

FINOLOOK

by **unituscapital**

Debt Newsletter for November 2022 | RECENT DEALS CLOSED

Orb Energy

Debt
₹ 160 Cr

Eze Tap

Acquisition
₹ 1,326 Cr

Early Salary

Equity
₹ 858 Cr

Progcap

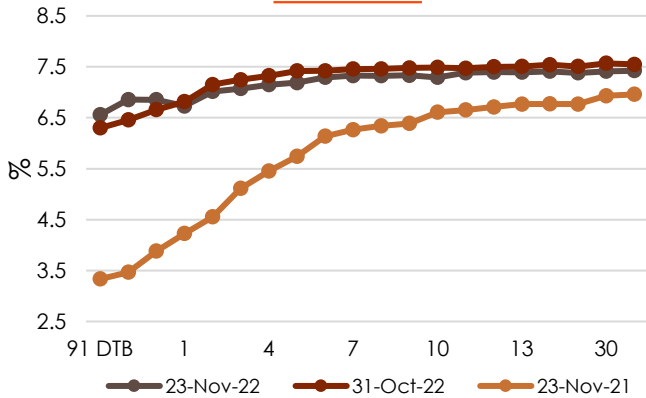
Equity
₹ 383 Cr

Battery Smart

Equity
~₹ 200 Cr

Market Overview*

Yield Curve



NBFC Bond Spread Over G-Sec Benchmark Indices

Tenor	3 Year Spread	5 Year Spread	10 Year Spread
AAA	42	42	28
AA	121	118	106
A	362	358	350
A-	387	383	375
BBB+	437	433	425
BBB	462	458	450
BBB-	512	508	500

The yield curve over the past one year has **flattened significantly** as the **RBI raised rates** by **increasing short term rates** due to which 3-month T-bill rates have nearly jumped from **3.34% to 6.56%**. The CPI print for October 2022 came in at **6.8%**, lower than the previous months reading of **7.4%**. However, the CPI levels have been beyond RBI's **upper limit of 6%** for **10 consecutive months**. It is evident from the above-mentioned chart, that the short end of the yield curve for the current month **exhibits a hump**, indicating a period of **uncertainty & volatility** in the economy. With **inflation trading lower**, market participants **expect a lower rate hike** than what was previously anticipated in the December meeting

Solar Rooftop in India**

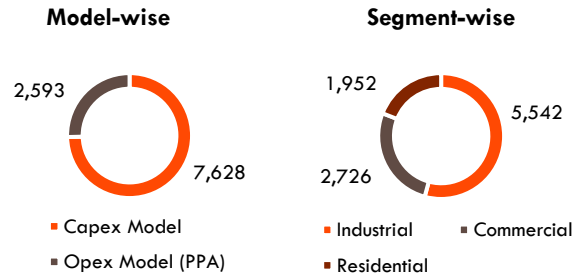
Overview

A solar rooftop project typically consists of a **photovoltaic system** which is **mounted on roofs** of commercial, industrial or residential buildings. The Indian solar rooftop market is currently **scaling rapidly**, exhibiting lucrative opportunities for both end users & solar companies. The rooftop market is expected to clock a **CAGR of +15%**, resulting in installed capacity to come near **20,500 MW by 2027**.

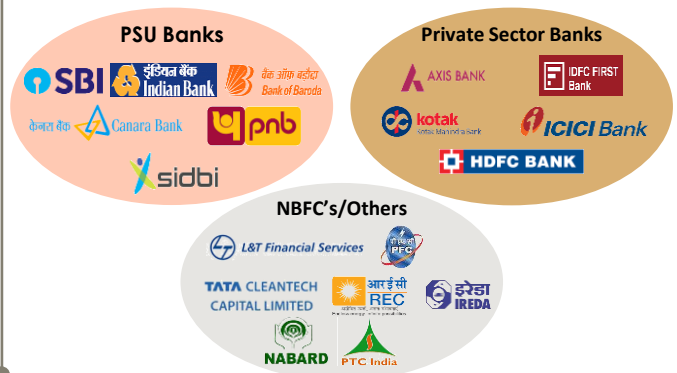
Business Models

In the **Opex Model**, the consumer is charged a fixed tariff per unit of electricity consumed under a PPA (Power Purchase Agreement) & often has the option to purchase the equipment at the end of the contract. In the **Capex Model**, the consumer pays the entire cost upfront & hires an EPC contractor to provide a turnkey solution.

Installed Capacity (in MW)



Active Domestic Lenders



Corporate Debt Issuance in November***

Issuer	Secured	Size (₹ Cr)	Coupon	Tenor (years)	Rating
Anand Rathi	Yes	9.00	Nifty 50 Linked	5.13	-
Kotak Mahindra	Yes	1,150.00	7.93%****	3.09****	AAA
Tata Capital Housing Finance	Yes	270.00	8.00%	5.00	AAA

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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.



Anshul Agarwal
Associate

6+ years of experience in financial services. At Unitus Capital Anshul covers Financial inclusion, climate action and agriculture.



Jagrati Goyal
Analyst

Jagrati covers climate and financial inclusion, at Unitus Capital. She previously worked 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. She is a CA.



Mohammed M E
Junior Analyst

1+ years of experience with a financial services company in Bangalore and is currently pursuing his CFA & FRM.