

Financial Performance of MUDRA Yojna for the Time Period of 2015-2019

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Abstract: Pradhan Mantri Mudra Yojana (PMMY) is a flagship scheme of Government of India to "fund the unfunded" by bringing such enterprises to the formal financial system and extending affordable credit to them. It enables a small borrower to borrow from all Public Sector Banks such as PSU Banks, Regional Rural Banks and Cooperative Banks, Private Sector Banks, Foreign Banks, Micro Finance Institutions (MFI) and Non Banking Finance Companies (NBFC) for loans upto Rs 10 lakhs for non-farm income generating activities. The scheme was launched on 8th April, 2015 by the Hon'ble Prime Minister. In India many things revolve around mere perceptions, while getting into detail it often paint a different picture. It is a common misperception people have that large industries create more employment, though the truth is that "in India only 1.25 crore people find employment in large industries, whereas small enterprises employed 12 crore people". In India, small businesses play an important role by providing employment to a large number of people. It is the second largest sector engaging uneducated and unskilled people after agriculture. Further, millions of low income earning group person aspire to set up small businesses but are unable to start, mostly due to credit limitations. Since banks do not find them eligible for credit loan. After identifying the importance of self employment people and small business units, government of India launched MUDRA Yojana to address the financial and other constraints. This paper is an attempt to know about the MUDRA Yojana and its key objectives. The paper highlights the role and importance of MUDRA bank towards small business units, it also review the Mudra yojna for the year of 2015-2019 in terms of many aspects.

INTRODUCTION

In a developing countries having large population, small businesses play an important role in contributing but also by providing employment to a large number of people.

Importance of self employment cannot be ignored in planning the national policies¹. MUDRA stands for Micro Units Development and Refinance Agency Ltd. It is a financial institution being setup by government of India for development and refinancing activities related to micro units. It was announced by the hon'ble finance minister while presenting the union budget for financial year 2015-16. The purpose of MUDRA is to provide funds to small business sector fall under the category of Non Most of the people engaged in small business are Uneducated they do not maintain proper Books of Accounts and other legal formality. Therefore, the banks find it difficult to lend to them for further expansion of their business. For getting credit loan, these individuals look at unorganized financial sectors for loans and other credit facilities which have high rate of interest along with terms and conditions. MUDRA seems to be the most beneficial for the smallest borrowers who find it difficult to borrow loan from other commercial banks due to credibility guarantee and lack of financial literacy. As the Mudra Scheme offers and promises to provide loan in easy way and without too much formalities. Based on various discussions with the bank managers and credit officers, about 70 percent of the applications coming in for MUDRA loans are approved on an average.

THE GOAL OF THE RESEARCH

The research paper is descriptive, the data and information for the study is gathered from secondary sources like newspapers, magazines, various websites including website of MUDRA Yojana and other government functioning institutes. Descriptive Statistical tools were applied in analysis of data.

SCOPE OF THE RESEARCH

The selected agency will, as a part of the exercise, address a set of core questions: Outreach and access: The research works assess the review of PMMY on the outreach and access for the micro entrepreneurs, whether PMMY has made outreach and access to debt for micro entrepreneurs easy. Difficulties (type / length of information sought, non cooperative behavior of loan officers, delaying / denying loans etc.) being faced by the borrowers in accessing loans under PMMY geography and lending institution wise (most easy / difficult to access). Difficulties being faced by the lenders in granting loans under PMMY geography and lending institution wise. Types of micro enterprises covered under Shishu, Kishore and Tarun activity / livelihood pattern wise. Any adverse selection made by the lenders. Interest rates being charged under 3 products of PMMY by lenders institution wise. Social profiles of clientele:

Whether there has been any improvement in the profiles of the ultimate beneficiaries (SC/ST/Women/NER beneficiaries) under the 3 products of PMMY. Educational background of borrowers under the 3 products of PMMY. Social background of borrowers. New financial intermediaries: The Agency shall assess whether the assistance from MUDRA has helped in supporting micro entrepreneurs under PMMY by the new financial intermediaries such as Small finance Banks / wholesale institutions and NBFCs. Economic Impact: The research work will assess any change in the Income growth of the ultimate beneficiaries (i.e. micro entrepreneurs particularly SC/ST/Women/NER beneficiaries) due to the PMMY. Any changes in the business in terms of increase in turnover of the enterprise, income, employment etc., any improvement in the Assets of the beneficiaries, recovery of assets hypothecated or mortgaged, saving pattern, changes in number of sources of income, etc. Loan utilization pattern over time (debt repayment, growth of business, investments. Any improvement in terms of education and health related expenditures. Providing/improvement in credit plus services to the micro entrepreneur. How is the pre and post-credit employment pattern? Use of credit for acquisition of assets/working capital/repayment of other loans or anything else. Ratio of women headed enterprises and their performance. Social and political Impacts: Involvement of women entrepreneurs in new or non-traditional activities, confidence and assertiveness by the micro entrepreneurs, in particular, role of women entrepreneur in household and community decision-making. Pressure on banking institutions to improve services. Future Relevance & Prospects: Suggest the extent of future need and relevance of the PMMY for the Micro enterprise sector for the next five years. Major risks being faced by the micro entrepreneurs

OBJECTIVES OF THE RESEARCH

- ❖ To study the Schemes offered by Pradhan Mantri Mudra Yojana (PMMY).
- ❖ To analyze the financial performance of MUDRA Yojana.
- ❖ To Study the Impact of Pradhan Mantri Mudra Yojana (PMMY) on Scheduled caste, Scheduled Tribal, OBC and Other disadvantaged groups of small business unit's entrepreneurs.
- ❖ To find out the woman participation in Mudra Yojana.
- ❖ To find out the Minority participation in Mudra Yojana.
- ❖ To find out the NPA report and review the same against Mudra Yojana.

KEY OBJECTIVES OF MUDRA YOJANA

Pradhan Mantri Mudra Yojana has come as a boon for MSME (Micro, small and medium Enterprises) sector and is widely hailed as a robust measure to achieve inclusive growth. The Principal Objectives of the MUDRA Bank under Mudra Yojana:

- ❖ Regulate the lender and the borrower of microfinance and bring stability to the microfinance system through regulation and inclusive participation.
- ❖ Extend finance and credit support to Microfinance Institutions (MFI) and agencies that lend money to small businesses, retailers, self-help groups and individuals.
- ❖ Register all MFIs and introduce a system of performance rating and accreditation for the first time. This will help last-mile borrowers of finance to evaluate and approach the MFI that meets their requirement best and whose past record is most satisfactory. This will also introduce an element of competitiveness among the MFIs. The ultimate beneficiary will be the borrower.
- ❖ Provide structured guidelines for the borrowers to follow to avoid failure of business or take corrective steps in time. MUDRA will help in laying down guidelines or acceptable procedures to be followed by the lenders to recover money in cases of default.
- ❖ Develop the standardized covenants that will form the backbone of the last-mile business in future.
- ❖ Offer a Credit Guarantee scheme for providing guarantees to loans being offered to micro businesses.
- ❖ Introduce appropriate technologies to assist in the process of efficient lending, borrowing and monitoring of distributed capital.
- ❖ Build a suitable framework under the Pradhan Mantri MUDRA Yojana for developing an efficient last-mile credit delivery system to small and micro businesses.

RESEARCH METHODOLOGY OF THE RESEARCH

The research paper is descriptive, the data and information for the study is gathered from secondary sources like newspapers, magazines, various websites including website of MUDRA Yojana and other government functioning institutes. Descriptive Statistical tools were applied in analysis of data.

LIMITATIONS OF THE RESEARCH

Time constraints while collecting the secondary data. All the data cannot be generalized. This study is purely based upon secondary data's including annual reports, websites, journals, newspaper articles, etc.

LITERATURE REVIEW OF THE RESEARCH

Mol S.TP (2014) in his paper entitled "Financial Inclusion: Concepts and Overview in Indian Context" has explained that there are certain problems like financial Illiteracy, lack of awareness and customer acquisition is high. Reserve Bank of India has initiated various initiatives to enhanced financial inclusion. Information and communication technology offers the opportunity for the banks to enhance financial inclusion for the people who are unbanked (Mol, 2014). In this research article, author has displayed that financial inclusion has increase in India in the last few years with many new innovations like mobile banking, ultra small branches etc., but still it is far from adequate (Mehtar, 2014). Authors has focused that the design of MUDRA Bank will not only cater to the financial problems of MSMEs but also give moral support to vast pool of young population to materialize their dreams of becoming an entrepreneur (S.Chandra, 2015) In this paper author reveals that, MUDRA: Micro Units Development & Refinance Agency is established to attain development in an inclusive and sustainable manner by supporting and promoting partner institutions and creating an ecosystem of growth for micro enterprises sector. This research paper highlights the offerings like Micro Credit Schemes (MCS), refinancing to RRBs/ Cooperative banks and impact of MUDRA to Indian economy (Seema, 2015). Rudrawar, M. A. A., & Uttarwar, V. R. (2016) has concluded that the desired transformation can be achieved from PMMY scheme. If applied properly at the bottom level, it may act as a game changing idea and may increase, boost and prosper the Indian economy. It should include less documentation and easily accessible. In coming few years, MUDRA will be a catalyst for development of employment, GDP and entrepreneurship at large (Rudrawar, 2016). In this article authors has displayed that the small businesses form the foundation of the economic strata needs to be enhanced and supported. A major number of initiatives have been taken in the past few years are a step in the right direction (Roy, 2016). The major traffic jam to the growth of entrepreneurs in the Non-Corporate Small scale industries is the lack of financial support to this sector. Majority of this sector does not have access to formal source of funding. In India, small business units play a significant role not only in contributing to nation income but also by providing employment to

a large no of people. After identifying the significance of selfemployment people and small business units, government of India launched MUDRA Yojana to deal with the financial and other constraints. MUDRA Bank will associate with local coordinators and provide finance to “Last Mile Financiers” of small/micro businesses (Kumar, 2017). In this paper authors has concluded from the study that due to PMMY there is a bigger change in the area of micro finance. This scheme will promote competition to give credit support to this weaker section, low income group and this unfunded population (Sonia, 2017). Agrawal and Dwivedi (2017) has concluded that PMMY is a great initiative taken by the GOI. Due to it, there is a big change in the area of micro finance. The scheme will help the weaker section, low income group and unfunded population and also will increase the competition. Financial inclusion through PMMY increases the opportunities for credit requirement and refinance (Manish Agarwal, 2017). Mahajan (2018) has concluded that, The Mudra Scheme is trying its best to improve the status of women and other backward sections of the society especially those who are not well educated and semiskilled. The financial support in the form of various loans encouraging them to start new ventures and thereby empowering them. Its impact in developing a strong economy will be seen in the coming years (Mahajan, 2018). Prakash and Devaki (2018) has concluded that, MUDRA Yojana is the most recent scheme to boost up the small and micro business units in India. This scheme has been taken to focus exclusively on entrepreneurs. This type of scheme will add to the well-being of the individuals engaged in small scale industries which will positively shape the progress of the economy as a whole. MUDRA as a financial tool is found very effective in its early stages across the country (Dr. M Prakash, 2018).

<i>Mudra vision</i>	<i>Mudra mission</i>	<i>Mudra Purpose</i>
To be an integrated financial and support services provider par excellence benchmarked with global best practices and standards for the bottom of the pyramid universe for their comprehensive economic and social development	To create and inclusive, sustainable and value based entrepreneurial culture in collaboration with our partner institutions in achieving economic success and financial security.	Our basic purpose is to attain development in an inclusive and sustainable manner by supporting and promoting partner institutions and creating an ecosystem of growth for micro enterprises sector.

ELIGIBILITY FOR MUDRA YOJNA

Any Indian Citizen who has a business plan for a non-farm sector income generating activity such as manufacturing, processing, trading or service sector and whose credit need is less than Rs 10 lakh can approach either a Bank, MFI, or NBFC for availing of Micro Units Development and Refinance Agency Ltd (MUDRA) loans under Pradhan Mantri Mudra Yojna (PMMY)

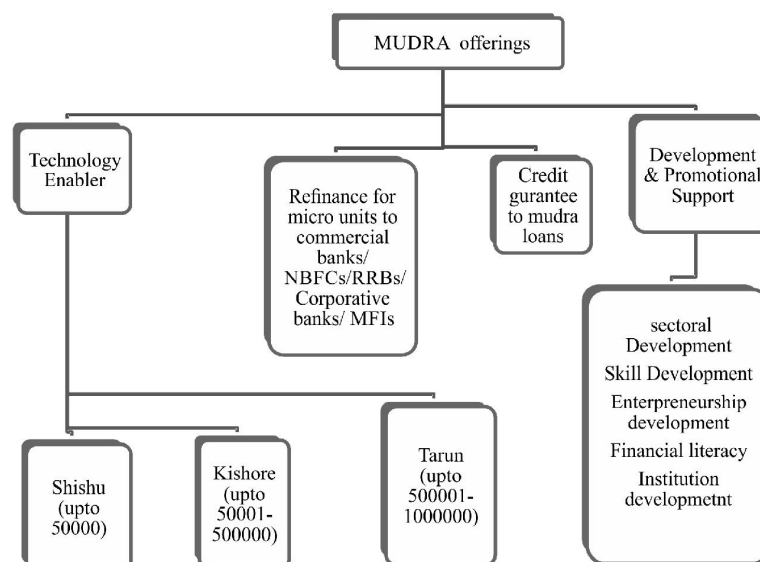
Types of loans provided

Under the aegis of Pradhan Mantri MUDRA Yojana, MUDRA has already created the following products / schemes.

Shishu Loan Scheme: This is for starter or small entrepreneur, under this scheme the lending amount will be Rs. 50,000. That means If anyone wants to start a small business then he/she will get a loan cover up to Rs. 50,000/-.

Kishor Loan Scheme: This scheme is meant for the mid-level business organizations. If you have set your business then you may receive a term loan from Rs. 50,000/- to Rs. 5 lakh from MUDRA for further expansion and growth.

Tarun Loan Scheme: This is the next level scheme and it for those business / manufacturing organizations who wish to have a large and better (automation) business setup. The loan provided in this scheme will cover a sum of rupees from Rs. 5 lakh to Rs. 10 lakh.



The interventions have been named 'Shishu', 'Kishor' and 'Tarun' to signify the stage of growth / development and funding needs of the beneficiary micro unit / entrepreneur and also provide a reference point for the next phase of graduation / growth to look forward to. It would be ensured that at least 60% of the credit flows to Shishu Category Units and the balance to Kishor and Tarun Categories. There is no subsidy for the loan given under PMMY. However, if the loan proposal is linked some Government scheme, wherein the Government is providing capital subsidy, it will be eligible under PMMY also. Sectors covered To maximize coverage of beneficiaries and tailor products to meet requirements of specific business activities, sector / activity focused schemes would be rolled out. To begin with, based on higher concentration of businesses in certain activities / sectors, schemes are proposed for:

Land Transport Sector / Activity – Which will inter alia support units for purchase of transport vehicles for goods and personal transport such as auto rickshaw, small goods transport vehicle, 3 wheelers, e-rickshaw, passenger cars, taxis, etc.

Community, Social & Personal Service Activities – Such as saloons, beauty parlours, gymnasium, boutiques, tailoring shops, dry cleaning, cycle and motorcycle repair shop, DTP and Photocopying Facilities, Medicine Shops, Courier Agents, etc.

Food Products Sector – Support would be available for undertaking activities such as papad making, achar making, jam / jelly making, agricultural produce preservation at rural level, sweet shops, small service food stalls and day to day catering / canteen services, cold chain vehicles, cold storages, ice making units, ice cream making units, biscuit, bread and bun making, etc.

Textile Products Sector / Activity – To provide support for undertaking activities such as handloom, powerloom, chikan work, zari and zaradozi work, traditional embroidery and hand work, traditional dyeing and printing, apparel design, knitting, cotton ginning, computerized embroidery, stitching and other textile non garment products such as bags, vehicle accessories, furnishing accessories, etc.

How to apply for Mudra yojna: Borrowers, who wish to avail assistance under Pradhan Mantri MUDRA Yojana (PMMY), can approach the local branch of any of the financial institutions in their region - PSU Banks, Regional Rural Banks and Cooperative Banks, Private Sector Banks, Foreign Banks, Micro Finance Institutions (MFI) and Non Banking Finance Companies (NBFC). Sanction of assistance shall be as per the eligibility norms of respective lending institution.

Check List: (Documents to be submitted along with the application)

Proof of identity – Self attested copy of Voter’s ID Card / Driving Licence / PAN Card / Aadhaar Card / Passport / Photo Ids issued by Govt. authority etc.

Proof of Residence: Recent telephone bill / electricity bill / property tax receipt (not older than 2 months) / Voter’s ID Card / Aadhaar Card / Passport of Individual / Proprietor / Partners Bank passbook or latest account statement duly attested by Bank Officials / Domicile Certificate / Certificate issued by Govt. Authority / Local Panchayat / Municipality etc. Applicant’s recent Photograph (2 copies) not older than 6 months. Quotation of Machinery/ other items to be purchased. Name of Supplier/ details of machinery/ price of machinery and/ or items to be purchased. Proof of Identity/ Address of the Business Enterprise – Copies of relevant Licenses/ Registration Certificates/ Other Documents pertaining to the ownership, identity of address of business unit, if any Proof of category like SC/ ST/ OBC/ Minority etc.

Note : For all PMMY loans, the following are to be noted.

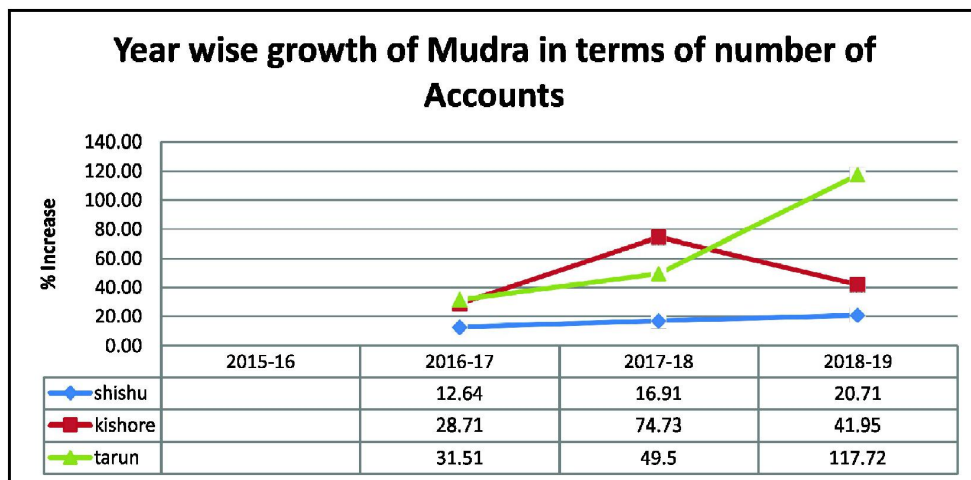
- No processing fee
- No collateral
- Repayment period of loan is extended up to 5 years
- Applicant should not be defaulter of any Bank / Financial Institution

Mudra Yojna Report (in terms of Accounts and Disbursement for the year 2015-2019)

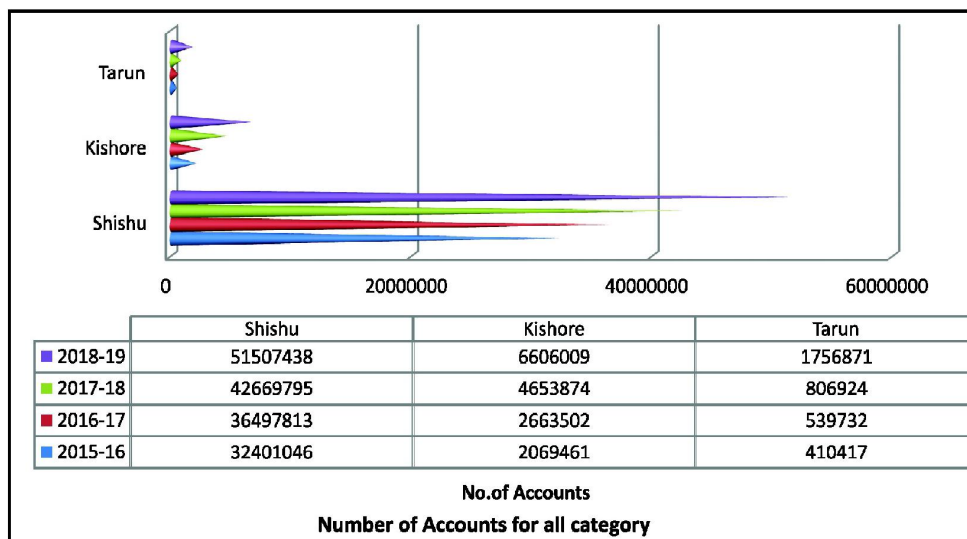
Sr No.	Category	2015-16		2016-17		2017-18		2018-19	
		No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt
A	Shishu	79163375	143797.64	80554766	183272.25	90451277	218693.09	102505551	278390.45
B	Kishore	4031268	77984.36	5501618	99959.06	8941489	153731.12	12606870	182101.83
C	Tarun	718574	52011.07	968550	71013.65	1380194	100401.65	3100657	122472.58
Total A+B+C		83913217	273793.07	87024934	354244.96	100772960	472825.86	118213078	582964.86

According to the above Table it is clearly shown that the total no. of accounts including Shishu, Kishore & Tarun are in increasing order during the year of 2015-2019. In the same way the disbursement amount of the total accounts including all three types of Mudra loan is also in increasing order.

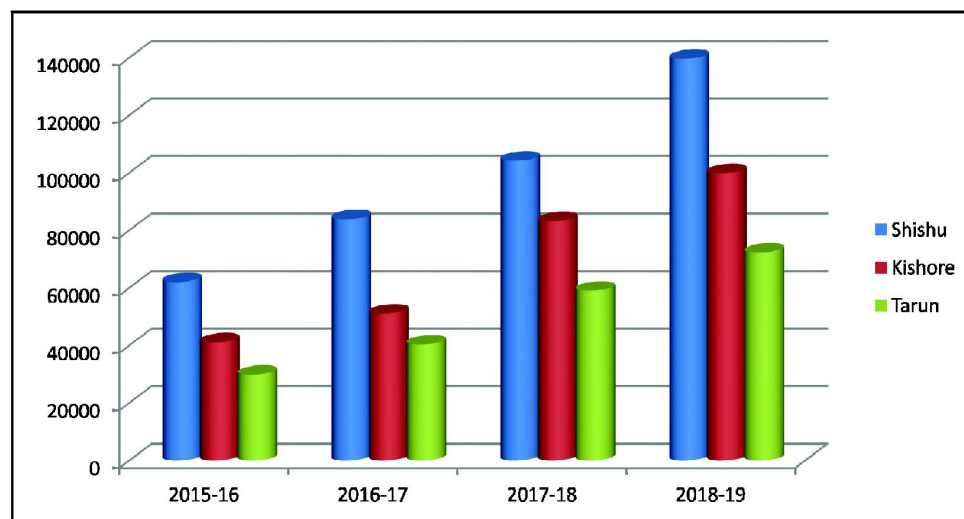
Year wise growth of Mudra in terms of number of Accounts



Performance of Mudra Yojna in terms of number of Accounts



Performance of Mudra Yojna in terms of Disbursement



Category wise Mudra Report for the year 2015-2019

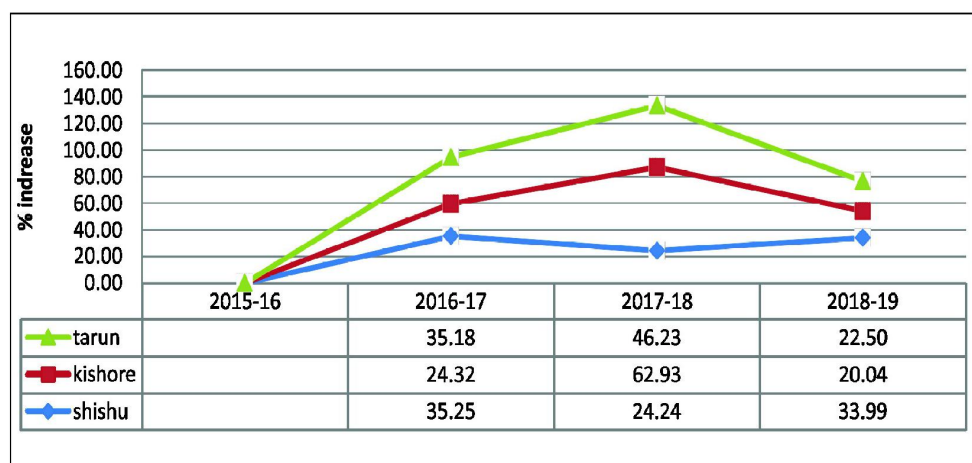
Sr No	Year	Shishu (Loans up to Rs. 50,000)							
		General		SC		ST		OBC	
		No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt
1	2015-16	14680840	28523	5952482	10716	1606484	2983	10161240	19806
2	2016-17	14835512	34616	6985508	15775	1726857	3764	12949936	29738
3	2017-18	17911238	46539	8186001	19069	2418131	5476	14154425	33144
4	2018-19	25993019	73985	8767153	22557	3012074	7421	13735192	35688
Total A		73420609	183664	29891144	68116	8763546	19644	51000793	118376

Sr No	Year	Kishore (Loans from Rs. 50,001 to Rs. 5.00 Lakh)							
		General		SC		ST		OBC	
		No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt
1	2015-16	1458346	30286	143357	2680	62869	1179	404889	6927
2	2016-17	1896749	39135	139982	2040	59987	954	566784	8934
3	2017-18	3283034	63885	307214	3718	112795	1681	950831	13913
4	2018-19	4439825	75818	552277	5070	200315	2196	1413592	16784
Total B		11077954	209125	1142830	13508	435966	6010	3336096	46558

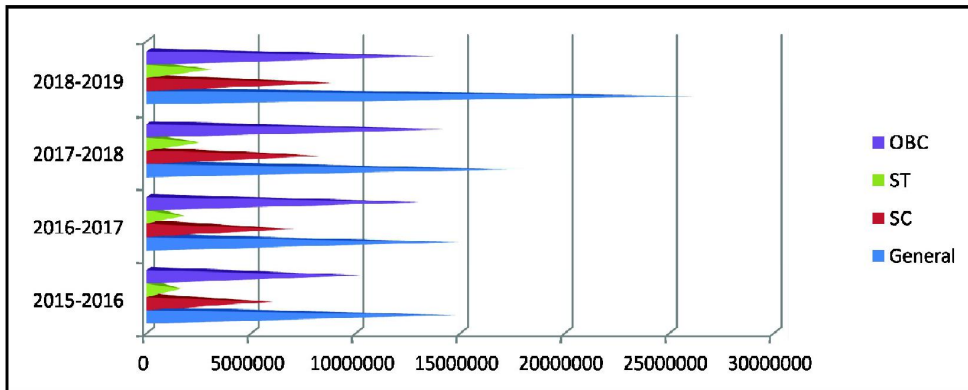
Sr No	Year	Tarun (Loans from Rs. 5.00 to Rs. 10.00 Lakh)							
		General		SC		ST		OBC	
		No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt
1	2015-16	340239	24949	18898	1296	8993	580	42287	3030
2	2016-17	468592	35281	10134	709	5658	388	55348	3979
3	2017-18	712207	52326	712207	52326	8381	550	73390	5239
4	2018-19	1302379	63985	1302379	63985	128940	973	192463	5971
	Total C	2823417	176540	2043618	118315	151972	2490	363488	18219
	Total (A+B+C)	87321980	569329	33077592	199939	9351484	28144	54700377	183153

According to the above Table the total no. of General Category accounts including Shishu, Kishore & Tarun is 8.7 crore during the year of 2015-2019 & total disbursed amount for the same period is 5.69 lac crore rs. In the same way total no. of OBC Category accounts including Shishu, Kishore & Tarun is 5.5 crore during the year of 2015-2019 & total disbursed amount for the same period is 1.83 lac crore rs. Total no. of SC Category accounts including Shishu, Kishore & Tarun is 3.3 crore during the year of 2015-2019 & total disbursed amount for the same period is 1.99 lac crore rs. Total no. of ST Category accounts including Shishu, Kishore & Tarun is 0.9 crore during the year of 2015-2019 & total disbursed amount for the same period is 0.28 lac crore rs.

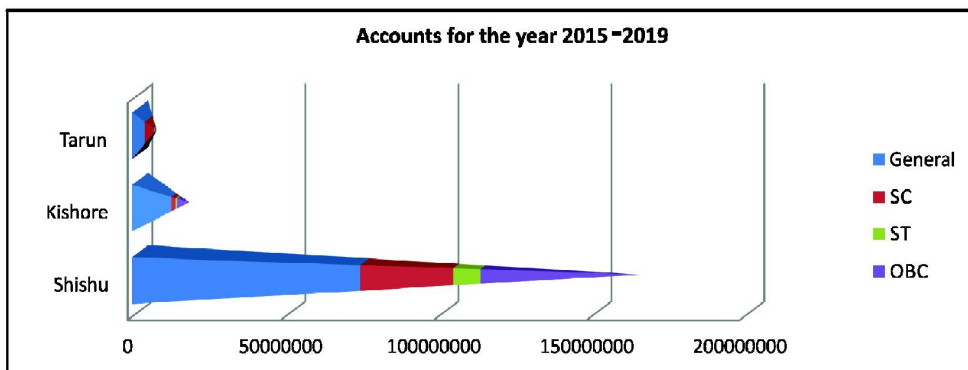
Year wise growth of Mudra Yojna for all categories in terms of Disbursement



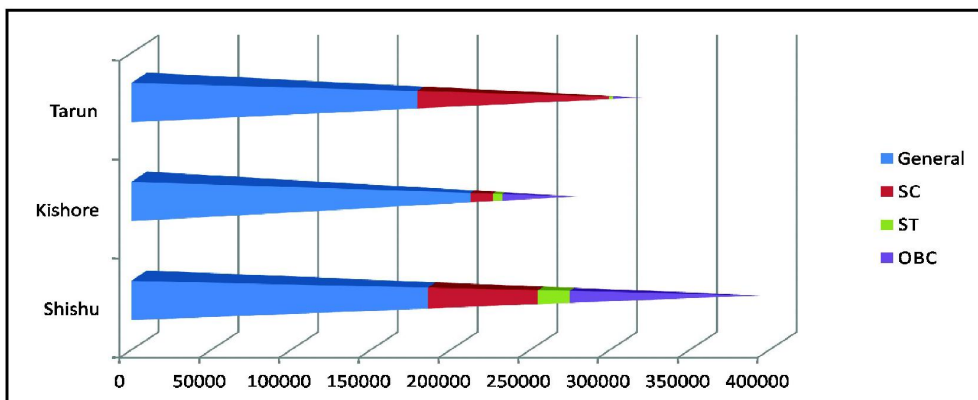
Category wise Mudra accounts report



Category wise Mudra accounts report



Category wise Mudra Disbursement report

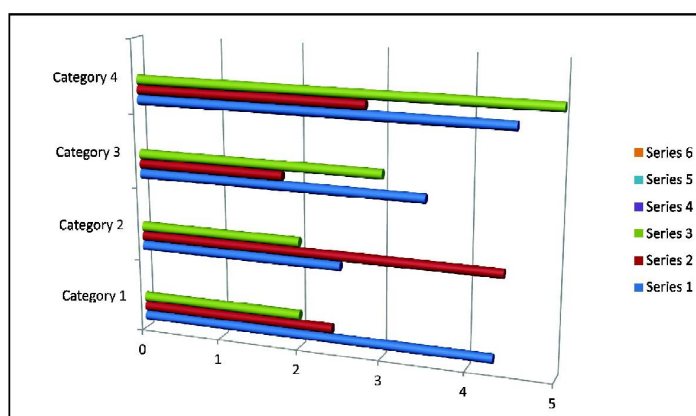


Mudra Report for Women Entrepreneurs

Sr No	Category	Women Entrepreneurs (for the year of 2015-2019)							
		2015-16		2016-17		2017-18		2018-19	
		No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt
1	Shishu (Loans up to Rs. 50,000)	27103118	50640	28472344	66186	32144132	78922	33403579	93977
2	Kishore (Loans from Rs. 50,001 to Rs. 5.00 Lakh)	473536	8675	624925	8733	1335192	15750	2875392	25667
3	Tarun (Loans from Rs. 5.00 to Rs. 10.00 Lakh)	51611	3875	49625	3331	78914	5499	783591	9509
	Total	27628265	63190	29146894	78250	33558238	100171	37062562	129153

According to the above table of women entrepreneurs report total some around 12.8 crore loan account have been sanctioned and 164.27 thousand crore have been disbursed for the year of 2015-2019.

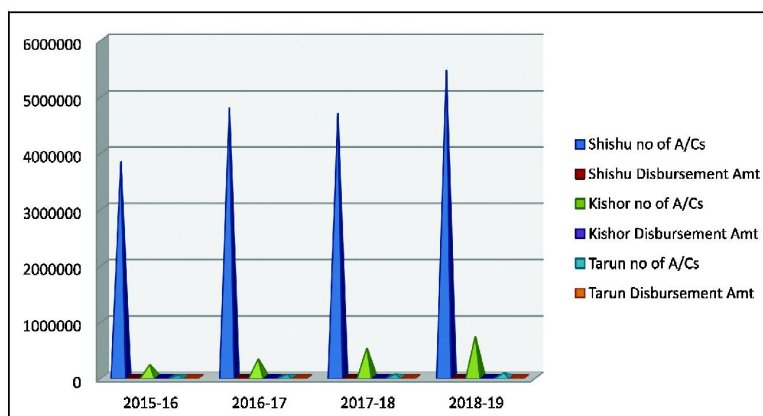
Mudra Report for Women Entrepreneurs in terms of accounts



Mudra Report for Minorities in terms of accounts & disbursement

Sr No	Category	Minority (for the year of 2015-2019)							
		2015-16		2016-17		2017-18		2018-19	
		No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt
1	Shishu	3831950	6841	4786834	11187	4697008	12041	5455596	14604
2	Kishore	222084	4309	324071	5381	520750	7468	725905	9244
3	Tarun	34176	2410	43646	2907	52337	3647	70139	5181
	Total	4088210	13560	5154551	19474	5270095	23155	6251640	29029

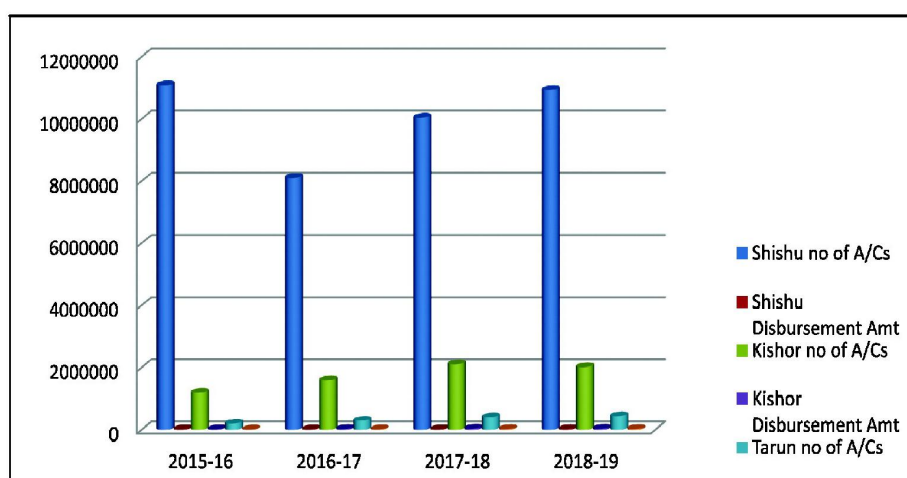
According to the above table of minority report total some around 2.01 crore loan account have been sanctioned and 85.3 thousand crore have been disbursed for the year of 2015-2019.

Mudra Report for Minorities Accounts & disbursement amount**Mudra Report for New Entrepreneurs / Accounts in terms of accounts & disbursement**

Sr No	Category	New Entrepreneurs / Accounts (for the year of 2015-2019)							
		2015-16		2016-17		2017-18		2018-19	
		No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt
1	Shishu	11081122	20942	8110486	18430	10047673	22259	10935180	28769
2	Kishore	1191917	22992	1586010	30002	2105072	41754	2016546	40195
3	Tarun	201629	14974	292974	21542	406582	29643	442076	31961
	Total	12474668	58908	9989470	69974	12559327	93657	13393802	100926

According to the above report some around 4.7 crore new entrepreneurs' accounts have been sanctioned and the total disbursed amount for all account is some around 3.2 lac crore for the year 2015-2019.

Mudra Report for New Entrepreneurs / Accounts in terms of accounts & disbursement



Mudra Report for Mudra Card in terms of accounts & disbursement

Sr No	Category	Mudra card (for the year of 2015-2019)							
		2015-16		2016-17		2017-18		2018-19	
		No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt	No of A/Cs	Disbursement Amt
1	Shishu	456630	556.20	147371	356.44	122711	266.44	134238	292.39
2	Kishore	46266	405.85	27948	543.42	22044	529.41	23701	587.92
3	Tarun	14560	429.00	8605	616.00	7709	630.00	9366	772.00
	Total	517456	1391.05	183924	1515.86	152464	1425.85	167305	1652.31

According to the above report some around 10.21 crore Mudra Card have been issued/sanctioned and the total disbursed amount for all account is some around 6.1 thousand crore for the year 2015-2019.

State wise report of Mudra Yojna (2015-19)

Sr No	State Name	Shishu		Kisbor		Tarun		Total (Shishu+ Kisbor+Tarun for 2015-19)	
		Total (for 4 years)		Total (for 4 years)		Total (for 4 years)			
		No of A/Cs	Disbur- sement Amt	No of A/Cs	Disbur- sement Amt	No of A/Cs	Disbur- sement Amt	No of A/Cs	Disbur- sement Amt
1	Lakshadweep	1896	4.32	898	16.83	89	5.91	2883	27.06
2	Daman and Diu	2048	3.02	1137	25.34	465	35.38	3650	63.74
3	Dadra and Nagar Haveli	6889	21.84	2438	42.1	804	60.15	10131	124.09
4	Arunachal Pradesh	29452	86.76	4631	117.24	2110	163.73	36193	367.73
5	Nagaland	34979	111.17	10427	186.1	2368	159.29	47774	456.56
6	Sikkim	62561	167.71	8722	155.01	3747	143.45	75030	466.17
7	Andaman and Nicobar Islands	21115	78.48	11761	196.61	2747	206.05	35623	481.14
8	Mizoram	22183	86.73	19241	330.09	1579	120.03	43003	536.85
9	Manipur	145596	344.81	17035	283.77	2580	178.81	165211	807.39
10	Meghalaya	87224	258.44	15584	315.09	4678	250	107486	823.53
11	Chandigarh	60307	135.37	22221	545.53	7388	566.45	89916	1247.35
12	Goa	117897	338.74	33905	705.36	9136	666.4	160938	1710.5
13	Pondicherry	470088	1256.1	56824	979.26	14563	686.39	541475	2921.75
14	Tripura	1050655	3113.56	107064	1146.74	4647	332.59	1162366	4592.89
15	Himachal Pradesh	206586	450.06	139143	3088.22	34273	2635.08	380002	6173.36
16	Jammu and Kashmir	93160	263.1	253200	5649.61	37529	2738.75	383889	8651.46
17	Uttarakhand	985515	2488.93	181737	3683.31	37457	2811.53	1204709	8983.77
18	Chhattisgarh	3395648	7537.49	241317	4088.44	51338	3808.9	3688303	15434.83
19	Delhi	1264576	3315.22	233889	5910.4	100412	7324.04	1598877	16549.66
20	Jharkhand	4222960	9555.2	272011	5297.04	51129	3835.7	4546100	18687.94
21	Haryana	2923703	7142.28	319030	6251.34	87724	6483.16	3330457	19876.78
22	Telangana	2090271	5210.94	467434	9303.84	97269	7051.74	2654974	21566.52
23	Punjab	2868047	7312.62	390315	7394.14	103952	7789.66	3362314	22496.42
24	Assam	5275355	14994.82	493486	5473.7	50157	2453.14	5818998	22921.66
25	Kerala	5352060	11527.51	774481	13350.89	97254	7239.1	6223795	32117.5
26	Andhra Pradesh	1698730	4447.59	1139412	19316.47	129667	8641.87	2967809	32405.93
27	Gujarat	4456427	11915.81	743688	13679.61	317178	12192.75	5517293	37788.17
28	Odisha	12039026	26524.13	464685	7630.2	81063	5283.12	12584774	39437.45
29	Rajasthan	5788547	14119.16	777604	15724.81	272832	14738.73	6838983	44582.7
30	Madhya Pradesh	10399449	24780.67	735116	13294.87	241524	11035.51	11376089	49111.05
31	Bihar	15503668	36359.08	907164	13718.03	111824	7239.51	16522656	57316.62
32	West Bengal	16400450	41349.31	1426071	18541.58	191866	9192.6	18018387	69083.49
33	Uttar Pradesh	14631035	30957.06	1182731	23203.15	246341	18537.68	16060107	72697.89
34	Maharashtra	13287767	31557.84	1240170	24039.66	333883	22759.87	14861820	78357.37
35	Karnataka	16678956	41019.19	1754500	27089.83	335160	17497.22	18768616	85606.24
36	Tamil Nadu	21401266	50964.07	1543774	24427.26	447211	16650.72	23392251	92042.05
Total		163076092	389799.2	15992846	275201.5	3513944	201515.00	182582882	866515.7

Bank wise report of Mudra for the year 2015-2019 in terms of Accounts & disbursement:

Sr No	Bank Type	Total (Shishu+Kishor+Tarun for Year 2015-19)	
		No of A/Cs	Disbursement Amt
1	State Co-operative Banks	257	1.6
2	Foreign Banks	1544	84.25
3	Micro Finance Institutions	5561900	8297.11
4	Regional Rural Banks	5853423	53494.22
5	Small Finance Banks	17678858	61308.65
6	Non Banking Financial Companies	8807412	75689.38
7	SBI and Associates	6803479	101560.5
8	Private Sector Commercial Banks	35623613	171697.9
9	NBFC-Micro Finance Institutions	85838218	190369.7
10	Public Sector Commercial Banks	16414178	204012.4
	Total	182582882	866515.6

According to the above table of bank wise report total public sector bank have sanctions some around 1.64 crore loan account disbursed 204.01 thousand crore for the year 2015-2019.

The funding supports from MUDRA are of four types

A. Micro Credit Schemes: Micro Credit Scheme is offered mainly through Micro Finance Institutions (MFIs), which deliver the credit up to Rs.1 lakh, for various micro enterprise activities. Although, the mode of delivery may be through groups like SHGs/ JLGs, the loans are given to the individuals for specific income generating micro enterprise activity. The MFIs for availing financial support need to enroll with MUDRA by complying to some of the requirements as notified by MUDRA, from time to time.

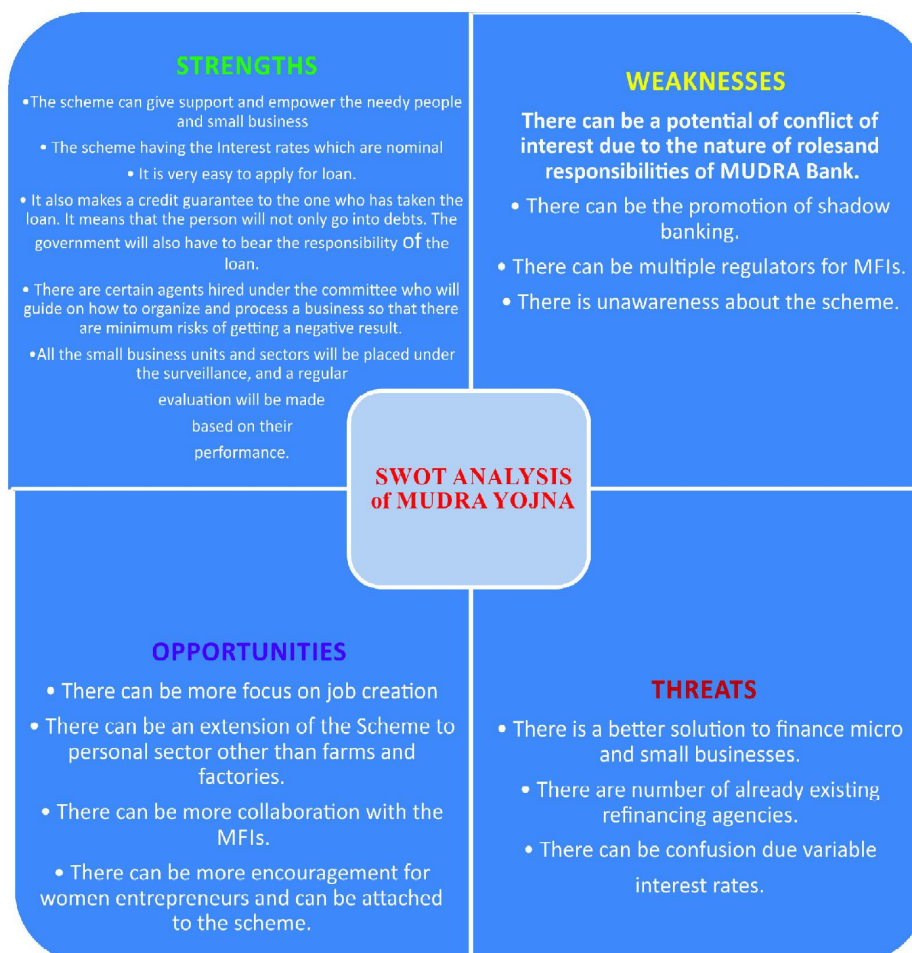
B. Refinance Schemes for Banks: Different banks like Commercial Banks, Regional Rural Banks and Scheduled Cooperative Banks are eligible to avail of refinance support from MUDRA for financing micro enterprise activities. The refinance is available for term loan and working capital loans, up to an amount of 10 lakh per unit. The eligible banks, which have enrolled with MUDRA by complying with the requirements as notified, can avail of refinance from MUDRA for the loan issued under Shishu, Kishor and Tarun categories.

C. Women Enterprise Programmes: In order to encourage women entrepreneurs the financing banks / MFIs may consider extending additional facilities,

including interest reduction on their loan. At present, MUDRA extends a reduction of 25bps in its interest rates to MFIs / NBFCs, who are providing loans to women entrepreneurs.

D. Securitization of Loan Portfolio: MUDRA also supports Banks / NBFCs / MFIs for raising funds for financing micro enterprises by participating in securitization of their loan assets against micro enterprise portfolio, by providing second loss default guarantee, for credit enhancement and also participating in investment of Pass Through Certificate (PTCs) either as Senior or Junior investor.

SWOT ANALYSIS OF MUDRA YOJNA



FINDINGS OF THE RESEARCH

1. According to the research total no. of accounts including Shishu, Kishore & Tarun are in increasing order during the year of 2015-2019. In the same way the disbursement amount of the total accounts including all three types of Mudra loan is also in increasing order.
2. According to the bank wise report total public sector bank have sanctions some around 1.64 crore loan account disbursed 204.01 thousand crore for the year 2015-2019.
3. The total disbursed amount of loan for the year 2015-16, 2016-17, 2017-18 & 2018-19 under Mudra Yojana was Rs 8.7 lakh crore (Rs **866515.6** crore) and had been disbursed to the beneficiaries.
4. According to the report the total no. of **General Category** accounts including Shishu, Kishore & Tarun is 8.7 crore during the year of 2015-2019 & total disbursed amount for the same period is 5.69 lac crore rs.
5. In the same way total no. of **OBC Category** accounts including Shishu, Kishore & Tarun is 5.5 crore during the year of 2015-2019 & total disbursed amount for the same period is 1.83 lac crore rs.
6. Total no. of **SC Category** accounts including Shishu, Kishore & Tarun is 3.3 crore during the year of 2015-2019 & total disbursed amount for the same period is 1.99 lac crore rs.
7. Total no. of **ST Category** accounts including Shishu, Kishore & Tarun is 0.9 crore during the year of 2015-2019 & total disbursed amount for the same period is 0.28 lac crore rs.
8. Only 1.04 crore MUDRA loans fell in the Rs 50,000-Rs 5 lakh “Kishore” bracket and merely 19.60 lakh exceeded the Rs five-lakh mark. So, the MUDRA lending of a larger size, above Rs five lakh, accounts for only 1.45 percent of the total disbursements under the scheme.
9. The average of sanctioned loans under Mudra Yojana comes at Rs 46,530 while that of disbursed amount is Rs 45,034. This amount could not be considered enough to launch a start up that could provide jobs to others. This amount is also much lower than the average per capita income of Indians - Rs 1.11 lakh for 2017-18, according to advance estimates of the Central Statistics Organization (CSO).
10. According to Annual reports of MUDRA, out of 13 crore beneficiaries; 28 per cent or 3.64 crore, are first-time entrepreneurs. Also 55% belong to

the SC/ST and OBC categories. The Government extended 33215.87 9847.58 72412.70 192790.71 Disbursement Amt. Rs. Cr. SC ST OBC Other Rs 2.53 lakh crore credit under the Mudra Yojana in the previous fiscal, while Rs. 5.73 lakh crore has been extended in last 3 years.

11. Under the PMMY for the last three years majority of the Accounts holders i.e. 122313936 belongs to Shishu Category followed by Kishore and Tarun respectively.
12. According to the report of **Women Entrepreneurs Accounts** report total some around 12.8 crore loan account have been sanctioned and 164.27 thousand crore have been disbursed for the year of 2015-2019.
13. According to the report of minority report total some around 2.01 crore loan account have been sanctioned and 85.3 thousand crore have been disbursed for the year of 2015-2019.
14. According to the report some around 4.7 crore **New Entrepreneurs' accounts** have been sanctioned and the total disbursed amount for all account is some around 3.2 lac crore for the year 2015-2019.
15. According to the report some around 10.21 crore **Mudra Card** have been issued/sanctioned and the total disbursed amount for all account is some around 6.1 thousand crore for the year 2015-2019.

RECOMMENDATIONS

Scheme can be extended to personal sector other than farms and factories, they can start a loan funding of less than Rs 50,000 so that the gap of 0-50k can be fulfilled. There should be more concentration on the minority sector. MUDRA card can be used more intensively in the future. Women entrepreneurs should be more encouraged to wipe out the difficulties faced by them.

CONCLUSION

MUDRA loans have made a positive impact on the bottom-line of MSMEs, but the values of loans sanctioned are not aligned with MSMEs' business requirements. However, the MSMEs voiced a concern that the loans disbursed are insufficient to meet their business needs. After implementation of Pradhan Mantri MUDRA Yojana, families across the India have seen improved lifestyles as they are now able to deliver quality education to their children and are creating large number of employment opportunities for others as well. SC youth across the country are interested in starting

their own business and becoming entrepreneurs as they are hugely inspired by the philosophy of DICCI- 'Be Job givers, not Job seekers'. The Mudra Scheme is trying its best to improve the status of SC and other backward sections of the society especially those who are not well educated and semiskilled. The financial support in the form of various loans encouraging them to start new ventures and thereby empowering them. Its impact in developing a strong economy will be seen in the coming years. The MUDRA scheme has been a key instrument for creating livelihoods and jobs for the lowest socioeconomic segments of our society today. It has enabled them to stand up on their feet and not only empower themselves but also others who are seeking opportunities to make a living. The employment multiplier for all MUDRA loan segments is more than 1 which is the minimum employment created per MUDRA loan. 37% of all beneficiaries in the sample set created new jobs. The MUDRA Yojana has also been successful in attracting many first time loan takers because factors such as – ease of access, low interest rates, collateral free and an element of security. MUDRA loans have made a positive impact on the bottom-line of MSMEs, but the value of loans sanctioned are not aligned with MSMEs' business requirements. The potential of the micro sector to generate employment and sustain livelihood, the sector has ever been credit starved due to variety of reasons including lack of credit history, inability to provide security/collaterals etc. These factors effectively debilitate entrepreneurship, employment generation, economic activity and livelihood support of millions.

Growth of MSMEs will contribute to the development of 'Make in India' initiative. Launching bank like MUDRA will hugely benefit to small manufacturing units and self-employed individuals in rural and urban areas. PMMY scheme will contribute to the well-being of the individuals engaged in small scale industries which will positively affect the progress of the economy as a whole. MUDRA creates a vision of formalizing the informal and thereby funding the unfunded. Its role as an apex refiner, providing low-cost finance is likely to be its USP, thereby hoping to fill a yawning gap in India's microfinance space. These measures will greatly increase the confidence of our young educated and skilled workers who are able to become the first generation enterprises, and existing small businesses will be able to expand their activities. Just as banking the unbanked, MUDRA banks main aim is funding the unfunded.

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