



**Letter No. FMFL/SEC/2023-24/SE-120**

**Date: 05.02.2024**

The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Scrip Code: FUSION	The Manager Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 Scrip Code: 543652
--	---

**Sub: Submission of Earnings Presentation**

Dear Sir/Ma'am,

Pursuant to Regulation 30, Regulation 51 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Earnings Presentation with respect to Unaudited Financial Results for Quarter and Nine months ended on December 31, 2023.

The same is also available on the website of company i.e. [www.fusionmicrofinance.com](http://www.fusionmicrofinance.com).

The Board Meeting in which the aforesaid unaudited financial results are approved, commenced at 02:30 PM (IST) and concluded at 07:00 PM (IST).

Request you to take the same on records.

**Thanking you,  
Sincerely,**

**For Fusion Micro Finance Limited  
(Formerly Fusion Micro Finance Private Limited)**

DEEPAK MADAAN  
Digitally signed by  
DEEPAK MADAAN  
Date: 2024.02.05  
19:36:02 +05'30'

**Deepak Madaan  
Company Secretary & Chief Compliance Officer  
Membership No. A24811  
Place: Gurugram**



***Fusion Micro Finance  
Limited***

# ***Investor Presentation Q3 FY24***

By attending the meeting where this Presentation is made, or by reading the Presentation materials, you agree to be bound by the limitations contained herein and to maintain absolute confidentiality regarding the information disclosed in this Presentation. Any failure to comply with these terms and conditions may constitute a violation of applicable securities laws. This Presentation is for information purposes only, and is not intended to be an advertisement, and does not constitute or form part of, and should not be construed as any offer or invitation for sale or subscription of, or solicitation or invitation of, any offer to buy or subscribe for any securities, nor shall it or any part of it form the basis of, or be relied on in connection with or act as an inducement to enter into any contract, commitment or investment decision in relation thereto in India, the United States or any other jurisdiction. This Presentation is not intended to be a prospectus, an offer letter, offering circular, invitation or an advertisement (as defined under the Indian Companies Act, 2013, as amended) or an offer document under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”).

The information set out herein is provided only as at the date of this Presentation (unless stated otherwise), its accuracy is not guaranteed, and it may be subject to updation, completion, revision, verification and amendment without notice and such information may change materially. This Presentation is based on the economic, regulatory, market and other conditions as in effect on the date hereof. Fusion Micro Finance Limited (the “Company”) or any of their respective affiliates, shareholders, directors, employees, agents, officers, advisors or representatives (together, “Representatives”) make any express or implied representations or warranties as to, and no reliance should be placed on, the fairness, accuracy, completeness, authenticity or correctness of the information, or opinions contained herein, and none of them shall have any responsibility or liability whatsoever (for negligence or otherwise, including any third party liability) for any loss or damage (including consequential loss or damage) howsoever arising from any use, reliance or distribution of this Presentation or its contents or otherwise arising in connection with this Presentation. The information contained in this Presentation has not been, and will not be, updated to reflect material developments which may occur after the date of the information contained in the Presentation. It should be understood that subsequent developments may affect the information contained in this Presentation, which the Company or their respective advisors or representatives are under an obligation to update, revise or affirm. This document is a summary only and it is not the intention to provide, and you may not rely on this Presentation as providing, a complete or comprehensive analysis of the financial or trading position or prospects of the Company. This Presentation has not been and will not be reviewed or approved by any statutory or regulatory authority in India or any stock exchange in India or any other jurisdiction. You should conduct such independent investigations and analysis of the Company as you deem necessary or appropriate in order to make an independent determination of the suitability, merits and consequences of investments in the Company. Any investment decision with respect to any securities of the Company must be made solely on the basis of a prospectus (as defined under the Indian Companies Act, 2013, as amended) to be filed with Registrar of Companies, National Capital Territory of Delhi and Haryana. All financial numbers and operational metrics, unless otherwise stated, have been rounded off to the nearest decimal. Previous periods/year figures have been regrouped/rearranged wherever necessary to confirm with current period’s classification.

This Presentation is not an offer of securities for sale in the United States or elsewhere. This presentation has been prepared for publication in India and is not for publication or distribution, directly or indirectly, in or into the United States. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws in the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the U.S. Securities Act (“U.S. Persons”) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Company has not registered and does not intend to register under the U.S. Investment Company Act of 1940, as amended (the “U.S. Investment Company Act”) in reliance upon section 3(c)(7) thereof. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) and “qualified purchasers” (as defined under the U.S. Investment Company Act) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance upon section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S under the U.S. Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on BSE or NSE).

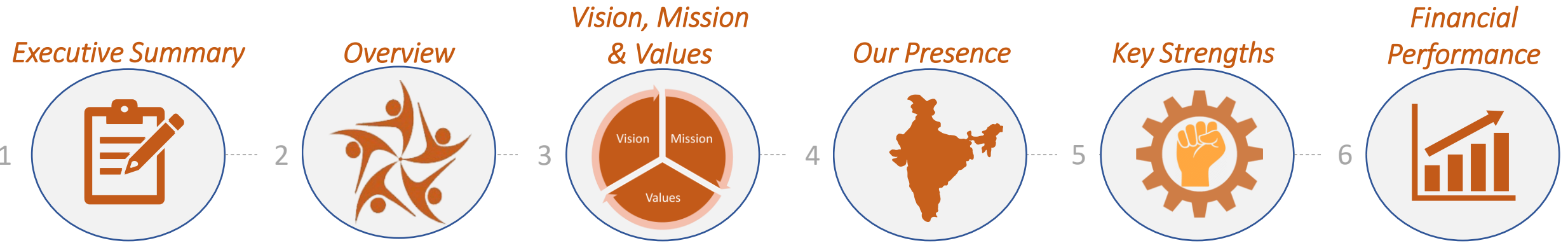
It may be unlawful to distribute this Presentation in certain jurisdictions. This Presentation is not for publication or distribution, directly or indirectly, in or into Australia, Canada or Japan. The information contained in this Presentation does not constitute an offer of securities for sale in Australia, Canada or Japan. This Presentation contains certain “forward looking statements”. All such forward looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Such forward looking statements are made based on management’s current expectations or beliefs as well as assumptions made by, and information currently available to, management. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Any investment in securities issued by the Company will also involve certain risks. There may be additional material risks that are currently not considered to be material or of which the Company and any of their Representatives are unaware. Against the background of these uncertainties, readers should not rely on these forward-looking statements. Neither the Company nor any of their Representatives assume any responsibility to update forward-looking statements or to adapt them to future events or developments.

The Company and their respective affiliates, advisers and representatives make no representation as to the accuracy or completeness of that data, and this data involves risks and uncertainties and is subject to change based on various factors. No representation or claim is made that the results contained in this Presentation will actually be achieved. All industry data contained in this Presentation is based on data obtained from the sources cited and involve significant elements of subjective judgment and analysis, which may or may not be correct.

The information contained in this Presentation is not to be taken as any recommendation made by the Company or any other person to enter into any agreement with regard to any investment. You will be solely responsible for your own assessment of the market and the market position of the Company and you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the business of the Company. It should be understood that subsequent developments may affect information contained in this Presentation, which neither the Company, nor their respective affiliates, advisors or representatives are under an obligation to confirm.

Unless otherwise stated, this Presentation is based on information regarding the Company and the economic, regulatory, market and other conditions as in effect on the date hereof. Subsequent developments may affect the information contained in this Presentation, which neither the Company its affiliates, advisors, nor any of their Representatives are under an obligation to update, revise or affirm. This Presentation and its contents are confidential and may not be taken away, copied, published, disseminated, or reproduced or redistributed or passed on directly or indirectly to any other person, whether within or outside your organization or firm, or published in whole or in part, for any purpose by recipients directly or indirectly to any other person.

By attending this Presentation and/ or accepting a copy of this document, you agree to be bound by the foregoing limitations and conditions and, in particular, will be taken to have represented, warranted and undertaken that: (i) you have read and agree to comply with the contents of this notice including, without limitation, the obligation to keep this document and its contents confidential; (ii) you will not at any time have any discussion, correspondence or contact concerning the information in this document with any of the directors or employees of the Company or its subsidiaries nor with any of their customers or suppliers, or any governmental or regulatory body without the prior written consent of the Company; and (iii) you agree not to remove or copy this Presentation, or any materials provided in connection herewith.



*Executive Summary*

1



2

*Overview*



3

*Vision, Mission  
& Values*



4

*Our Presence*



5

*Key Strengths*



6

*Financial  
Performance*



- ✿ *Consistent AUM and Disbursement growth, YoY increase of 23.57% & 17.97% respectively*
- ✿ *Focus on new clients continues, added ~4.23 lakh ~12.0% YoY*
- ✿ *Reduction in Cost to Income*
- ✿ *Consistent ROA & ROE*

*AUM*

₹ 10,693.42 Cr

*PAT*

₹ 372.60 Cr

YoY 36.67% ↑

*ROA*

4.87%

*ROE*

19.75%

*Cost to Income*

36.50%

- ✿ *Disbursement growth of 15.75% QoQ, 23.98% YoY*
- ✿ *Expansion in NIM*
- ✿ *Reduction in Marginal Cost of Funds*
- ✿ *PPOP stands at 260.26 Cr*
- ✿ *Profit after Tax of ₹126.45 Cr*
- ✿ *Network Expansion – 78 branches*

## Disbursement

₹2,713 Cr

## Marginal Cost of Funds

10.45%

10 bps ↓

## NIM

11.54%

42 bps ↑

## CRAR

27.90%

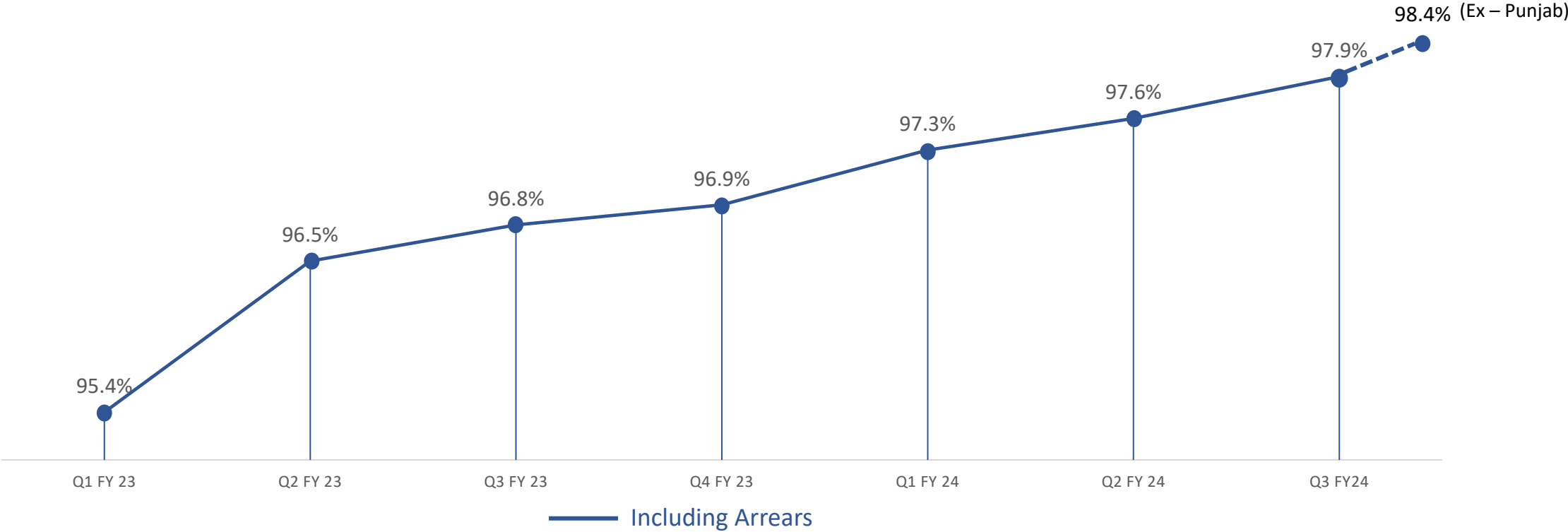
## Network

22 States  
1242 Branches

# Performance Highlights

Key Metrics	Q3	QoQ		9M		YoY
Total Income (₹ Cr)	613.24	7.35%	↑	1,737.28		35.80% ↑
NII (₹ Cr)	337.21	10.73%	↑	935.82		38.96% ↑
NIM	11.54%	42 bps	↑	11.10%		118 bps ↑
OPEX	5.85%	24 bps	↑	5.65%		13 bps ↑
Cost to Income	36.80%	39 bps	↑	36.50%		291 bps ↓
PPOP (₹ Cr)	260.26	7.64%	↑	737.44		50.12% ↑
Net worth (₹ Cr)	2,708.95	5.12%	↑	2,708.95		22.85% ↑





## Corrective Measures

Month	Punjab AUM (₹ Cr)	% Contribution to Total AUM	Collection Efficiency
Mar'23	479	5.2%	93.7%
Dec'23	382	3.6%	84.4%

Particulars	Punjab	Ex-Punjab
Collection Efficiency Q3 FY24	84.4%	98.4%
Par 60+	12.9%	2.7%

- ✿ 13 branches were split in H1 FY 24 for effective monitoring
- ✿ Disbursement slowed down in Q2 FY 24 to calibrate risk and growth
- ✿ Strengthened field & tele-calling infra for collections
- ✿ Reached out to customers in impacted areas explaining the misleading campaign, vested interest involved
- ✿ No new business being sourced across all branches since Dec'23
- ✿ Working with MFIN (SRO) to engage with district & state level administration in tackling this current sectoral issue
- ✿ Existing customers with good track record in non-impacted branches may be considered for resumption of funding

(₹ Cr)

Particulars	Q2 FY 24	Q3 FY 24	9M FY 24
Opening ECL [A]	328.4	300.3	312.7
- Provisions as per ECL [B]	75.3	92.9	243.3
Reversals (on account of write-off) [C]	103.4	81.3	244.1
Closing ECL [D = A+B-C]	300.3	311.9	311.9
Impairment [F]	75.3	92.9	243.3
Credit Cost (Provisions) / % of Avg. On-Book Loan Portfolio	0.85%*	1.00%*	2.70%*
Bad-Debt Recovery [G]	10.4	5.5	20.3
Net P&L Impact [F – G]	64.9	87.4	223.0
Net P&L Impact – % of Avg. On-Book Loan Portfolio	0.73%*	0.94%*	2.47%*

\* Non-annualized

Slabw	Loans (Gross) (₹ Cr)	ECL (₹ Cr)	Loans (Gross) (%)	ECL (%)
- Stage I	9,293.5	58.7	96.13%	0.63%
- Stage II	80.3	32.3	0.83%	40.23%
- Stage III	293.9	220.9	3.04%	75.15%
<b>Total</b>	<b>9,667.7</b>	<b>311.9</b>	<b>100.00%</b>	<b>3.23%</b>
- GNPA (Stage III)				3.04%
- NNPA (Net Stage III)				0.77%
- PAR 90+ (MFI)				2.52%

❁ Company holds a Management Overlay provision of ₹ 41.50 Cr as on Dec 31, 2023. The company released ~₹ 20.0 Cr from the Overlay in Q3 for write-off comprising mainly of Punjab

❁ Expected Net Credit Cost for FY 24 up to 3.5% largely because of Punjab

*Executive Summary*

1



*Overview*

2



*Vision, Mission  
& Values*

3



4

*Our Presence*



5

*Key Strengths*



6

*Financial  
Performance*



## Diversified

Organically diversified  
since inception

## Client Growth

~23% over last 5 Years

## AUM Growth

~37% over last 5 years

## Technology

On Cloud since 2013

## Robust Liability Management

## Marquee Investor

Warburg Pincus - 2018

## Ratings

4 upgrades in last 5  
years, currently  
“A+” Stable  
(CRISIL, ICRA and CARE)

## IPO

Nov 2022

## New Product

Started MSME in 2019



*Executive Summary*

1



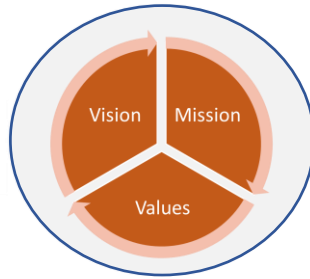
*Overview*

2



***Vision, Mission  
& Values***

3



*Our Presence*

4



*Key Strengths*

5



*Financial  
Performance*

6



## Vision:

*“Fusion Micro Finance with a social vision and business orientation aims to provide underprivileged women with economic opportunities to transform the quality of their lives.”*



## Mission:

*“A self-sustainable financial institution which leverages the distribution network to channel other products and services.”*

*Executive Summary*

1



*Overview*

2



*Vision, Mission  
& Values*

3



4

*Our Presence*



5

*Key Strengths*

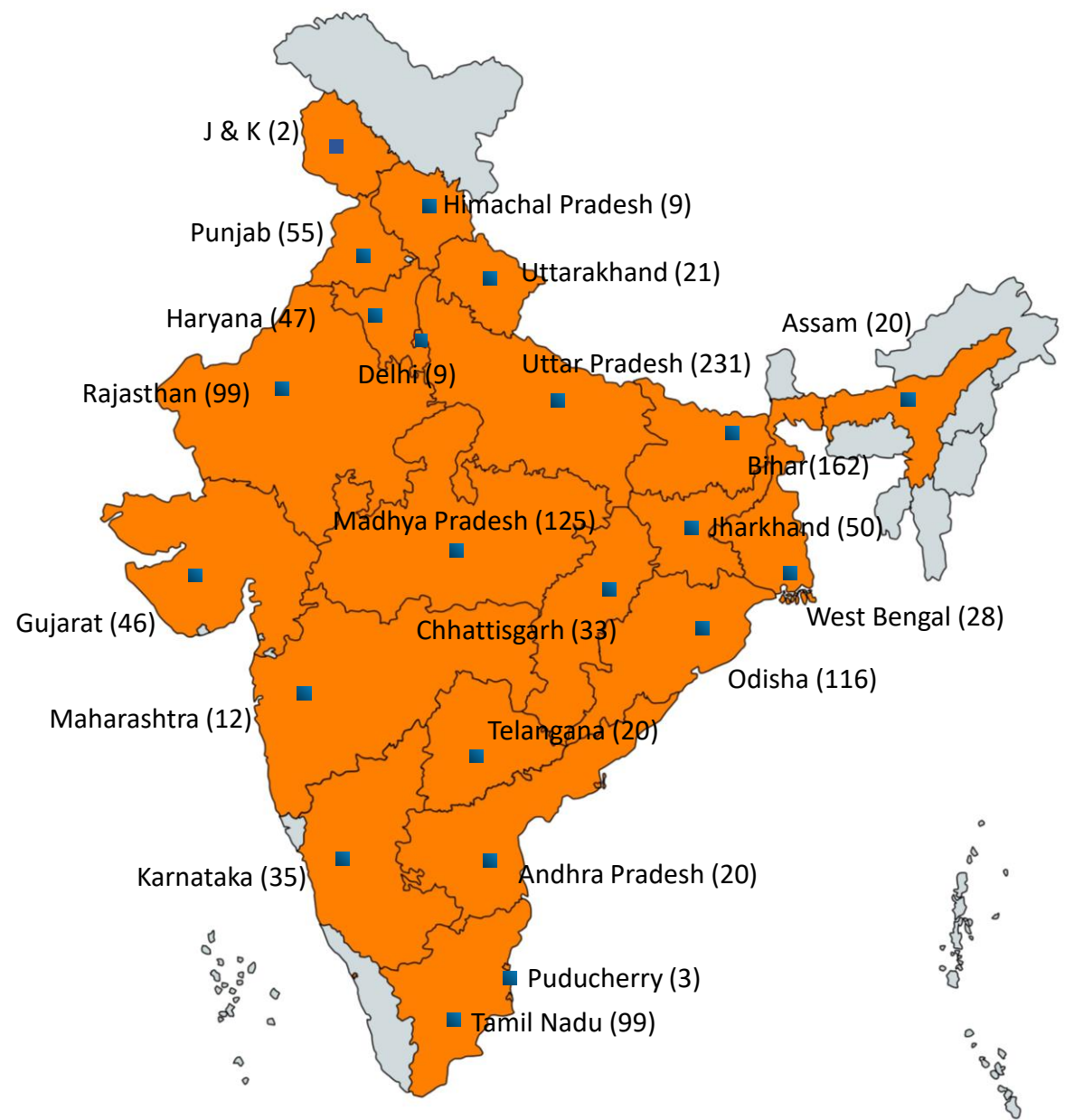


6

*Financial  
Performance*







	FY 10-15	FY 16	Q3 FY24
States	5	9	22
Districts	38	88	446
Branches	75	173	1242
AUM (₹ Cr)	295	647	10,693

*Executive Summary*

1



*Overview*

2



*Vision, Mission  
& Values*

3



4

*Our Presence*



5

*Key Strengths*



6

*Financial  
Performance*





Diversification

Liability Management



Consistency

Digital Orientation



People



Operational Prudence

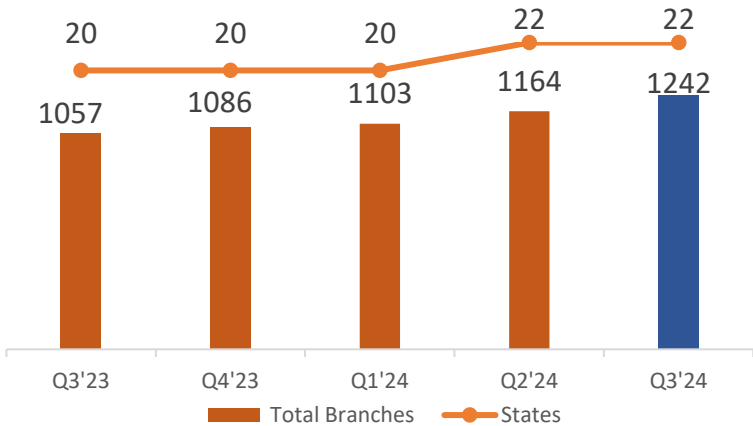
Strong Governance



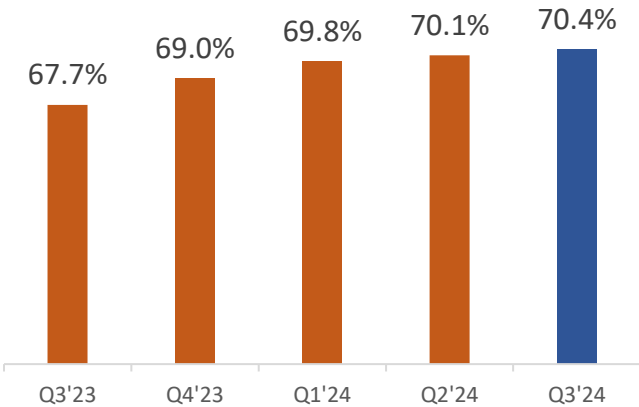
# Key Strengths : Diversification

## QoQ

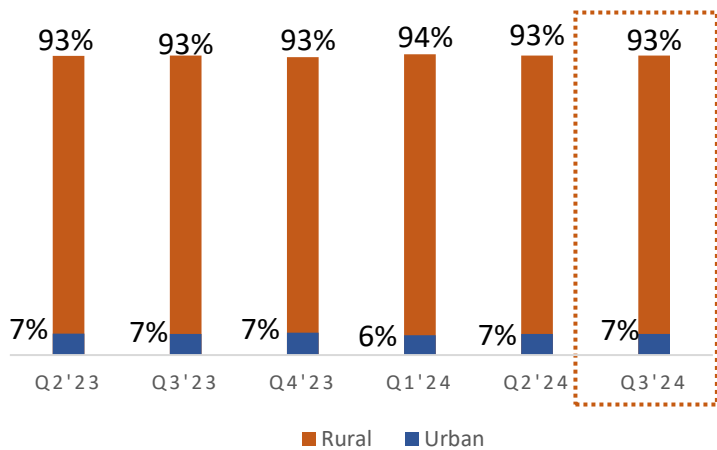
Network Distribution



Top 5 states concentration

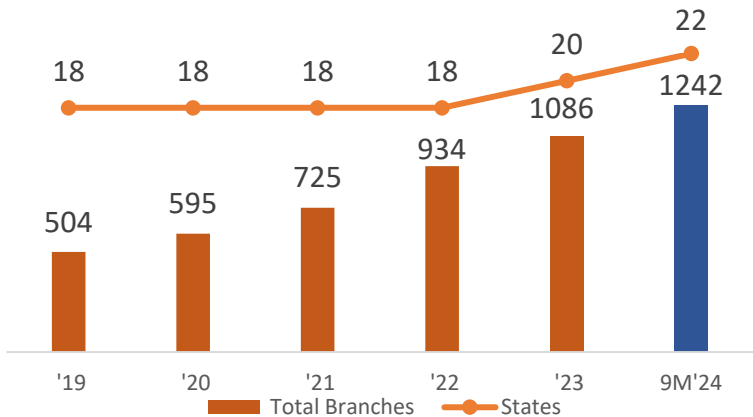


Rural vs Urban Presence

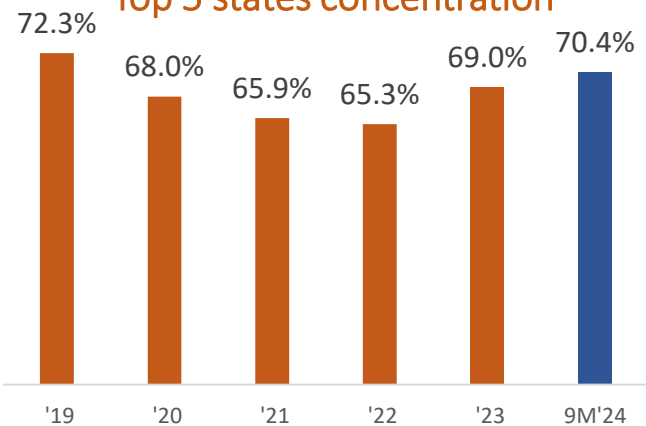


## YoY

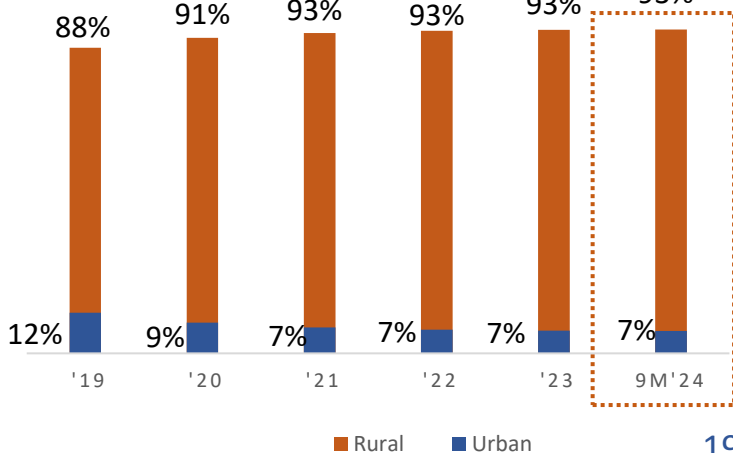
Network Distribution



Top 5 states concentration



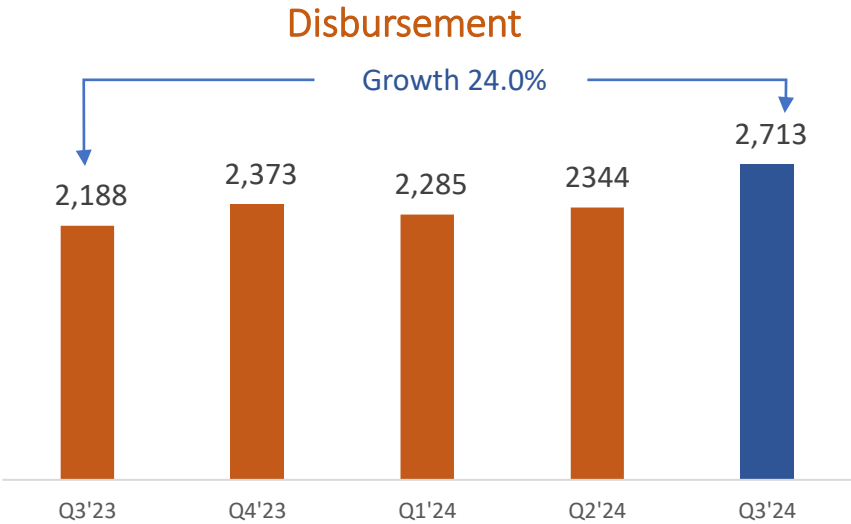
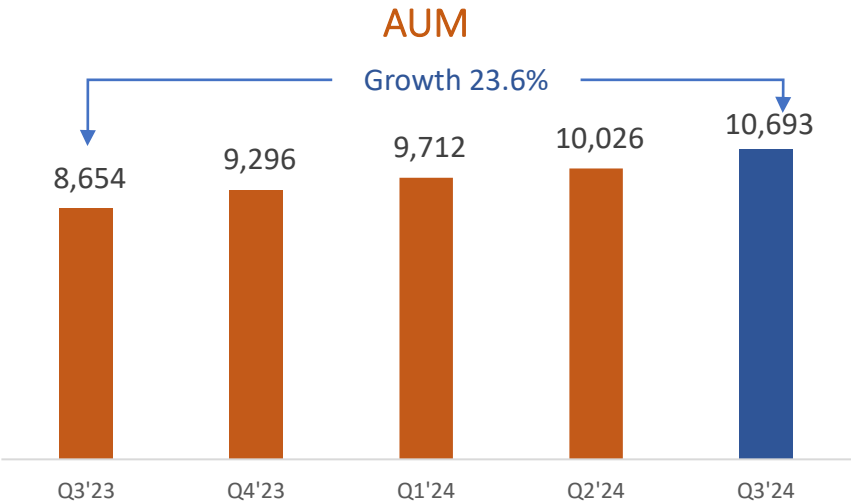
Rural vs Urban Presence



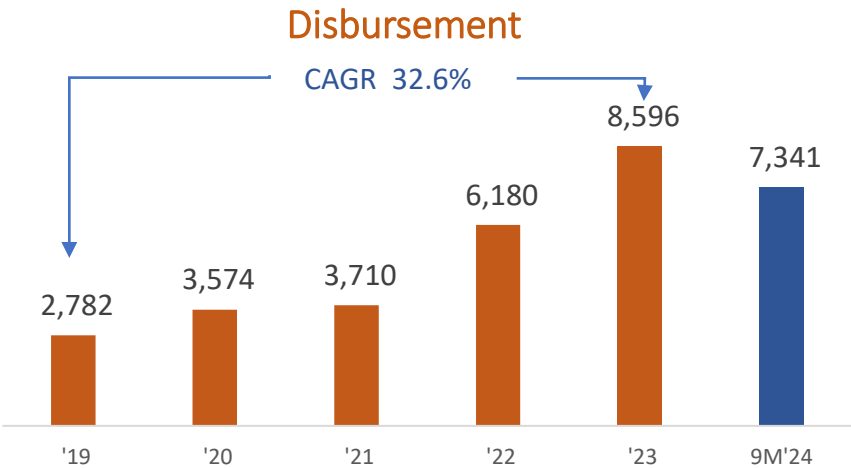
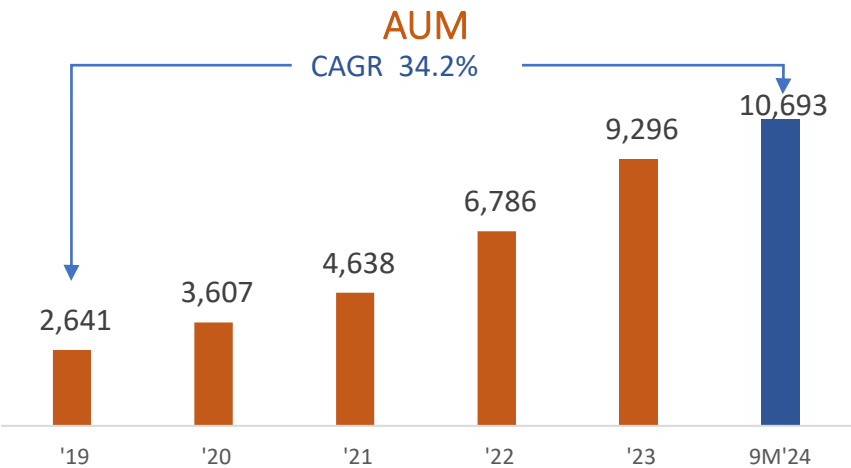
# Key Strengths : Consistency

QoQ

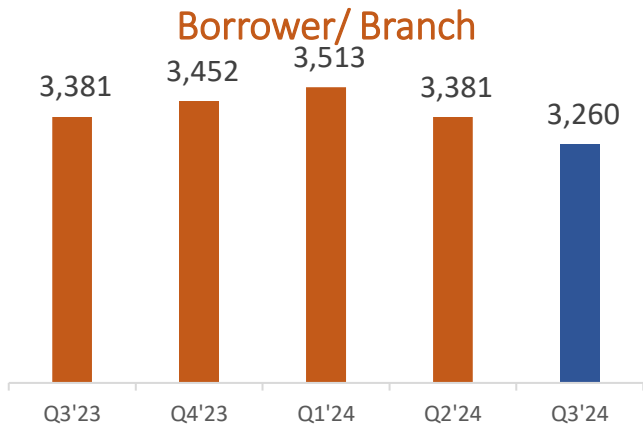
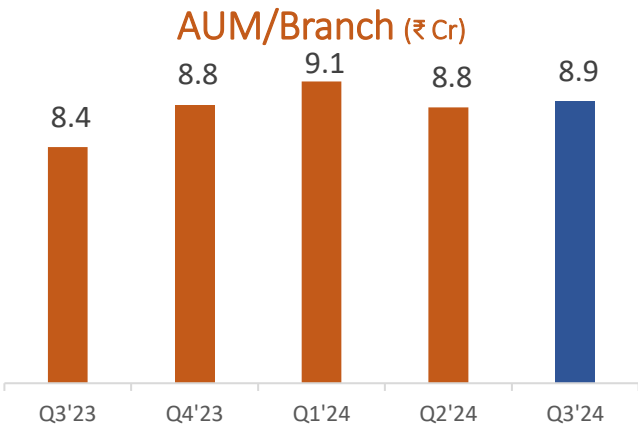
(₹ Cr)



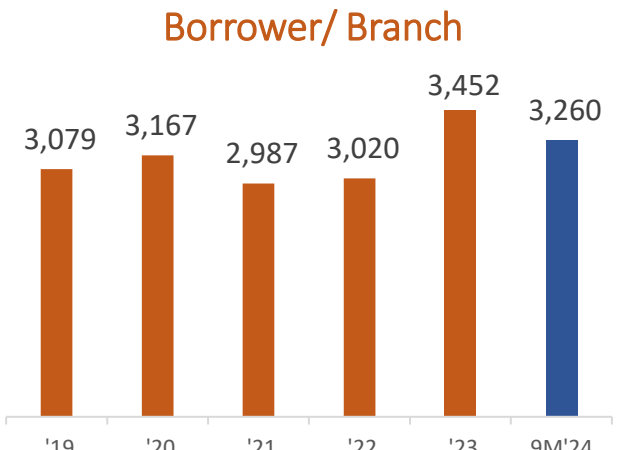
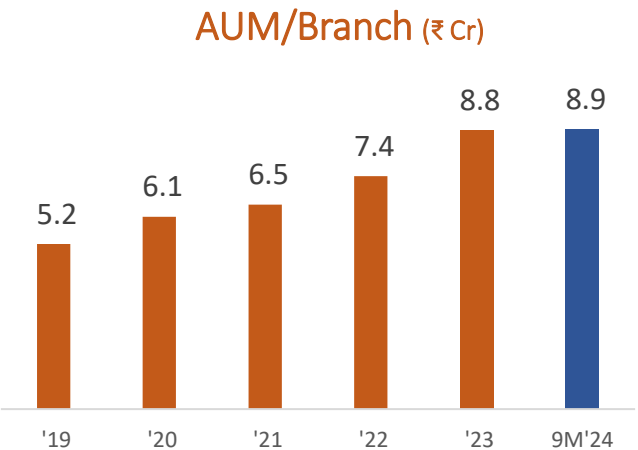
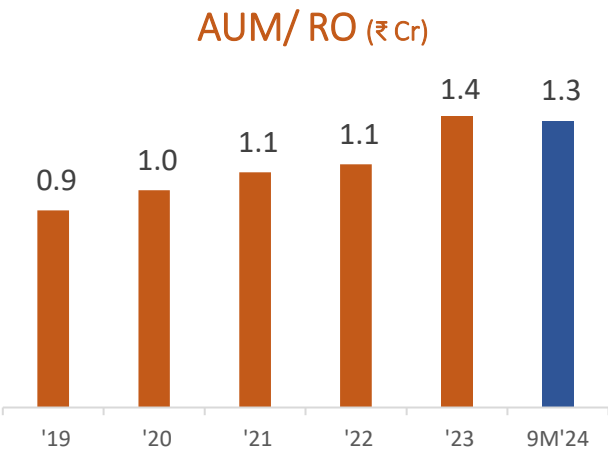
YoY



QoQ



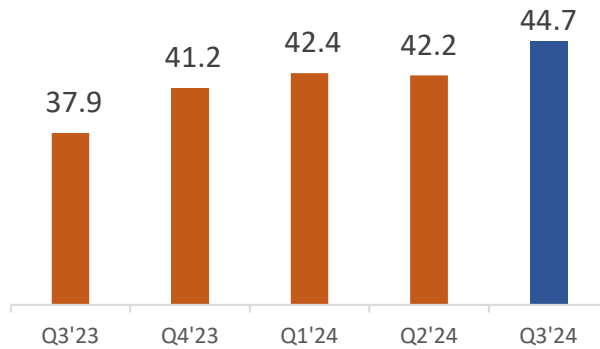
YoY



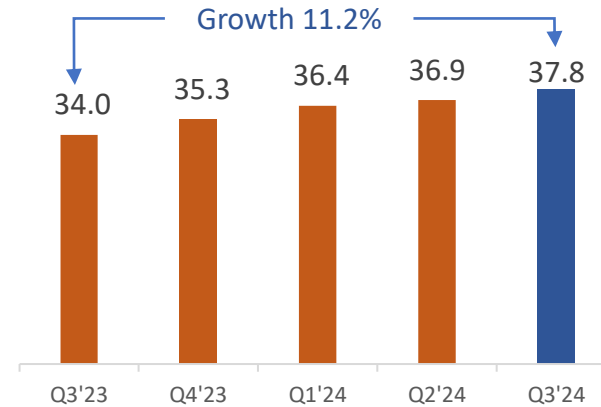
# Key Strengths : Operational Prudence

## QoQ

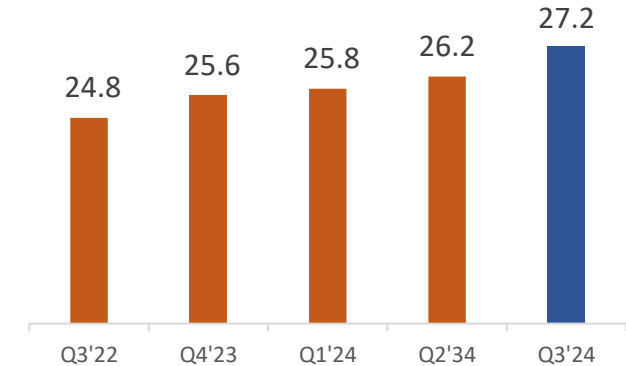
Avg. Ticket Size (₹ K)



Active Borrowers (Lakh)

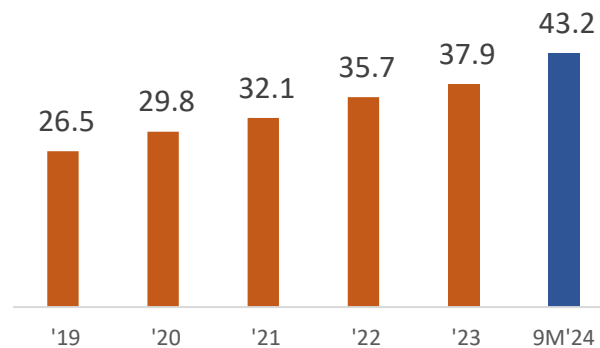


Avg. OS / Borrower (₹ K)

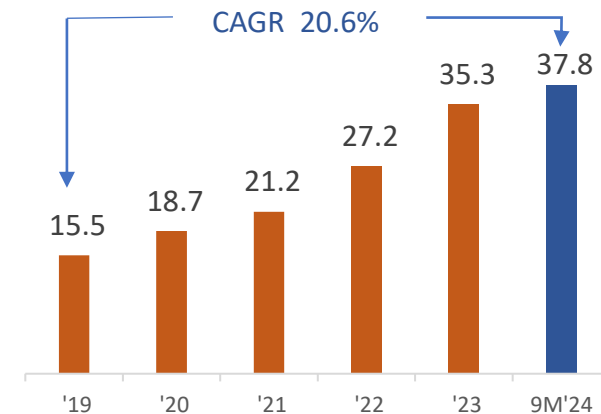


## YoY

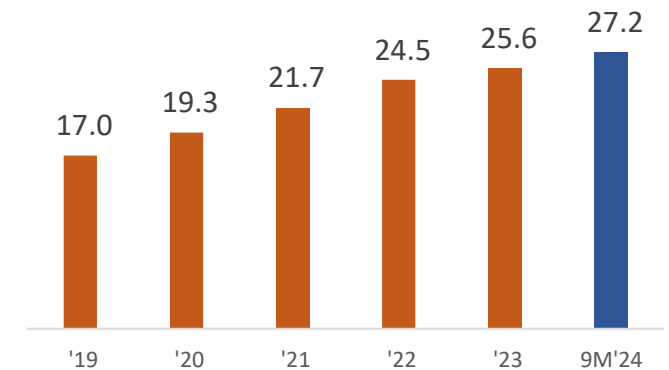
Avg. Ticket Size (₹ K)



Active Borrowers (Lakh)

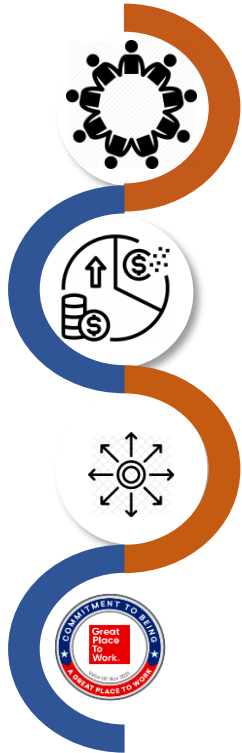


Avg. OS / Borrower (₹ K)



Branch Vintage (Years)	Mar'22		Mar'23		Dec'23	
	Branches	POS Contribution	Branches	POS Contribution	Branches	POS Contribution
<1 Yrs	190	7%	121	4%	<b>152</b>	<b>3%</b>
1 - 2 Yrs	119	10%	190	14%	<b>173</b>	<b>10%</b>
2 - 3 Yrs	87	9%	118	11%	<b>185</b>	<b>16%</b>
> 3 Yrs	504	74%	590	71%	<b>645</b>	<b>71%</b>
Grand Total	900	100%	1019	100%	<b>1155</b>	<b>100%</b>





Stable and Experienced core management team and a strong second line with diversified experience

Balanced infusion of strong talent for key leadership positions with progressing home-grown talent

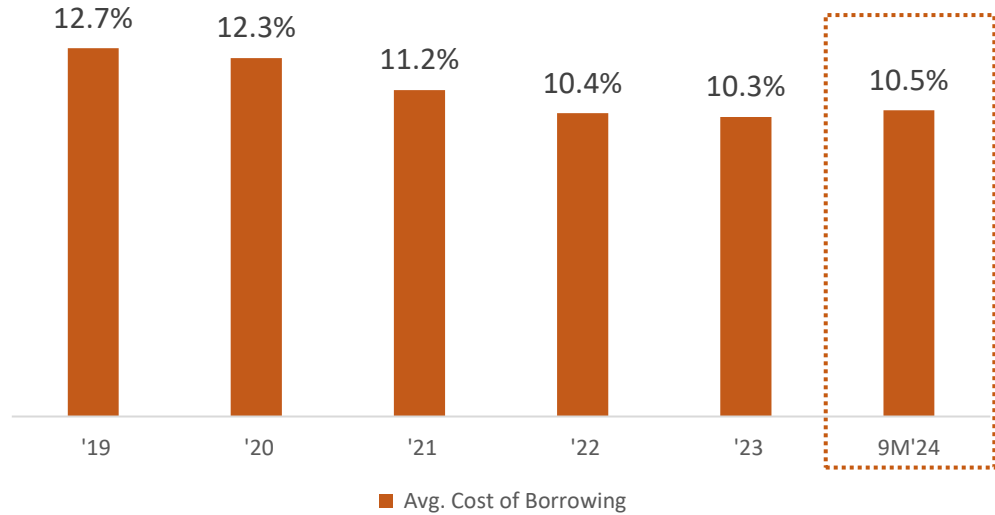
Building a performance driven culture which rewards top performers

Focus on enhancing the Employee Experience through seamless processes, benefits and connect

**Team Size**  
**>12k**  
**Pan India**

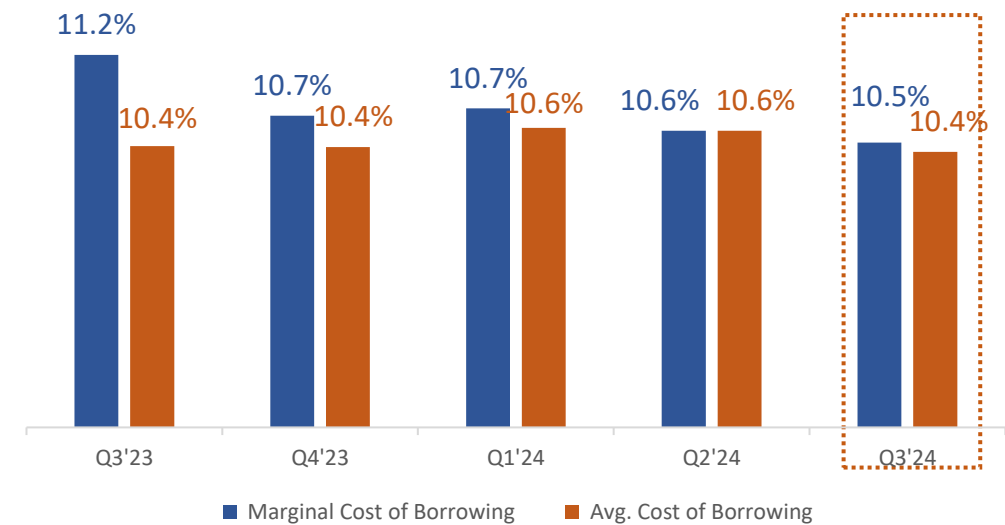
# Key Strengths : Liability Management

Average Cost of Borrowing



YoY      QoQ

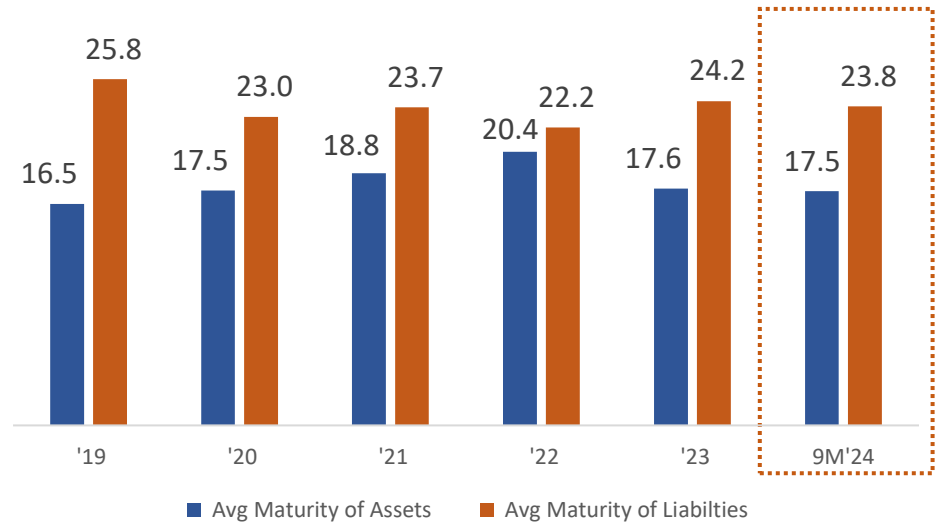
Marginal & Average Cost of Borrowing



Institutions / Banks	Q3 FY24	FY23	FY22	FY21	FY20	FY19
Public Sector Banks	30.2%	25.8%	21.4%	13.3%	5.4%	1.1%
Development Financial Institutions	8.3%	7.8%	11.7%	13.3%	12.7%	5.9%
Private Sector Banks	37.9%	37.5%	36.5%	36.4%	39.9%	50.3%
Foreign-Banks	14.7%	12.9%	13.7%	16.4%	20.2%	10.3%
Non-Banking Financial Institutions	4.7%	9.5%	8.8%	7.1%	10.1%	18.1%
Foreign Portfolio Investors	4.2%	6.5%	7.9%	13.5%	11.7%	14.3%
Total	100.0%	100%	100%	100%	100%	100%

# Key Strengths : Liability Management (Contd...)

Positive ALM (Months)



Sanctions in hand ₹ 4,265 Cr

Period	Rating	
Oct 2023	A+	↑
Nov 2022	A	↑
FY 2019	A-	↑
FY 2017	BBB+	

Rating Instrument	Rating Agency	Ratings
Long-term debt	CRISIL ICRA CARE	A+ Stable
NCD	CRISIL ICRA	A+ Stable
Grading	CART	MFI 1
Comprehensive MFI Grading (COCA)	M-CRIL	M2C1
Client Protection Certification	M-CRIL	Gold Level

## Technology – Infrastructure

- ✿ Early Cloud adoption
- ✿ Scalable
- ✿ Open API Architecture

## “Touch & Tech” Strategy

Business Outcome

## Safe & Secure

- ✿ Email Security
- ✿ EDR (Endpoint Detection & Response)
- ✿ Device Encryption
- ✿ Data Classification & Data Loss Prevention

**Awarded ISO 27001:2013**



## Advanced Customer Interface

- ✿ UPI Collections
- ✿ Realtime Credit Check

## Customer Experience



- ✿ **Digital onboarding** since 2019
- ✿ **Cashless disbursement** improved from 20% in 2018 to **99.90% in Q3 FY24**

## Operational Efficiency

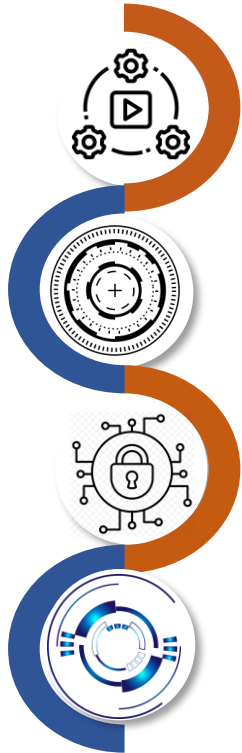


- ✿ **Loan Approval TAT** reduced to **3.3 days**

## Scalability & Optimization of Resources



- ✿ **Branches** increased from 375 in 2018 to **1242 in Q3 FY24** with presence in **22 States & 446 Districts**



## Robotic Process Automation facilitating

- Automated credit decisioning
- Driving operational efficiency

## Continuous investment in core technology

## Continue to invest in cyber resilience framework

## Envisioning future ready Tech framework

- Monolithic → Microservices Architecture

Develop Technology Solutions  
To proactively access opportunities



Leverage Robotics  
To automate manual & repetitive jobs



## DIGITAL TRANSFORMATION DRIVE

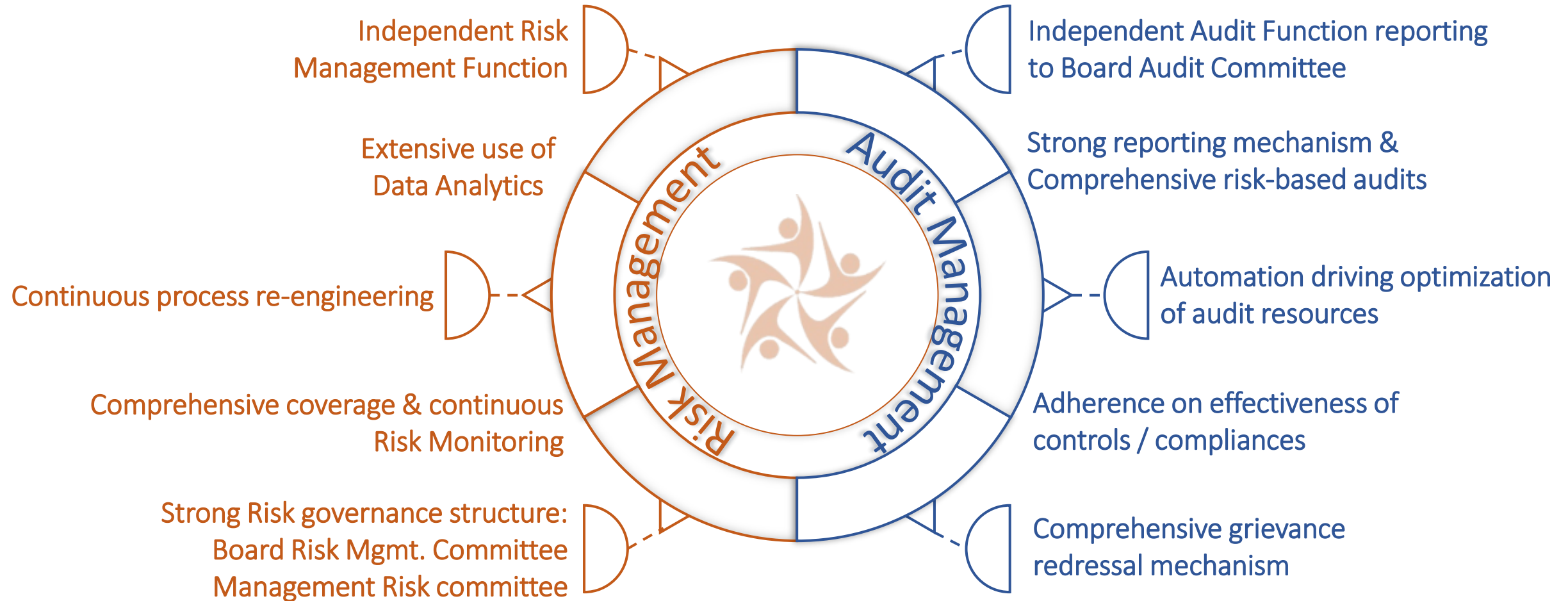
Leverage System Intelligence  
To provide early delinquency signal



Utilize Machine Learning  
To build prediction models



# Key Strengths : Strong Governance



Responsible approach towards environment , community and employees as well as towards internal governance standards

## Continuous Engagement with Community and Employees



Under 23 CSR programs, 256 activities implemented and covered 157 districts across 19 states touching 87,746 lives



Over 8,500 community members received health check ups, access to gynecologists with a special emphasis on women's health through 50+ health camps organized across 13 states.



Goats were distributed to 50 rural women at Chehri village , Maharajganj district in Uttar Pradesh to enhance their livelihood income.



23,950 sanitary napkins were distributed to benefit 6,000 adolescent girls and women across 16 villages in Kalahandi district.



5KW Solar setup solution installed in Swarn Jyanti Balika Vidhyalya , Chanduali, U.P. benefiting 300 students and teachers.

## Governance Standards



50% board comprising independent directors including 2 women directors



Special veto powers for Head of Audit for new area approval



Risk Management Committee to review management policies in relation to various risks and regulatory compliance issues



Awarded a score of 97.0% on the Code of Conduct Assessment (CoCA) for MFIs in India by M-CRIL<sup>(1)</sup>

Awarded the Gold Level Certification by M-CRIL<sup>(2)</sup> according to the new Client Protection Certification Framework promoted by SPTF and CERISE



Dedicated ALM committee to monitor maturity schedule of financial liabilities & assets

Successful assessment by BNP Paribas against seven dimensions of Universal Standards for Social and Environmental Performance Management (USSEPM) showcasing our continued focus & progress on key parameters like social strategy, leadership commitment, client-centricity, client protection and human resource development.

1. Rated 97.0% on the Code of Conduct Assessment for MFIs in India, based on indicators of transparency, client protection, governance, recruitment, client education, grievance redress and data sharing, by M-CRIL, a global leader in the financial rating of microfinance institutions
2. Gold level certification is awarded based on the Total score achieved in 83 Indicators with compliance  $\geq 95\%$  by M-CRIL and approved by SPTF and CERISE



*Fusion creates a positive impact on economic, social and environmental growth of disadvantaged communities through integrated and sustainable development initiatives*



**MENSTRUAL HYGIENE :**

Empowering ~ 6000 women and adolescent girls through education and providing sanitary napkins to manage menstrual health



**PROJECT BEEJ :**

Empowering 100 rural women by distributing high-quality seeds, creating livelihood opportunities, and enhancing skills towards sustainable agriculture



**PROJECT URJA :**

Enhancing energy access and promoting environmental sustainability by installing a 5 KW solar setup and replacing reliance on a generator for power supply



**PROJECT JEEVIKA :**

Enhancing livelihoods of rural women by distributing goats to manage their own small-scale goat farming operations



*Executive Summary*

1



2

*Overview*



3

*Vision, Mission  
& Values*



4

*Our Presence*



5

*Key Strengths*



6

*Financial  
Performance*



# Profit and Loss Statement

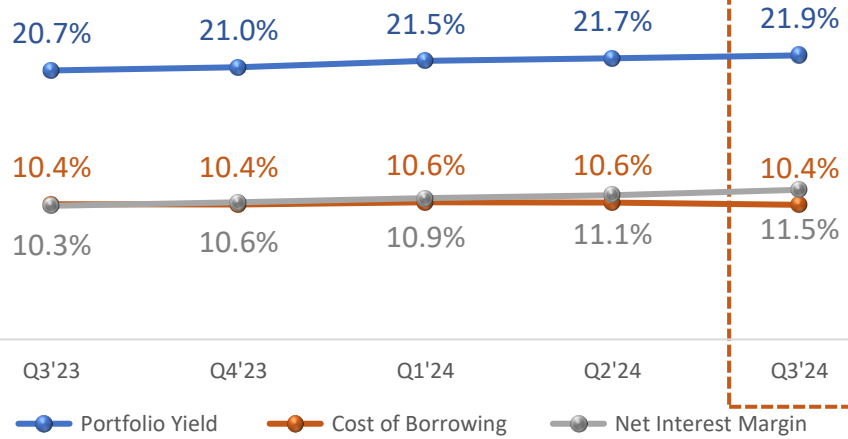
Profit & Loss Statement (₹ Cr)	Q3 FY 24	Q3 FY 23	YoY %	Q2 FY 24	QoQ%	9M FY 24	9M FY 23	YoY %
<b>Revenue from operations</b>								
- Interest income	540.04	420.25	28.50%	496.80	8.70%	1,515.84	1,149.37	31.88%
- Other revenue from operations	52.99	38.38	38.07%	49.84	6.32%	154.90	91.67	68.98%
<b>Total revenue from operations</b>	<b>593.03</b>	<b>458.63</b>	<b>29.30%</b>	<b>546.64</b>	<b>8.49%</b>	<b>1,670.74</b>	<b>1,241.04</b>	<b>34.62%</b>
- Other income	20.21	7.89	156.15%	24.62	(17.91)%	66.54	38.26	73.92%
<b>Total income</b>	<b>613.24</b>	<b>466.52</b>	<b>31.45%</b>	<b>571.26</b>	<b>7.35%</b>	<b>1,737.28</b>	<b>1,279.30</b>	<b>35.80%</b>
<b>Expenses</b>								
- Finance costs	201.46	168.02	19.90%	191.01	5.47%	575.95	468.54	22.92%
- Employee benefit expense	111.87	84.19	32.88%	99.28	12.68%	308.99	236.13	30.86%
- Depreciation and amortization expense	2.38	1.96	21.43%	2.09	13.88%	6.23	5.11	21.92%
- Other expenses	37.27	28.58	30.41%	37.09	0.49%	108.67	78.29	38.80%
- Impairment of financial instruments	93.76	49.92	87.82%	76.20	23.04%	245.89	131.17	87.46%
<b>Total expenses</b>	<b>446.74</b>	<b>332.67</b>	<b>34.29%</b>	<b>405.67</b>	<b>10.12%</b>	<b>1,245.73</b>	<b>919.24</b>	<b>35.52%</b>
<b>Profit before tax</b>	<b>166.50</b>	<b>133.85</b>	<b>24.39%</b>	<b>165.59</b>	<b>0.55%</b>	<b>491.55</b>	<b>360.06</b>	<b>36.52%</b>
- Tax expense	40.05	31.38	27.63%	39.90	0.38%	118.95	87.43	36.05%
<b>Profit after tax for the period/year</b>	<b>126.45</b>	<b>102.47</b>	<b>23.40%</b>	<b>125.69</b>	<b>0.60%</b>	<b>372.60</b>	<b>272.63</b>	<b>36.67%</b>
<b>Net interest income</b>	<b>337.21</b>	<b>247.72</b>	<b>36.13%</b>	<b>304.54</b>	<b>10.73%</b>	<b>935.82</b>	<b>673.46</b>	<b>38.96%</b>
<b>PPOP</b>	<b>260.26</b>	<b>183.77</b>	<b>41.62%</b>	<b>241.79</b>	<b>7.64%</b>	<b>737.44</b>	<b>491.23</b>	<b>50.12%</b>

# Balance Sheet

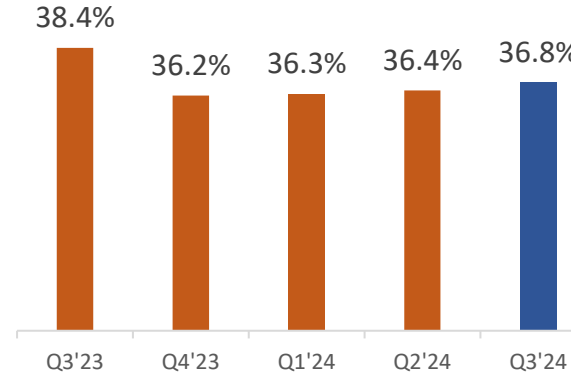
Financial Position (₹ Cr)	Q3 FY 24	Q3 FY 23	YoY %	Q2 FY 24	QoQ%
<b>Financial and Non-financial assets</b>					
- Cash & Other Bank Balances	1,357.66	1,103.18	23.07%	1,400.43	(3.05)%
- Bank balances other than cash and cash equivalents	60.59	115.62	(47.60)%	60.70	(0.18)%
- Loans - (Net of Impairment Loss Allowance)	9,355.89	7,558.99	23.77%	8,694.71	7.60%
- Investments	2.02	-	100.00%	2.02	0.00%
- Current and deferred tax assets	120.43	118.20	1.89%	117.51	2.48%
- PPE, Right of use asset and Intangible assets & Capital WIP	31.45	21.01	49.69%	23.83	31.98%
- Trade Receivables, Derivative financial & Other financial assets	104.33	85.48	22.05%	97.51	6.99%
- Other non-financial assets	24.91	9.13	172.84%	35.04	(28.91)%
<b>Total assets</b>	<b>11,057.28</b>	<b>9,011.61</b>	<b>22.70%</b>	<b>10,431.75</b>	<b>6.00%</b>
<b>Financial and Non-Financial liabilities</b>					
- Debt securities	390.53	635.50	(38.55)%	537.14	(27.29)%
- Borrowings (other than debt securities)	7,580.04	5,741.22	32.03%	6,907.55	9.74%
- Subordinated liabilities	53.30	162.88	(67.28)%	83.21	(35.95)%
- Trade payables & Derivative financial instrument	96.80	102.36	(5.43)%	103.10	(6.11)%
- Other financial liabilities	177.21	133.19	33.05%	181.13	(2.16)%
- Current tax, Provisions & Other non-financial liabilities	50.45	31.33	61.03%	42.69	18.18%
<b>Total liabilities</b>	<b>8,348.33</b>	<b>6,806.48</b>	<b>22.65%</b>	<b>7,854.82</b>	<b>6.28%</b>
<b>Total equity</b>	<b>2,708.95</b>	<b>2,205.13</b>	<b>22.85%</b>	<b>2,576.93</b>	<b>5.12%</b>
<b>Total liabilities and equity</b>	<b>11,057.28</b>	<b>9,011.61</b>	<b>22.70%</b>	<b>10,431.75</b>	<b>6.00%</b>

## QoQ

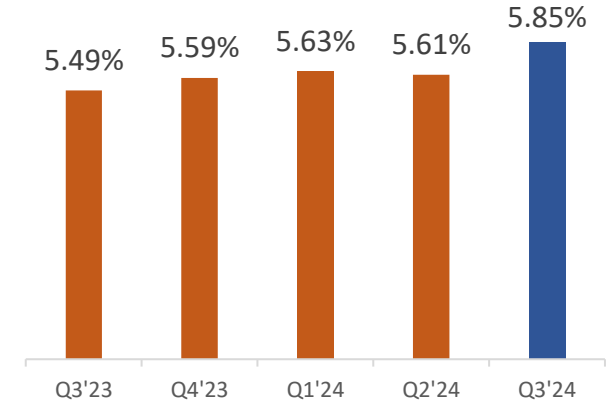
### Margin Analysis



### Cost to Income

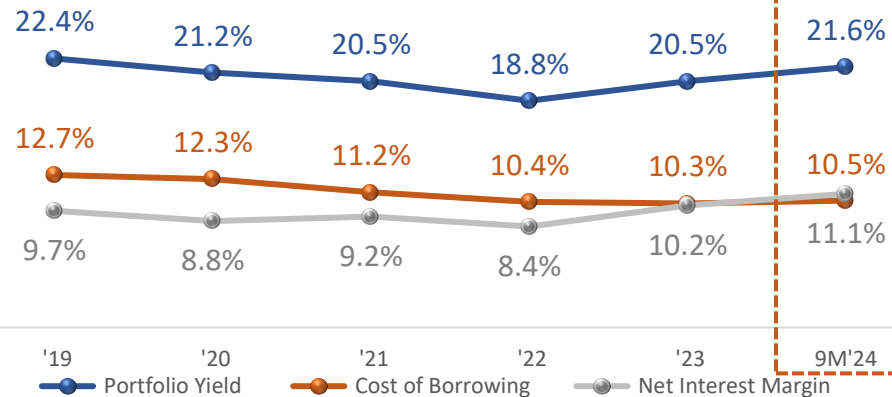


### Opex

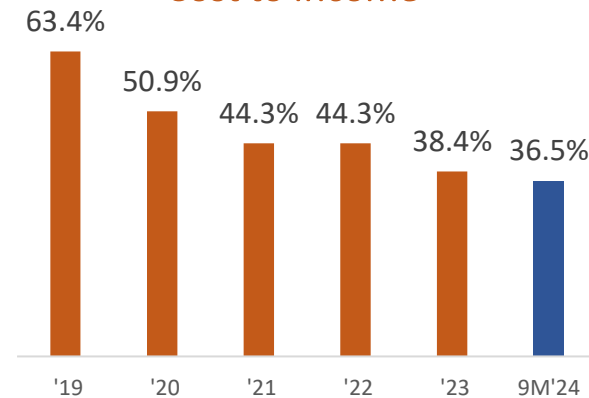


## YoY

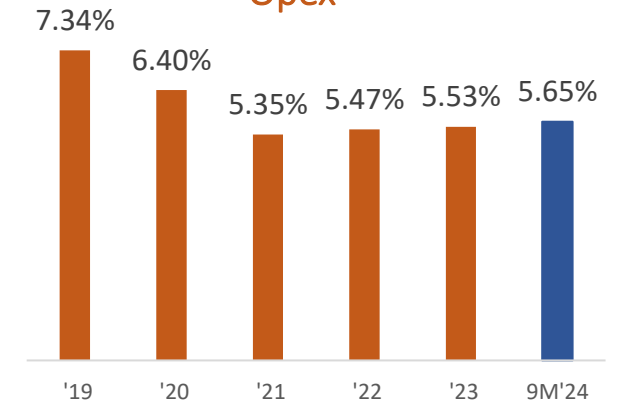
### Margin Analysis



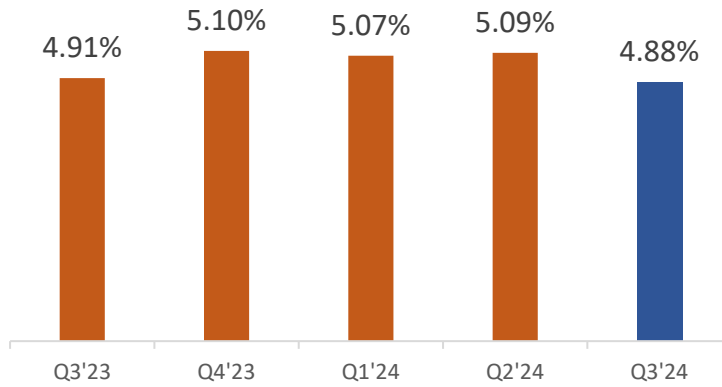
### Cost to Income



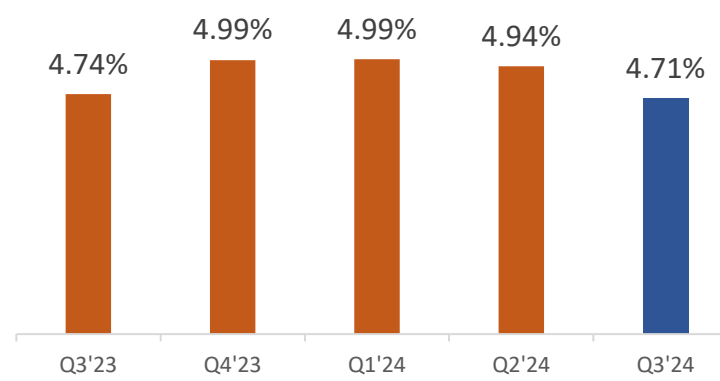
### Opex



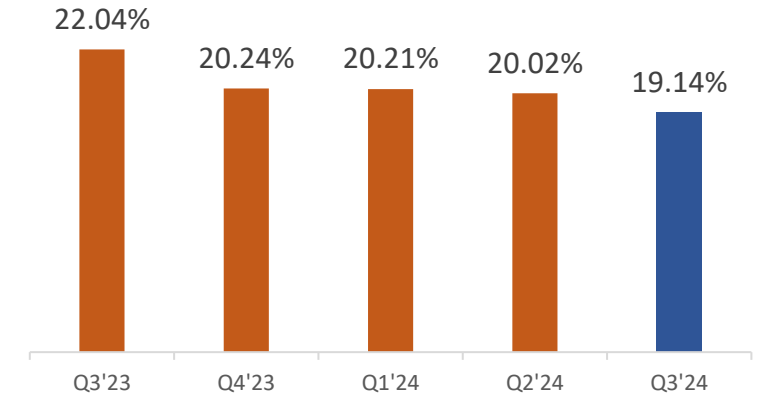
### ROA (On Avg. AUM)



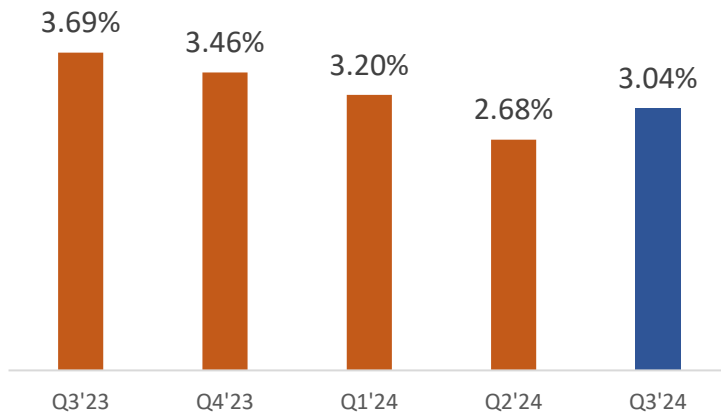
### ROA (On Avg. Assets)



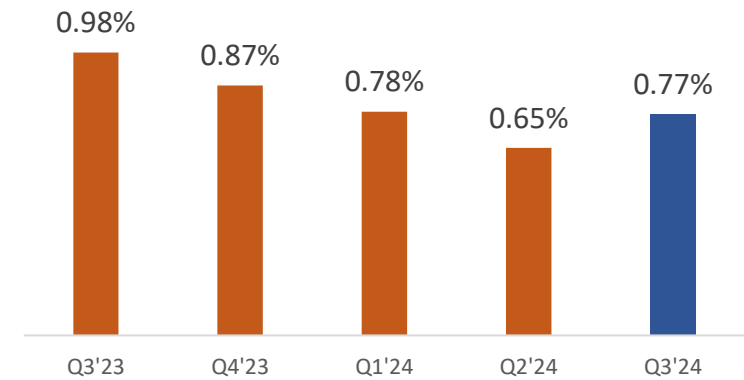
### ROE



### GNPA



### NNPA



- ✿ MSME vertical launched in Dec 2019 as a dedicated business unit to address the ‘missing middle’
- ✿ Building credit assessment capability ...nucleus of our MSME strategy
- ✿ Clear focus on mapping adjacencies and potential thereof
- ✿ Branch led distribution strategy, Direct sourcing
- ✿ Cashflow based lending to micro enterprise in informal segment only for business purpose (non salaried)
- ✿ Ability to underwrite Imperfect Collateral & Rural Properties

Business Updates	Q3 FY24
Clients	15,320
AUM (₹ Cr)	461
States	9
Branches	87
Team	933

# Highly Experienced Board with Strong Governance



**Devesh Sachdev**  
*Promoter,  
MD & CEO*

- Over 26+ years of experience in Service/ Financial Services industry
- Holds a Post-Graduate Certificate from XLRI, Jamshedpur and has also completed HBS Accion Program from Harvard Business School, USA
- Ex- Chairperson of the governing board of Microfinance Institutions Network



**Narendra Ostawal**  
*Nominee Director*

- Managing Director, Head of India at Warburg Pincus
- Over 20+ years of experience
- Previously worked with 3i India and McKinsey & Company
- Holds a PGDM in business management from IIM Bangalore



**Kenneth Dan Vander Weele**  
*Nominee Director*

- Served on the board of Creditaccess Grameen and Muthoot Microfinance, among others
- Over 30+ years of experience
- Holds a PhD from the Oxford Centre for Mission Studies, Open University



**Ratna Dharashree Vishwanathan**  
*Independent Director*

- Over 35 years of experience working with the Government of India, MFIN, and Oxfam India among others
- Currently, on the board of Moneyboxx Finance Limited, and Dilip Buildcon Limited



**Namrata Kaul**  
*Independent Director*

- Over 34 years of experience working with companies like Grindlays Bank and Deutsche Bank
- Currently on the board of Havells India, and Schneider Electric among others



**Pankaj Vaish**  
*Independent Director*

- Currently on the board of IIFL Wealth Management, Krishna Institute of Medical Sciences and Indium Software (India)
- Over 35 years of work experience
- Bachelor from IIT – BHU and MBA from University of Minnesota, U.S.A.

# Stable & Experienced Management Team



**Tarun Mehndiratta**  
COO - MFI

- Previously worked with companies like GE India, SBI Cards & Payments Services, Citicorp Finance (India) and SRF Finance
- Holds a PGDM in Mktg Science from IMM, Delhi
- With Fusion since 2017



**Gaurav Maheshwari**  
CFO

- Previously worked with Essel Mining (Aditya Birla Group) and Avantha Holdings
- Chartered Accountant
- With Fusion since 2016



**Kamal Kumar Kaushik**  
COO- MSME

- Previously worked with companies such as Religare Housing Development Finance Corporation, HDFC Bank, ICICI Bank, among others
- Chartered Accountant
- With Fusion since 2019



**Deepak Madaan**  
CCO

- Previously worked with Almondz Capital, Management Services and Megha Technical Engineers
- Company Secretary and holds a Bachelor's degree in Law
- With Fusion since 2013



**Pooja Mehta**  
CHRO

- She has over 20 years of experience working extensively in HR domain. She has been associated with organizations like PwC and Mercer
- Holds a post graduate degree in Psychology from DU and XLRI
- With Fusion since 2022



**Ankush Ahluwalia**  
CBO

- Previously worked with Magma Fincorp and Development Credit Bank among others
- Holds a Master's in Business Economics from Kurukshetra University
- With Fusion since 2015



**Sanjay Mahajan**  
CIO

- 31 years of rich and diversified experience in Information Technology
- Holds two master degrees in Mathematics and CS from Punjab University
- Worked with brands like Mazda, P&G, YUM, BATA, SATIN
- With Fusion since 2023



**Satish Mani**  
SVP – Audit

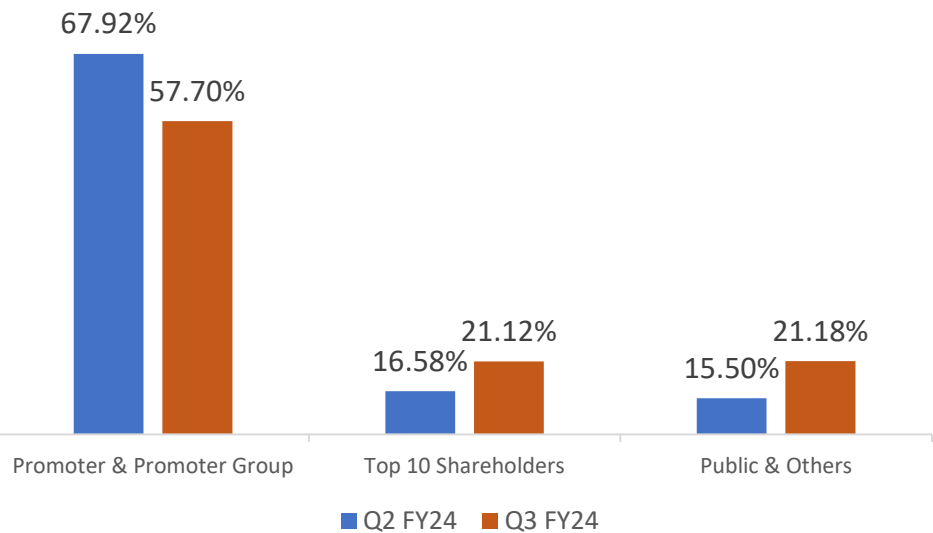
- Previously worked with GE Capital, ICICI Bank, Kotak Mahindra Bank, and Sundaram Finance
- B. Com from Delhi University and has also completed HBS Accion Program
- With Fusion since 2015



**Sanjay Vishwanath Choudhary**  
CRO

- Previously worked with Axis Bank, Tata Consultancy Services, Satin Creditcare Network, WIMCO and ICICI Bank
- Chartered Accountant and completed FRM certification from GARP
- With Fusion since 2020





CATEGORY	SHARE HOLDER NAME
Mutual Fund	NIPPON LIFE INDIA TRUSTEE LTD
Mutual Fund	HDFC MUTUAL FUND
Mutual Fund	MIRAE ASSET BANKING AND FINANCIAL SERVICES FUND
Insurance Company	KOTAK MAHINDRA LIFE INSURANCE COMPANY LTD.
Mutual Fund	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED
Mutual Fund	SBI BANKING & FINANCIAL SERVICES FUND
Alternative Investment Fund	NUVAMA PRIVATE INVESTMENTS TRUST
Mutual Fund	FRANKLIN INDIA SMALLER COMPANIES FUND
Foreign Investment Co	THE NOMURA TRUST AND BANKING CO. LTD
Foreign Investment Co	BOFA SECURITIES EUROPE SA

# Awards and Accolades



Fusion Microfinance Ltd. has been awarded as  
“Most Influential Microfinance of the Year”

Mr. Sanjay Mahajan , CIO,  
Fusion Microfinance won the  
“Hall of Fame”

# Abbreviations

AUM	Asset Under Management
PAT	Profit After Tax
NIM	Net Interest Margin
ROE	Return on Equity
ROA	Return on Assets
ECL	Expected Credit Loss
CRAR	Capital Risk Adequacy Ratio
GNPA	Gross Non-Performing Assets
NNPA	Net Non-Performing Assets
NII	Net Interest Income
PPOP	Pre-Provision Operating Profit before tax
COB	Cost of Borrowing
CAGR	Compound Annual Growth Rate
Opex	Operating Expenses
YoY	Year on Year
QoQ	Quarter on Quarter
Cr	Crore
L	Lakh
Mn	Million
K	Thousand
FY	Financial Year
Bps	Basis points

FY	Financial Year
H	Half Yearly
Bps	Basis points
Q	Quarter
ALM	Asset Liability Management
TAT	Turn Around Time
API	Application Programming Interface
UPI	Unified Payments Interface
ISO	International Organization for Standardization
GLP	Gross Loan Portfolio
MFIN	Micro Finance Industry Network
SRO	Self Regulatory Organization

- **AUM** represents the aggregate of principal outstanding for all loans including the assigned portfolio as of the last day of the relevant period/year
- **Net Interest Income** represents interest income on loan portfolio for the relevant period/year reduced by finance costs for such period/year
- **Yield** represents interest income as a percentage of average outstanding owned portfolio for the relevant period/year
- **Cost of Borrowing** represents finance cost as a percentage of average outstanding borrowings for the relevant period/year
- **Net Interest Margin** represents the difference between the Yield and Cost of Borrowing for the relevant period/year
- **Return on Assets** represents profit for the relevant period/year as a percentage of average gross AUM/total assets for such period/year
- **Return on Equity** represents profit for the relevant period/year as a percentage of average equity for such period/year
- **Pre-Provision Operating Profit** represents the sum of profit before tax for the relevant period/year and impairment on financial instruments for such period/year
- **Debt to Equity ratio** represents our total borrowings divided by total equity attributable to shareholders as of the last day of the relevant period/year. Total borrowings represent the aggregate of debt securities, subordinate liabilities, borrowings (other than debt securities) as of the last day of the relevant period/year
- **Marginal Cost of Borrowing** represents the weighted average cost of borrowings as a percentage of borrowings availed for the relevant period/year.
- **Cost to Income ratio** represents operating expenses (which comprises the aggregate of employee benefits expense, depreciation and amortization and other expenses) as a percentage of total income less finance costs for the relevant period/year
- **Gross NPA** represents our portfolio of Stage III Assets as of the last day of the relevant period/year
- **Net NPA** represents Stage III Assets (Gross NPAs) as of the last day of the relevant period/year as reduced by ECL on Stage III Assets for such period/year.



***Thank You***

*For Investor queries contact:*

*Mr. Deepak Madaan | Email: [investor.relations@fusionmicrofinance.com](mailto:investor.relations@fusionmicrofinance.com) | +91-9289224563*