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*Integrating Fintech to Microfinance: A Way to Digital Financial Inclusion  
in India*

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**Abstract**

*The financial sector of India is growing rapidly and Indian financial institutions is trying to serve all the people of society who need funds specially the poor people. Microfinance have the capacity to increase incomes and reduce poverty at some extent but MFIs still face many challenges in providing a number of various financial services to the underserved and poor people of the Indian society. Although, fintech innovations are rapidly transforming the world's financial system, therefore it can be a powerful tool for financial inclusion if microfinance will be fully integrated with fintech. The purpose of this paper is to analyse the technology advancement in microfinance sector to recommend for fintech adoption in MFIs in India. EShakti, a project of NABARD is*

*associated with the implementation of financial technology and digitalisation of SHGs working in rural areas of India. As, SHG is the vital source of microfinance and have linkages with MFIs and other development banks so, the paper uses the information of EShakti project to support that integration of technology with microfinance can be fruitful. Further, the paper uses seven years data of EShakti Project of NABARD for digitalisation of microfinance and analyse the results. The results shows a positive rate of the adoption of technology by the villages and people who are SHG members that shows that if the proper training and guidance will be provided then they will easily adopt the technology friendly financial services.*

**Keywords:** *Fintech, Microfinance, financial inclusion, EShakti, Self Help Groups, India*