%	-28%	3.1%	5.7%	84%
Return on Equity	19.3%	17.5%	-9%	8.3%	17.5%	111%
Gross NPA (%)	1.7%	13.2%	664%	13.2%	13.2%	0%
Provision Coverage	13.7%	19.9%	45%	17.4%	19.9%	14%
Cost of Borrowing	14.2%	13.4%	-6%	13.5%	13.4%	-1%
Capital Adequacy Ratio	58.5%	35.8%	-39%	36.3%	35.8%	-1%

PARTNERS



PARTNERS



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