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IIFL Finance Says Co-Lending Can Accelerate India's Last-Mile Credit Delivery

Mumbai, July 6, 2026: IIFL Finance today said co-lending partnerships between banks and non-banking financial companies (NBFCs) can play a transformative role in expanding affordable formal credit to underserved borrowers, strengthening India's next phase of financial inclusion.

Speaking on the evolving credit ecosystem, **Mr. Mayank Sharma, Head – Gold Loan, IIFL Finance**, said India's financial inclusion journey must now focus on ensuring timely, responsible credit reaches entrepreneurs, farmers, self-employed professionals and MSMEs across Bharat.

"Financial inclusion today is about enabling every aspiring entrepreneur to access affordable institutional credit. Co-lending brings together the complementary strengths of banks and NBFCs to make this possible at scale," said Mr. Sharma.

He said banks contribute low-cost capital and strong balance sheets, while NBFCs bring deep local market understanding, last-mile distribution and customer relationships in underserved geographies. Together, they can improve credit access, speed up loan disbursements and reduce dependence on informal sources of finance.

Mr. Sharma welcomed the Reserve Bank of India's co-lending framework, saying it provides regulatory clarity on governance, risk sharing and customer protection, creating a strong foundation for responsible collaboration between banks and NBFCs.

He also highlighted the role of the Government's digital public infrastructure—including Jan Dhan, Aadhaar, UPI and the Account Aggregator framework—in enabling the next generation of credit delivery.

"Technology is making co-lending more efficient through digital onboarding, AI-led underwriting and consent-based data sharing. Combined with India's digital infrastructure, it has the potential to significantly improve last-mile credit delivery," he said.

Highlighting the importance of co-lending for India's MSME sector, Mr. Sharma said local NBFCs possess valuable insights into regional businesses and informal income patterns, allowing them to serve customers who may not fit conventional underwriting models.

"The success of co-lending will ultimately be measured by the number of entrepreneurs empowered, businesses financed and livelihoods supported. With the enabling framework created by the RBI and

the Government, co-lending can become a defining pillar of India's next phase of financial inclusion by ensuring opportunity is determined not by geography, but by aspiration," Mr. Sharma added.

About IIFL Finance

IIFL Finance is one of India's leading retail-focused NBFCs, providing loans and financial solutions across gold loans, home loans, business loans, microfinance, loans against property and capital market finance, with a strong focus on expanding financial inclusion across India.

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