

S. L. K. Mahapatra

ATTESTED
S. L. K. Mahapatra
Principal & Secretary
Sarat Chandra College
Dhanikhali, Hooghly

THE MANAGEMENT ACCOUNTANT

ISSN 0972-3528

October 2019 | VOL 54 | NO. 10 | Pages - 124 | ₹ 100



“HOWEY MODI”

In this issue

**FINANCIAL TECHNOLOGY (FINTECH)
CHANGING LANDSCAPE IN FINANCIAL SERVICES**

Journal of

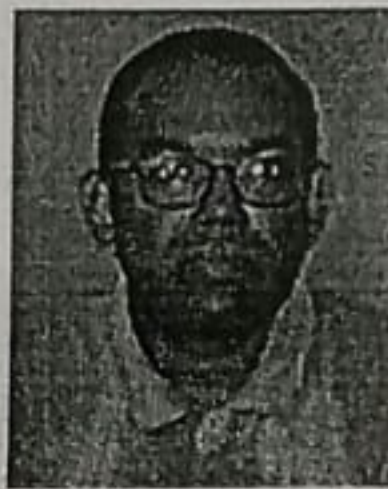
THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
(Statutory Body under an Act of Parliament)

www.icmai.in



COVER STORY

FINANCIAL INNOVATION IN THE MSME SECTOR: AN EMPIRICAL STUDY ON FIN-TECH



Dr. Rintu Nath
HoD & Assistant Professor
Department of Commerce
Sarat Centenary College, Dhaniakhali, Hooghly

Abstract

MSME sector is considered as power house of every emerging economy including India. Despite its significant contribution, the sector is facing massive problems relating to finance specifically. The purpose of this study is to review and to evaluate fintech revolution and its impact on MSME sector. Fintech is doing pioneering work in the money market. A special segment of banking industry is to provide financial support to the MSME sector: Fintech is developing tailor made solutions in the way of promoting Apps exclusively for fast approval of finance digitally to various segments including MSMEs.

Background

In general, significantly people in India are not habituated to accustom in digital transactions due to excess liquid money is circulated in the economy. It has cascading effect on inflation to move up and discouraged to cash less society on the other. Digital threats, inadequate infrastructure to accept debit and credit cards, linkage failure and no actions in case of post digital threats are considered as key concerns from users' point of view. Besides, awareness level to use several electronic mechanisms is one of the key constraints in rural and semi-urban areas. Thereby, financial sector reforms in India were necessitated. Banking reforms in India was debut its application in the early 1990s with the introduction of Electronic Fund Transfer (EFT). It has completely changed to buying habits and fashions and thereby payment modes. Demonetization in India during 2016 has been fueling individuals and businesses to use popular financial products in order to meet upcoming challenges. Fintech is one of them. Fintech is one of them.

Introduction

Micro, Small and Medium Enterprises (MSMEs) sector has emerged as a dynamic and vibrant sector in India. This sector contributes significantly to manufacturing output, employment and exports of our country. Thus, MSME sector is considered as backbone of Indian economy.

Despite its commendable contribution to the nations' economy, MSME sector has been suffering with massive problems. Nature and magnitude of such problems have been changing over time. One of the biggest challenges faced by this sector is lack of required financial support from banks and financial institutions coupled with high cost of credit. It is increased in manifold particularly in unbanked and under banked areas. Financial innovation or initiatives have a good role in this juncture. One of the initiatives is Fintech which is a new phenomenon in Indian financial system. It has good potentiality to resolve financial crisis of the MSMEs judiciously.

There are three broad sections in this study which is based on secondary data. In first section, study outlines of economic initiatives in Indian money market followed by discussion on various aspects of fintech and finally to examine the impact of fintech on MSME sector.

ATTESTED
[Signature]
Principal & Secretary - I
Sarat Centenary College
Dhaniakhali, Hooghly

[Signature]

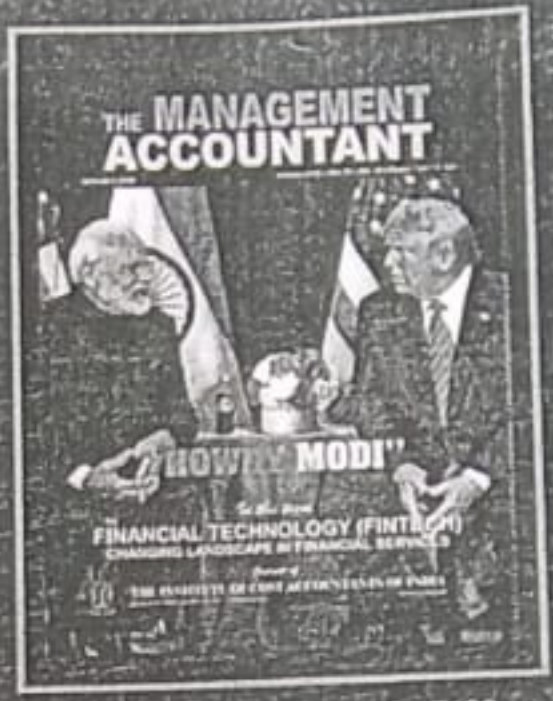
CONZON

Special Article



"HOWDY MODI"
**THE US-INDIA ECONOMIC RELATIONS:
AN ENTHUSIASTIC RENEWAL**

20
22



October VOL 54 NO.10 ₹100

INSIDE

Cover Story

October 2019

FINTECH: NEW FINANCIAL LANDSCAPE IN INDIA	26
FINTECHS: THE DARK HORSE OF SME LENDING	30
IMPACT OF FINANCIAL TECHNOLOGY ON ACCOUNTING & AUDITING	33
FIN-TECH ADOPTION BY THE INDIAN BANKING SECTOR - A STUDY	35
IMPACT OF ICT USAGE IN DETECTION AND PREVENTION OF BANK FRAUDS	39
FINANCIAL TECHNOLOGY AND ITS SCOPE IN HIGHER EDUCATION - A STUDY WITH REFERENCE TO INDIA	44
FINANCIAL INNOVATION IN THE MSME SECTOR: AN EMPIRICAL STUDY ON FIN-TECH	47
FINTECH - AN EXPLORATORY STUDY AND ITS APPLICATIONS	51

Interview

CMA DIPANKAR DAS PURKAYASTHA 60
Managing Director & CEO, ABP Pvt Ltd

CMA R. S. RAJU 62
CFO/Associate Director (F&A), NCC Limited

ATTESTED
S. G. Narayan
Principal & Secretary
Sri Sri Centenary College
Dhanakhal, Hooghly

Sri Sri Narayan