

PRESS RELEASE

Vivriti Capital issues the first tranche of INR 200 Cr for its maiden structured AA+ (CE) rated, c. 6-year NCDs, backed by a Partial Credit Guarantee from GuarantCo

Mumbai, April 16, 2025: Vivriti Capital Limited (VCL), a leading lender to mid-market enterprises in India, has secured a partial credit guarantee from GuarantCo on its newly issued INR 200 crore NCDs (Non-Convertible Debentures). The NCDs, rated CRISIL AA+(CE)/Stable, were recently listed on the Bombay Stock Exchange (BSE) and mark one of the very few guaranteed bond transactions by an offshore Development Finance Institution (DFI) in India.

The transaction is backed by a structured credit enhancement mechanism, wherein GuarantCo's maximum guarantee cover is initially 65% of the principal value of the NCD. With no interim utilization, this guarantee progressively extends to 100% of the outstanding principal by the 27th month, ensuring complete principal coverage for the bondholders. The NCDs have a tenure of c. 6 years.

The proceeds from this transaction have been deployed towards infrastructure development, supporting Vivriti's commitment to financing mid-market enterprises and small businesses engaged in infrastructure and climate-focused initiatives. This guarantee aims to strengthen Vivriti's position in India's financial ecosystem by diversifying its funding base beyond traditional bank lending. The transaction has been supported by a Technical Assistance grant from the PIDG Trust.

Parth Sanghani, Chief Treasury Officer at Vivriti Capital, said: "This landmark credit-guaranteed NCD issuance is a testament to Vivriti's commitment to deepening India's debt markets and broadening access to institutional capital. By leveraging an innovative structured credit enhancement mechanism, we have set a precedent for future market transactions. This issuance not only diversifies our funding sources but also reinforces our ability to support mid-market enterprises and infrastructure projects. We are looking forward to exploring the potential of such structures to scale debt market participation in India."

This transaction marks GuarantCo's first capital market transaction in India and serves as a pioneering step towards mobilizing funds from institutional investors, including insurance companies, pension funds, and mutual funds, into the bond market. Traditionally, regulatory norms have restricted investments in bonds rated below AA, and this issuance sets a precedent for leveraging credit enhancements to bridge the gap in infrastructure financing.

Nishant Kumar, Managing Director Asia Investments, at GuarantCo said, "I'd like to congratulate Vivriti and its team for issuing this bond despite challenging market conditions. This is our second transaction together and we are delighted to extend our partnership, this time with an innovative credit solution that we aim to replicate in India and to tap into the vast pool of institutional debt investors in the country. This partially guaranteed bond leverages the guarantee to ensure the bond achieves a rating uplift to AA+ thereby "crowding-in" private sector institutional investors, which helps diversify funding sources for Vivriti. I hope that this will be first of many such transactions for India, where GuarantCo can play its catalytic role to mobilise capital for infrastructure development from non-conventional funding sources in the country."

Notes to Editors:

About Vivriti Capital

Vivriti Group comprises Vivriti Capital Ltd., a fintech NBFC, and Vivriti Asset Management Pvt. Ltd., an asset manager of fixed-income AIF schemes. Over the last 7.5+ years, the Group has built a highly successful franchise, with INR 13,000+ Cr of portfolio with 495+ clients across 50+ sectors and 20+ states. It has raised INR 1,400 Cr of equity since inception and witnessed stellar metrics, with industry-leading asset quality and return metrics.

For more information, visit: www.vivriticapital.com

About GuarantCo

GuarantCo mobilises private sector local currency investment for infrastructure projects and supports the development of financial markets in lower income countries across Africa and Asia. GuarantCo is part of the Private Infrastructure Development Group (PIDG) and is funded by the governments of the United Kingdom, Switzerland, Australia and Sweden, through the PIDG Trust, the Netherlands, through FMO and the PIDG Trust, and Global Affairs Canada plus France through a stand-by facility. GuarantCo is rated AA- by Fitch and A1 by Moody's. Since 2005, GuarantCo has enabled USD 6.2 billion of total investment and USD 5.2 billion of private sector investment, giving 45.2 million people improved access to infrastructure and creating around 229,000 jobs. GuarantCo's activities are managed by GuarantCo Management Company which is part of Cardano Development

www.guarantco.com

About PIDG

The Private Infrastructure Development Group (PIDG) is an innovative infrastructure project developer and investor which mobilises private investment in sustainable and inclusive infrastructure in sub-Saharan Africa and south and south-east Asia. PIDG investments promote socio-economic development within a just transition to net zero emissions, combat poverty and contribute to the Sustainable Development Goals (SDGs). PIDG delivers its ambition in line with its values of pioneering, partnership, safety, inclusivity and urgency.

PIDG offers Technical Assistance for upstream, early-stage activities and concessional capital; its project development arm – which includes InfraCo – invests in early-stage project development and project and corporate equity. PIDG credit solutions include EAAIF (the Emerging Africa and Asia Infrastructure Fund), one of the first and more successful blended debt fund in low-income markets; GuarantCo, its guarantee arm that provides credit enhancement and local currency solutions to de-risk projects; and a growing portfolio of local credit enhancement facilities, which unlocks domestic institutional capital for infrastructure financing.

Since 2002, PIDG has supported 233 infrastructure projects to financial close, which provided an estimated 228 million people with access to new or improved infrastructure. PIDG is funded by the governments of the United Kingdom, the Netherlands, Switzerland, Australia, Sweden, Global Affairs Canada and Germany.

www.pidg.org