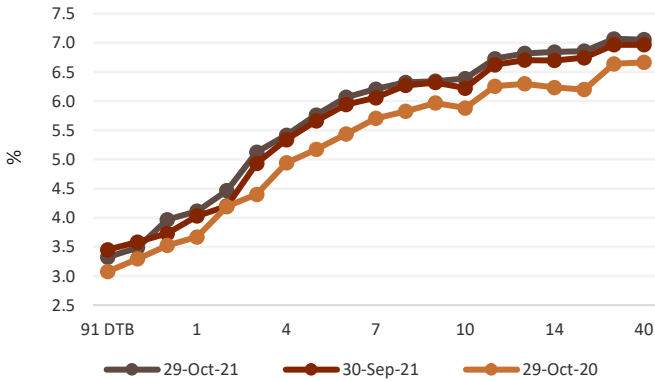


Market Overview*

Yield Curve



NBFC Bond Spread Over G-Sec Benchmark Indices

Tenor	3 Year Spread	5 Year Spread	10 Year Spread
AAA	49	14	52
AA	130	118	133
A	390	381	394
A-	415	406	419
BBB+	465	456	469
BBB	490	481	494
BBB-	540	531	544

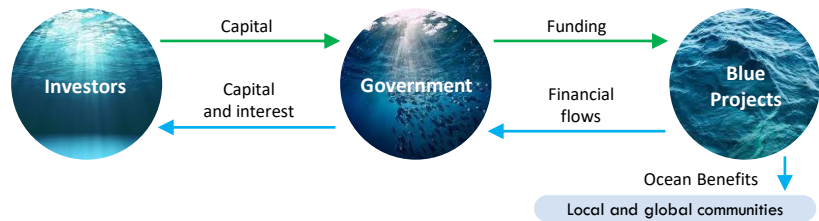
In October 2021, the bond yields have largely remained unchanged. Further, the RBI MPC unanimously voted to keep policy rates intact, with the repo rate at 4%. The MPC maintained an accommodative stance - "to continue with the accommodative stance as long as necessary to revive and sustain growth on a durable basis and continue to mitigate the impact of COVID-19 on the economy". 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.

Blue Bonds – A Snapshot**

WHAT IS A BLUE BOND?

A blue bond is a relatively new form of a sustainability bond, which is a debt instrument that is issued to support investments in healthy oceans and blue economies. Like in the case of conventional bonds, investors lend money to a bond issuer, who agrees to repay the interest every year for the term of the bond plus the capital on a certain day. In a blue bond, earnings are generated from the investments in sustainable blue economy projects. Furthermore, the issuance of a blue bond enables investors to fulfill their corporate social responsibilities and generate benefit for the ocean and humankind.

WHAT IS THE STRUCTURE OF A BLUE BOND?



WHO CAN ISSUE A BLUE BOND?

Blue bonds can be issued by governments, banks, or corporations. This brief focuses on sovereign blue bonds, which can be issued by governments or affiliated institutions.

WHAT TYPES OF PROJECTS CAN BE FUNDED BY A BLUE BOND?



HOW DO I KNOW IF A BLUE BOND IS A GOOD FIT?

Blue bonds are one of many finance mechanisms available to support ocean health and blue economies, and while they are important tools, they are most appropriate for countries with robust ocean governance, sustainable economic activities, and sizable pipelines of loan projects.

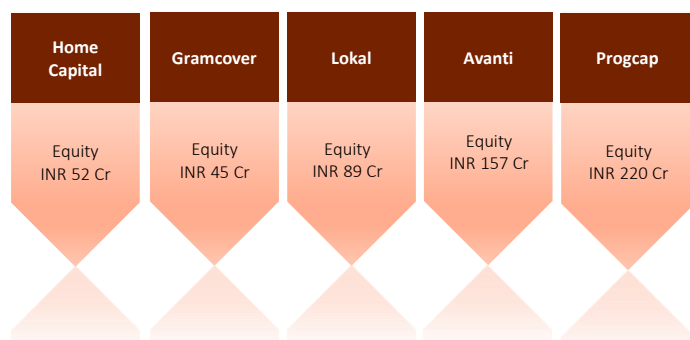
Corporate Debt Issuance | October 2021***

S. No.	Issuer	Seniority	Secured	Size (INR Crore)	Coupon	Tenor (years)	Rating
1	MAS Financial Services Limited	Subordinated	No	50	10.75%	5.58	A+
2	Pahal Financial Services Private Limited	-	Yes	25	14%	2.76	BBB-
3	Save Solutions Private Limited	-	Yes	30	11.75%	5.00	-
4	Satya Microcapital Limited	Subordinated	No	30	14.75%	5.58	BBB

News Bulletin**

- To attract foreign inflows in the debt market, help the government in its market borrowing program and keep a check on yields, the government has finalized most of the background infrastructure and sorted out the supply-side issues to prepare India's entry into global bond indices. The Finance Ministry and the Reserve Bank of India have worked out most requirements for G-secs to join global bond indices.
- The Reserve Bank of India introduced an annual index to measure and improve the extent of financial inclusion in the country. The financial inclusion index, to be published every July, will be a comprehensive index incorporating three broad parameters—usage (45%), access (35%), and quality (20%). The FI-Index for the period ending March 2021 was 53.9 against 43.4 for the period ending March 2017.

UC Recent Select Deals Closed



Disclaimer: The information contained herein is of a general nature and is not intended to address the facts and figures of any 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.

Source – *FIMMDA, BRICS online.
** Multiple news reports
*** NSDL / BSE

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. His focus areas include financial inclusion, healthcare, renewable energy, and wash. He previously worked with Northern Arc, Darashaw & Co., and Nomura.



Rima Agarwalla

Vice President

11+ years experience with Bank of Baroda in Corporate credit, Transaction Banking, Resource mobilization in India and Middle East. Specialized in Real Estate, Manufacturing Entity, Structuring deals.



Vivek Pathak

Associate

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



Pratik Bohra

Analyst

At Unitus Capital, Pratik focuses on financial services and renewable energy. He was previously with EY in assurance & transaction advisory, 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.