



Fusion Microfinance Limited

(Formerly known as Fusion Micro Finance Private Limited)

CIN : L65100DL1994PLC061287

Letter No. FMFL/SEC/2023-24/SE-93

Date: 06.11.2023

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: 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 Half Year ended on September 30, 2023.

The same is also available on the website of company i.e. www.fusionmicrofinance.com.

The Board Meeting in which the aforesaid unaudited financial results are approved, started at 02:20 PM (IST) and concluded at 5:35 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
Company Secretary & Chief Compliance Officer
Membership No. A24811
Place: Gurugram**



*Fusion Micro Finance
Limited*

*Investor Presentation
Q2 FY24*

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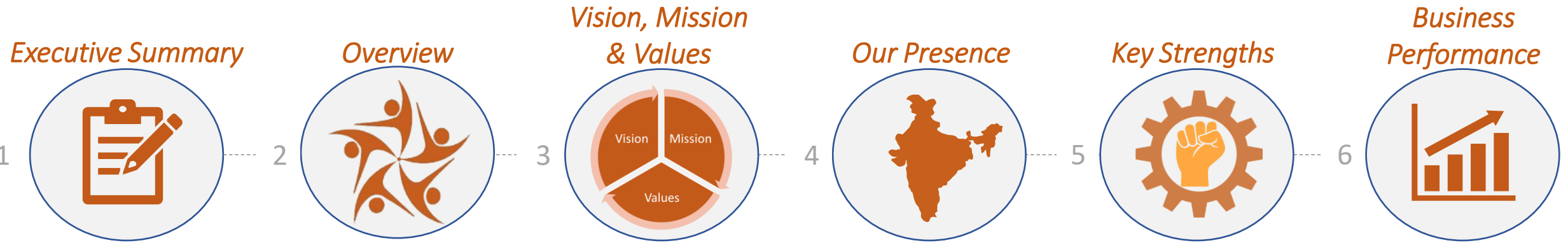
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Executive Summary

1



2

Overview



3

*Vision, Mission
& Values*



4

Our Presence



5

Key Strengths

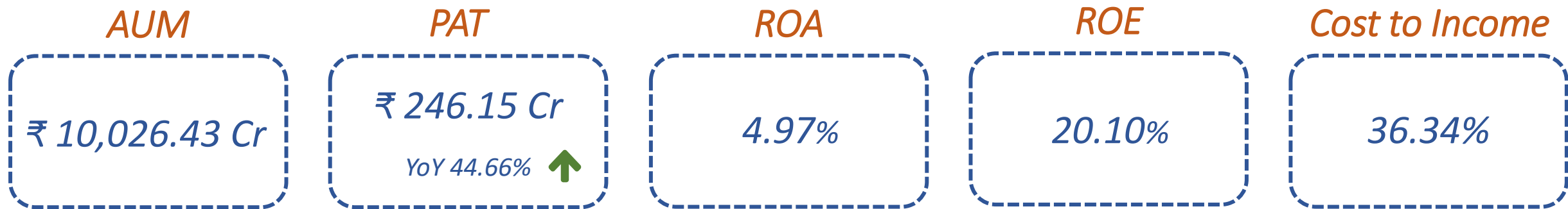


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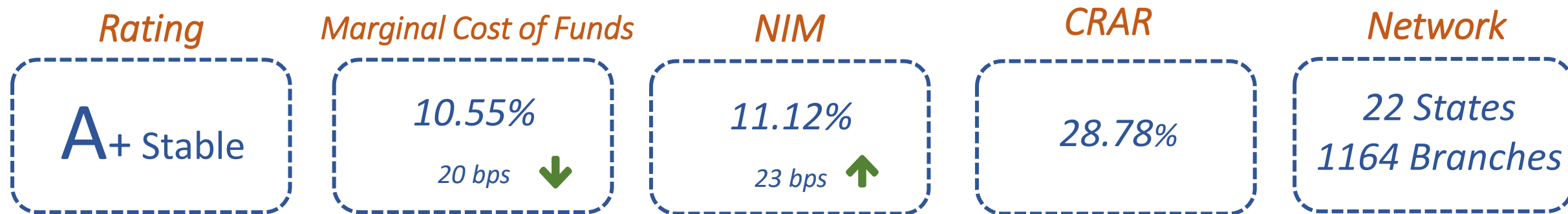
*Business
Performance*



- ❖ *Consistent AUM and Disbursement growth, YoY increase of 24.60% & 14.71% respectively*
- ❖ *Focus on new clients continues, added ~2.4 lakh, increase of 17.69% YoY*
- ❖ *Cost to Income reduced by 364 bps YoY*
- ❖ *Added ₹10.23 Cr to Management Overlay, stands at ₹61.48 Cr*
- ❖ *Consistent ROA & ROE*



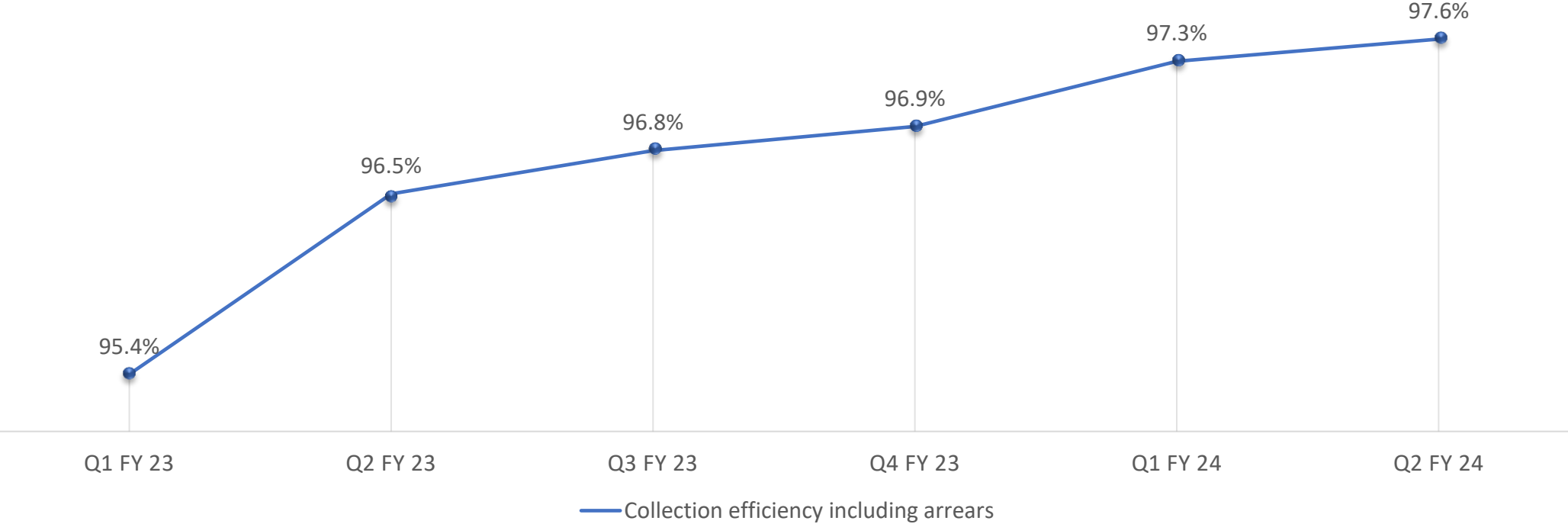
- ❖ Profit after Tax of ₹125.69 Cr, QoQ growth of 4.34%
- ❖ 2 Rating upgrades in 11 months by CRISIL
- ❖ Reduction in Marginal Cost of Funds
- ❖ Expansion in NIM
- ❖ GNPA / NNPA reduced by 52 bps / 13 bps QoQ, stands at 2.68% / 0.65%
- ❖ Addition to Network – 2 states, 61 branches opened in Q2



Performance Highlights

Key Metrics	Q2 FY24	QoQ		H1 FY24	YoY	
Total Income (₹ Cr)	571.26	3.34%	↑	1,124.04	38.30%	↑
NII (₹ Cr)	304.54	3.56%	↑	598.61	40.60%	↑
PPOP (₹ Cr)	241.79	2.72%	↑	477.18	55.20%	↑
Cost to Income	36.41%	15 bps	↑	36.34%	364 bps	↓
OPEX	5.61%	3 bps	↓	5.64%	12 bps	↑
ECL (₹ Cr)	300.24	8.57%	↓	300.24	5.32%	↑
Net worth (₹ Cr)	2,576.93	5.38%	↑	2,576.93	70.24%	↑

Collection efficiency



Pre Mar-21 MFI AUM

₹ 28.5 Cr, 0.30%

Post Mar-21 MFI AUM

₹ 9,593.7 Cr, 99.70%

Understanding the Credit Cost Impact (₹ in Crore)	Q2 FY 24	Q1 FY 24	Q2 FY 23	H1 FY 24	FY 23
Opening ECL [A]	328.38	312.66	244.27	312.66	360.35
- Provisions as per ECL [B]	75.28	75.08	61.09	150.36	199.51
Reversals (on account of write-off) [C]	103.42	59.36	20.28	162.78	247.20
Closing ECL [D = A+B-C]	300.24	328.38	285.08	300.24	312.66
Impairment [F]	75.28	75.08	61.09	150.36	199.51
Credit Cost (Provisions) / % of Avg. On-Book Loan Portfolio	0.85%*	0.88%*	0.86%*	1.73%*	2.73%*
Bad-Debt Recovery [G]	10.41**	4.44	4.82	14.85	17.99
Net P&L Impact [F – G]	64.87	70.64	56.27	135.51	181.52
Net P&L Impact – % of Avg. On-Book Loan Portfolio	0.73%*	0.83%*	0.79%*	1.56%*	2.48%*

* Non-annualized

Slab	Loans (Gross) (₹ Cr)	ECL (₹ Cr)	Loans (Gross) (%)	ECL (%)
- Stage I	8645.99	69.81	96.12%	0.81%
- Stage II	107.86	46.25	1.20%	42.88%
- Stage III	241.10	184.18	2.68%	76.39%
Total	8,994.95	300.24	100.00%	3.34%
- GNPA (Stage III)				2.68%
- NNPA (Net Stage III)				0.65%
- PAR 90+ (MFI)				2.12%

🌸 PAR 90+ is 2.12% of which 0.32% pertains to Pre-March 21 portfolio, 1.80% pertains to Post March 21 portfolio

🌸 Total Management overlay of ₹ 61.48 Cr as on September 30, 2023

🌸 **₹ 5.16 Cr has been received from Assam Govt. under Cat 3 recovery

🌸 Restructured portfolio outstanding is ₹2.95 Cr (0.03% of AUM), part of stage III

Executive Summary

1



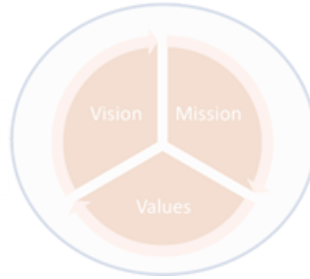
Overview

2



Vision, Mission & Values

3



Our Presence

4



Key Strengths

5



Business Performance

6



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

3 upgrades in last 5
years, currently "A+"
Stable (CRISIL)

IPO

Nov 2022

New Product

Started MSME in 2019



Executive Summary

1



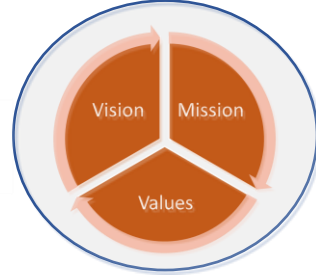
Overview

2



***Vision, Mission
& Values***

3



Our Presence

4



Key Strengths

5



*Business
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



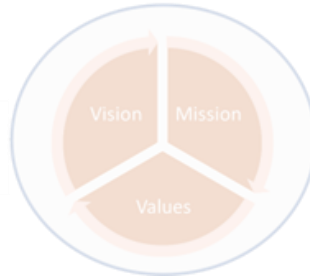
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Overview



3

Vision, Mission & Values



4

Our Presence



5

Key Strengths

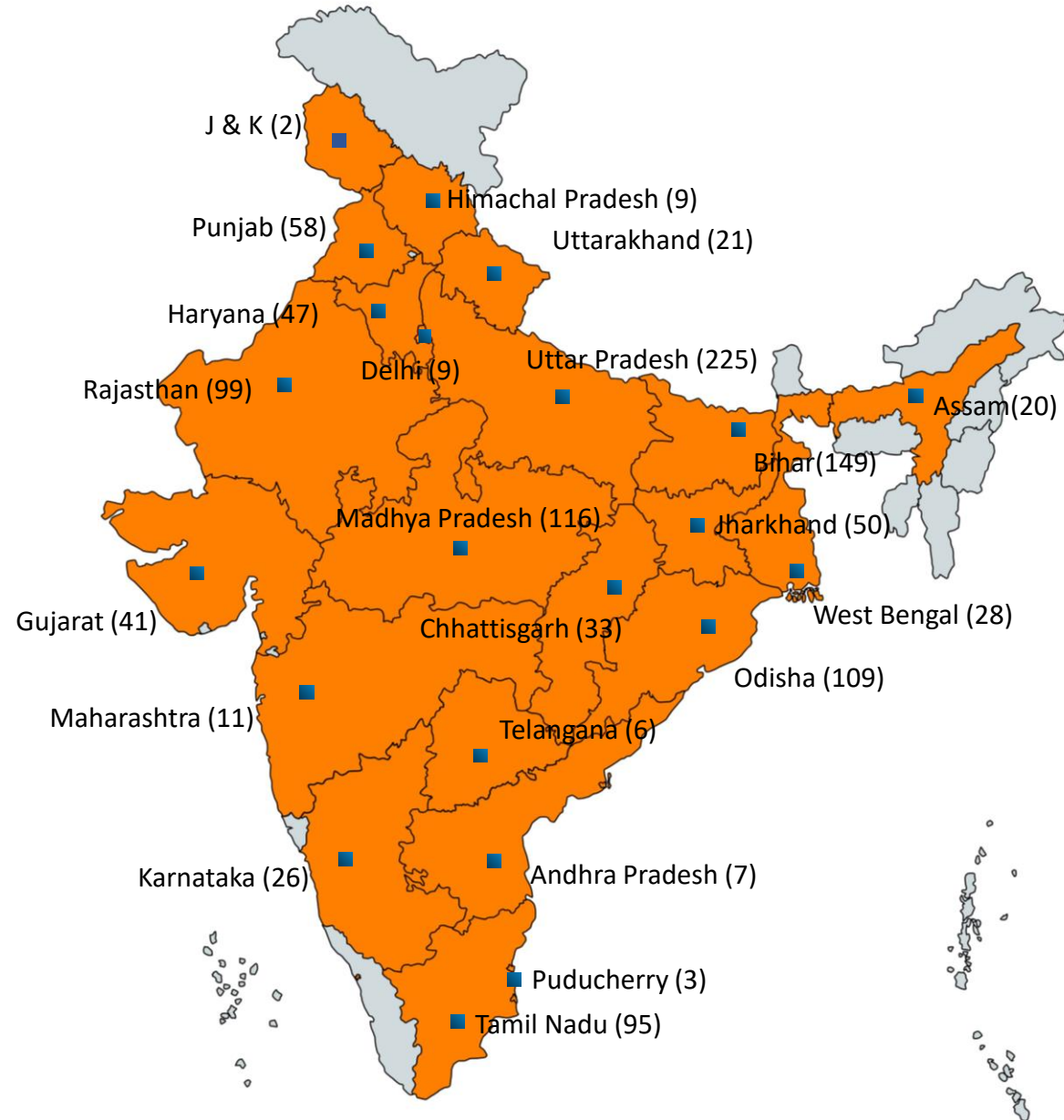


6

Business Performance



Our Presence



	FY 10-15	FY 16	Q2 FY24
States	5	9	22
Districts	38	88	420
Branches	75	173	1164
AUM (₹ in Cr)	295	647	10,026
Customer (lacs)	~3.3	~6.1	~36.9

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3



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4



Key Strengths

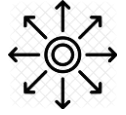
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*Business
Performance*

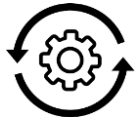
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Diversification

Liability Management



Consistency



People

Digital Orientation



Operational Prudence

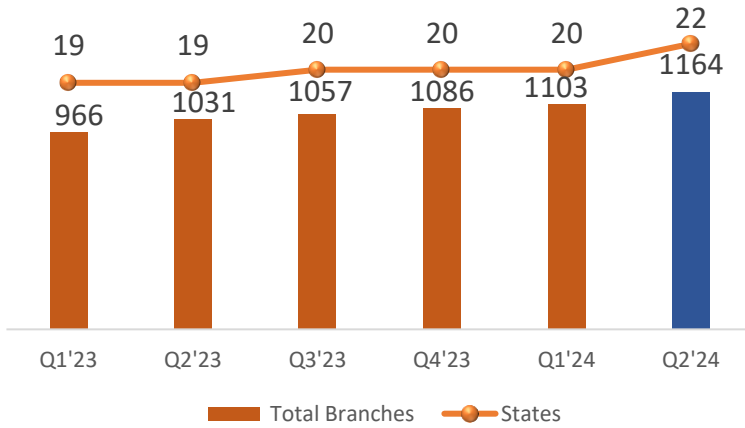
Strong Governance



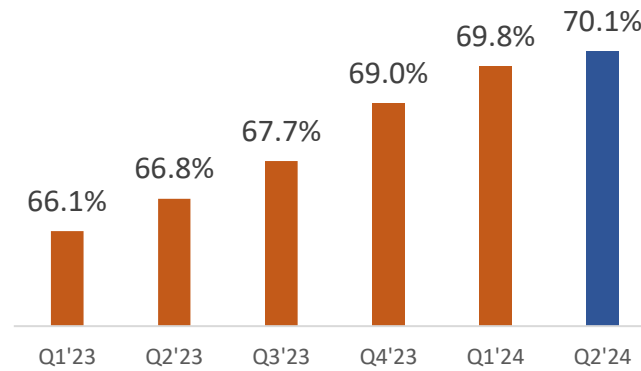
Key Strengths : Diversification

QoQ

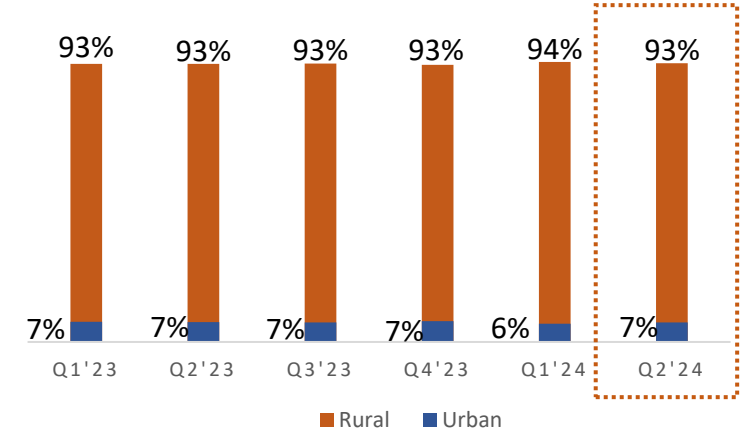
Network Distribution



Top 5 states concentration

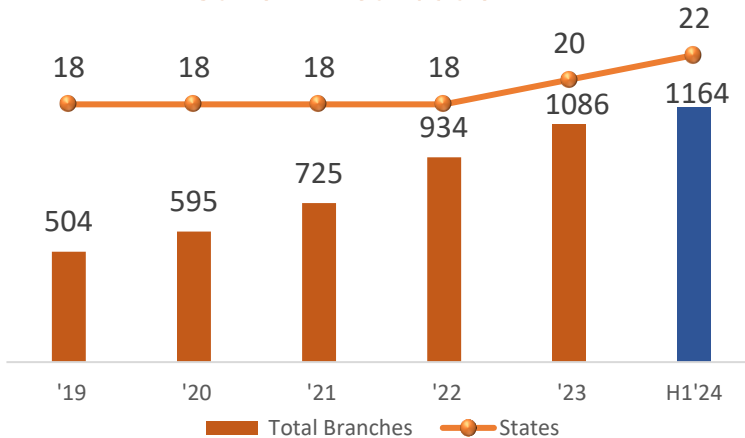


Rural vs Urban Presence

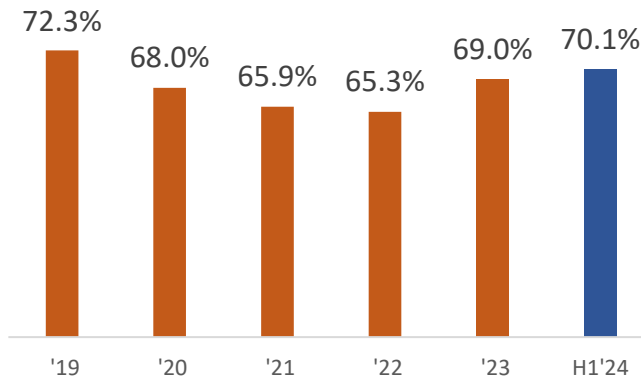


YoY

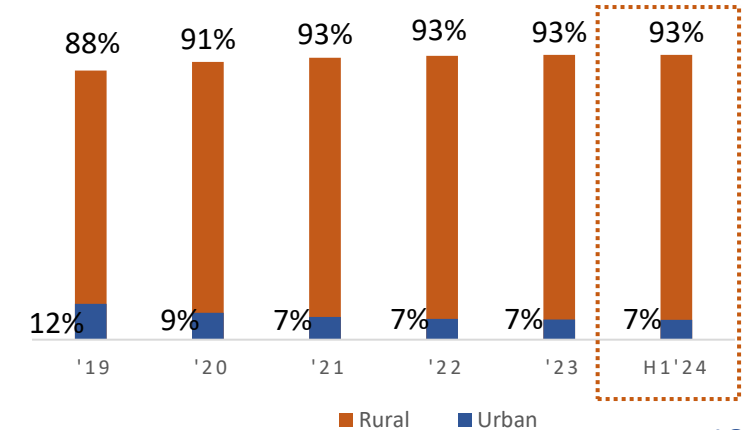
Network Distribution



Top 5 states concentration



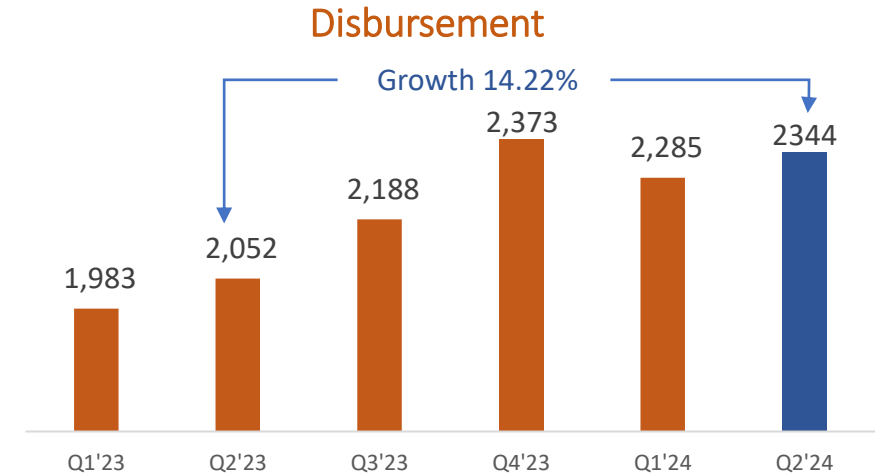
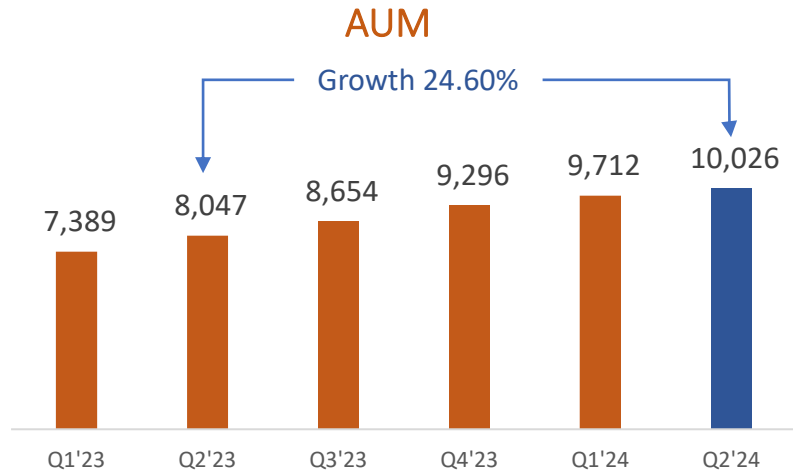
Rural vs Urban Presence



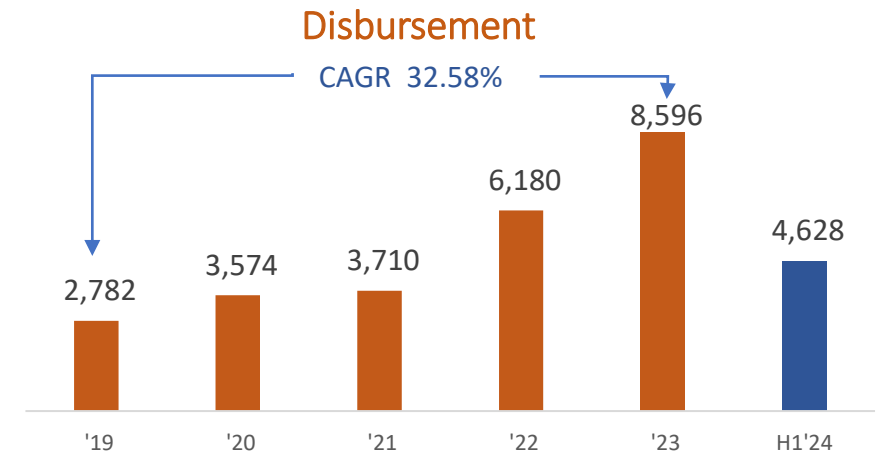
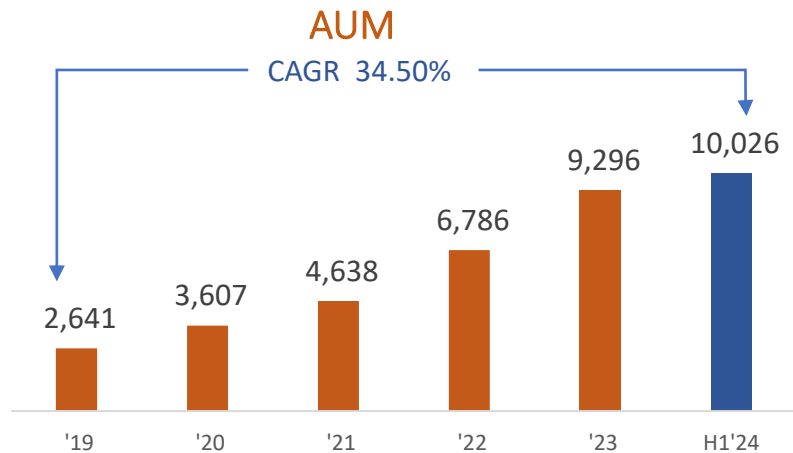
Key Strengths : Consistency

₹ in Crore

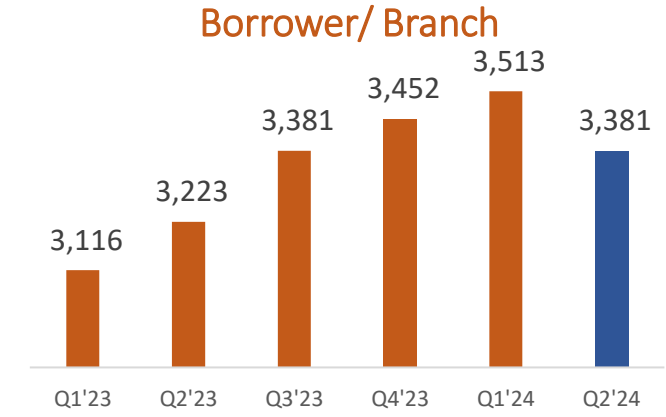
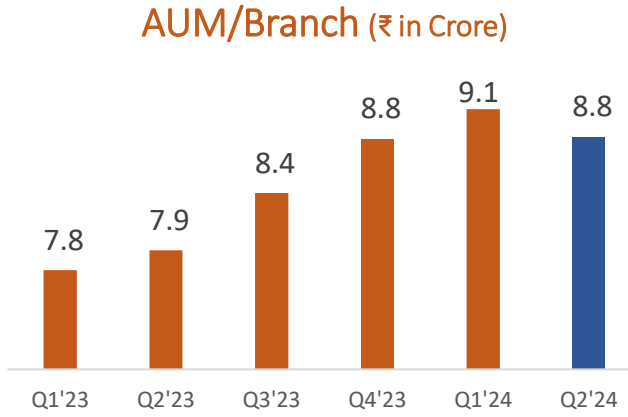
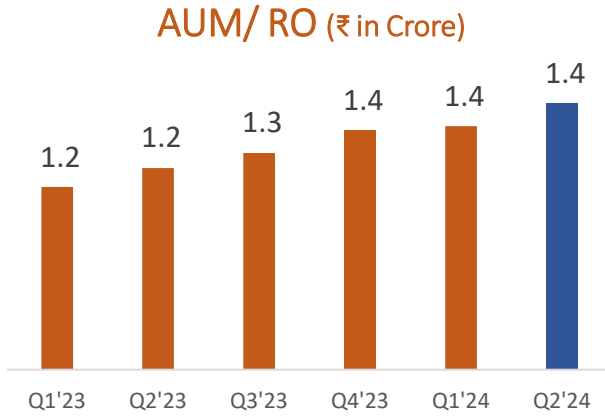
QoQ



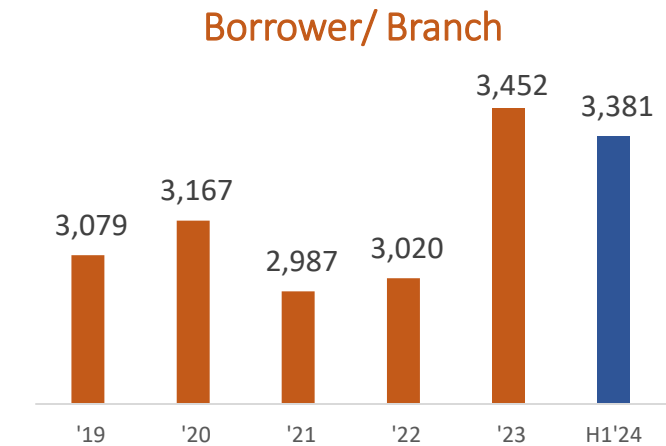
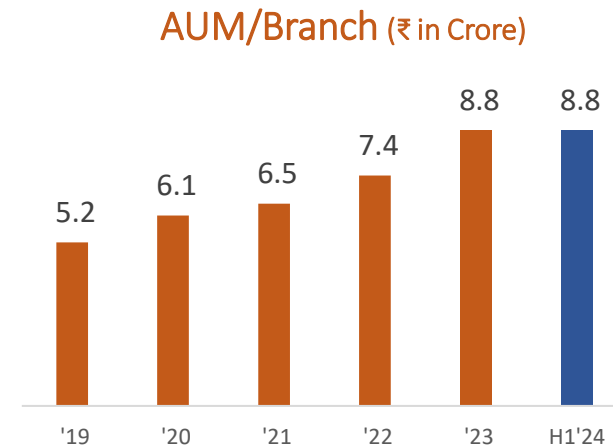
YoY



QoQ



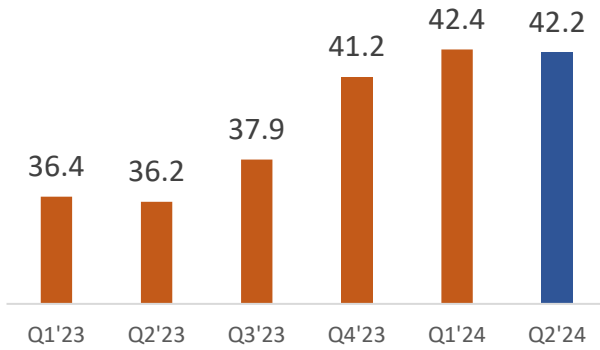
YoY



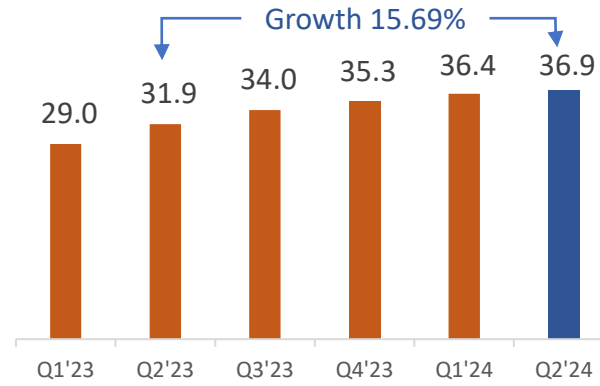
Key Strengths : Operational Prudence

QoQ

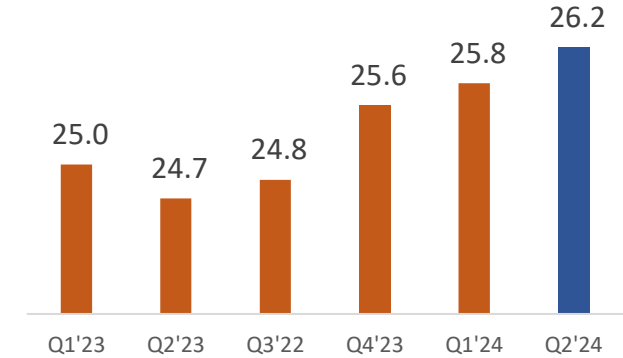
Avg. Ticket Size (₹ in K)



Active Borrowers (in Lakh)

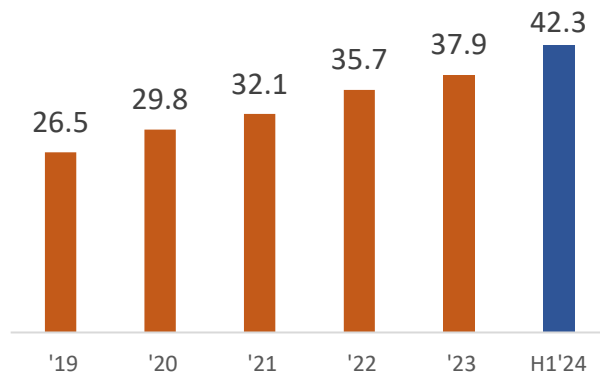


Avg. OS / Borrower (₹ in K)

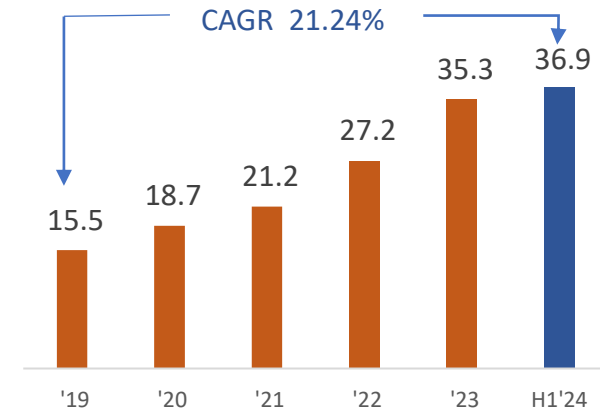


YoY

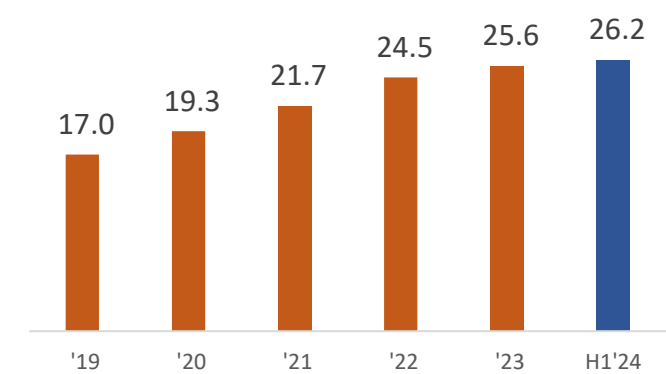
Avg. Ticket Size (₹ in K)



Active Borrowers (in Lakh)



Avg. OS / Borrower (₹ in K)



Branch Vintage (Years)	Mar'22		Mar'23		Sep'23	
	Branches	POS Contribution	Branches	POS Contribution	Branches	POS Contribution
<1 yrs	190	7%	121	4%	100	2%
1 - 2 yrs	119	10%	190	14%	233	16%
2 - 3 yrs	87	9%	118	11%	156	14%
> 3 yrs	504	74%	590	71%	599	68%
Grand Total	900	100%	1019	100%	1088	100%



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

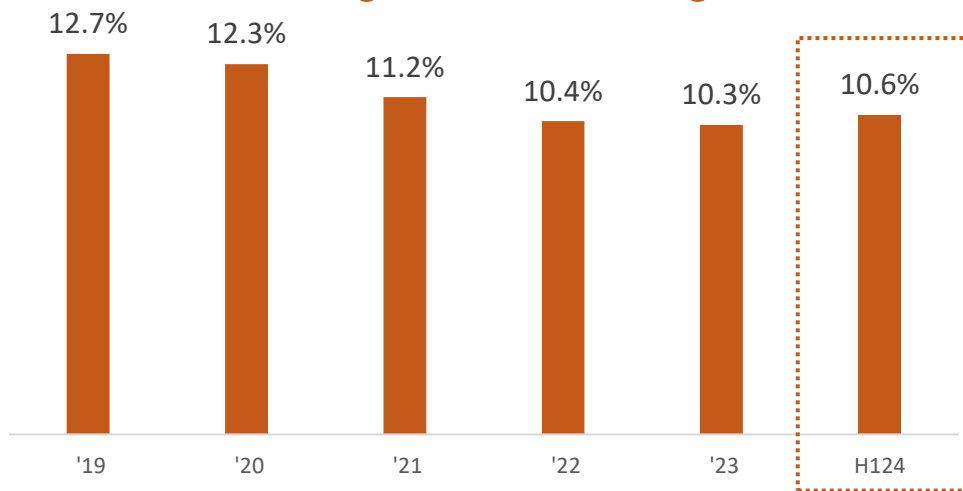
Team Size

>11k

Pan India

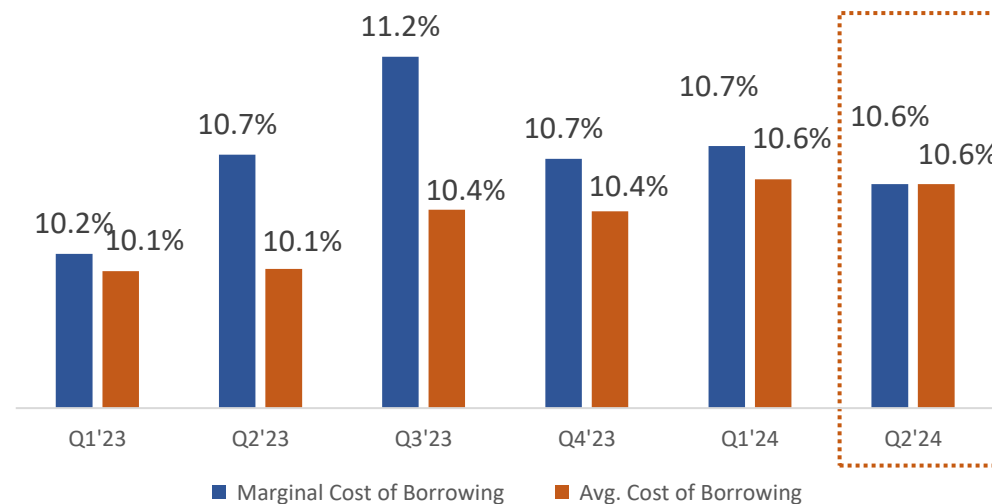
Key Strengths : Liability Management

Average Cost of Borrowing



YoY QoQ

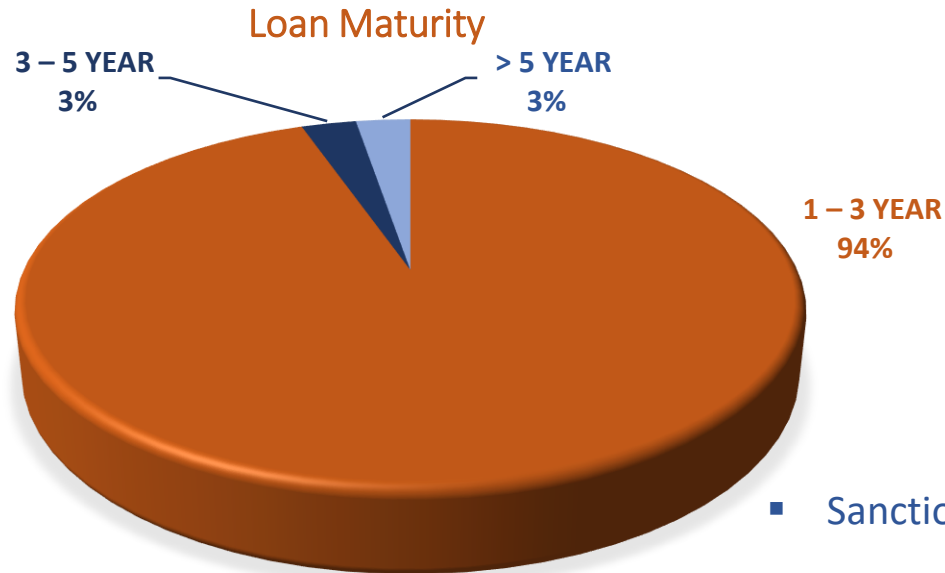
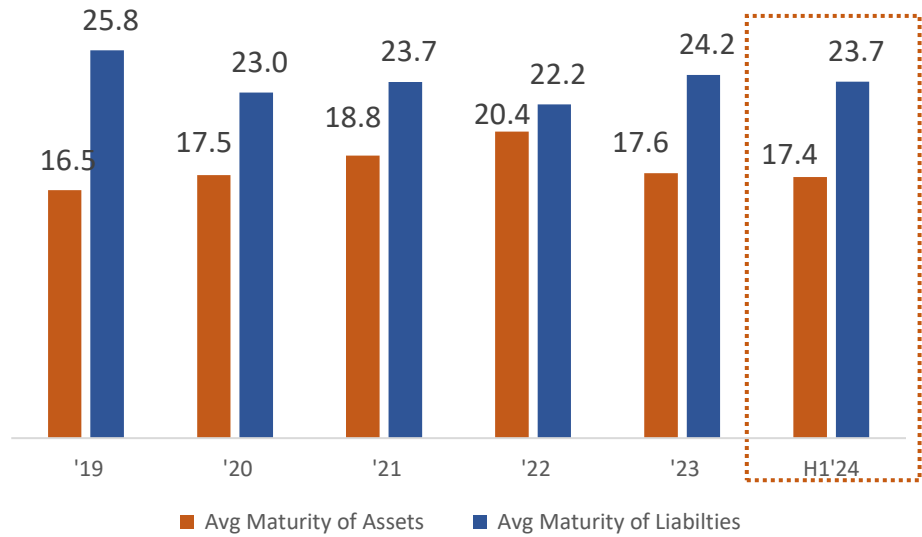
Marginal & Average Cost of Borrowing



Institutions / Banks	Q2 FY24	Q1 FY24	FY23	FY22	FY21	FY20	FY19
Public Sector Banks	29.2%	24.7%	25.8%	21.4%	13.3%	5.4%	1.1%
Development Financial Institutions	9.5%	9.5%	7.8%	11.7%	13.3%	12.7%	5.9%
Private Sector Banks	34.3%	37.2%	37.5%	36.5%	36.4%	39.9%	50.3%
Foreign-Banks	15.8%	15.1%	12.9%	13.7%	16.4%	20.3%	10.4%
Non-Banking Financial Institutions	5.3%	7.3%	9.5%	8.8%	7.1%	10.1%	18.1%
Foreign Portfolio Investors	5.9%	6.2%	6.5%	8.0%	13.5%	11.7%	14.3%
Total	100.0%	100%	100%	100%	100%	100%	100%

Key Strengths : Liability Management (Contd...)

Positive ALM (in Months)



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

Rating Instrument	Rating Agency	Ratings
Long-term debt	CRISIL	A+ Stable
	CARE	A Stable
NCD	CRISIL	A+ Stable
	ICRA	A Positive
Grading	CARE	A Stable
	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

Advanced Customer Interface

- ✿ UPI Collections
- ✿ Realtime Credit Check

Customer Experience



- ✿ **Digital onboarding** improved from 30% in 2018 to **100%**
- ✿ **Cashless disbursement** improved from 20% in 2018 to **99.87% in Q2 FY24**

Operational Efficiency



- ✿ Loan Approval TAT reduced to **3.5 days**

Scalability & Optimization of Resources



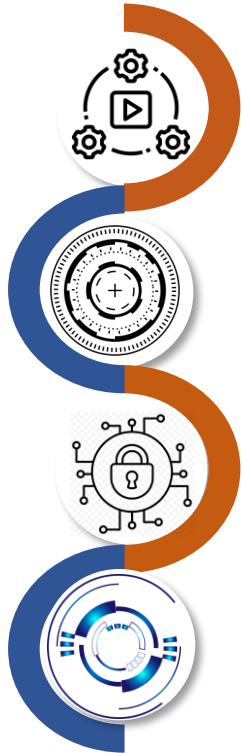
- ✿ **Branches** increased from 375 in 2018 to **1164 in Q2 FY24** with presence in **22 states & 420 districts**

Safe & Secure

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

Awarded ISO 27001:2013





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**

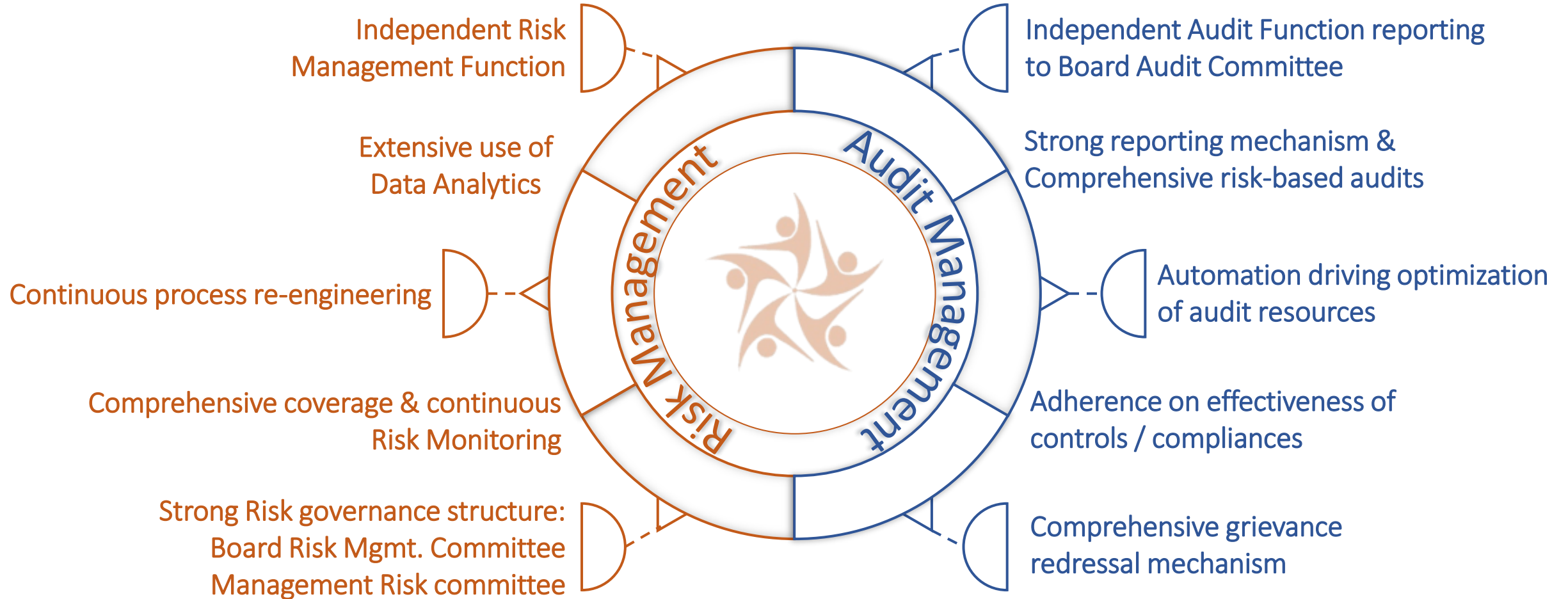


Leverage System Intelligence
To provide early delinquency signal



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



In 15 CSR programs, 185 activities implemented and covered 131 districts across 17 states touching 54,003 lives



Over 7,000 community members received health check ups, access to gynecologists with a special emphasis on women's health through 30+ health camps organized across 11 states.



23 financial literacy programs benefiting 3,886 rural people to enhance their knowledge on various aspects of financial management across 12 states



12,000 sanitary napkins were distributed to benefit 6,000 adolescent girls and women across 16 villages in Kalahandi district.



Prompt relief and 4,722 food packets were distributed to 18,888 flood victims across 6 states.

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⁽¹⁾

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

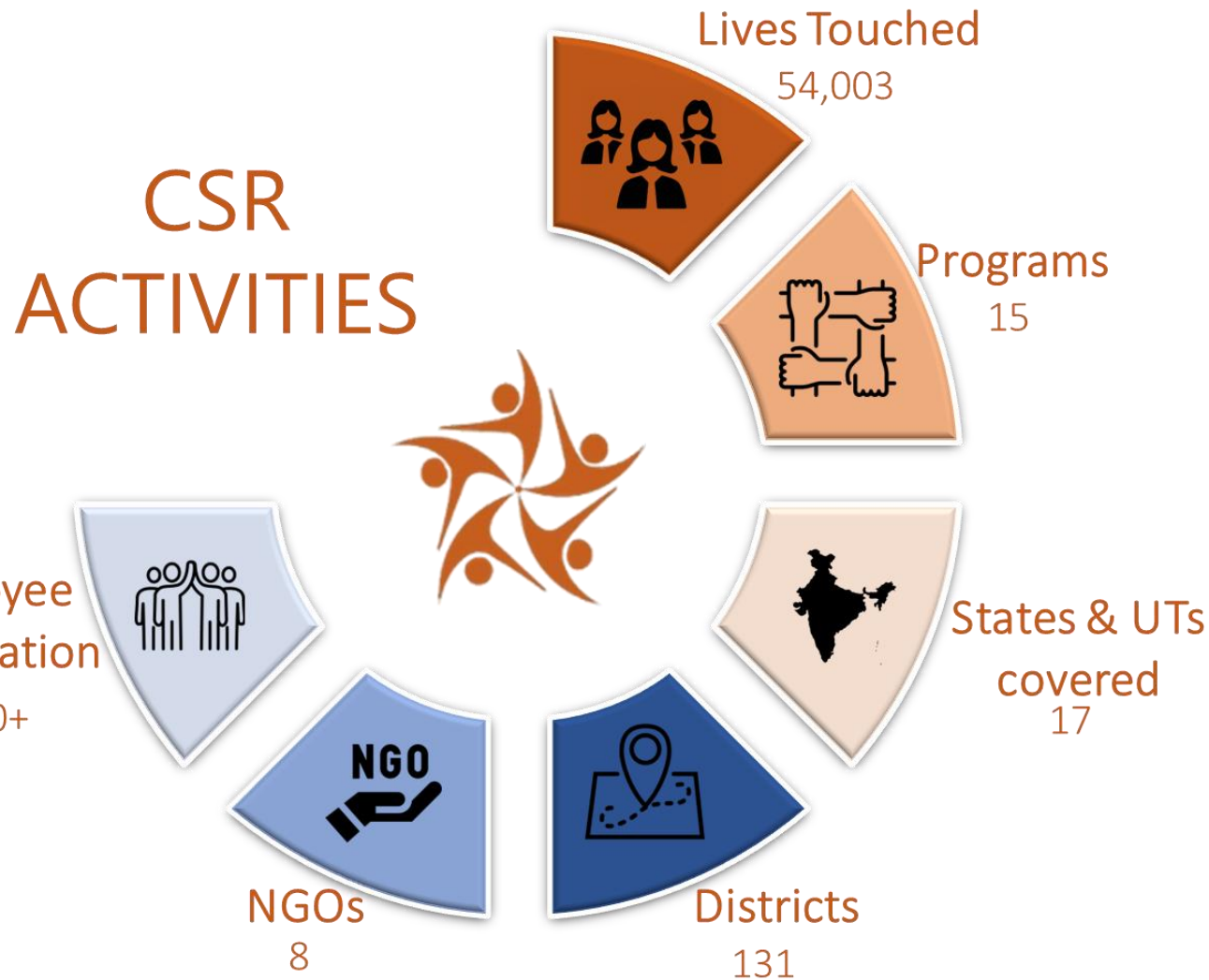


Dedicated ALM committee to monitor maturity schedule of financial liabilities & assets

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



Financial & Digital Literacy
Lives touched: 7,452
Activities: 42



Relief Work
Lives touched: 23,408
Activities: 32



Water, Sanitization & Hygiene
Lives touched: ~3,030
Activities: 12



Health Camps
Lives touched: 7,440
Activities: 47

Executive Summary

1



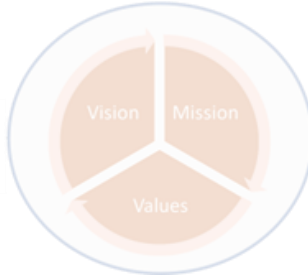
Overview

2



*Vision, Mission
& Values*

3



Our Presence

4



Key Strengths

5



*Business
Performance*

6

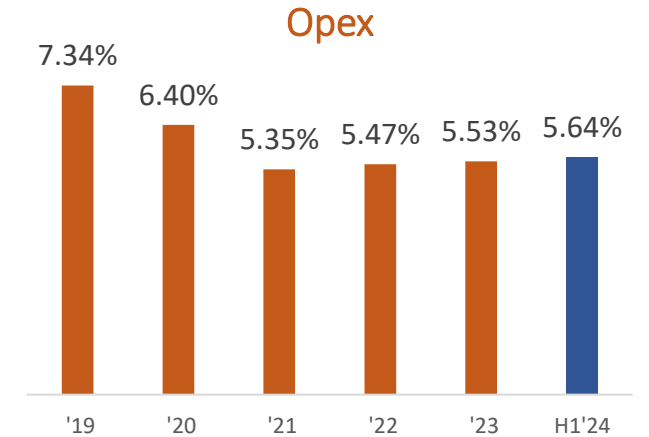
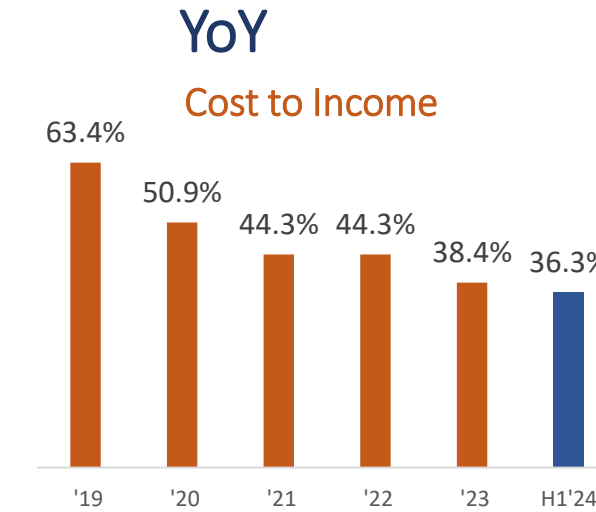
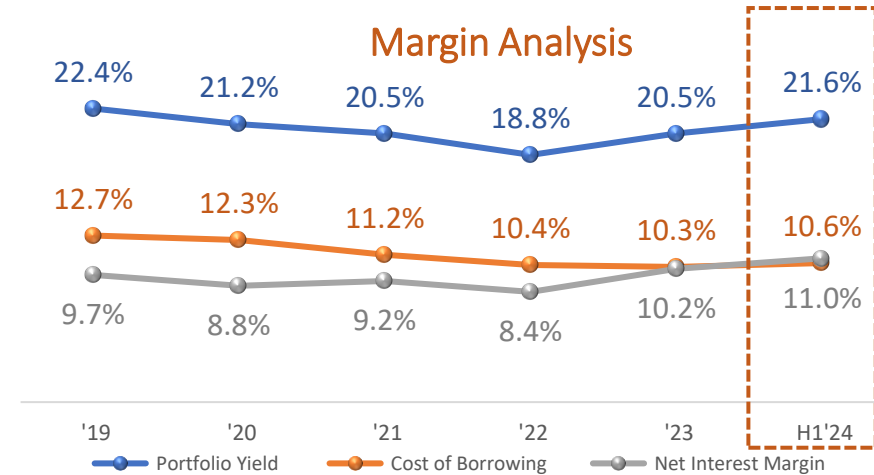
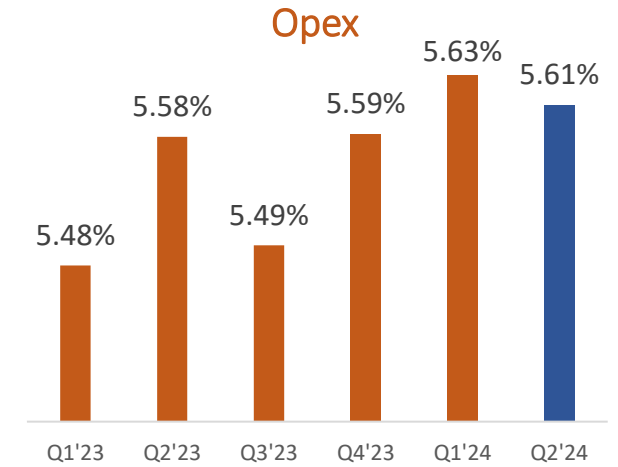
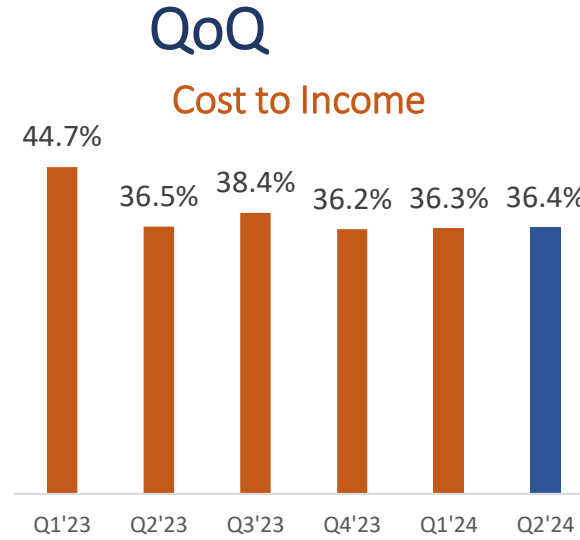
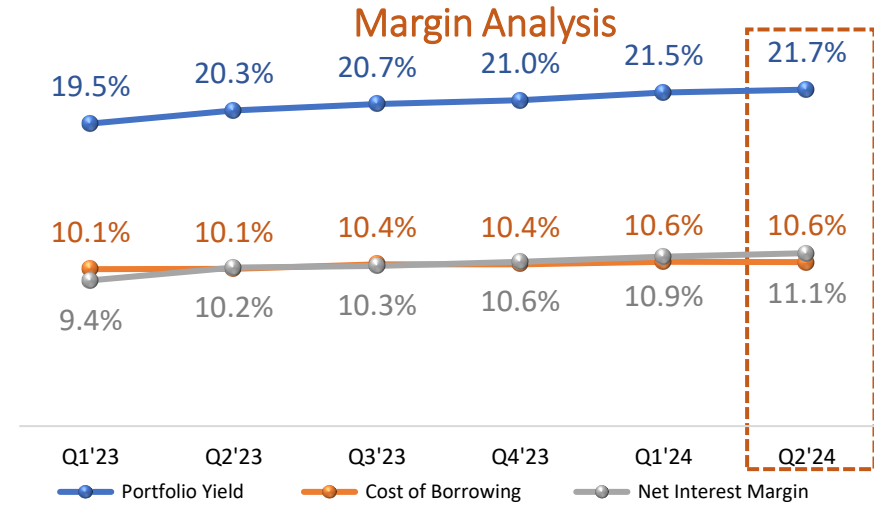


Profit and Loss Statement

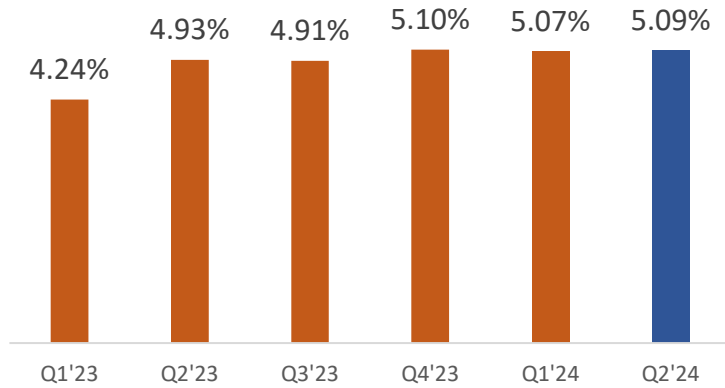
Profit & Loss Statement (₹ Crore)	Q2 FY 24	Q2 FY 23	YoY %	Q1 FY 24	QoQ %	H1 FY 24	H1 FY 23	YoY %
Revenue from operations								
- Interest income	496.80	399.76	24.27%	479.00	3.72%	975.80	729.12	33.83%
- Other revenue from operations	49.84	39.93	24.82%	52.07	(4.28)%	101.91	53.29	91.24%
Total revenue from operations	546.64	439.69	24.32%	531.07	2.93%	1,077.71	782.41	37.74%
- Other income	24.62	12.64	94.78%	21.71	13.40%	46.33	30.37	52.55%
Total income	571.26	452.33	26.29%	552.78	3.34%	1,124.04	812.78	38.30%
Expenses								
- Finance costs	191.01	157.33	21.41%	183.48	4.10%	374.49	300.52	24.61%
- Employee benefit expense	99.28	79.71	24.55%	97.84	1.47%	197.12	151.94	29.74%
- Depreciation and amortization expense	2.09	1.67	25.15%	1.76	18.75%	3.85	3.15	22.22%
- Other expenses	37.09	26.35	40.76%	34.31	8.10%	71.40	49.71	43.63%
- Impairment of financial instruments	76.20	61.19	24.53%	75.93	0.36%	152.13	81.25	87.24%
Total expenses	405.67	326.25	24.34%	393.32	3.14%	798.99	586.57	36.21%
Profit before tax	165.59	126.08	31.34%	159.46	3.84%	325.05	226.21	43.69%
- Tax expense	39.90	31.02	28.63%	39.00	2.31%	78.90	56.05	40.77%
Profit after tax for the period/year	125.69	95.06	32.22%	120.46	4.34%	246.15	170.16	44.66%
Net interest income	304.54	241.07	26.33%	294.07	3.56%	598.61	425.74	40.60%
PPOP	241.79	187.27	29.11%	235.39	2.72%	477.18	307.46	55.20%

Balance Sheet

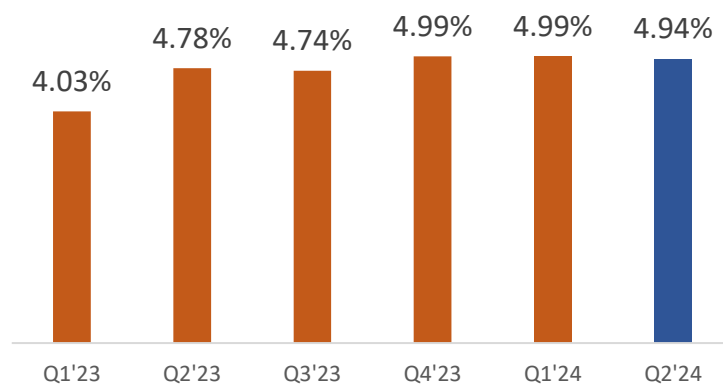
Financial Position (₹ Crore)	Q2 FY 24	Q2 FY 23	YoY %	Q1 FY 24	QoQ %
Financial and Non-financial assets					
- Cash & Other Bank Balances	1,400.43	916.70	52.77%	1,177.08	18.97%
- Bank balances other than cash and cash equivalents	60.70	112.86	(46.22)%	70.04	(13.34)%
- Loans - (Net of Impairment Loss Allowance)	8,694.71	7,035.69	23.58%	8,402.98	3.47%
- Investments	2.02	-	100.00%	-	100.00%
- Current and deferred tax assets	117.51	99.03	18.66%	120.53	(2.51)%
- Property, plant and equipment, Right of use asset and Intangible assets & Capital WIP	23.83	20.64	15.46%	22.37	6.53%
- Trade Receivables, Derivative financial & Other financial assets	97.51	94.71	2.96%	122.64	(20.49)%
- Other non-financial assets	35.04	9.99	250.75%	22.35	56.78%
Total assets	10,431.75	8,289.62	25.84%	9,937.99	4.97%
Financial and Non-Financial liabilities					
- Debt securities	537.14	657.06	(18.25)%	563.89	(4.74)%
- Borrowings (other than debt securities)	6,907.55	5,726.76	20.62%	6,511.01	6.09%
- Subordinated liabilities	83.21	162.77	(48.88)%	113.10	(26.43)%
- Trade payables & Derivative financial instrument	103.10	74.06	39.21%	88.58	16.39%
- Other financial liabilities	181.13	106.56	69.98%	161.57	12.11%
- Current tax, Provisions & Other non-financial liabilities	42.69	48.75	(12.43)%	54.40	(21.53)%
Total liabilities	7,854.82	6,775.96	15.92%	7,492.55	4.84%
Total equity	2,576.93	1,513.66	70.24%	2,445.44	5.38%
Total liabilities and equity	10,431.75	8,289.62	25.84%	9,937.99	4.97%



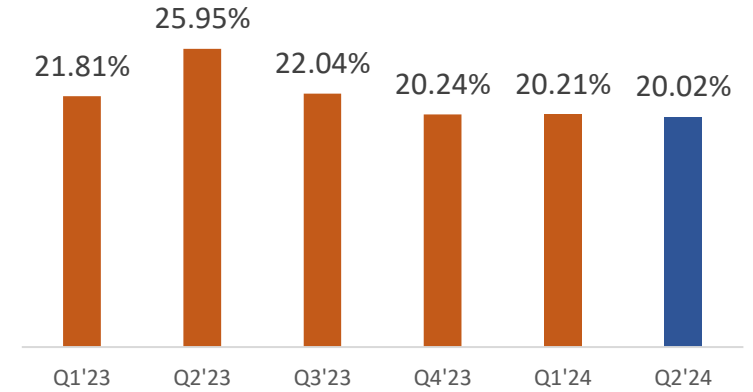
ROA (On Avg. AUM)



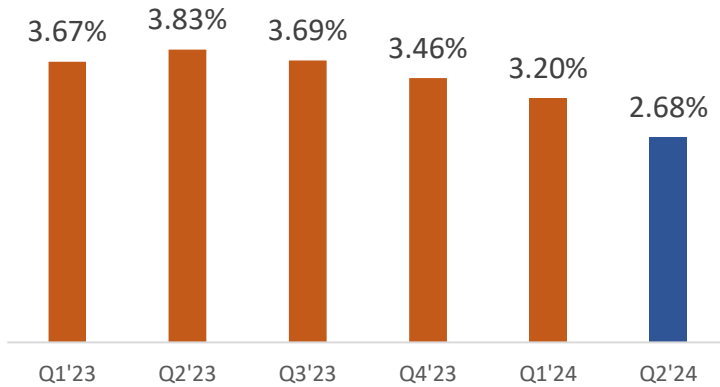
ROA (On Avg. Assets)



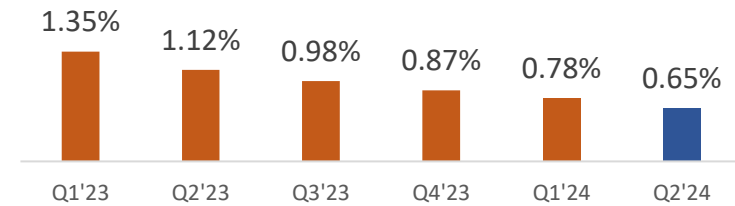
ROE



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	Q2 FY24
Clients	13,685
AUM (₹ in Cr)	404.24
States	10
Branches	76
Team	820

Highly Experienced Board with Strong Governance



Devesh Sachdev
Promoter, MD & CEO

- Chairperson of the governing board of Microfinance Institutions Network
- Over 26 years of experience in service industry
- 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



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 Mehdiratta
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



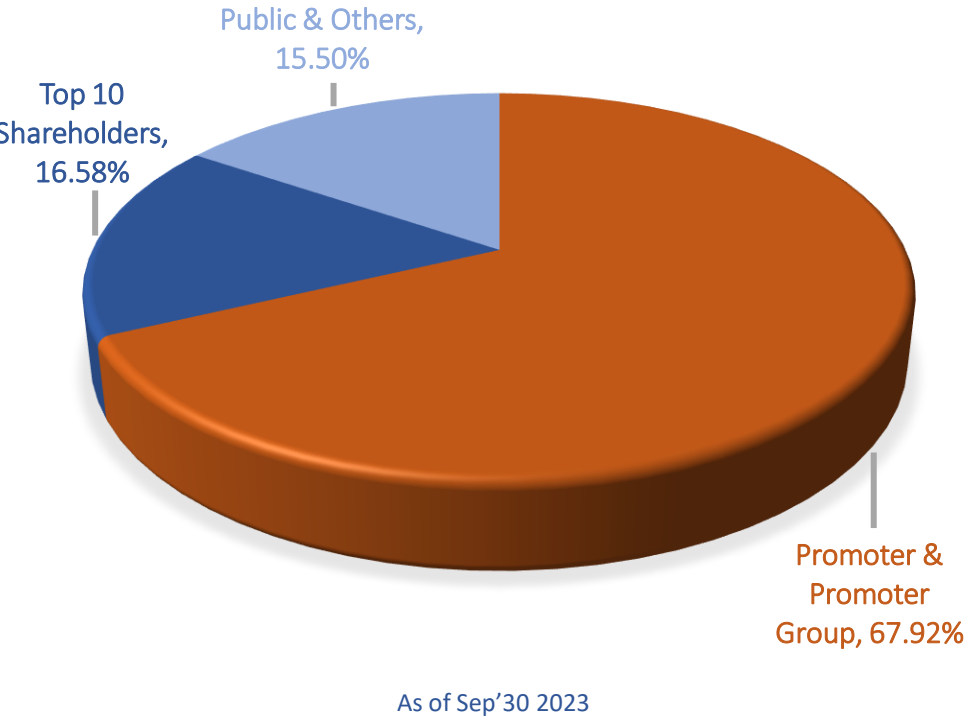
Satish Mani
SVP – Audit

- 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	Top 10 Share Holders
1	Foreign Investment Co.	Massachusetts Institute of Technology
2	Foreign Investment Co.	The Nomura Trust and Banking Co. Ltd.
3	Foreign Investment Co.	BNP Paribas Arbitrage – ODI
4	Mutual Fund	SBI Banking Financial Services Fund
5	Mutual Fund	Nippon Life India Trustee Ltd
6	Mutual Fund	Aditya Birla Sun Life Trustee Private Ltd.
7	Mutual Fund	Mirae Asset Banking & Financial Services Fund
8	Insurance Co	Bajaj Allianz Life Insurance Company Ltd.
9	Insurance Co	Kotak Mahindra Life Insurance Company Ltd.
10	Insurance Co	HDFC Life Insurance Company Ltd.

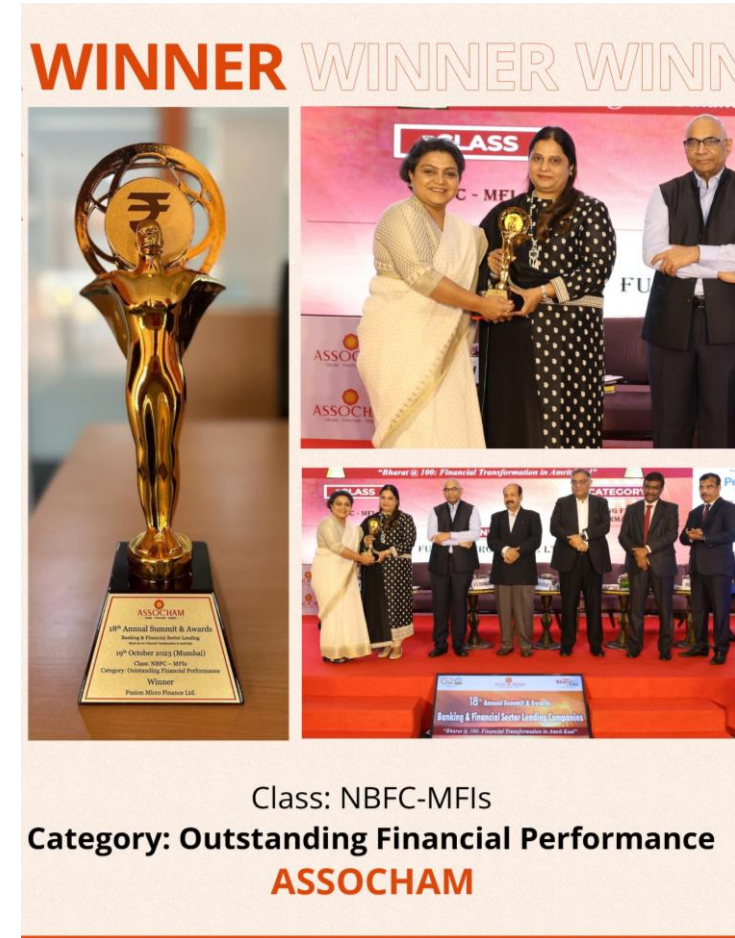
Abbreviations

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	Lacs
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

- **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:

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