

Ministry of Finance



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Digital footprint-based lending revolutionizes MSME financing through Jan Samarth Portal

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The Public Sector Banks (PSBs) launched Credit Assessment Model (CAM) based on digital footprints for Micro, Small & Medium Enterprises (MSMEs) in the year 2025.

Between 1st April and 31st December, 2025, over 3.96 lakh MSME loan applications amounting to more than ₹52,300 crore have been sanctioned by the Public Sector Banks (PSBs) under the digital credit underwriting programmes.

This credit assessment model leverages the digitally fetched and verifiable data available in the ecosystem and devise automated journeys for MSME Loan appraisal using objective decisioning for all loan applications and model-based limit assessment for both Existing to Bank (ETB) as well as New to Bank (NTB) MSME borrowers.

Digital footprints are used by the model for KYC authentications, mobile and email verifications, GST data analysis, bank statement analysis (using account aggregator), ITR verification and due diligence using Credit Information Companies (CICs) data, fraud checks, among others.

The benefits to MSMEs by use of such models include submission of application from anywhere through online mode, reduced paperwork and branch visits, instant in-principle sanctions through digital mode, seamless processing of credit proposals, end to end straight through process (STP), reduced turnaround time (TAT), Credit decision based on objective data/ Transactional behaviour and credit history and integration of credit guarantee schemes like CGTMSE.

Key Features

- Instant in-principle sanction for MSME loans based on digital footprints of the customer (GST, ITR, Bank A/c Statement, CIC reports etc).
- Application sourcing is through an end-to-end journey in Jan Samarth Portal (<https://www.jansamarth.in>) for loans within specific thresholds for loan amounts as defined by banks.
- Due diligence is being carried out based on digitally fetched data through various APIs.
- Quicker turnaround time for decision making and integration with credit guarantee portals such as CGTMSE.

Benefits

- Borrowers need not visit branches for applying the loan. MSME promoters have the flexibility to apply for loan from anywhere on 24/365 basis.
- Uploading of the required documents is enabled and no necessity to submit physical copies during approval of the loans.
- Immediately on completion of loan application, the decision shall be conveyed to the applicant online, thereby improving the turnaround time.

NB/AD

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