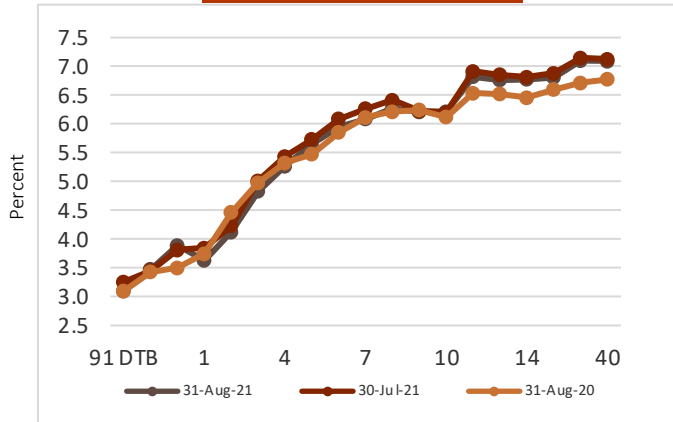


Market Overview

Yield Curve*



NBFC Bond Spread Over G-Sec Benchmark Indices*

Tenor	3 Year Spread	5 Year Spread	10 Year Spread
AAA	12	2	46
AA	104	92	122
A	373	362	381
A-	398	387	406
BBB+	448	437	456
BBB	473	462	481
BBB-	523	512	531

In August 2021, the bond yields have largely remained unchanged. Further, the RBI MPC unanimously voted to keep policy rates intact, with the repo rate at 4%. The MPC maintained an accommodative stance - "as long as necessary to sustain growth on a durable basis and continue to mitigate the impact of Covid-19 on the economy, while ensuring inflation remains within the target going forward". Lockdowns and curfews are relaxing, and case counts are stable for now. The cautious recovery and excess liquidity in the market continue to pressure bond yields. With the vaccination campaign improving, there are expectations of economic recoveries.

YieldCos – A Snapshot**

What are YieldCos?

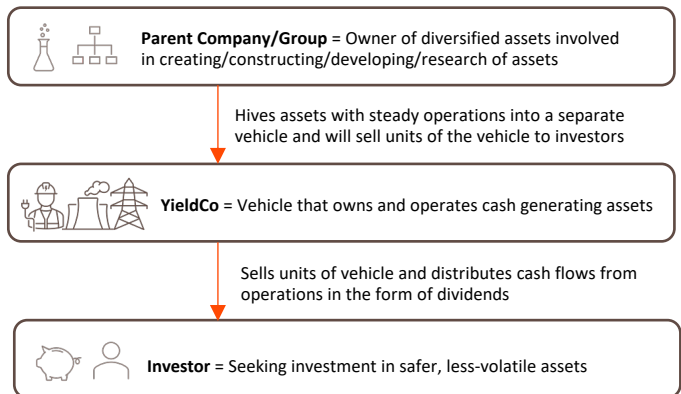
YieldCos are companies that are formed to own operating assets that produce a predictable cash flow, primarily through long term contracts.

The central idea is to separate a parent company's risky operations such as R&D, construction, work-in-progress assets from the relatively stable, cash-generating assets. The operating assets are hived into a separate vehicle which issues units such as shares and is expected to pay a major portion of its earnings in dividends.

The relative stability of long-term contracts and cash generating assets implies lower risk to unit holders, thus helping the parent raise / monetize assets at relatively low cost and giving unit holders a safer asset class to invest in.

YieldCos have seen strong use in the US for renewable projects. They are modelled after Real Estate Investment Trusts (REITs) and can offer taxation benefits to the unit holders.

Simplified and representative structure of a YieldCo setup :



Corporate Debt Issuance in the month of August 2021***

S. No.	Issuer	Seniority	Secured	Size (INR Crore)	Coupon	Tenor	Rating
1	Satya Microcapital Limited	-	Yes	80.00	11.70%	5 years	-
2	Lendingkart Finance Limited	-	Yes	25.00	G-Sec Linked	2 years	-
3	Ashv Finance Limited	-	Yes	20.00	13.65%	2 years	-

News Bulletin**

- Visa in partnership with Yes Bank and Axis Bank is driving a proof of concept for offline digital payments which will allow users to make transactions using chip-based cards even in places with low or no internet connectivity. The aim is ease cashless transactions for India's rural population in areas that lack necessary infrastructure to facilitate digital transactions
- The RBI has announced a composite Financial Inclusion Index (FI-Index) consisting of three broad parameters - Access (35%), Usage (45%), and Quality (20%). The index has been conceptualized as a comprehensive index incorporating details of banking, investments, insurance, postal as well as the pension sector in consultation with the government and respective sectoral regulator

UC Recent Select Deals Closed

Africa School Finance	Avanti Finance	Aryadhan	Financial Services Group	Progcap
Equity Undisclosed	Equity INR 195 Cr	Term Loan INR 5 Cr	Loan Against Shares INR 75 Cr	Equity INR 182 Cr

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Meet the Debt Team



Eric Savage, *Co-Founder & CEO*

25+ years of investment banking experience with strong relationships with domestic and foreign investors; serves on the boards of multiple companies, and other institutions.



Amit Kumar Rathi, *Managing Director*

20+ years of post-qualification experience which includes 15+ years in the broad PE / VC investing and M&A as either an Investment Banker, Diligence Advisor, and Investor.



Samarth Tandon, *Vice President*

10+ years of experience in Debt Markets. He previously worked with Northern Arc Capital, Darashaw & Co., and Nomura. His focus areas include financial inclusion, healthcare, renewable energy, and wash.



Vivek Pathak, *Associate*

4+ years of experience in Debt Capital markets. He is a CA by profession and at Unitus he covers financial services, WASH and electric vehicles. Prior to joining Unitus, Vivek worked with a boutique IB in Mumbai.



Pratik Bohra, *Analyst*

Pratik has previously worked at EY in assurance & transaction advisory, covering multiple sectors while completing CA. At Unitus Capital, he focuses on financial services & renewable energy.



Jagrati Goyal, *Fellow Analyst*

At Unitus Capital, Jagrati focuses on healthcare, agriculture and financial services. Prior to joining Unitus Capital, she worked with State Street Corporation with their alternative investments team.