

## **Jocata launches “Sumpoorn” India’s first MSME Economic Activity Index in association with SIDBI.**

**The index, 'Jocata Sumpoorn' built on consent-based GST sales data represents a transformative step forward in the evolution of Indian MSMEs**

**Mumbai, November 10, 2023:** Jocata, India’s most trusted digital lending transformation partner, collaborates with SIDBI, the principal financial institution for MSME development, to launch a one-of-its kind MSME Economic Activity Index – Sumpoorn. For the first time ever, this MSME specific high frequency indicator will capture the state of India’s growth engine, it’s MSMEs, that contribute more than a quarter of India’s overall Gross Value Added (GVA) and more than 40% of India’s total exports.

Currently available macro indices capture business expectations and rely on opinion or survey-based data. **Jocata Sumpoorn** aims to bridge this gap and allows for deeper interpretation of the changes in the MSME sales activity. It is a **relative amplitude adjusted composite diffusion index** developed using consent-led and anonymized monthly sales data reflected in official GSTN returns of more than 50,000 credit-seeking MSMEs over time. A team of credit experts, data scientists and senior economists have built and tracked the Index over the past four years ensuring its ability to accurately represent the MSME economy and capture the impact of macroeconomic conditions.

**Mr. Sivasubramanian Ramann, Chairman & Managing Director at SIDBI said,** “The significance of the MSME sector for the Indian economy is a well acknowledged fact. However, data paucity on the MSME sector often becomes a challenge for industry members and policymakers.

We at SIDBI have been constantly engaged for the development of the sector and have been partnering with institutions to bridge the information asymmetry to enable informed decision-making by stakeholders. It is in this spirit we have created ‘Sumpoorn’ with Jocata, that carries an index measuring economic activity of the MSMEs leveraging the GST data.

The underlying authentic data of GST provides credibility to the Index. With time, the same can be expanded to include more dimensions. I hope the Index shall be of value to the readers and provide a rich perspective on the prevalent trends of the MSME sector.”

**Mr. Prashant Muddu, Managing Director & CEO at Jocata said,** “We are incredibly excited to launch Jocata Sumpoorn in association with SIDBI, and bring to life our shared vision of inclusion & development of MSMEs, the lifeblood of the Indian economy. Jocata Sumpoorn is a fact-based measure of MSME sales performance representative of the latest economic activity. We believe it will address the MSME knowledge gap and empower financial institutions, policymakers, economists and researchers to strategize credit flow and create tailored policies for the sustainable growth of MSMEs across the country. To provide in-depth and granular MSME insights, we are further developing sub-indices that will identify growth opportunities, provide early warning signals and channelize capital allocation to different sectors (as classified under GST by HSN) and clusters across geographies.”



Jocata has successfully enabled 50+ large financial institutions in India, ASEAN and Middle East embark on their digital transformation journeys. Their MSME inclusion approach can be traced back to 2021 when they launched India's first AI/ML based score (SME DNA) that provides a deep understanding of an entity's performance across business cycles powering near-instant credit decisioning and faster disbursals.

#### **About Jocata**

Jocata (a subsidiary of BillDesk) is India's leading digital transformation partner for the BFSI industry helping build innovative digital architecture and re-imagine the future of finance with its new-age and intelligent technology solutions. Founded in 2010 and headquartered in Hyderabad, Jocata specializes in digital lending using credit automation, smart decisioning and intelligent monitoring. The highly configurable & low-code digital lending platform is purpose-built to enable financial institutions achieve world-class customer experience, reach new customer segments, launch products faster, increase speed-to-credit and drive ecosystem strategy.

For more information, visit: <https://sumpoorn.in>

#### **About Small Industries Development Bank of India (SIDBI):**

SIDBI, set up on 2nd April 1990 under an Act of Indian Parliament, is the Principal Financial Institution for Promotion, Financing and Development of the MSME sector. SIDBI has been playing a significant role in developing the financial services for MSME sector through various interventions including Refinance to Banks, Credit Guarantee programs, Development of the MFI sector, Contribution to Venture capital/AIF funds, MSME ratings, promoting digital lending ecosystem, etc. The Bank has proactively been working towards Energy Efficiency (EE) in MSMEs since 2005-06 using support of multilateral institutions like World Bank, ADB, GiZ, FCDO, JICA, AFD, KfW etc. for energy efficient projects. Furthermore, SIDBI has been touching the lives of citizens across various strata of society through its integrated, innovative, and inclusive approach. Be it traditional, domestic small entrepreneurs, bottom-of-the-pyramid entrepreneurs, to high-end knowledge-based entrepreneurs, SIDBI has directly or indirectly impacted the lives of Micro and Small Enterprises (MSEs) through various credit and developmental measures.

To know more, check out: <https://www.sidbi.in>

