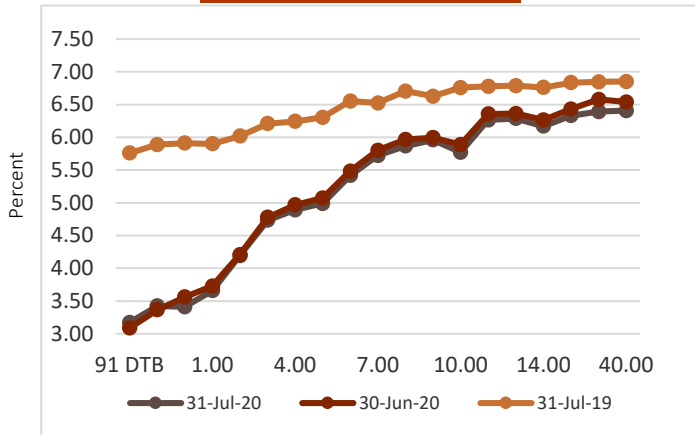


Market Overview

Yield Curve*

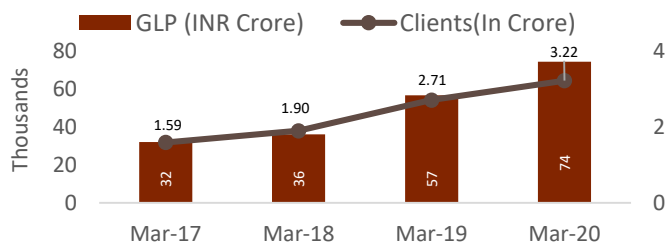


NBFC Bond Spread Over G-Sec Benchmark Indices*

Tenor	3 Year Spread	5 Year Spread	10 Year Spread
AAA	104	79	85
AA	211	161	158
A	483	428	415
A-	533	478	465
BBB+	558	503	490
BBB	583	528	515
BBB-	633	578	565

The G-Sec yield for bonds with maturity of 1-10 years have largely remained at similar levels compared to 30-June, 2020 and the 10-year G-sec yield closed at 5.77%. In light of the pandemic, the RBI-MPC reduced the repo rate to 4.00%, a reduction of 115 bps overall, in its effort to restart the economy post lockdowns. The government has taken steps to unlock the county in a phased manner with new relaxations being issued which may pave the way for a quicker economic revival. The economy is catching up slowly with some positive indicators in certain sectors, however, parking of excessive liquidity in safe heaven assets, declining economic activity globally and increasing number of COVID-19 cases in India have stalled the recovery of bond yields.

Microfinance in India – A Snapshot**



Financial Inclusion news***

- ✓ New Delhi based Microfinance lender Satya MicroCapital successfully raised Rs. 72.50 Crore by issuing NCDs to Swiss based impact investor, Blue Orchard Finance. This is the second debt investment by Blue Orchard in Satya since its inception in 2017.
- ✓ The past month saw good news for the impact sector with Save Solutions, a Microfinance platform, raising INR 135 Crore funding from Maj Ventures. Mumbai based, Micro enterprise lender SBFC securing INR 100 crore from its existing Investors. Entities also received funds via the RBI backed TLTRO scheme, thereby, improving liquidity position of the sector.
- ✓ India's federal fiscal deficit touched a record of \$88.50 billion dollars in the April – June quarter, 83.20% of the target for the whole of the current fiscal year, reflecting the impact of coronavirus pandemic on tax collections and as the government front-loaded its spending.

Indicator	As of Mar 2020	As of Mar 2019	YoY Change
Gross Loan Portfolio (INR CR)	74,371	56,683	31%
Clients (Crore)	3.22	2.71	19%

Recent NCD Issuance****

S. No.	Issuer	Issue Month	Seniority	Secured	Size (INR Crore)	Coupon	Tenor	Rating
1	Lendingkart Finance Limited	July-2020	NA	Yes	40.00	12.80%	3.0 Yrs	BBB+
2	Ess Kay Fincorp Limited	July-2020	NA	Yes	10.00	11.00%	3.0 Yrs	A
3	Annapurna Finance Private Limited	July-2020	NA	Yes	46.87	12.25%	3.0 Yrs	A-
4	Avanse Financial Services Limited	July-2020	NA	Yes	50.00	9.50%	3.0 Yrs	A+
5	Arohan Financial Services Limited	July-2020	NA	Yes	25.00	11.50%	3.0 Yrs	A-

Top 10 MFI** (excluding SFB's)

01	GrameenKoota	GLP 9,896 Cr	06	AROHAN	GLP 4,854 Cr
02	CSAARI	GLP 7,220 Cr	07	ANNAPURNA	GLP 4,030 Cr
03	SPANDANA	GLP 6,829 Cr	08	Fusion	GLP 3,607 Cr
04	Avanse	GLP 5,503 Cr	09	WATARA	GLP 3,400 Cr
05	muthoot	GLP 4,932 Cr	10	BELSTAR	GLP 2,630 Cr

UC Recent Deals Closed

Affordable HFC	Shiksha Finance	Shri Ram Finance	Save Solutions	Secondary stake sale for HFC
TL Undisclosed Amount	NCD INR 28.60 Cr	TL INR 10 Cr	Equity INR 135 Cr	Equity INR 25.70 Cr

Disclaimer: The information contained herein is of a general nature and is not intended to address the facts and figures of any particular individual or entity. The content provided here treats the subjects covered here in condensed form. It is intended to provide a general guide to the subject matter and should not be relied on as a basis for business decisions. The information provided herein is from public domain except the transactions done by Unitus Capital (UC). UC does not take any responsibility for any errors or omissions thereto.

For any queries, please contact: -
 Vivek Pathak (vpathak@unituscapital.com);
 Pratik Bohra (pbohra@unituscapital.com)

Source – FIMMIDA, BRICS online *Source – MFIM Micrometer as on Mar 2020
 ****Source – News Reports, VC Circle *****Source – NSDL / BSE