

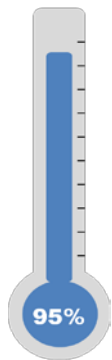


2015 Social Performance Desk Review Summary

Fusion Microfinance Private Limited



MIX continuously strives to provide the microfinance industry with the most reliable data possible. MIX has created a quality-check system to help our users differentiate between self-reported social performance (SP) data and desk-reviewed data, and to improve the level of confidence in our data for analysis and investment decisions. This SP Desk Review has been designed to establish minimum criteria for the quality and completeness of the SP indicators reported to MIX. Specifically, this process aims to corroborate the existence of policies, strategies, procedures, products and services that an MFI reports having in place.



Fusion received a data quality score of **95%**. The Social Performance Data Quality Meter measures the quality of an MFI's indicators subject to the SP desk review process. The Quality Meter is calculated as the percentage of the number of documented indicators over the number of indicators reported.

As a result of this SP Desk Review, [Fusion was recognized as a 2015 STAR \(Socially Transparent And Responsible\) MFI](#). MIX STAR MFIs meet the following requirements: (1) attain a certain level of alignment with both the USSPM and green microfinance principles as measured by MIX's SP indicators and (2) fully document all SP data reported through the SP Desk Review.

The [current methodology](#) aims to assess the quality of the current suite of indicators developed by MIX and the Social Performance Task Force (SPTF) but will be incrementally updated to reflect developments and innovations in the microfinance industry.



Indicator	Desk Review Status	Document(s) Reviewed
USSPM 1: DEFINE AND MONITOR SOCIAL GOALS		
Poverty outreach: <i>Fusion reported using the PPI on a sample of 40,123 clients to determine that 31.94% of its clients were below the US \$1.25/day poverty line in fiscal year 2014.</i>	Documented	Fusion – PPI Report Jan-Mar 2015 Fusion – Poverty Data Extract Jan-Mar 2015 Fusion – Loan Application Form
Enterprises financed: <i>Fusion sampled 153,108 clients to determine that 153,108 microenterprises, which include 0 start-up microenterprises, were financed in fiscal year 2014.</i>	Documented	Fusion – Database Extract
Employment creation	Not reported	
USSPM 2: ENSURE BOARD, MANAGEMENT, AND EMPLOYEE COMMITMENT TO SOCIAL GOALS		
Governance		
Board orientation on social mission and goals	Self-reported	
SPM champion or Board SPM committee	Self-reported	
At least one Board member with SP education/work experience	Documented	Fusion – SPM presentation PPT by Board of Director
Staff incentives		
Total number of clients	Not reported	
Number of new clients	Documented	Fusion – Incentive Structure Fusion – Human Resource Manual
Client retention	Documented	Fusion – Incentive Structure Fusion – Human Resource Manual
Quality of interaction with clients	Self-reported	
Quality of social data collection	Not reported	
Portfolio quality	Documented	Fusion – Incentive Structure Fusion – Human Resource Manual
USSPM 3: DESIGN PRODUCTS, SERVICES, DELIVERY MODELS, AND CHANNELS THAT MEET CLIENTS' NEEDS AND PREFERENCES		
FINANCIAL PRODUCTS AND SERVICES OFFERED		
Income Generating Loans		
Microenterprise loans	Documented	Fusion – Operations Manual
SME loans	Not reported	
Agricultural/livestock loans	Not reported	
Express loans	Not reported	



Non-Income Generating Loans	
Education loans	Not reported
Emergency loans	Not reported
Housing loans	Not reported
Loans for other household needs/consumption	Not reported
Voluntary Savings Products	
Demand deposit accounts	Not reported
Time deposit accounts	Not reported
Voluntary Insurance Products	
Credit life insurance	Not reported
Life/accident insurance	Not reported
Agricultural insurance	Not reported
Health insurance	Not reported
House insurance	Not reported
Workplace insurance	Not reported
Other Financial Products/Services	
Debit/credit card	Not reported
Mobile/branchless banking services	Not reported
Savings facilitation service	Not reported
Remittance/money transfer services	Not reported
Payment services	Not reported
Microleasing	Not reported
Scholarships/educational grants	Not reported
NON FINANCIAL SERVICES	
Enterprise Services	
Skills development	Not reported
Business development	Not reported
Women's Empowerment Services	
Leadership training for women	Not reported
Women's rights education	Not reported
Counsel/legal services for violence victims	Not reported
Other Education Services	
Financial literacy	Documented
	Fusion – Financial Literacy Pictorial Toolkit Fusion – Operations Manual
Basic health/nutrition education	Not reported
Children and youth education	Not reported
Occupational health and safety in the workplace education	Not reported



Health Services		
Basic medical services	Not reported	
Special medical services for women and children	Not reported	
USSPM 4: TREAT CLIENTS RESPONSIBLY		
Robust repayment evaluation	Documented	Fusion – Operations Manual Fusion – Loan Application Form
Internal audits check debt exposure	Documented	Fusion – Risk and Audit Manual
Full disclosure of all single price components	Documented	Fusion – Operations Manual Fusion – Loan Card
Full disclosure of cost information	Documented	Fusion – Operations Manual Fusion – Loan Card
Clear debt collection policies	Documented	Fusion – Operations Manual
Sanctions for violations of the collections policies	Documented	Fusion – Human Resources Manual
Effective handling of customer complaints	Documented	Fusion – Operations Manual Fusion – Master Grievance Tracker
Data privacy clause included in the contract	Documented	Fusion – Loan Agreement
USSPM 5: TREAT EMPLOYEES RESPONSIBLY		
Social protection	Documented	Fusion – Human Resources Manual Fusion – Pay Slip Template
Safety policy	Documented	Fusion – Operations Manual
Anti-harassment policy	Documented	Fusion – Workplace Harassment Policy
Non-discrimination policy	Documented	Fusion – Human Resources Manual
Grievance resolution policy	Documented	Fusion – Employee Grievance Resolution Policy
ENVIRONMENTAL POLICIES IN PLACE (NOT INCLUDED IN USSPM)		
Activities related to raising awareness of environmental impacts	Not reported	
Clauses in loan contracts that require clients to improve environmental practices/ mitigate environmental risks	Not reported	
Specific tools to evaluate the environmental risks of clients' activities	Documented	Fusion – Operations Manual
Products related to renewable energy	Not reported	
Products related to energy efficiency	Not reported	



Environmentally friendly practices or products related to environmentally friendly practices
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Not reported
