



# Public Project Profile

<b>Host Country:</b>	India
<b>Name of Borrower:</b>	Fusion Micro Finance Limited (“Fusion”)
<b>Project Description:</b>	The subject loan will allow Fusion, a leading microfinance institution, to expand its microfinance portfolio serving women at the bottom of the pyramid in predominantly rural India.
<b>Proposed DFC Loan:</b>	\$25,000,000
<b>Total Project Cost:</b>	\$33,500,000
<b>Developmental Objectives:</b>	The project is expected to have a highly developmental impact through the provision of loans to low-income women engaged in income-generating activities, as well as through the creation of hundreds of formal sector jobs. Fusion serves low-income women borrowers residing in India’s poorest regions, and its products are designed to meet their needs, especially those who were previously unbanked. Fusion also provides women borrowers with business, financial, and digital literacy trainings. In addition, the project will create hundreds of new jobs in states that are experiencing high levels of unemployment, emigration, and poverty.
<b>Environment and Social Assessment:</b>	<p>The project has been reviewed against the DFC’s 2020 Environmental and Social Policies and Procedures manual (“ESPP”) and has been determined to be categorically eligible. Loans to NBFC-MFI’s for microfinance lending are screened as Category C projects for the purpose of environmental and social assessment in accordance with DFC’s ESPP. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all of those downstream investments have been pre-screened as Category C and further review and consent is not required for these investments.</p> <p>To ensure that the Borrower’s investments are consistent with the DFC’s statutory and policy requirements, the DFC loan will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this transaction relate to the need for an Environmental and Social Policy (“ESP”) that meets the 2012 IFC Performance Standards.</p> <p>Under the DFC’s ESPP, the Borrower is required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of the 2012 International Finance Corporation’s Performance Standard (“PS”) 1 and 2. A desk-review based due diligence assessment indicates that because the project will use DFC support for microfinance lending in India, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous people, and cultural heritage are not anticipated; therefore, PS 3, 5, 6, 7, and 8 are not triggered at this time. The Borrower does utilize unarmed security guards and therefore, aspects of PS 4; Community Health, Safety and Security are triggered.</p> <p>The Borrower has a basic Environmental and Social Risk Policy, grievance mechanisms, and human resources policies commensurate with its investment strategy but will be required to strengthen its Environmental and Social Risk Management Policy and Human Resources policies to meet the minimum standards found within the DFC’s 2020 Environmental Policy and Procedures.</p>