



Fusion Microfinance Limited

(Formerly known as Fusion Micro Finance Private Limited)

Date: 28.11.2022

Letter No. FMFL/SEC/2022-23/SE-73

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
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Sub: Regulation 30, Regulation 51 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – 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 Financial Results for Quarter and Half Year ended on September 30, 2022. The same is also available on the website of company i.e. www.fusionmicrofinance.com.

Kindly take the same on your record.

Thank you.

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

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



***Fusion Micro Finance
Limited***

***Investor Presentation
Q2'FY23***

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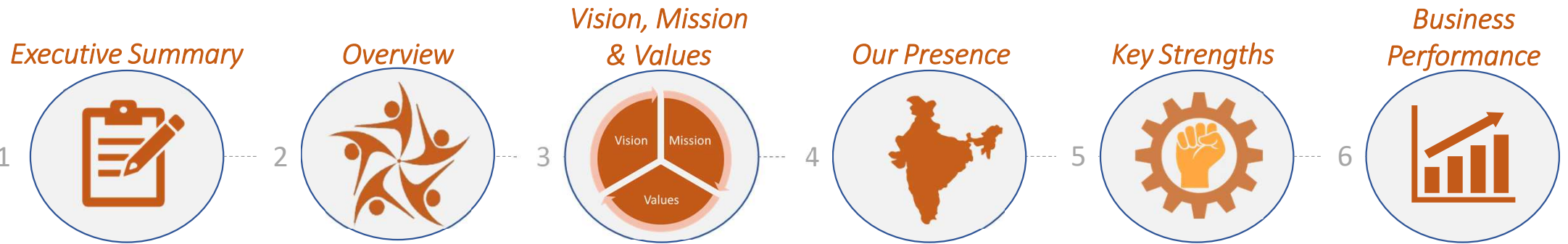
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Presentation Path



Executive Summary

1



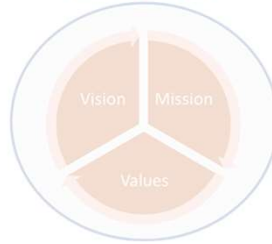
2

Overview



3

Vision, Mission & Values



4

Our Presence



5

Key Strengths



6

Business Performance



Strong H1 for the Company with consistent portfolio growth, highest PAT and largely normalized Asset quality. Continue to maintain balance between existing and new clients with ~0.5 Mn new client addition in H1. Further strengthened our liability profile, strategy in place to protect NIM

AUM

₹ 80,472 Mn
YoY growth 55%

PAT

₹ 1,702 Mn
YoY growth 2135%

NIM

9.79%

ROE

23.87%

ROA

4.37%

Performance Highlights – H1 FY'23

ECL

₹ 2,851 Mn

Including Management overlay of INR 174.74 Mn

Cost to Income

39.98%

*Net worth**

₹ 15,137 Mn

CRAR

20.97%

NNPA

1.12%

Total Income

₹ 8,128 Mn

NII

₹ 4,257 Mn

OPEX

5.52%

Cost of Borrowing

10.12%

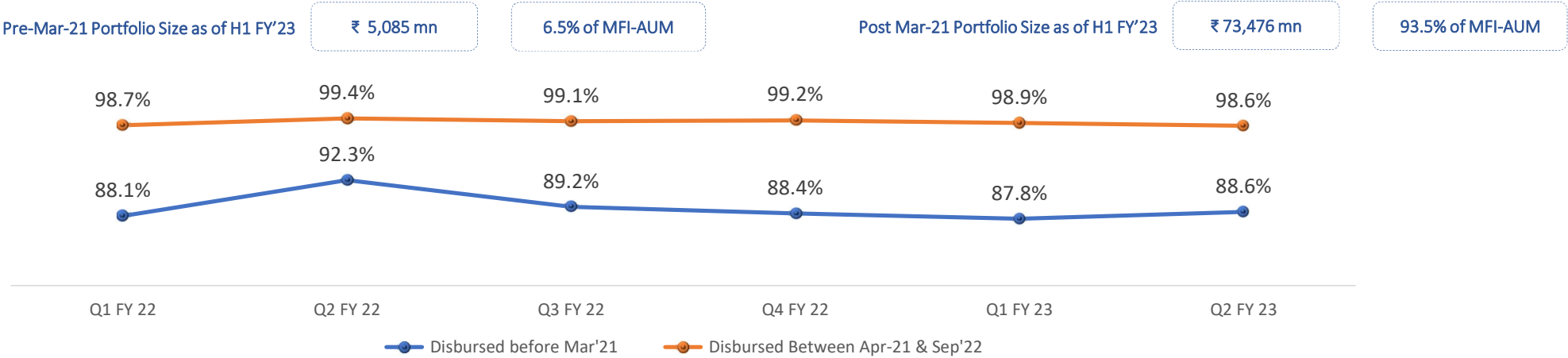
PPOP

₹ 3,075 Mn
YoY growth 108%

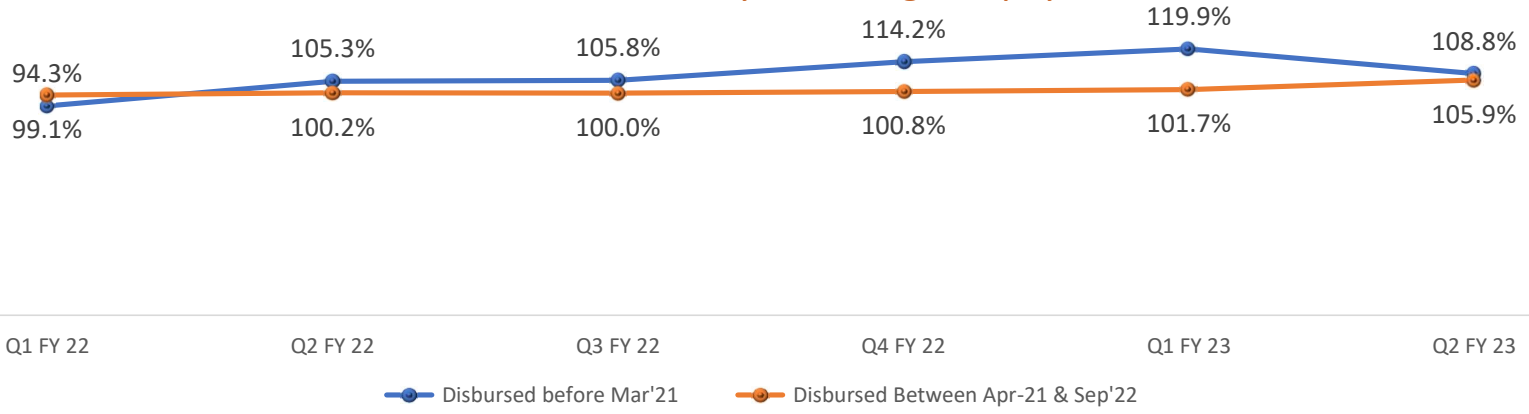
* It doesn't include fund raised from IPO

Collection Efficiency for Portfolio disbursed b/w Apr'21 & Sep'22

Collection efficiency excluding Pre-payment collection



Total Collection efficiency including Pre-payment collection



Impact of Credit Cost

₹ in Million

Understanding the Credit Cost Impact	Q2 FY23	Q1 FY 23	H1 FY 23	FY 22
- Opening ECL- [A]	2,442.74	3,603.50	3,603.50	2,853.02
- Provisions as per ECL [B]	610.88	200.24	811.12	3,684.87
- Reversals (on account of write-off) [C]	202.79	1,361.00	1,563.79	2,934.39
- Closing ECL [D = A+B-C]	2,850.83	2,442.74	2,850.83	3,603.50
Impairment [F]	610.88	200.24	811.12	3,684.87
- Credit Cost (Provisions + Write-offs) – % of Avg. On-Book Loan Portfolio (non-annualized for Q1 & H1)	0.86%	0.30%	1.19%	6.75%
Bad-Debt Recovery [G]	48.21	42.08	90.29	69.74
Net P&L Impact [F – G]	562.67	158.16	720.83	3,615.13
Net P&L Impact – % of Avg. On-Book Loan Portfolio (non-annualized for Q1 & H1)	0.79%	0.24%	1.06%	6.62%

Slab H1 FY'23	Asset Classification (dpd)	Gross Loans (₹ Mn)	ECL (₹ Mn)	Gross Loans (%)	ECL (%)
- Stage I	0 - 30	69,588.3	528.5	95.1%	0.8%
- Stage II	31 - 90	816.8	318.5	1.1%	39.0%
- Stage III	90 +	2,802.6	2,003.8	3.8%	71.5%
Total		73,207.7	2,850.8	100%	3.9%
- GNPA (Stage III)					3.83%
- NNPA (Net Stage III)					1.12%

PAR 90+ as on 30th Sep'22 – 3.09% as per IGAAP

- ✿ ₹ 1,336.7 Mn portfolio has been restructured under Resolution Framework 2.0 which was ~2.5% of AUM as on September 30, 2021. The current outstanding ₹ 375.7 Mn, which is only ~ 0.5 % of AUM.
- ✿ Management overlay of ₹ 174.74 Mn is included in ₹ 610.88 Mn of provision as per ECL in Q2 FY'23.
- ✿ As per provisioning policy of the company, 100% provided on 90+ portfolio

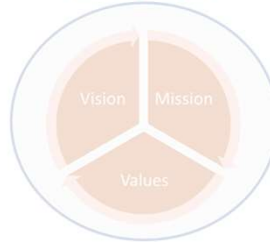
Executive Summary



Overview



*Vision, Mission
& Values*



Our Presence



Key Strengths



*Business
Performance*



12+ years of robust performance



Diversified

Organically diversified
since beginning

Client Growth

31% for last 5 years

AUM Growth

51% for last 5 years

Technology

On Cloud since 2013

Cost of Funds

Reduced by 335 bps in
last 5 years

Ranking

2nd largest NBFC – MFI

Marquee Investor

Warburg Pincus - 2018

Rating

3 upgrades in last 5
years, currently “A”
stable (CRISIL)

New Product

Started MSME in 2019

IPO
2022



Vision, Mission and Values

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.”

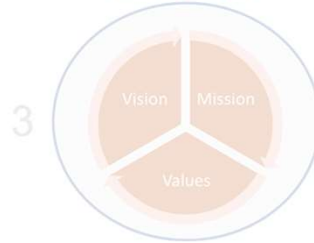
Executive Summary



Overview



Vision, Mission
& Values



Our Presence



Key Strengths



Business
Performance



Our Presence

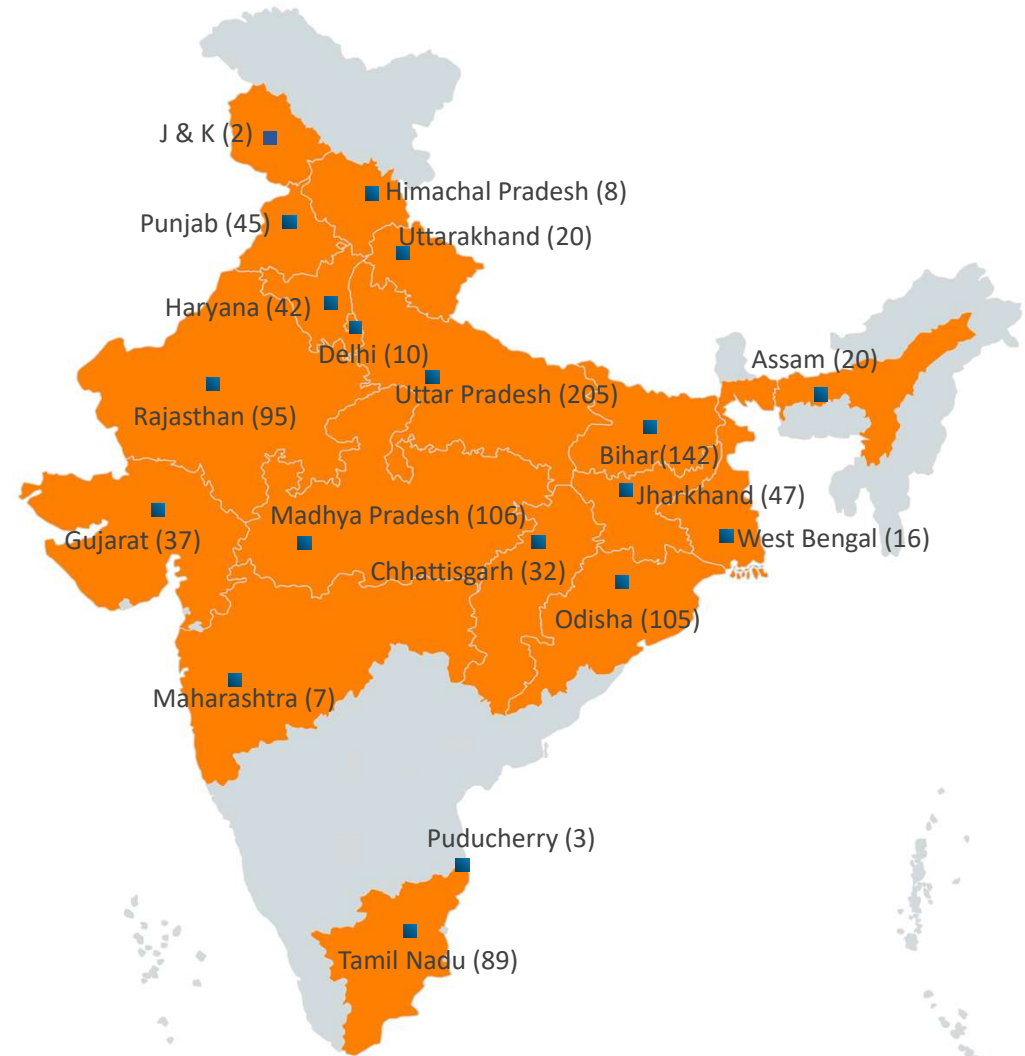
~3.2_{Mn}
Active Clients

19
States
(including 2 UTs)

1031
Branches

390
Districts

>118_k
Villages



Executive Summary



2

Overview



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Vision, Mission & Values



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Our Presence



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Key Strengths



6

Business Performance



Key Strengths



Diversification

Liability Management 



Consistency



People

Digital Orientation 



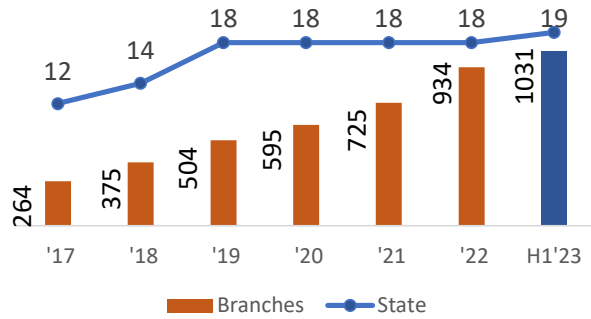
Operational Prudence

Strong Governance 

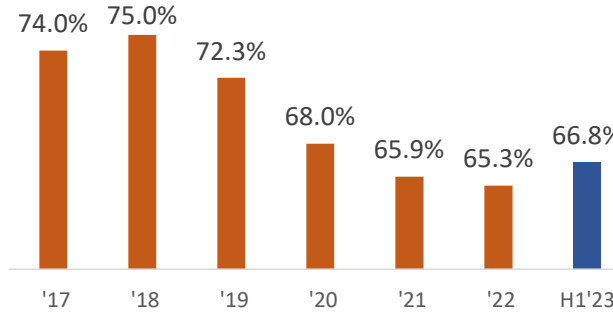
Key Strengths : Diversification

YoY

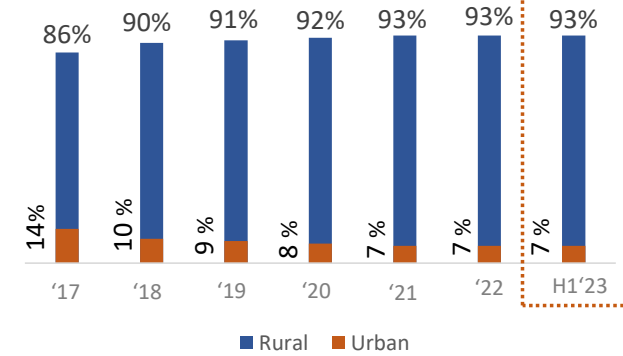
Network Distribution



Top 5 states concentration

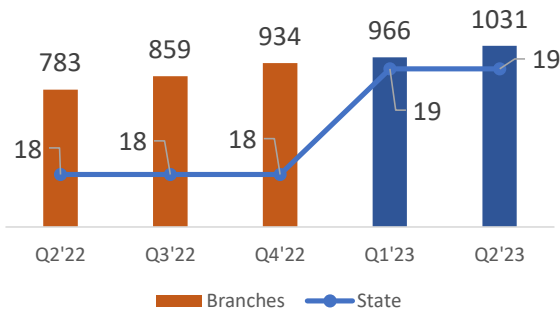


Rural vs Urban Presence

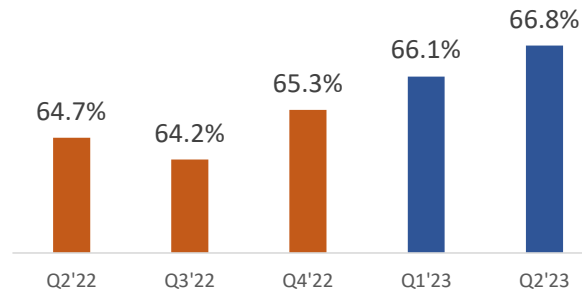


QoQ

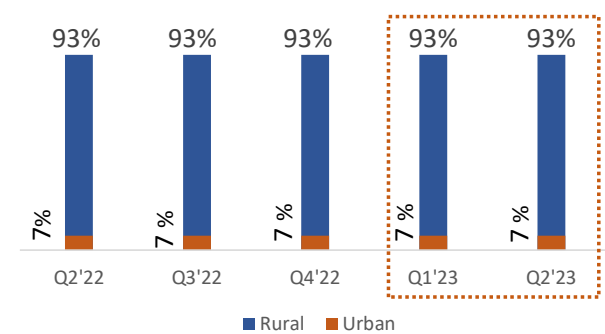
Network Distribution



Top 5 states concentration



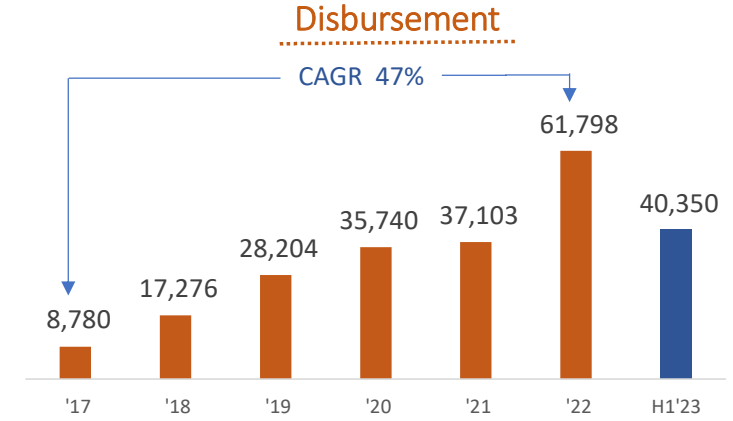
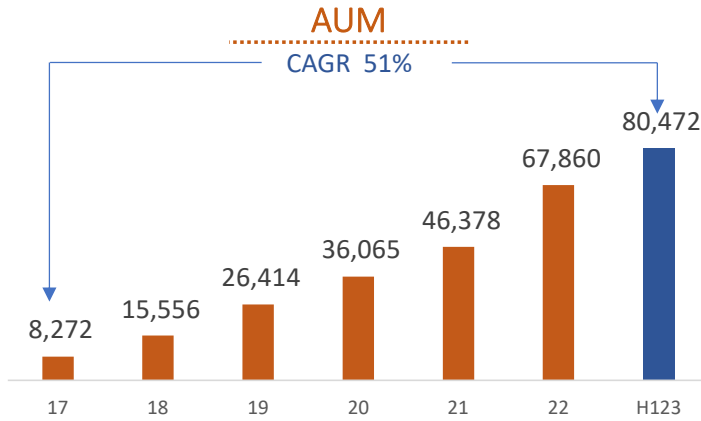
Rural vs Urban Presence



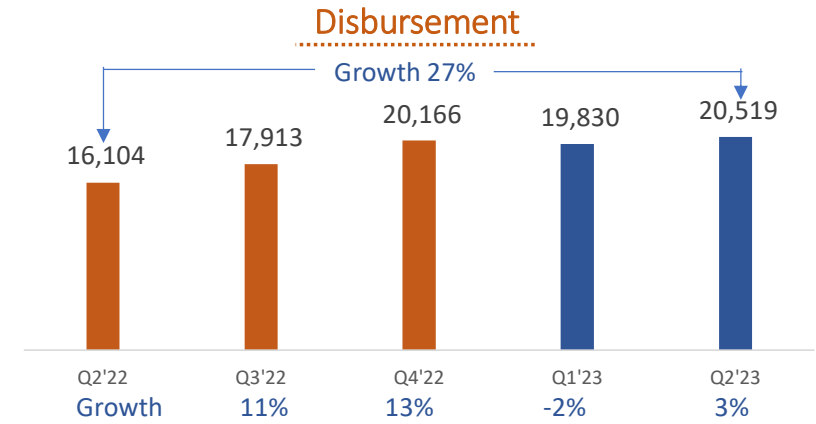
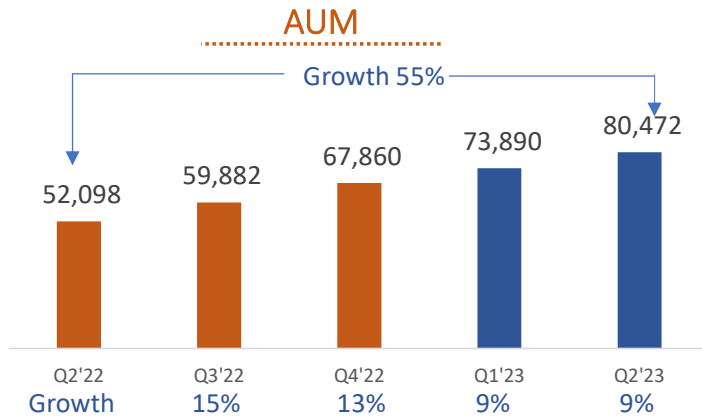
Key Strengths : Consistency

₹ in Million

YoY



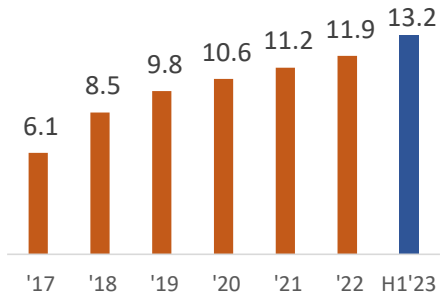
QoQ



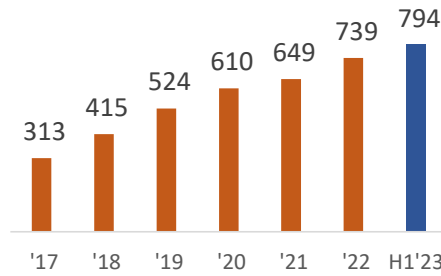
Key Strengths : Consistency (Contd...)

YoY

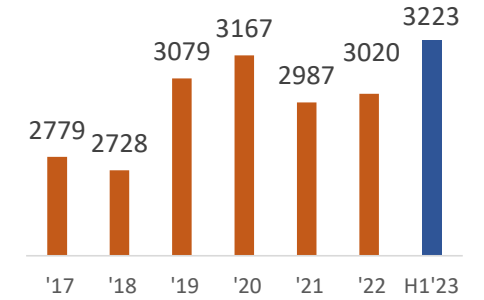
AUM/ RO (₹ in Mn)



AUM/Branch (₹ in Mn)

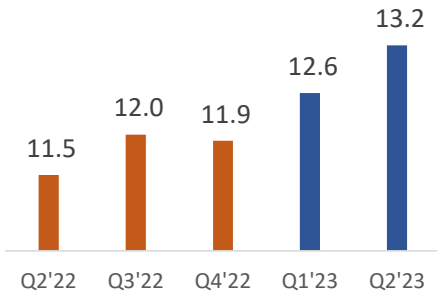


Borrower/ Branch

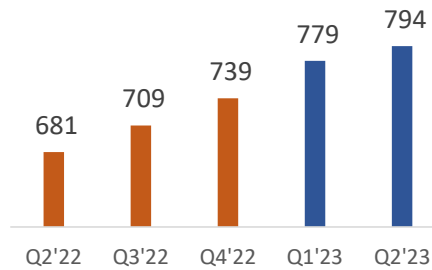


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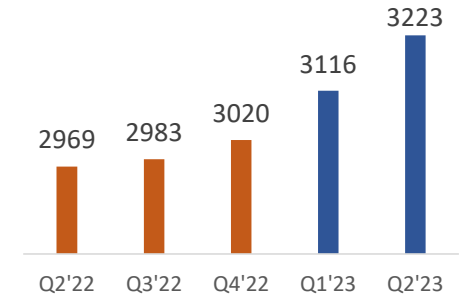
AUM/ RO (₹ in Mn)



AUM/Branch (₹ in Mn)



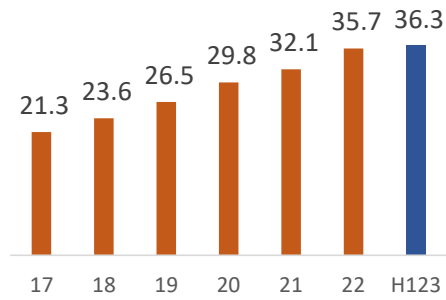
Borrower/ Branch



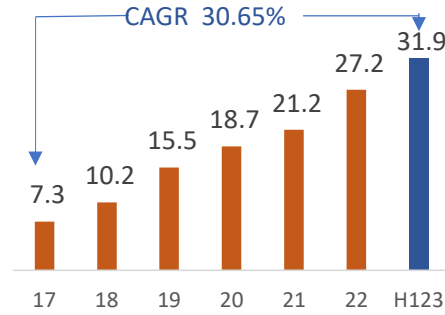
Key Strengths : Operational Prudence

YoY

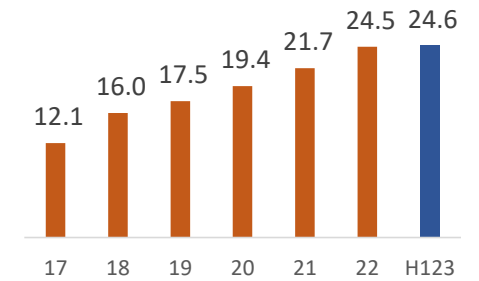
Avg. Ticket Size (₹ in K)



Borrowers (₹ in Lacs)

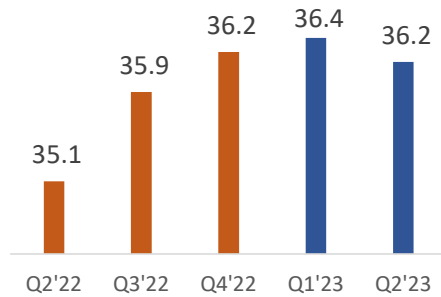


Avg. OS / Borrower (₹ in K)

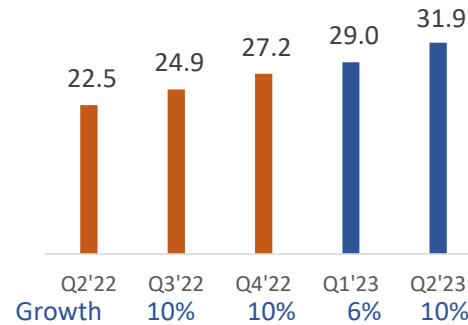


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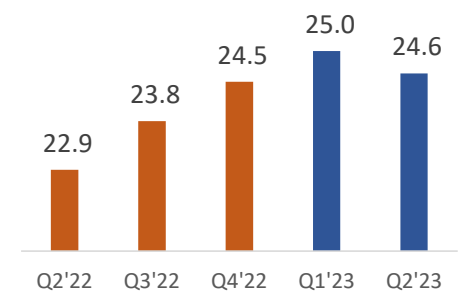
Avg. Ticket Size (₹ in K)



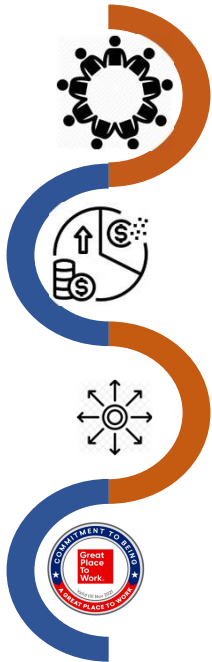
Borrowers (₹ in Lacs)



Avg. OS / Borrower (₹ in K)



Key Strengths : People



Stable and Experienced core management team with avg. tenure of ~7 years in Fusion

Strong second line with diversified experience and progressive orientation

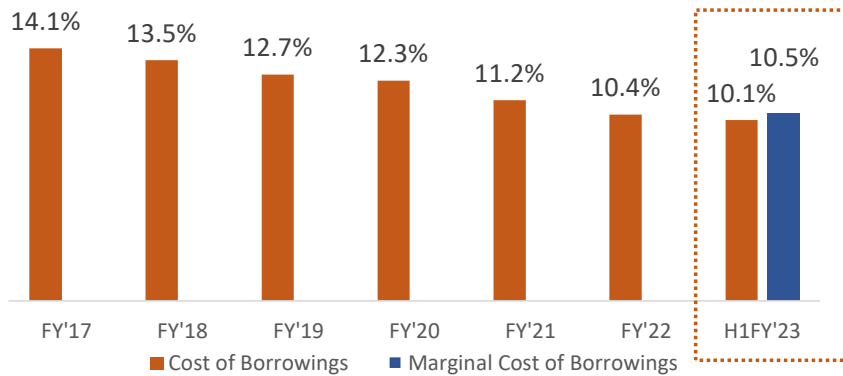
Focus on home grown talent

Awarded 'Great Place to Work' in our debut year of participating and the next two subsequent years, which validates our people centric approach

9.5K+
Work force Across
1000+ locations

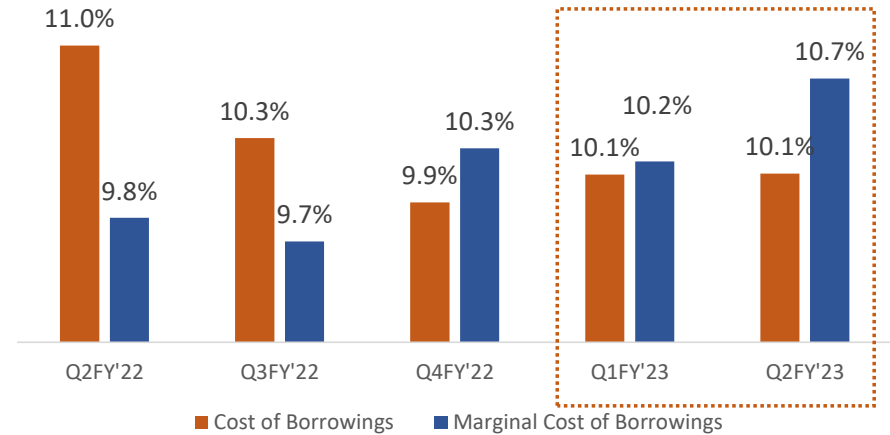
Key Strengths : Liability Management

Marginal Cost of Borrowings & Avg Cost of Borrowing %



YoY QoQ

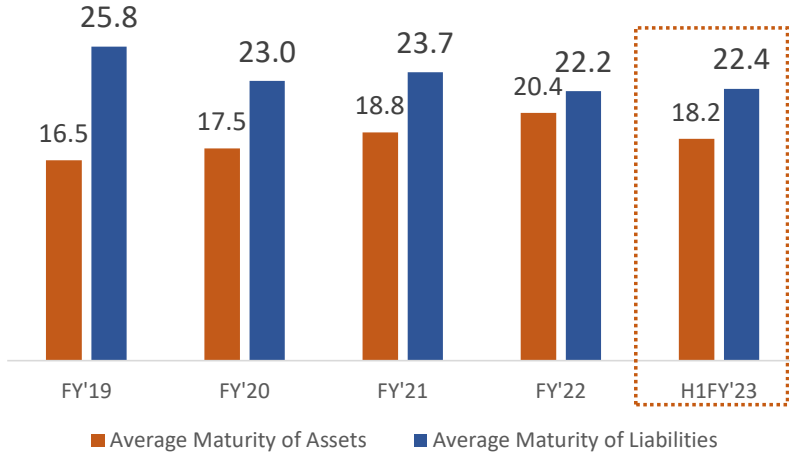
Marginal Cost of Borrowings & Avg Cost of Borrowing %



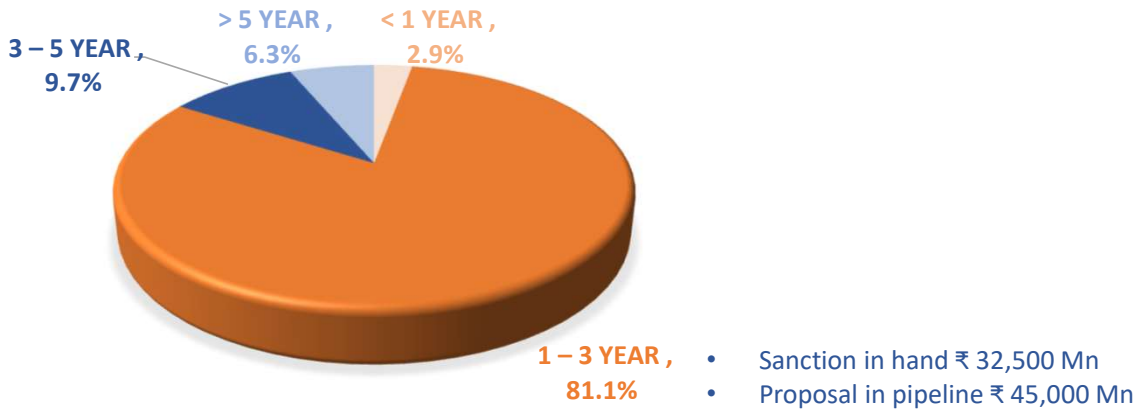
Institutions / Banks	Q2FY23	Q1FY23	FY'22	FY'21	FY'20	FY'19	FY'18	FY'17
Public Sector Bank	26.83%	20.17%	21.37%	13.30%	5.42%	1.08%	6.58%	13.07%
Development financial Institutions	7.55%	9.91%	11.66%	13.28%	12.65%	5.85%	7.15%	13.44%
Private Sector Bank	34.81%	35.60%	36.54%	36.44%	39.86%	50.28%	23.62%	7.93%
Foreign-Bank	13.28%	14.74%	13.68%	16.37%	20.34%	10.42%	6.57%	3.04%
Non-Banking Financial Institutions	10.57%	10.42%	8.78%	7.07%	10.07%	18.09%	32.63%	30.30%
Non-Convertible Debentures	6.96%	9.15%	7.96%	13.54%	11.66%	14.28%	23.46%	32.22%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Key Strengths : Liability Management (Contd...)

Positive ALM (in Months)



Loan Maturity (Tenure)



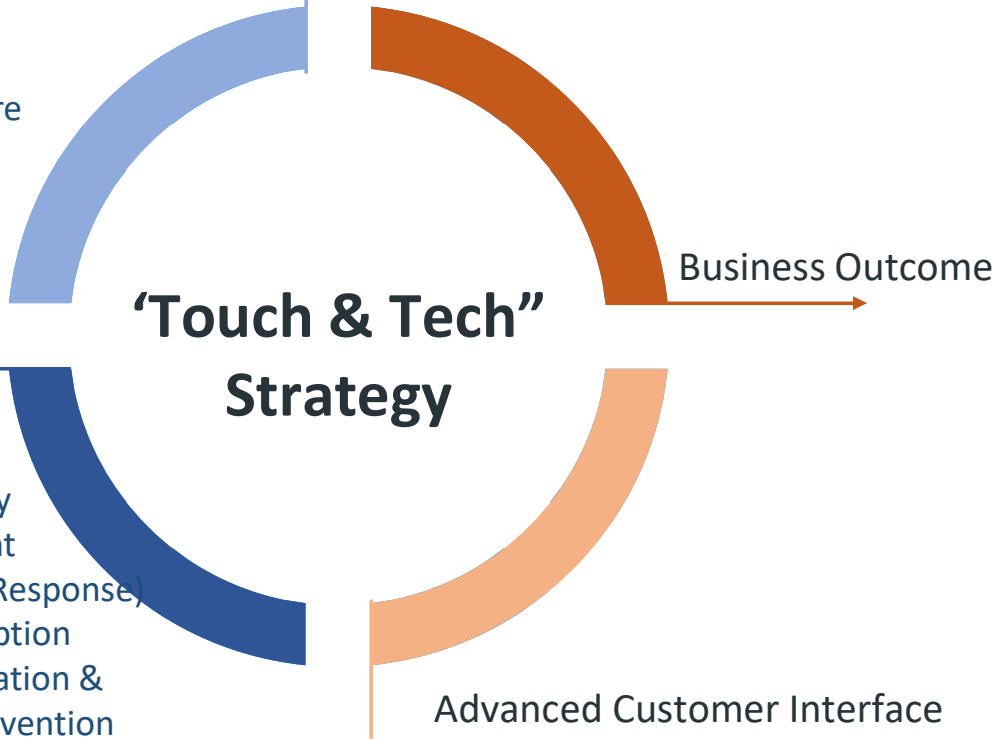
Tenure	Ratings
FY 2023	A (CRISIL) ↑
FY 2022	A- ↑
FY 2017	BBB+ ↑

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

Key Strengths : Digital Orientation

Technology – Infrastructure

- Early Cloud adopters
- Scalable
- Open API Architecture



‘Touch & Tech’ Strategy

Business Outcome

Customer Experience



- Digital onboarding improved from 30% in 2018 to **100% in 2022**.
- Cashless disbursement improved from 20% in 2018 to **97% in 2022**.

Efficiency



- Loan Approval TAT reduced from 13 days in 2016 to **~4 days In 2022**

Scalability & Optimization of Resources



- Branches increased from 375 in 2018 to **1031 in 2022** with presence in **19 states & 390 districts**

Safe & Secure

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

Awarded ISO 27001:2013 certified →



- UPI Collections
- Facial Recognition
- Realtime Credit Check

Key Strengths : Digital Orientation (Building Future)

- ✿ Real-time insights with Data Lake and Analytics
- ✿ Driving operational efficiency with automated Credit Decisioning
- ✿ Continuous investment in core technology
- ✿ Best defence in depth to build competencies for cyber resilience

Key Strengths : Strong Governance



Risk Management:

- ❖ Dedicated & Independent risk management function with strong focus on Credit, Operational, Market and other risk factors
- ❖ Strong governance mechanism consisting of Board Risk Mgmt. Committee (BRMC) & Mgmt. Risk committee (MRC) meetings on quarterly /monthly basis respectively
- ❖ Continuous monitoring of organization wide Risk Appetite, Key Risk Indicators and various other portfolio limits
- ❖ Systematic mechanism of identification of emerging risk through extensive use of data analytics and mitigation of identified risk & continuous engagement with Business Operation verticals



Audit:

- ❖ Independent audit function reporting to Board Audit Committee on significant audit findings along with mitigation plan with focus on continuous improvement in control environment
- ❖ Strong & one of the biggest audit team in comparison to portfolio size in the industry
- ❖ Comprehensive risk-based audit of branches through detailed field visit & process coverage along with internal audit of IT, Credit Operation & other function using advanced technology solution
- ❖ Continuous review of adequacy and effectiveness of internal controls environment with focus on continuous process improvement & ensuring compliance with regulations
- ❖ Comprehensive grievance redressal mechanism

ESG - seeking to be a responsible Financial Institution

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

Continuous Engagement with Community and Employees



Established approximately 1,320 initiatives across 274 districts in 21 states, which have benefitted over 500,000 people



Started a skills development program aiming to provide livelihood opportunities to women and provided scholarships to students



Initiatives like funding cataract surgeries, providing reusable sanitary napkins to women and wheelchairs to the disabled



Supporting environmental sustainability through plantations, distribution of solar lights and support to World Wildlife Fund



Featured on India's "Great Place to Work" list consecutively in FY 22, FY21 and FY20. Also, ensured no pay cuts/layoffs due to Covid-19

Governance Standards



50% representation to independent directors on the board as well as 2 nominee directors and only one executive director



Special veto powers for Chief Risk Officer and Head of Audit within new area approval committee



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



Dedicated ALM committee to monitor maturity schedule of financial liabilities



Awarded a score of 96.0% on the Code of Conduct Assessment for MFIs in India by M-CRIL⁽¹⁾



Highest number of branches in states like Bihar and UP that have a large majority of districts rated low on financial inclusion⁽²⁾



Received "Financial Inclusion & Literacy Leadership Award" from AWOKE India Foundation at India Financial Literacy Conclave in 2020



Awarded the "Gold" Client Protection Certification from SPTF and CERISE in 2022

1. Rated 96.0% 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. States such as Uttar Pradesh and Bihar have a CRISIL Inclusix (index measuring the extent of financial inclusion) score below 45, with – 50% of districts in Uttar Pradesh and 65% districts in Bihar – having Inclusix scores below 40 as of FY16

Corporate Social Responsibility



COVID19 Welfare Program

Beneficiaries: 5,07,263

Programs: 1,953



Flood relief work

Beneficiaries: 58,543

Programs: 109



Menstrual Hygiene

Beneficiaries: 6,653

Programs: 8



Eye-care Program

Beneficiaries: 7,245

Programs: 7



Wheelchair Distribution

Beneficiaries: 187

Programs: 76



Financial & Digital Literacy

Beneficiaries: 39,621

Programs: 161



Environment Sustainability

Beneficiaries: 16,950

Programs: 8



Health Check-up camps

Beneficiaries: 22,398

Programs: 129

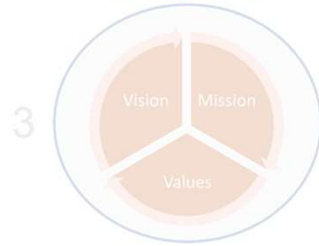
Executive Summary



Overview



Vision, Mission & Values



Our Presence



Key Strengths



Business Performance



Profit and Loss Statement

₹ in Million

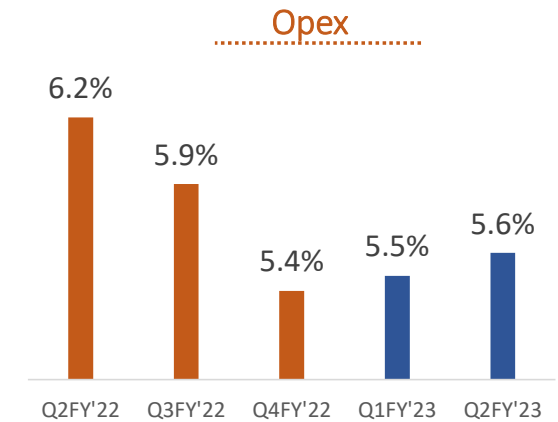
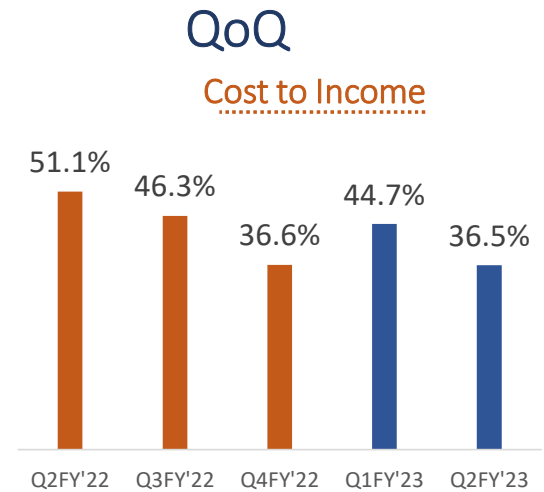
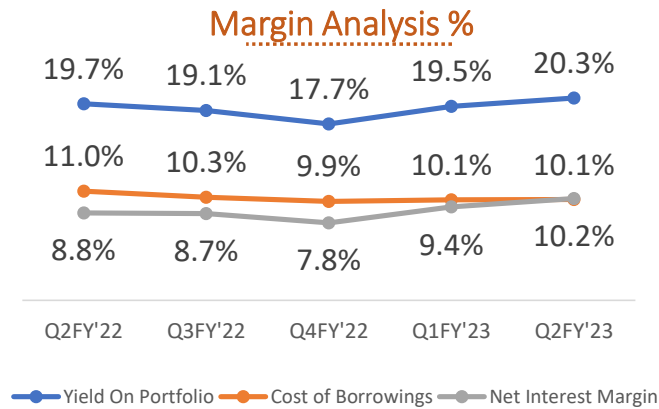
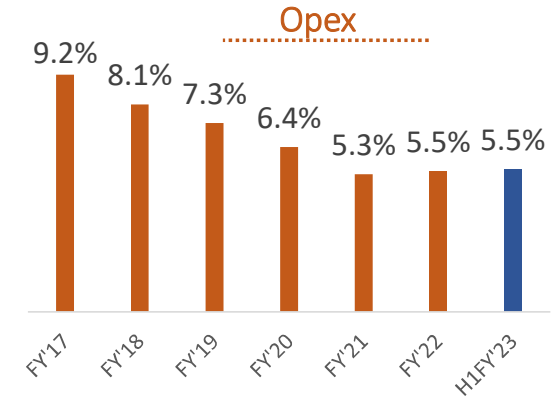
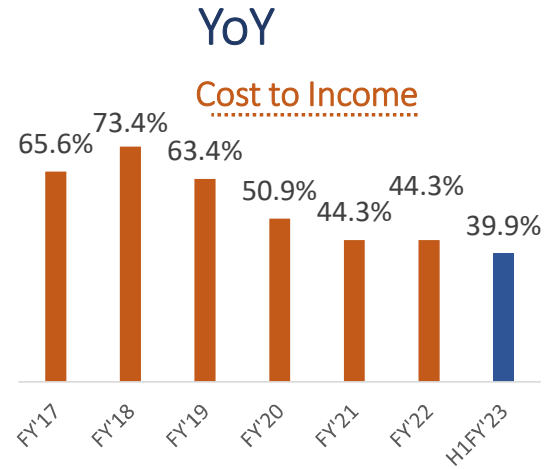
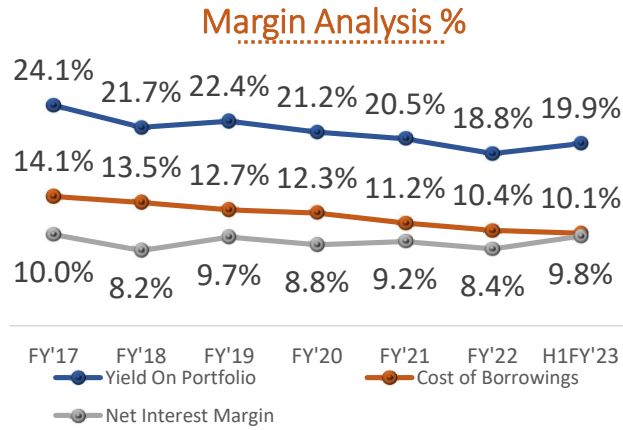
Profit & Loss Statement	Q2 FY 23	Q2 FY 22	YoY %	Q1 FY 23	QoQ %	H1 FY 23	H1 FY 22	YoY %	FY22
Revenue from operations									
- Interest income	3,997.6	2,302.3	73.6%	3,293.6	21.4%	7,291.2	4,802.0	51.8%	10,643.2
- Other than interest income	399.3	291.6	36.9%	133.6	198.9%	532.9	387.3		869.5
Total revenue from operations	4,396.9	2,593.9	69.5%	3,427.2	28.3%	7,824.1	5,189.3	50.8%	11,512.7
- Other income	126.4	77.3	63.6%	177.3	-28.7%	303.7	131.4	131.1%	500.8
Total income	4,523.3	2,671.2	69.3%	3,604.5	25.5%	8,127.8	5,320.7	52.8%	12,013.5
Expenses									
- Finance costs	1,573.3	1,177.0	33.7%	1,431.9	9.9%	3,005.2	2,411.2	24.6%	4,959.6
- Employee benefit expense	797.1	560.0	42.3%	722.3	10.3%	1,519.4	1,073.6	41.5%	2,330.7
- Depreciation and amortization expense	16.8	11.9	40.9%	14.8	13.7%	31.5	22.1	42.9%	53.7
- Others expenses	263.5	191.8	37.4%	233.6	12.8%	497.1	337.4	47.3%	738.3
- Impairment of financial instruments	611.8	697.3	-12.3%	200.6	204.9%	812.5	1,389.1	-41.5%	3,686.9
Total expenses	3,262.5	2,638.0		2,603.2		5,865.7	5,233.4	12.1%	11,769.2
Profit before tax	1,260.8	33.2	3693.0%	1,001.3	25.9%	2,262.1	87.3	2491.2%	244.3
- Tax expense	310.2	1.1	28101.1%	250.3	24.0%	560.5	11.2	4917.7%	26.7
Profit after tax for the period/year	950.6	32.1	2857.7%	751.0	26.6%	1,701.6	76.1	2135.2%	217.6
Pre-provision operating profit (PPOP)	1,872.6	730.5	156.3%	1,201.9	55.8%	3,074.6	1,476.4	108.2%	3,931.2
Net Interest Income (NII)	2,410.7	1,104.8		1,846.6		4,257.3	2,350.7		5,606.6

Balance Sheet

₹ in Million

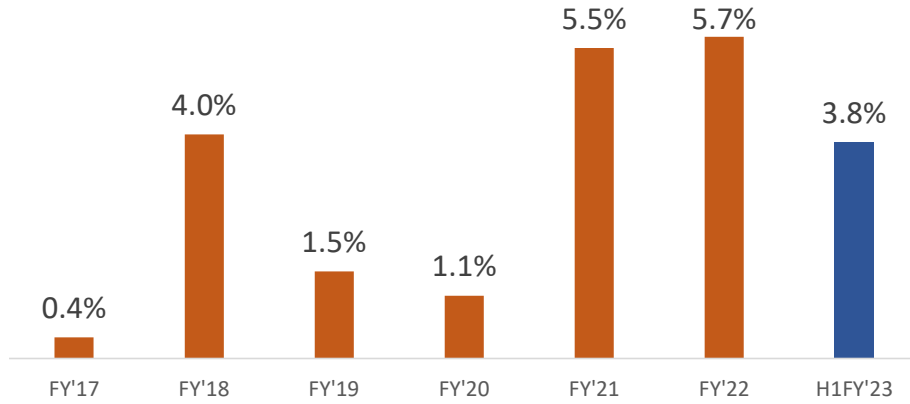
Financial Position	Q2 FY 23	Q2 FY 22	YoY %	Q1 FY 23	QoQ%	H1 FY 23	H1 FY 22	FY22
Financial and Non financial assets								
- Cash & Other Bank Balances	9,167.0	6,901.8	32.8%	6738.1	36.0%	9,167.0	6,901.8	10,113.7
- Bank balances other than cash and cash equivalents	1,128.6	1,181.1	-4.4%	958.4	17.8%	1,128.6	1,181.1	1,422.3
- Loans - (Net of Impairment Loss Allowance)	70,356.9	47,254.4	48.9%	66509.0	5.8%	70,356.9	47,254.4	59,181.9
- Current and deferred tax assets	990.2	1,135.4	-12.8%	1039.8	-4.8%	990.2	1,135.4	1,221.2
- Property, plant and equipment, Right of use asset and Intangible assets	206.4	184.0	12.2%	200.4	3.0%	206.4	184.0	191.9
- Other financial assets	947.1	511.3	85.2%	643.9	47.1%	947.1	511.3	712.1
- Other non-financial assets	100.0	47.5	110.5%	62.8	59.2%	100.0	47.5	61.7
Total Assets	82,896.2	57,215.5	44.9%	76,152.4	8.9%	82,896.2	57,215.5	72,904.8
Financial and Non Financial liabilities								
- Debt securities	6,570.6	8,600.2	-23.6%	7537.7	-12.8%	6,570.6	8,600.2	7,837.8
- Borrowings (other than debt securities)	57,267.6	32,703.1	75.1%	50935.4	12.4%	57,267.6	32,703.1	48,294.7
- Subordinated liabilities	1,627.7	1,097.7	48.3%	1626.7	0.1%	1,627.7	1,097.7	1,625.7
- Trade payables & Derivative financial instrument	740.6	482.6	53.5%	445.0	66.4%	740.6	482.6	451.5
- Other financial liabilities	1,378.5	940.8	46.5%	1275.8	8.0%	1,378.5	940.8	1,136.5
- Other non-financial liabilities	174.6	188.0	-7.1%	167.2	4.4%	174.6	188.0	179.2
Total Liabilities	67,759.6	44,012.4	54.0%	61,987.8	9.3%	67,759.6	44,012.4	59,525.3
Total Equity	15,136.6	13,203.1	14.6%	14164.6	6.9%	15,136.6	13,203.1	13,379.5
Total Liabilities and Equity	82,896.2	57,215.5	44.9%	76,152.4	8.9%	82,896.2	57,215.5	72,904.8

Key Ratios

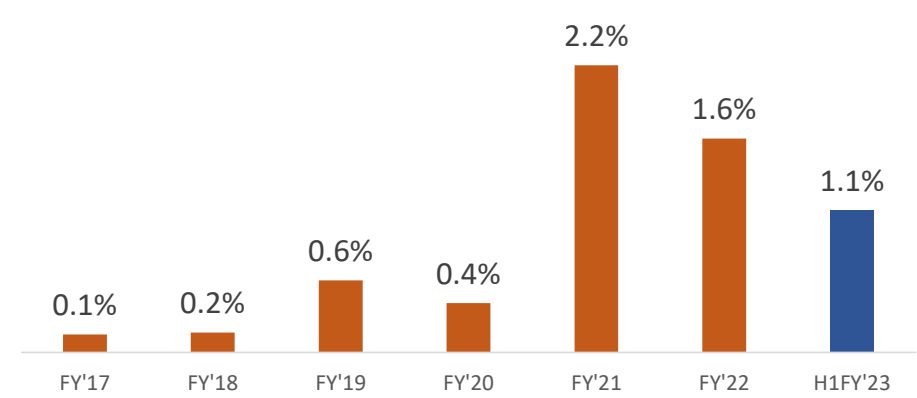


Key Ratios

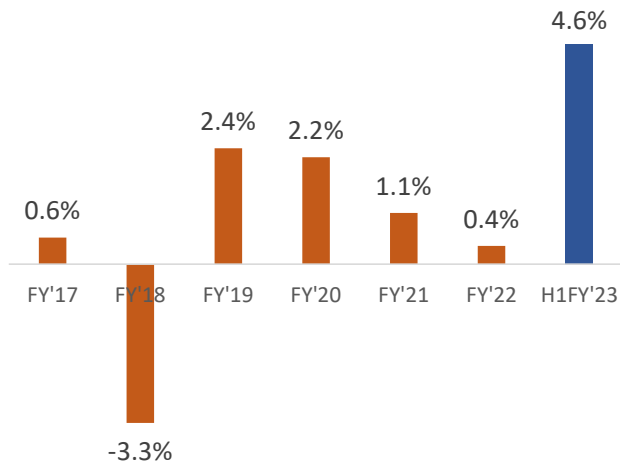
GNPA



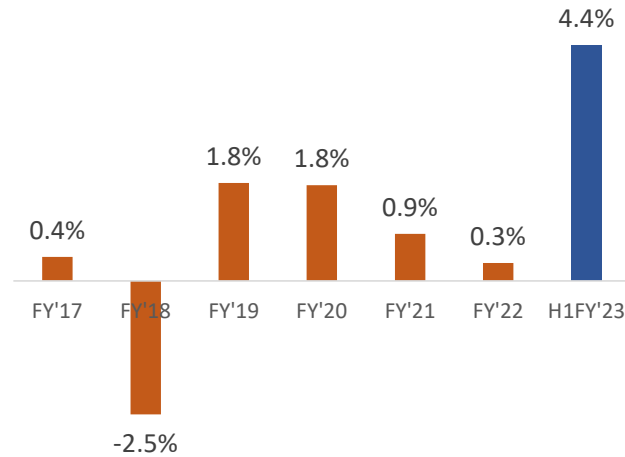
NNPA



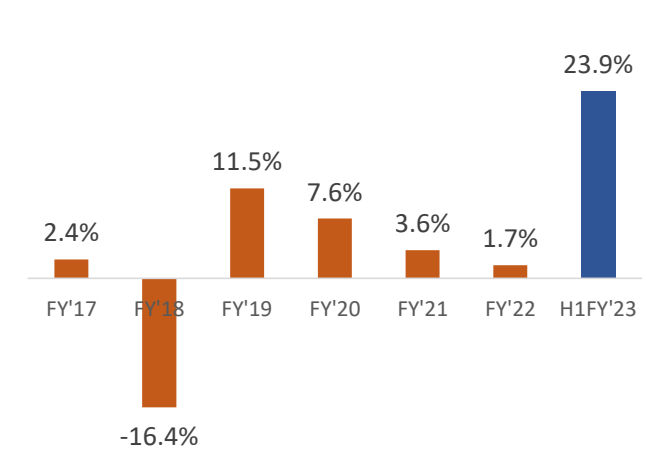
ROA (On Avg. AUM)



ROA (On Avg. Assets)



ROE



- ✿ MSME vertical launched in Dec 2019 to tap the potential of the ‘missing middle’
- ✿ Building credit assessment capability ...nucleus of our MSME strategy
- ✿ Clear focus on mapping adjacencies and potential thereof
- ✿ Business Update (As of H1'FY23) :
 - ✿ Total Clients : 7284
 - ✿ GLP (₹ Mn) : 1,975
 - ✿ States : 7
 - ✿ Branches : 43
 - ✿ Team Size : 481

Highly Experienced Board with Strong Governance

Experienced Board of Directors



Devesh Sachdev
Promoter, MD & CEO

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



Narendra Ostawal
Nominee Director

- Managing Director at Warburg Pincus India Limited
- 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 15 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 etc



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 University of Minnesota, U.S.A.

Supported by Marquee Investor Base

Other Promoters

WARBURG PINCUS

(Honey Rose)



CREATION INVESTMENTS

(Creation I and Creation II)

Stable & Experienced Management Team



Devesh Sachdev
Promoter, MD & CEO

- Founded Fusion in 2009-10
- Chairperson of the governing board of Microfinance Institutions Network
- Over 26 years of experience in service industry sector
- Holds a Post-Graduate Certificate from XLRI, Jamshedpur and also completed HBS Accion Program



Tarun Mehndiratta
COO

- Previously worked with companies like GE India, SBI Cards & Payments Services, Citicorp Finance (India) and SRF Finance
- Holds a PGDM in Management Science from IMM, Delhi
- Has been with Fusion for 5+ years



Gaurav Maheshwari
CFO

- Previously worked with Essel Mining (Aditya Birla Group) and Avantha Holdings
- Qualified Chartered Accountant
- Has been with Fusion for 6+ years



Deepak Madaan
CS and
Compliance Officer

- Previously worked with Almondz Capital, Management Services and Megha Technical Engineers
- Qualified CS and holds a Bachelor's degree in Law
- Has been with Fusion for 9+ years



**Naveen Kumar
Mangle**
CTO

- Several years of work experience with Tata Consultancy Services, GE Capital, Mahindra Satyam, Location Labs among others
- MBA from IIFT and BE from Delhi University
- Has been with Fusion for 3+ years



Kamal Kaushik
COO - MSME

- Previously worked with companies such as Religare Housing Development Finance Corporation, HDFC Bank, ICICI Bank, among others
- Qualified CA
- Has been with Fusion for 3+ years



Ankush Ahluwalia
SVP – Business
Operations

- Previously worked with Magma Fincorp and Development Credit Bank among others
- Holds a Master's in Business Economics from Kurukshetra University
- Has been with Fusion for 7+ years



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
- Has been with Fusion for 7+ years



**Sanjay Vishwanath
Choudhary**
CRO

- Previously worked with Axis Bank, Tata Consultancy Services, Satin Creditcare Network, WIMCO and ICICI Bank
- Qualified CA and completed FRM certification from GARP, USA
- Has been with Fusion for 2+ years



Pooja Mehta
CHRO

- She has over 20 years of experience working extensively in HR domain. She has been associated with organization likes PwC and Mercer.
- She is a post-graduate in psychology from Delhi University and completed her post graduation from XLRI

Abbreviations

AUM	Asset Under Management
PAT	Profit After Tax
NIM	Net Interest Margin
ROE	Return of 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
Mn	Million
K	Thousand
FY	Financial Year
H	Half Yearly
Q	Quarter
ALM	Asset Liability Management
TAT	Turn Around Time
API	Application Programming Interface
UPI	Unified Payments Interface
ISO	International Organization for Standardization

Definitions

- **AUM** represents the aggregate of principal outstanding for all loans to customers and assets pertaining to securitization, assignment and business correspondent portfolio, as of the last day of the relevant period/year
- **Net Interest Margin** represents net interest income for the relevant period/year as a percentage of average loans to customers for such period/year. Average loans to customers represent the simple average of our loans to customers as of the last day of the relevant period/year and that as of the last day of the previous period/year derived from our Restated Financial Statements.
- **Net Interest Income** represents interest income on loan portfolio for the relevant period/year reduced by finance costs for such period/year
- **Return on Assets** represents profit for the relevant period/year derived from our Financial Statements as a percentage of average gross AUM for such period/year
- **Return on Equity** represents profit for the relevant period/year derived from our Financial Statements as a percentage of average equity for such period/year
- **Pre-Provision Operating Profit before tax** 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 derived from our Restated Financial Statements. 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 of Borrowing** represents finance cost as a percentage of average outstanding borrowings 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 (overdue for more than 90 days) 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 impairment allowance on Stage III Assets for such period/year.



Thank You

For Investor queries contact:

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