



## THE NORWEGIAN MICROFINANCE INITIATIVE (NMI) & INCOFIN-RURAL IMPULSE FUND II MAKES INR 250 MILLION (USD 4.6 MILLION) EQUITY INVESTMENT IN FUSION MICROFINANCE

**New Delhi, February 28, 2013** - The Norwegian Microfinance Initiative's Frontier Fund (NMI) has led an INR 250 Million (\$4.6 Million) Series B investment in Fusion Microfinance Pvt. Limited. Incofin-Rural Impulse Fund II, an existing investor in the MFI also participated in this Series B round of investment.

Fusion is a North Central geography based MFI. It was founded in 2010 with a common vision to build a professionally managed Microfinance institution focusing on a healthy amalgamation of social and financial offerings. Fusions main product is the Group Loan product based on Grameen-JLG model. In addition, the Company will supplement this Group Loan product with an individual lending model based Small Ticket Vehicle Loans, which will help the company, diversify its revenue streams. At the end of January 2013, Fusion's gross loan portfolio was INR 538 Million (USD 10 Million). Through its network of 22 branches spread across Uttar Pradesh, Uttarakhand, Madhya Pradesh and Delhi, Fusion serves over 60,000 borrowers.

Commenting on the investment, Devesh Sachdev (CEO of Fusion Microfinance) said, "This investment from NMI and our existing partner Incofin reflects their faith in our team, which has shown resilience in the most difficult phase of the Indian microfinance sector. We are rightly poised to increase our penetration and this investment will allow us to serve more number of poor households in North and Central India. We are happy to partner with likeminded investors such as NMI and Incofin, who have a long term focus and are committed to double bottom line. This gives us a high level of confidence and comfort to grow in a more mature manner."

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