ACCION

Advancing financial inclusion through India's account aggregator framework

A consent-driven model for expanding opportunity



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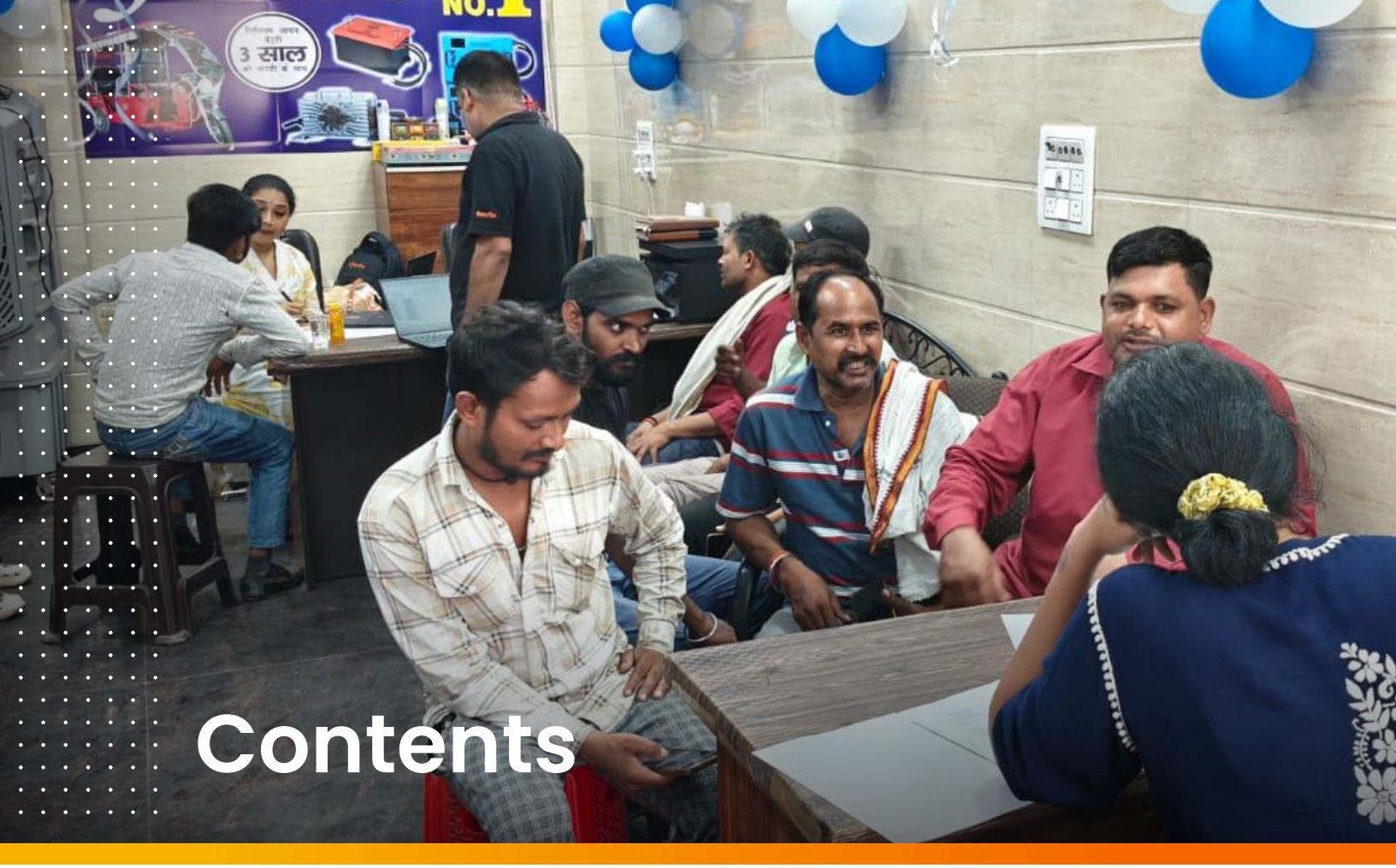
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Generative AI, including Claude, was used to help structure content and refine language. All findings, insights, and recommendations are based on Accion's project implementation experience and were reviewed and validated by the authors.

Cover photo: A three-wheeler electric vehicle owner surveyed in Delhi.



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Photo: Surveying three-wheeler electric vehicle owners in Delhi.

Foreword

India's Account Aggregator (AA) framework is among the most ambitious consent-driven data-sharing architectures in the world. Since its formal launch in 2021, the ecosystem has made rapid and measurable strides to move from concept to commercial reality, from early adopters to a growing mainstream of financial service providers, and from regulatory promise to real-world impact.

The AA framework is no longer an experiment. It is a live, scaled, and growing digital public infrastructure at the intersection of financial inclusion, data rights, and institutional efficiency. To keep expanding, it needs informed and confident implementation grounded in evidence-based knowledge of what works, what doesn't, and why.

Our work in this project explores these questions, gathers evidence, and documents the answers. Through pilots with lenders serving dairy farmers, nano-enterprises, electric vehicle (EV) drivers and owners, and women borrowers, we have stress-tested the AA framework against the realities of underserved markets. The findings are encouraging and specific: they point to design choices, training investments, and measurement practices that distinguish successful implementations from stalled ones.

We hope this report serves as both a reference and a prompt for action for financial service providers (FSPs) considering their first AA integration, regulators thinking through ecosystem governance, and funders looking to invest in inclusive finance at scale. The opportunity is real. The path is becoming clearer for India, with lessons for other markets pursuing similar goals.



Anurag Saxena
Vice President, Asia, Accion

> **"The AA framework is no longer an experiment. It is a live, scaled, and growing digital public infrastructure at the intersection of financial inclusion, data rights, and institutional efficiency."**

Executive summary

India's Account Aggregator (AA) framework enables secure, consent-based sharing of financial data between individuals and financial institutions, regulated by the Reserve Bank of India (RBI). For lenders serving underserved borrowers, it provides access to verified cash-flow data, reduces onboarding costs, prevents fraud, and helps manage delinquency proactively without relying on collateral or formal credit history.

Accion has piloted AA adoption across multiple financial service providers and customer segments: dairy farmers, nano-enterprises, EV three-wheeler operators, and women borrowers. This report consolidates six key learnings from that work, supported by field-based evidence and practical guidance for practitioners.

SIX KEY LEARNINGS

1 Build the business case first

AA adoption stalls without a structured return-on-investment (ROI) analysis. It is critical to map where AA fits in the process before integration.

2 A simple, understandable journey with trust markers drives adoption

Customer journeys with clean user interfaces (UIs), trust markers, and regional language capability can achieve higher completion rates.

3 Consent parameters must be explained

Low-digital-maturity borrowers need assisted journeys and plain-language explanations of what they are sharing and why.

4 Staff readiness is an adoption prerequisite

Loan officer confidence is the single biggest variable in field adoption. Structured training-of-trainers programs are non-negotiable.

5 What isn't measured isn't delivered

Key performance indicator (KPI) dashboards that track the AA funnel stage by stage allow institutions to diagnose and fix drop-offs at the source.

6 AA data delivers value across the credit lifecycle

Bank statement analysis and early warning signals are powerful, but only when rules are segment-specific and embedded in decision engines.

Across partners, AA has delivered faster turnaround times (from three days to three hours in one case), reduced fraud through tamper-proof verified data, improved credit decisions for thin-file customers, and enhanced early warning signals that can identify borrower stress earlier and reduce early delinquency. For customers, this has meant fewer documents to collect, fewer branch visits, and faster access to credit. The ecosystem is scaling. The challenge now is to scale it equitably and sustainably, with the operational discipline these learnings demand.

Ensuring that growth is inclusive will require targeted design, customer education, and ecosystem-wide collaboration to enable women and other underserved populations to benefit fully from the AA framework.

Introduction

The Account Aggregator framework

The AA framework is part of India's broader digital public infrastructure (DPI) alongside Aadhaar, the Unified Payments Interface (UPI), and the Goods and Services Tax Network (GSTN). It provides a standardized mechanism for individuals to share financial data digitally with authorized institutions, replacing slow, costly, paper-based processes prone to fraud. The customer remains in full control: consent is explicit, purpose-bound, time-limited, and revocable.

For underserved borrowers, including informal workers, micro-merchants, women, and rural households, bank account statements are among the few verifiable records of financial behavior available. AA makes accessing and sharing that data simple, secure, and auditable. For lenders, it unlocks cash-flow-based underwriting at scale.

Figure 1 on the following page shows the various types of financial data that flow through the AA framework. Sahamati, the member-driven AA industry alliance, maintains a comprehensive list of the financial information types currently available on its website.

AA makes accessing and sharing data simple, secure, and auditable. For lenders, it unlocks cash-flow-based underwriting at scale.



Customers remain in full control of their financial data throughout the AA-enabled lending process.

What data flows through an Account Aggregator (AA)

Secure, consent-based data sharing across India's financial sectors

Availability varies by Financial Information Provider (FIP).

Five sectors, grouped by regulator

Banking

REGULATOR
Reserve Bank of India (RBI)

- Savings accounts
- Current accounts
- Recurring deposits
- Term deposits (including fixed deposits)

Securities

REGULATOR
Securities and Exchange Board of India (SEBI)

- Equity shares
- Mutual fund units
- Systematic Investment Plans (SIPs)
- Exchange-Traded Funds (ETFs)
- Indian Depository Receipts (IDRs)
- Collective Investment Schemes (CIS)
- Alternative Investment Funds (AIFs)
- Infrastructure Investment Trusts (InvITs)
- Real Estate Investment Trusts (REITs)

Insurance

REGULATOR
Insurance Regulatory and Development Authority of India (IRDAI)

- Life insurance
- General (non-life) insurance

Pension

REGULATOR
Pension Fund Regulatory and Development Authority (PFRDA)

- National Pension System (NPS)

Goods and Services Tax (GST)

REGULATOR
Department of Revenue (DoR), Ministry of Finance

DATA PROVIDER
Goods and Services Tax Network (GSTN)

- GST Return 1 (GSTR-1): sales
- GST Return 3B (GSTR-3B): monthly summary of sales, purchases and tax paid

Most account-based data types follow the same three-part structure (example: a deposit account)

Profile

ACCOUNT HOLDER DETAILS

- Name
- Date of birth
- Permanent Account Number (PAN)
- Mobile number
- Address
- Central Know Your Customer (CKYC) compliance status

Summary

ACCOUNT SNAPSHOT

- Current balance
- Account type
- Indian Financial System Code (IFSC)
- Opening date
- Status

Transactions

ACCOUNT ACTIVITY

- Date
- Amount
- Payment mode
- Description (narration)
- Running balance

Which parts are shared depends on what the person consents to and what the provider holds.

What this enables

Lenders can assess cash flow from bank transactions and business turnover from GST returns, using consented digital data instead of paper documents. This can help them extend credit to people and small businesses with limited credit history.

Source: Sahamati, "Data (FI types) available in the Account Aggregator framework" (table last updated December 2024); Reserve Bank Information Technology (ReBIT) Financial Information (FI) schema specifications.

Figure 1: Financial information types available in the AA framework

About this project

Between 2022 and 2025, Accion and Sahamati worked with a cohort of financial service providers to explore, pilot, and demonstrate AA adoption among underserved customer segments. Sahamati, recognized by the RBI as the self-regulatory organization (SRO) for the AA ecosystem, served as Accion's anchor knowledge and scaling partner. The project was structured in phases:

- Understanding friction points and customer needs through ground research
- Identifying target segments (dairy farmers, nano-enterprises, EV three-wheeler operators, women borrowers) and matching FSP implementation partners
- Running pilots to build sector-specific use cases and drive adoption
- Creating pathways to scale, supported by toolkits, training materials, and measurement frameworks

Implementation partners included financial service providers Avanti, CredRight, Finayo, Pahal, and RevFin. Licensed account aggregators FinVu and Ignosis, technology service provider Finfactor, and language technology company Reverie Language Technologies provided execution support.

Why this learning document?

The AA ecosystem is at an inflection point. The technical infrastructure is in place, regulatory support is clear, and a growing number of FSPs have integrated. But adoption is uneven, and the gap between early-stage integration and scaled impact remains. This document captures what our field research and pilots revealed: the design choices, operational disciplines, and human factors that determine whether AA moves from a compliance exercise to a true inclusion tool.

This document is for FSPs considering or deepening their AA integration, for AAs and technology service providers supporting that journey, and for regulators and funders shaping the ecosystem's future.



This project explored AA use cases among underserved customer segments, including micro and small business owners.

KEY LEARNING 1

Build the business case first

Organizations that adopt AA without first quantifying its value often struggle to identify where AA can improve efficiency and expand access for underserved borrowers. Without a structured benefits assessment, AA risks being viewed as another technology integration rather than a strategic lever.

Where does AA fit in your process?

Begin with process mapping. Trace the full lending journey from login through pre-ops, credit assessment, and post-disbursement. Identify stages with high turnaround times (TAT), heavy manual intervention, and frequent redo loops. AA delivers maximum value at data-heavy, high-friction stages, particularly pre-credit data collection, underwriting, and post-sanction delinquency monitoring.

Quantifying the costs AA can reduce

The true cost of financial data acquisition is often underestimated. Direct costs, such as application programming interface (API) fees and statement-analysis tools, are visible. Indirect costs, such as manual data collection, verification loops, and customer support for missing documents, are not. Intangible costs from wrong credit decisions or customer drop-offs can exceed both over time.

AA can reduce both direct and indirect costs by replacing manually submitted statements with verified financial data and streamlining verification processes. As we saw with Finayo, this can translate into faster decision-making and lower operational effort.

The business case should also include the value AA creates for customers, because customer benefits drive adoption. Without AA, borrowers must obtain, print, and submit bank statements, often through repeated branch visits and follow-up calls when pages are missing or unreadable. With AA, a customer can share verified data from a mobile phone in minutes. This saves time (Finayo's turnaround fell from three days to three hours), money (fewer trips, lower printing costs, and less income lost to time away from work), and effort (fewer documents to gather and fewer repeat visits; at CredRight, field visits per loan application fell from three to 1.5). For low-income customers and women, who often cannot afford to lose a day's earnings or travel to a branch, these savings can determine whether they apply for formal credit at all. FSPs that build these benefits into their ROI model, and communicate them clearly to customers, are more likely to see higher completion rates, fewer drop-offs, and stronger repeat business.

Building the ROI case

Identify high-impact use cases
Based on process mapping and pain-point scoring

Quantify current baselines
TAT, cost per case, fraud losses, approval rates

Estimate AA impact
Efficiency gains, cost reduction, risk improvement

Pilot and validate
Test assumptions with real data before full rollout

Build the ROI model
Compare investment vs. expected gains over 12–24 months

CASE STUDY

From bottleneck to same-day decisions

Finayo is an EV-focused lending startup offering a "Lending-as-a-Service" platform. Nearly 30 percent of its underwriting delays stemmed from chasing bank statements and dealing with missing pages, unreadable PDFs, and repeated follow-up calls.

After adopting AA, verified bank data arrived directly from financial institutions, tamper-proof and complete. Turnaround times fell from three days to three hours.

Critically, Finayo's process mapping showed that addressing statement delays delivered a clear, measurable benefit that was simpler to implement than its alternative option (credit scoring). This structured diagnosis made the go/no-go decision straightforward.

Key takeaway

Start with the pain point that costs you most today. AA's value accrues fastest where your current process is most fragile.



Streamlining data sharing can save time and effort for both customers and financial institutions.

KEY LEARNING 2

A simple, understandable journey with trust markers drives adoption

Customer drop-offs in AA journeys are often caused by confusion, mistrust, and cognitive overload at the moment of consent, particularly among first-time digital users and underserved customer segments. For these borrowers, especially in rural and peri-urban contexts, the consent interface design is not a product detail; it is a critical factor in their decision to adopt.

Reducing that friction starts with designing journeys that communicate transparently, offer security, build familiarity, and provide support. When customers understand the purpose and benefits of the request, trust the process, see familiar language and icons, and receive assistance when needed, they are more likely to complete the consent journey.

Embedded trust markers are non-negotiable

Multiple screens in an AA journey should prominently display the RBI authorization of the AA, the lending institution's logo, explicit statements of customer control ("Your data is safe. You can revoke consent at any time."), and the scope of the data being shared (type, duration, frequency).

Our prototype for CredRight's loan application journey added these trust markers at the entry point to the AA flow before any data requests were made. CredRight reported improved completion rates and reduced the time field officers spent reassuring customers.

Assisted vs. self-serve: Know your segment

Self-serve journeys work well for digitally comfortable borrowers, such as micro, small, and medium enterprises (MSMEs) with prior online experience, repeat customers, and urban users. For rural borrowers, women, and first-time digital users, assisted journeys, in which a loan officer walks the customer through each screen, are significantly more effective. Assisted journeys need to be carefully designed to align the loan officer's explanations with what the customer sees on the screen. Inconsistency between the customer's screen and the officer's explanation is a primary trust failure point. The loan officer also needs talking points and cues to reaffirm trust markers by explaining the security features, the AA'S RBI accreditation, and its main benefits.

Organizations often use standalone journeys that are not integrated with the loan/financial services journey flow. While standalone journeys are faster and easier to implement, customers must toggle between their loan/financial service journey and the AA journey, which can cause confusion and drop-offs during consent and account linking. Integrated journeys help maintain consistency by keeping customers within a single application flow. Even with integrated journeys, clear and consistent messaging remains critical to helping customers continue the journey.

During the AA account creation process, customers receive multiple standardized short message service (SMS) texts to create an AA handle and link accounts, in addition to confirmation messages. Clear, concise SMS templates in the local language that explicitly link each one-time password (OTP) to a specific action help address the "OTP paradox": security controls designed to protect customers can confuse them and cause them to abandon the journey. Inconsistent OTP messaging across providers and delays in OTP delivery can leave customers uncertain whether and how to proceed, contributing to drop-offs and failed account linkage attempts.

Journeys that incorporate contextual support, multilingual and voice-enabled guidance, a tailored user interface/user experience (UI/UX), and standardized and simple SMS communication can help customers navigate the process successfully.

DESIGN PRINCIPLES

Building an AA journey prototype

The interactive consent journey prototype we built for CredRight incorporates several trust markers, including:

- Regulatory trust markers on every screen ("FinVu AA is authorized by RBI")
- Security assurances ("100% Your data is safe")
- Voiceovers in regional languages as default
- Step-by-step navigation labels preventing confusion
- Customer control messages stating their consent is voluntary and revocable

Design guidelines and resources, including how to build a customer-friendly consent flow like CredRight's, are available on Sahamati's website.



Clear, simple text messages are key to helping customers navigate the AA journey.

KEY LEARNING 3

Consent parameters must be explained

The consent mechanism is central to the AA framework. However, our research showed that customers with limited digital or financial literacy can misunderstand consent. For borrowers in underserved segments, "consent" is an abstract concept layered over an already anxious interaction (applying for credit). This may lead to checkbox consent, which is technically valid, but operationally fragile and risky. This is especially true for the lending journey, where multiple consents are taken during the loan application process. Distinguishing between consent types and making it clear that the customer can accept or reject each one is therefore essential.

Types of consent and when to use each in lending

CONSENT TYPE	USE CASE	CUSTOMER BENEFIT
One-time fetch	Single data request at underwriting, explained to the customer as: "We look at your last six months of transactions to evaluate your loan application."	No paper statements to collect or submit, and a faster decision; data is shared once, for a single purpose.
Recurring monitoring fetch	Periodic account monitoring during repayment.	Early warning signals can trigger support before default, reducing cheque bounces and penalty charges.
Event-based fetch	Triggered by a specific account event, such as a balance falling below a threshold or an equated monthly installment (EMI) bounce.	Data is pulled only when something specific happens, which reduces the feeling of constant surveillance.

In each case, the user interface and the loan officer's explanation should cover four questions the borrower cares about: What data is being shared? With whom? For how long? And can I stop sharing data when I want?

Multi-AA and journey optimization

Once customers agree to share their data, the consent process should be as frictionless as possible. Relying on a single AA can introduce constraints, including limited coverage across financial information providers (FIPs), higher failure rates during account discovery, and costly fallbacks to manual processes. Multi-AA enablement can improve the likelihood of a successful first-time journey, but it requires coordinated UI and UX design to make transitions between AAs invisible to the customer.

Fair practice codes

Sahamati's Fair Use Template Library provides standardized consent templates, including upper-bound parameters for consent duration, frequency, and purpose, that protect borrowers while giving FSPs a clear compliance reference. Institutions should review these templates before configuring their consent architecture.

Fair practice principles that must be embedded operationally include non-discrimination (borrowers who decline AA must still be served, though they should be informed of the trade-offs), data minimization (collect only what the use case requires), and proactive communication (real-time SMS or email notifications whenever data is accessed).

REGULATORY NOTE

The Digital Personal Data Protection Act and AA alignment

The Digital Personal Data Protection Act (2023) reinforces and extends the principles the AA framework already embodies. FSPs using AA data should ensure:

- Consent artifacts are stored and auditable
- Data is not used beyond the stated purpose
- Revocation requests are processed promptly
- Grievance mechanisms are visible and accessible to borrowers

How to make consent more explicit

1. Color code different types of consent.
2. Use voice guidance or in-app help.
3. In assisted journeys, nudge loan officers to explain key parameters.



Explaining the different types of consent and what they mean is critical to building customer understanding and trust.

KEY LEARNING 4

Staff readiness is an adoption prerequisite

The field officer is the primary interface between the AA system and the borrower. Their confidence, clarity, and approach determine whether customers understand the value of consent-based data sharing and complete the journey successfully. They influence whether consent is informed or coerced, and whether drop-offs are reduced or compounded.

Three layers of capacity building

LAYER	WHAT IT ADDRESSES	WHY IT MATTERS
Knowledge	What is changing and why? What is the benefit for me?	Without context, staff treat new workflows as compliance and not value addition.
Skills	How do I explain AA to a borrower in the local language? How do I handle "my data will be misused"? Can I explain and clarify doubts?	Poor explanations cause fear-based drop-offs that technical fixes cannot recover.
Mindset	Is my role to push journey completion, or to ensure informed consent?	Staff under disbursement targets will default to fast completion; training must explicitly reframe this.

Capacity building only sticks when backed by institutional change levers: leadership messaging that values explanation quality alongside speed, incentive structures that balance completion metrics with complaint ratios, and refresher programs that keep knowledge current as the AA framework evolves.

Training materials available

Accion has developed and open-sourced a full suite of training materials, available on Sahamati's website. These include multilingual explainer videos for borrowers, frequently asked questions (FAQ) sheets for branch display, training-of-trainers modules for loan officers, role-play scripts for handling common objections, and segment-specific guidance for women borrowers, MSMEs, and agricultural customers.

CASE STUDY

Training as an adoption multiplier

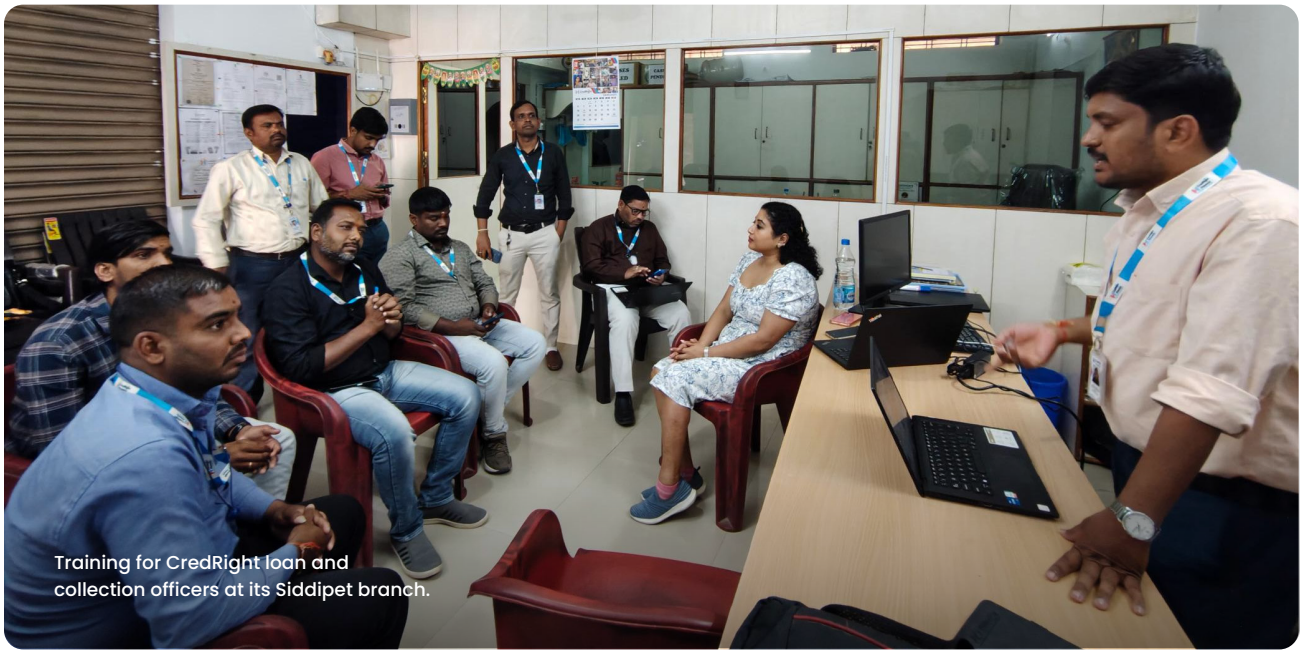
At CredRight, an Accion Ventures portfolio company, low customer awareness of AA was identified as the primary adoption bottleneck, not technical integration. Early assessments from December 2024 showed only about 30 percent of loans applied using AA were sanctioned via AA-sourced data.

Accion, in close coordination with CredRight leadership, deployed structured branch trainings, train-the-trainer programs, and standardized materials (videos, FAQs, sales talking points). CredRight management played a pivotal role in mobilizing teams, aligning training with sales workflows, and building feedback loops from field to curriculum.

Result: AA adoption in loan sanctioning rose from 30 percent to about 45 percent between December 2024 and March 2026, peaking at 74 percent recorded in June 2025 as branch teams gained confidence. Field visit frequency for each loan application fell from three to 1.5.

Key takeaway

Active management involvement, combined with workforce enablement and embedded customer education, materially improves adoption in lending models that combine in-person and digital steps.



Training for CredRight loan and collection officers at its Siddipet branch.

KEY LEARNING 5

What isn't measured isn't delivered

AA adoption cannot grow or be trusted without consistent performance measurement. An FSP that integrates AA but doesn't track its funnel will not know whether its investment is working, where drop-offs occur, or whether technical or behavioral issues are causing incomplete journeys.

The AA funnel: What to track

A complete AA performance dashboard tracks every stage from customer landing to loan sanction, and monitors fetch failure rates with error-level granularity. Key metrics include:

- Customers who landed on the AA page
- Successful AA login rate
- Account discovery success rate
- Bank account linking rate
- Consent shared by customer
- Consent accepted by an FIP, such as a bank, non-banking financial company (NBFC), or insurer sharing customer data
- Successful data fetch rate
- Loan applications completed using AA data
- Loan sanction rate for AA-supported applications

The gap between any two consecutive stages is a diagnostic signal. For example, if discovery success is high but linking is low, the issue may be trust at the OTP confirmation step. If consent sharing is high but FIP acceptance is low, it may point to a technical integration issue with a specific FIP.

Results: CredRight AA funnel, December 2024 – December 2025

As an example of this dashboard in practice, CredRight tracked its AA funnel from December 2024 to December 2025. Across 20,522 customers who landed on the AA page during loan applications at CredRight:

- **about 83 percent** successfully logged in
- **about 82 percent** completed account discovery
- **about 80 percent** shared consent
- **62 percent** (12,672 customers) completed the journey with a successful data fetch
- Data-fetch success rate improved from **59 percent to 76 percent** between February and July 2025.

Diagnosing fetch failures

CredRight's fetch failure analysis revealed that server errors (57.9 percent) were the largest single cause of fetch failures, suggesting FIP issues rather than customer behavior. In these cases, the FIP is unable to successfully process or return the requested data. Account detail errors (14.7 percent) and invalid date ranges (13.1 percent) were the next most common causes.

This level of granularity is only possible with a well-designed KPI dashboard that directly informs where operational intervention (escalation to FIPs, UI changes, training refreshers) is most needed.

TOOL

Recommended AA KPI dashboard components

- AA funnel: stage-by-stage volume and conversion rate, monthly trend
- Fetch failure breakdown: by error type, by FIP, by branch/region
- Staff/user impact metrics: loans-per-officer-visit, TAT reduction, approval rate for thin-file customers
- Portfolio health indicators: early warning signal triggers, days past due (DPD) 1-29 trends for AA-monitored vs non-monitored cohorts

Technical data for the dashboard can typically be sourced from the AA partner (e.g., FinVu for CredRight). Monthly releases with accompanying analysis should be a standard governance commitment. Figure 2 shows how key metrics can be combined into a single dashboard to track performance and identify where action is needed.

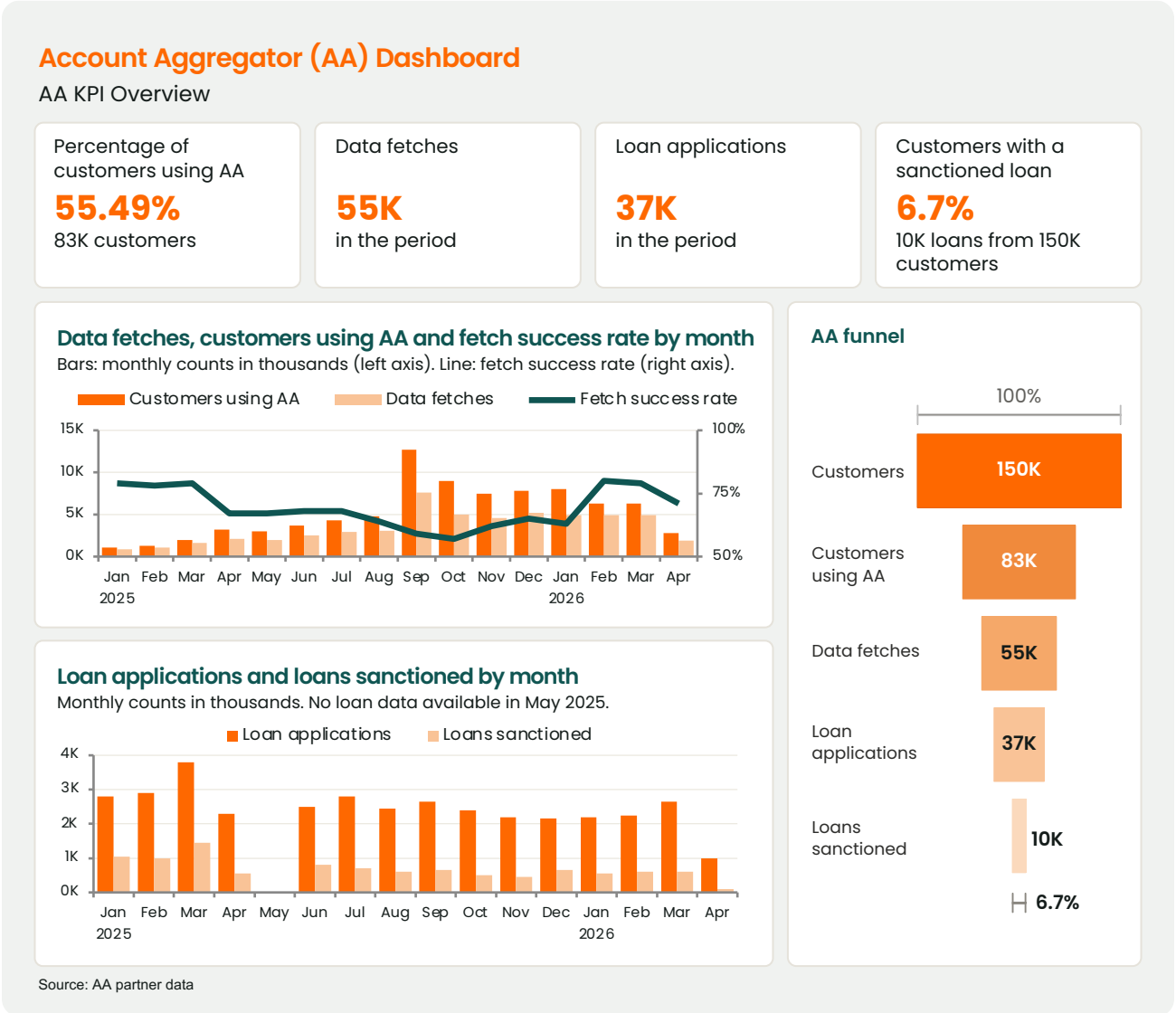


Figure 2: Illustrative AA KPI dashboard

KEY LEARNING 6

AA data delivers value across the credit lifecycle

Most FSPs begin with AA for underwriting, which is a strong start. However, AA data is a strategic asset that can create value throughout the credit lifecycle when deployed with discipline and segment-specific insights, especially for better serving customers who lack traditional credit histories.

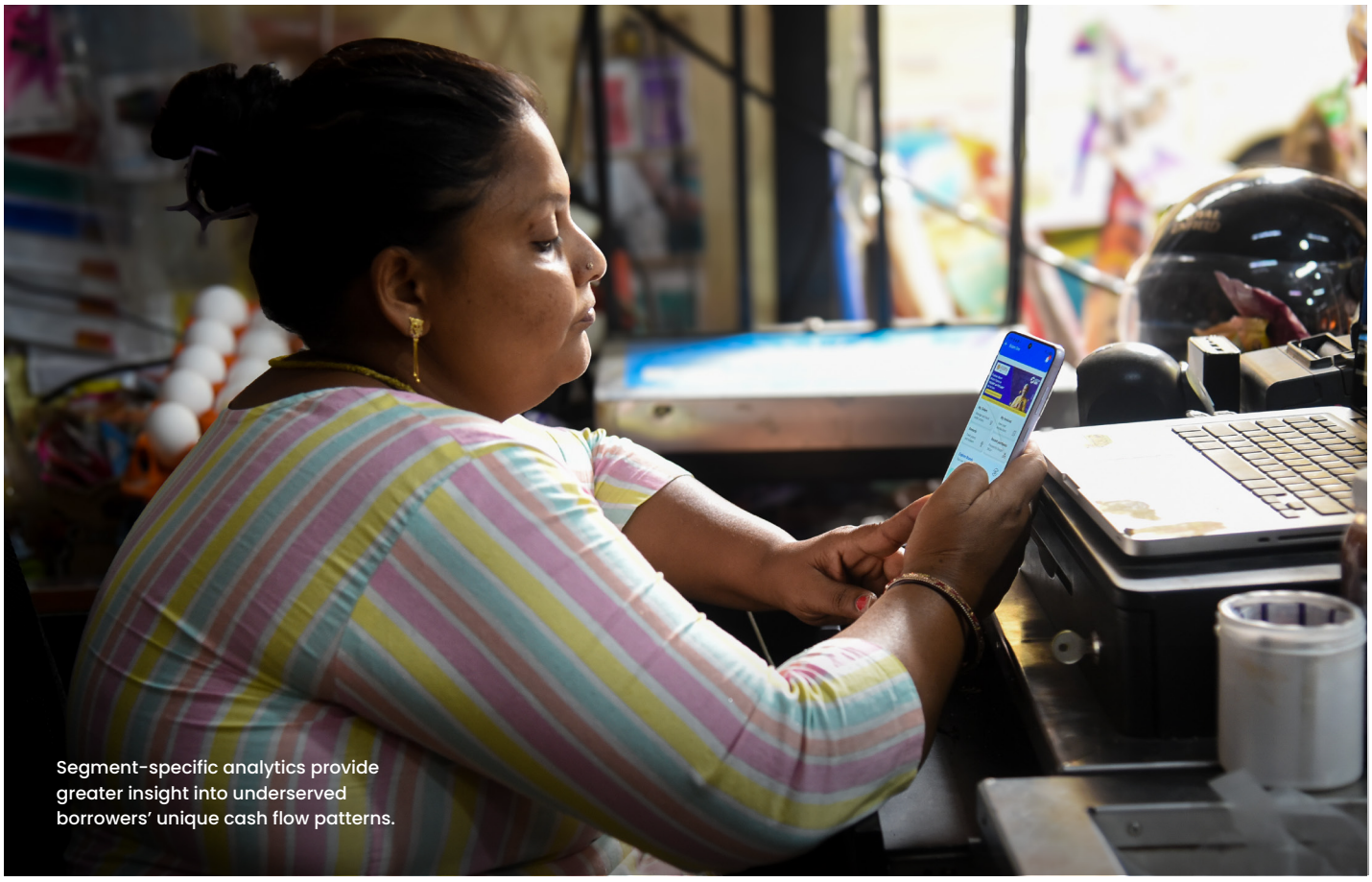
Bank statement analysis: Why segment-specific analytics matter

Standard bank statement analysis (BSA) tools are designed primarily for salaried borrowers with high transaction volumes. However, for micro-merchants, dairy farmers, and EV operators, income is seasonal, cash-heavy, and patterned in ways these tools don't capture.

Segment-specific BSA rules developed with CredRight can provide insights into unique cash-flow patterns. They can classify business versus personal transactions, identify informal liabilities, and flag behavioral signals (such as frequent short-term borrowing and cash withdrawal spikes) that predict repayment stress.

Because of their consistent data format, AA-generated bank statements are more accurate and less expensive to analyze than paper-based submissions.

Figure 3 on the following page shows how these insights can be integrated into a loan origination system to surface policy checks, credit signals, financial insights, and exception alerts that support more informed credit decisions.



Segment-specific analytics provide greater insight into underserved borrowers' unique cash flow patterns.

How bank statement analysis fits into the credit workflow

From statement upload to policy checks, credit summary, financial insights, and deviation routing

1 Upload statements

Connect to an Account Aggregator (AA) or upload bank statements.

Bank statements

Source	✓ AA connected
Status	Completed

Upload PDF | Fetch via AA

2 Policy check

Compare transactions to credit policy norms.

Policy norms (BSA)

Parameter	Value	Status
Average monthly balance	₹4,200	Norm met
Average monthly credit	₹42,000	Breached
Merchant category – gambling	12%	Breached
EMI bounces	2	Breached

3 Credit summary

Consolidate results in one view.

Bank statement analysis summary snapshot

3 Norms met | **2** Breaches | **1** Deviation

Loan and customer details

CUSTOMER AGE **56 years 5 months**
BUSINESS TYPE **Traders**
PROPOSED LOAN AMOUNT **₹4,35,000**
RESIDENCE VINTAGE (MONTHS) **409**
PROPOSED LOAN EMI **₹18,515**

Result by norm

AVERAGE MONTHLY BALANCE	Pass	GAMBLING SHARE	Fail
MONTHLY CREDIT	Fail	EMI BOUNCES	Fail
UPI PERSON-TO-MERCHANT	Pass		

4 Financial insights

Analyze EMI and repayment activity.

EMI insights

Month	EMI amount	Number of EMIs
Jun	₹12,000	2
Jul	₹10,500	1
Aug	₹14,000	3
Sep	₹11,000	2
Oct	₹9,500	1

5 Exception management

Create policy deviations and route them to the appropriate approval level.

Credit deviations

Source	Parameter	Reason	Approval level
Statement analysis	Average monthly credit	Below threshold (₹42,000 < ₹50,000)	
Statement analysis	Merchant category – gambling	Transaction above 10% (12%)	

Bank statement analysis runs inside the loan origination system. Its results feed the policy check, credit summary, financial insights and deviation routing.

Simplified screens and values are illustrative.

Figure 3: Illustrative screens showing how AA-enabled BSA analysis can support credit decision-making.

Early warning signals: From reactive to proactive collections

The conventional post-disbursal monitoring approach is reactive: collections begin after a bounce occurs. AA-enabled early warning signals (EWS) change this by providing consent-based, recurring access to account health data, allowing lenders to identify cash-flow stress before an EMI payment bounces.

WITHOUT EWS	WITH EWS
Blanket collections approach applied from T+1 after bounce	Differentiated strategy: high-risk customers engaged proactively before due date
Limited visibility into account balance on auto-debit day	Balance and transaction trends visible ahead of EMI date
Collections cost driven by volume, not risk	Collections effort concentrated where it delivers most return
PAR 30 to PAR 60 migration rates are high	Early intervention reduces flow from PAR 30 to PAR 60

Pilot analysis at one implementation partner found that a risk scorecard incorporating bank statement data, credit bureau data, and past performance identified accounts before delinquency appeared in its DPD data, as illustrated in Figure 4, highlighting an opportunity to use AA data to generate better predictive outcomes.

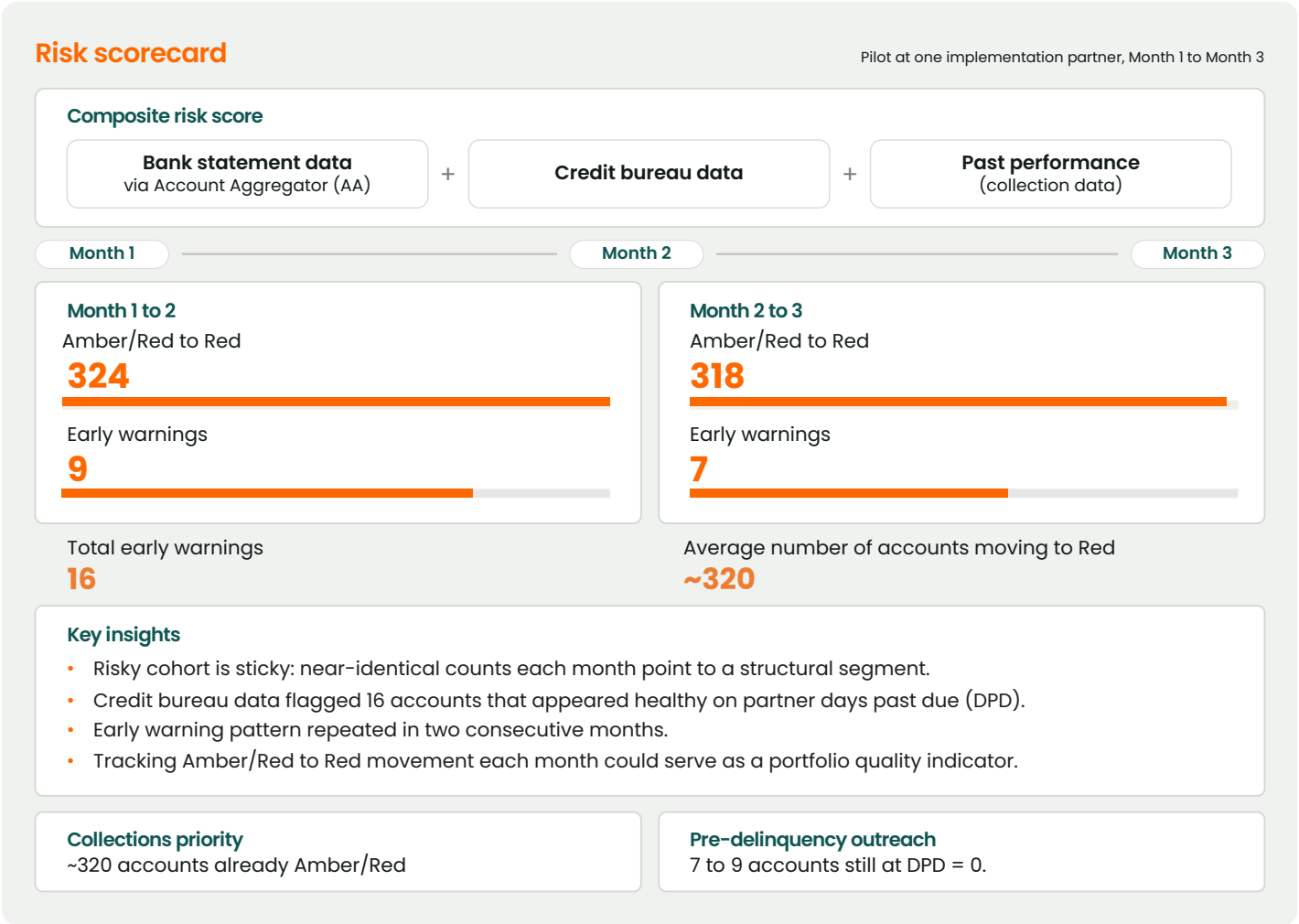


Figure 4: Pilot analysis comparing bureau Amber/Red flags with next-month delinquency.

KEY LEARNING 6: AA data delivers value across the credit lifecycle

Building on this pilot insight, segment-wise EWS scorecards that account for seasonal and business-cycle variations could help lenders identify emerging stress earlier, improve portfolio quality, and reduce collections cost per recovered rupee.

These capabilities also benefit customers directly. Segment-specific BSA rules allow lenders to recognize the real, often irregular, income of dairy farmers, micro-merchants, and women-run enterprises, so that borrowers without a credit history can be assessed on their actual cash flows rather than being rejected or offered smaller loans. Recurring and event-based monitoring means that a customer facing a lean month can be contacted before an EMI bounces, for example with a reminder or a revised repayment date, helping them avoid bounce charges, penal interest, and a negative mark on their credit record. Over time, a repayment track record backed by verified data helps customers build the credit history they need to access larger loans on better terms.



Early warning signals help lenders identify emerging stress earlier and support customers more proactively.

Gender and inclusion perspectives

The six learnings explored in this report apply across customer segments. However, women borrowers and other underserved groups face distinct barriers. As the AA network scales rapidly, women borrowers, smallholder farmers, and migrant workers require specific design attention for AA to be an equitable inclusion tool.

The case for targeted design

Women and other underserved groups often lack formal financial histories, limiting access to financial services that rely on verifiable financial data. AA can help address this challenge by making financial data easier to access and use within the lending process. The opportunity is particularly significant in self-help group (SHG)-led lending. As of March 2025, 143.3 lakh SHGs were linked to banks through savings accounts, but only 84.9 lakh were credit-linked.[1] For SHG lenders, project analysis indicates that AA can reduce loan processing time from three or four days to 10 to 20 minutes and cut operating costs significantly. However, these benefits are only achievable if the process is tailored to their needs.

For microfinance institutions (MFIs), a persistent challenge is graduating borrowers from group lending to individual lending. In group lending, credit decisions rely largely on peer guarantees rather than an assessment of each borrower's cash flows, so MFIs often have little verifiable information on which to base a larger individual loan. As a result, individual lending remains a small part of the sector. According to Sa-Dhan's Bharat Microfinance Report 2025, only 8 percent of an MFI's overall portfolio is individual loans.[2] Retaining customers is also a growing concern, with the number of NBFC-MFI clients falling 11.3 percent year-over-year to 3.1 crore as of June 2026.[3]

Without a clear pathway to larger individual loans, MFIs risk losing their better-performing borrowers. AA can help bridge this gap. With the customer's consent, MFIs can use bank statement data to assess customer suitability for an individual loan, for example by looking at the regularity and size of inflows and existing obligations. The same data can also indicate a borrower's capability to repay through digital channels such as UPI or e-NACH (Electronic National Automated Clearing House), reducing reliance on cash collection by field staff. Together, these insights can help MFIs identify which group borrowers are ready to graduate, size individual loans appropriately, and design repayment journeys that fit each customer's financial behavior.

Key design principles for underserved segments

CHALLENGE	DESIGN RESPONSE
Women often don't control the device used for AA consent	Assisted flows (for example, via SHG leaders or cooperative staff); consent must still be explicit and auditable
Low literacy limits comprehension of consent screens	Voice-first interfaces; local-language explainer videos; icons over text
Gendered trust deficit in formal financial systems	Facilitators as trusted intermediaries; consent explained in group settings before individual execution
Rural connectivity constraints	Unstructured supplementary service data (USSD) or interactive voice response (IVR)-assisted flows for basic-phone users; agent-completed flows with clear consent records

1 Sa-Dhan. (2025). *The Bharat Microfinance Report 2025*.

2 Sa-Dhan. (2025). *The Bharat Microfinance Report 2025*.

3 Jain. (2026, September 1). *Banks' microfinance share falls as NBFC-MFIs drive sector recovery: MFIN*. Business Standard.

Pilot evidence from assisted AA adoption in MFIs shows that group-based facilitation can reduce friction and improve completion rate. The trusted-intermediary model, in which consent is explained in community settings before digital execution, is the most reliable pathway to genuinely informed consent for this segment.

Taken together, the report's findings point to four ways AA can strengthen the case for serving women and other underserved customers:

1. **Lower costs that can be passed on to customers:** At CredRight, AA cut onboarding costs by 35 to 40 percent.[4] Over time, these savings should translate into lower fees and interest rates, making formal credit more affordable for low-income borrowers.
2. **Credit access without a credit history:** Behavioral scorecards and signals drawn from bank statements, such as the regularity of inflows, savings behavior, and existing obligations, can support lending decisions for customers without credit records.
3. **Greater lender confidence:** Stronger early warning signals and delinquency management give financial institutions the confidence to lend to customers without existing credit records, because emerging stress can be identified and managed early.
4. **Time saved for customers:** At CredRight, customers said they generally lost two to three working days preparing documents for a loan application. Automating bank statement collection, so that customers did not need to visit a branch, saved one to two of those days. For women balancing household responsibilities and income-generating work, and for daily earners, this is a substantial saving.

Low customer awareness remains one of the biggest barriers to realizing these benefits. At CredRight, it was identified as the primary adoption bottleneck, ahead of technical integration. Many low-income and women borrowers are unfamiliar with AA, do not know that they can share their bank data digitally, and are understandably cautious about doing so. Closing this gap cannot be left to individual lenders at the point of a loan application. It requires sustained, coordinated effort across the ecosystem: FSPs embedding customer education in their field processes; AAs investing in multilingual public awareness; SHG federations, MFIs, small finance banks, and cooperative banks explaining AA to customers in trusted settings; and regulators and funders supporting customer awareness as a public good.



For women entrepreneurs and underserved customers, saving time and paperwork makes formal credit more accessible.

4 Accion's project with CredRight Finance showed a reduction in the cost of onboarding by 35 to 40 percent, led by fewer visits and less time spent by loan officers

Recommendations and opportunities

For financial service providers

- Conduct a structured process audit before integration. Identify the three stages in your lending journey with the highest TAT, manual intervention, or fraud exposure, and confirm that AA addresses at least one of them before committing resources.
- Invest in journey co-design, not just technical integration. Engage your frontline loan officers and a sample of target borrowers in designing the consent interface before it goes to production.
- Treat training as a prerequisite, not an afterthought. Deploy training-of-trainers programs that cover knowledge, skills, and mindset, and refresh them quarterly as the AA ecosystem evolves.
- Build a measurement-first culture. Deploy a KPI dashboard to track your full AA funnel before scaling beyond pilot. Make monthly dashboard reviews a governance fixture.
- Develop segment-specific BSA rules and EWS scorecards. Generic tools will underperform for borrowers with informal income. Build or commission segment-specific models before relying on AA data for automated decisions.

For account aggregators and technology service providers

- Prioritize FIP coverage breadth and uptime reliability. These are the primary conversion variables for FSPs evaluating AA partners. Invest in service level agreement (SLA) transparency through "Swasthya of AA Network as a Service" or SaanS dashboards.
- Develop plug-and-play training materials and journey prototypes tailored for different customer segments. Lower the barrier to entry for smaller FSPs and MFIs.
- Support multi-AA routing architectures to improve first-time journey success rates and reduce FSP dependency on any single AA.
- Lead coordinated, multilingual ecosystem-wide customer awareness efforts with Sahamati and trusted distribution partners. Campaigns should explain what AA is, how consent works, and how it saves customers time, money, and effort, and be delivered through channels that customers trust, such as SHG federations, MFIs, small finance banks, cooperative banks, and branch networks.

For regulators and policymakers

- Clarify data liability frameworks. Define clearly which entity, whether the FIP, AA, or FIU (the financial information user or institution consuming customer data), is responsible when shared data is incorrect or misused, and establish compensation and rectification processes.
- Establish explicit SLAs for public FIPs (GSTN, insurance repositories). Production-grade FSP integrations require predictable API availability from public entities.
- Develop agent-channel consent guidelines. Many small FSPs rely on field agents. A clear policy on how agents can initiate consent and their legal liability would accelerate field adoption.
- Expand the AA Fair Use Template Library to cover emerging use cases including insurance claims processing, MSME trade finance, and agricultural seasonal credit.

For funders and development finance institutions

- Prioritize investments that build FSP readiness (training systems, KPI infrastructure) alongside technical integration support. The ecosystem's adoption ceiling is more often human and organizational than technical.
- Fund gender-disaggregated data collection and analysis. Adoption figures for women are not available. Granular data is needed to target design interventions effectively.

- Support public goods that benefit the full ecosystem: open-source journey prototypes, multilingual training materials, segment-specific BSA frameworks, and independent AA performance benchmarking.
- Fund customer awareness as a public good. No single FSP can close the awareness gap on its own. Support for community-level financial literacy on AA, especially programs designed for women and first-time digital users, would expand demand across the ecosystem and help ensure that the benefits of AA reach underserved customers.

Conclusion and road ahead

AA is more than a compliance-driven regulatory framework. It is a transformative opportunity to expand financial services for underserved communities, placing customers in control of their financial data and equipping FSPs with the reliable, low-cost information they need to serve those customers responsibly.

The lessons in this report are grounded in field evidence. They demonstrate that AA can create value across customer segments, lending contexts, and institutional types. They also confirm that the difference between a successful AA implementation and a stalled one is rarely technical. More often, success depends on process design, workforce readiness, customer trust, and the disciplined use of data.

Our roadmap for the next phase of this work includes:

- Implementing voice-based and assisted multilingual AA journeys for low-literacy borrowers
- Using multiple consent types in microcredit to make the credit lifecycle more efficient and responsive.
- Exploring use cases beyond lending: insurance claims processing, digital collections, and product suitability for savings and investment products.
- Onboarding additional microfinance institutions, cooperative banks and small finance banks into the AA ecosystem.
- Developing comparative benchmarks to quantify TAT and cost savings (AA vs. traditional methods) across segments.
- Exploring other AA use cases such as impact measurement and targeted direct benefit transfer (DBT) distribution.

The path ahead will require continued collaboration across FSPs, AAs, regulators, and funders. We encourage all stakeholders in the ecosystem to treat the lessons in this document not as a historical record, but as a practical guide for the next stage of India's financial inclusion journey.

Appendix

Project partners

PARTNER TYPE	ORGANIZATION
Funder	Gates Foundation
Knowledge Partner	Sahamati
Lead Organization	Accion
Implementation Partner	Avanti Finance
Implementation Partner	CredRight Finance
Implementation Partner	Finayo
Implementation Partner	Pahal Financial Services
Implementation Partner	RevFin
Account Aggregator	FinVu
Account Aggregator	Ignosis
Execution Support	Finfactor
Execution Support	Reverie Language Technologies

Key resources and links

RESOURCE	ACCESS
AA Implementation Guide	accion.org/account-aggregators-what-financial-providers-need-to-know
Training Collaterals (open-source)	sahamati.org.in/training-and-customer-awareness
AA Fair Use Template Library	sahamati.org.in/aa-fair-use-template-library
AA Consent Flow Design	sahamati.org.in/account-aggregator-key-resources/#introductory-resources
SaanS API Health Dashboard	sahamati.org.in/dashboard-1-fip-data-notification-health
FIP-AA Mapping Sheet	sahamati.org.in/fip-aa-mapping
ReBIT Technical Specifications	rebit.org.in

List of acronyms

PARTNER TYPE	ORGANIZATION
AA	Account Aggregator
API	Application Programming Interface
BSA	Bank Statement Analysis
DBT	Direct Benefit Transfer
DPD	Days Past Due
DPI	Digital Public Infrastructure
EMI	Equated Monthly Installment
e-NACH	Electronic National Automated Clearing House
EWS	Early Warning Signal
FAQ	Frequently Asked Questions
FIP	Financial Information Provider
FIU	Financial Information User
FSP	Financial Service Provider
GSTN	Goods and Services Tax Network
IVR	Interactive Voice Response
KPI	Key Performance Indicator
MFI	Microfinance Institution
MSME	Micro, Small, and Medium Enterprises
NBFC	Non-Banking Financial Company
OTP	One-Time Password
PAR	Portfolio at Risk
RBI	Reserve Bank of India
ROI	Return on Investment
SaanS	Swasthya of AA Network as a Service
SHG	Self-Help Group
SLA	Service Level Agreement
SMS	Short Message Service
SRO	Self-Regulatory Organization
TAT	Turnaround Time
UI	User Interface
UPI	Unified Payments Interface
USSD	Unstructured Supplementary Service Data
UX	User Experience

ACCION

Accion is a global nonprofit on a mission to create a fair and inclusive economy for the 1.6 billion people who are failed by the global financial system. We develop and scale responsible digital financial solutions for small business owners, smallholder farmers, and women, so they can make informed decisions and improve their lives. Through targeted investment strategies, advisory solutions, and expert thought leadership, we work with local partners to develop and scale cheaper, more accessible, and customer-friendly financial solutions. Since 1961, Accion has helped build 299 financial service providers serving low-income clients in 77 countries, reaching over 500 million people. More at **accion.org**.

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