



MFIN and KPMG launch special report 'Rejuvenating Microfinance in India – Embracing Digital'

New Delhi, 26 March 2021: MFIN, the Association for microfinance entities and the Self-Regulatory Organization for NBFC-MFIs along with knowledge partner, KPMG released a special report titled 'Rejuvenating Microfinance in India – Embracing Digital' today. Inaugurated by Dr G.R. Chintala, Chairman of National Bank for Agriculture and Rural Development (NABARD), the launch took place in the august presence of a select audience from the financial services sector.

Speaking on the launch, **Dr. G.R. Chintala** said, "*NABARD believes in fostering rural prosperity and the role of Microfinance in achieving this is well established. By embracing digital, a new impetus was provided to Microfinance and I complement both MFIN and KPMG for documenting this dynamic transformation of the sector. Technology is the true measure of success through which we bring comfort, ease and convenience to the doorstep of our rural customer.*"

Dr Alok Misra, CEO and Director, MFIN said, "*This report is a matter of pride for us. By virtue of our work, we have outreach of over 5.83 crore customers in India and in a last mile banking segment, almost 100% of disbursements are now cashless. Simultaneously, institutions are also using data driven predictive analysis to support business decisions and insights. This will lead to ease of transaction, reduce operating cost as well as promote digital literacy. As a result, besides providing last mile credit connectivity, we also promote the growth of digitally literate communities pan India in pursuit of 'Digital India' vision of Honourable Prime Minister.*"

Sanjay Doshi, Partner and Head of Financial Services sector, KPMG said, "*We are thankful to MFIN for the opportunity to work on this interesting report which captures the evolution of technology in microfinance, the role of Fintech in the lending value chain and the future roadmap to build a digital-first Microfinance landscape. Technology disruptions in the years to come will further revolutionize the sector.*"

The microfinance sector in India provides formal credit to the unexcluded segment of the country and hence plays a crucial role in providing the last mile connectivity in rural India. Efforts are now directed in maintaining a customer-centric approach with an optimal balance between technology and human touch and hence the sector has been adopting alternate channels to focus on faster loan origination, efficient customer service and flexible loan requirements.

About Microfinance Institutions Network



MFIN is a premier industry association comprising 58 NBFC-MFIs and 39 Associates including Banks, Small Finance Banks (SFBs) and NBFCs. It is also the Self-Regulatory Organization (SRO) for the regulated NBFC-MFI. By virtue of bringing the NBFC-MFIs under one common umbrella, MFIN acts as a bridge between them and the regulators to build a dialogue for greater transparency, better policy frameworks and stronger client protection standards for responsible lending, thus enabling the microfinance industry to partake in meeting the larger financial inclusion goals.