

**Webinar on  
*Technological Innovations in Microfinance*  
23 March 2021**

**Centre for Research on Financial Inclusion and Microfinance (CRFIM)  
Bankers Institute of Rural Development (BIRD), Lucknow**

The Centre for Research on Financial Inclusion and Microfinance (CRFIM), established within Bankers Institute of Rural Development (BIRD), Lucknow organized a webinar on *Technological Innovations in Microfinance* on 23 March 2021.

Shri Shankar A. Pande, Director, BIRD, Lucknow welcomed the participants and in his opening remarks shared the overview of the topic. He stressed on the importance of microfinance sector in promoting the country's two major objectives, viz. improvement in livelihood opportunities and inclusive finance by rendering collateral free loans to the bottom of the pyramid who lack access to credit from formal financial sources. He added that human centric approach, proper monitoring and regular interaction with the client has resulted into a healthy portfolio of the sector and adoption of financial technology would make operations of MFI's efficient and cost effective, by better leveraging of their human resources. He hoped that an interaction between the MF sector and technology providers in such forums would lead to more product level innovations like payments and loan collection in far flung areas and wider use of process innovations like "Account aggregators". Data analytics led approach would further help improve lending practices to minimise risks.

Eminent panelists from NABARD, Fintech companies, MFIs, consulting firms from the sector led by the moderator, Dr. P Satish, Executive Director, Sa-Dhan, participated in the deliberations. Shri Jiji Mammen, MD, NABFINS, Smt. S. Vijayalakshmi, CGM, MCID, NABARD, HO, Shri Manoj Kumar Sharma, Director, MSC, Shri Udaya Kumar Hebbar, MD & CEO, Credit Access Grameen Ltd., Shri Praveen Kumar, Head – Product Innovation (Payments) Spice Money Ltd., Shri Abhishant Pant, Consultant, FinTech, Shri Deep Shah, Lead, Product Development, NPCI formed the eminent panel. Each panelist had been assigned a topic relevant to and representative of a dimension of the theme. It resulted in a very focused discussion.

During the panel discussion, Sh P. Satish in his opening remarks apprised the participants of the first technological innovation in the MF sector, the Microfin software developed by C-DAC two decades ago. Since then the sector has developed some robust technology but it's still a long way to develop credit disbursement, credit assessment and client substitution tools and Webinars like these can catalyse a change.

Shri Jiji Mammen, MD, NABFINS, stressed the importance of technological interventions to bring down the cost of lending, Smt Vijaylakshmi, CGM, NABARD, MCID, Head Office, underscored the role Eshakti can play in better Banker- SHG interface and how Eshakti 2.0 promises to be an end-to-end solution for all credit needs of Self Help Groups. The MF consultants were of the view that technology adoption by MFIs would be an incremental progress and not an exponential one as it requires massive investment in infrastructure and capacity building. Sh Udaya Hebbar, CEO, Creditaccess Gramin also felt that MFIs must first handhold their clients to use digital solutions in their day to day business and personal work to earn their faith in graduating to digital mode of transactions. The two panelists from Technology Service providers viz NPCI and SpiceMoney elaborated on the various products offered by them that caters to the needs of rural/ MF clients which were quite an eye opener. Sh Abhishant Pant, Fintech consultant requested the MF sector to invest in Fintech start-ups for customized solutions. The panel felt that a sector leader like NABARD can facilitate interface between tech start-ups and MFIs to come up with tech solutions suitable to both employee and client profile of MFIs.

As many as 92 participants, including representative from commercial Banks, MFIs, sector experts, NABARD regional offices participated in the two and half hour Webinar. The programme was compered by Smt. Deepmala Ghosh, FM and In – Charge, CRFIM.



Shri Shankar A. Pande, Director, BIRD, Lucknow welcoming the delegates

### **Moderator**



Dr. P Satish, ED, Sa-Dhan addressing the panelists during Webinar

## **Panelists**



**Shri Jiji Mammen, MD,  
NABFINS**



**Smt. S. Vijayalakshmi, CGM,  
MCID, NABARD, HO**



**Shri Manoj Kumar Sharma,  
Director, MicroSave Consulting**



**Shri Udaya Kumar  
Hebbar, MD & CEO,  
Credit Access Grameen  
Ltd**



**Shri Praveen Kumar, Head -  
Product Innovation, Spice  
Money Ltd**



**Shri Abhishant Pant,  
Consultant, FinTech Start-up**



**Shri Deep Shah, Lead,  
NPCI**