

# FINOLOOK

by unituscapital

Debt Newsletter for January 2022 | Unitus Capital, RECENT DEALS CLOSED

**ANNA-PURNA**  
Equity  
₹ 260 Cr

**LENDING-KART**  
Debt  
₹ 44 Cr

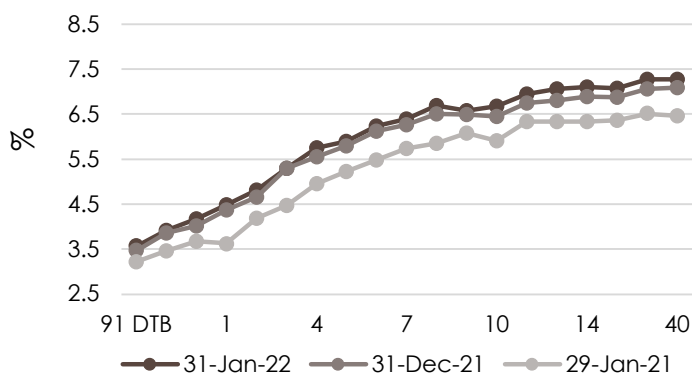
**REAN**  
ECB  
₹ 33 Cr

**ANNA-PURNA**  
Equity  
₹ 150 Cr

**KALEI-DOFIN**  
Equity  
₹ 75 Cr

## Market Overview\*

### Yield Curve



## NBFC Bond Spread Over G-Sec Benchmark Indices

Tenor	3 Year Spread	5 Year Spread	10 Year Spread
AAA	51	29	48
AA	127	118	135
A	372	360	371
A-	397	385	396
BBB+	447	435	446
BBB	472	460	471
BBB-	522	510	521

In January 2022, the bond yields showed marginal improvement on a month-on-month basis. Further, the RBI MPC voted to keep policy rates intact, with the repo rate at 4%. The MPC maintained an accommodative stance - "continue with the accommodative stance as long as necessary to revive and sustain growth on a durable basis and continue to mitigate the impact of COVID-19 on the economy". With curfews and alerts on the rise, the cautious recovery and excess liquidity in the market continue to pressure bond yields.

## Budget 2022 - Highlights

Union Finance Minister – Nirmala Sitharaman presented the Union Budget 2022 for the next financial year. The budget focused on **economic revival** by increasing spending on **health and well-being, infrastructure, inclusive development, energy transition & climate action, financing of investments, supporting start-ups**. It pegs India's GDP growth for FY 22 at **9.2%**. Highlights below –

- PM Gati Shakti master plan announced at a total outlay of INR 20,000 Crore. Focus to enhance multimodal transit through 7 engines – **Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics**.
- **400** new generation Vande Bharat trains.
- **4 multimodal logistics** parks to be awarded.
- Highway Network to grow by **25,000 Km** in FY 23
- Production Linked Incentive (PLI) scheme in 14 sectors. **INR 19,500 Crore for manufacturing of High – efficiency Solar modules** allocated.
- Focus on creating **60 lakh jobs** through PLI.
- **5G Spectrum** auction to be conducted in 2022
- The Government to **promote** Kisan drones, **chemical-free farming**, and public-private partnerships for delivery of high-tech services to farmers across the country.
- **Fund to be set-up with blended capital** raised under the co-investment model through Nabard to provide **finance to Agri-tech startup**.
- ECLGS extended for MSMEs to **March 2023**. Scheme to cover the **hospitality sector**.
- **EV Battery Swapping policy** to be rolled out.
- **Digital Rupee** using blockchain to be launched
- **No change in Income Tax** slab rates
- Government to issue **Green bonds** for financing green projects by Government enterprises.

## Corporate Debt Issuance\*\*\*

Issuer	Secured	Size (₹ Cr)	Coupon	Tenor (years)	Rating
Avanti Finance Pvt. Ltd.	Yes	15	12.75%	2.7	-
Satya Microcapital Ltd.	Yes	42	11.76%	4	BBB
Ugro Capital Ltd.	Yes	25	10.25%	3	A

# Meet the 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.



**Simmi Sareen**  
Director

23+ years in financial services with extensive experience in supporting access to capital for sustainable startups & social enterprises. Recognized as a thought leader for impact investing and climate finance in India.



**Rima Agarwalla**  
Vice President

11+ years experience with Bank of Baroda in corporate credit, transaction Banking, in India and Middle East. Specialized in structuring deals.



**Vivek Pathak**  
Associate

At Unitus Capital Vivek covers financial services, WASH & electric vehicles. A CA by profession, Vivek has prior experience with a boutique IB.



**Pratik Bohra**  
Analyst

Pratik focuses on financial inclusion and clean tech. Previously with EY, where he worked on assurance & transaction engagements, while completing CA.



**Jagrati Goyal**  
Fellow Analyst

Jagrati covers financial inclusion, healthcare, and agriculture at Unitus Capital. She was previously with State Street in alternative investments.



**Ishita Jain**  
Junior Analyst

Ishita covers financial inclusion and agriculture at Unitus Capital. She has 2+ years of experience with a boutique IB in Mumbai, while pursuing CA.

For any queries, please contact:

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