



Research Study on Perception of MUDRA Yojana in Entrepreneur Development Process

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ARTICLE DETAILS	ABSTRACT
Research Paper	
Keywords: <i>MUDRA Yojana, Entrepreneurship Development, Financial Performance</i>	One of the flagship scheme Pradhan Mantri MUDRA Yojana scheme released via way of means of Government of India in 2015 with the intention to offer monetary help to the micro and small scale entrepreneurs. The principal goal of this paper is to offer a complete assessment of the MUDRA scheme seeing that its inception. This take a look at is primarily based totally on secondary statistics which has been accrued from the internet site of MUDRA and its annual reviews in addition to via way of means of established questionnaire. Through the evaluation of statistics, it's far determined that there's a sizeable upward push withinside the disbursement quantity from the establishment. Finally, the ultimate result showed that there is just a minor difference between the amount of loan approved and disbursed. This article focusses on the assessment of Pradhan Mantri MUDRA Yojana in numerous states of general ordinary performance through approach at the notion of sanctioned quantity during several economic years, a comparative average overall performance of top ten states showed that country Tamil Nadu topped the list closely controlled by means of Karnataka. Furthermore, in terms of percentage change within the distribution quantity from economic three hundred and sixty



five days 2017-18 to 2018-19, the results revealed that, among those states, Bihar has showed the highest percentage growth, followed by Odisha. In addition, public sector banks topped the list of sanctioned amounts for the fiscal year 2018-19, as reported by private sector banks. However, in terms of goal achievement, Non-Banking Finance Companies outperformed Small Finance Banks by 147% to 119%.

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1. INTRODUCTION

The Pradhan Mantri MUDRA Yojana serves as a flagship project with useful resource of the usage of authorities of India in 2015 so you can offer economic assist to the micro and small scale marketers. The fundamental goal of this paper is to offer a complete assessment of the MUDRA scheme on the grounds that its inception. This examine is primarily based totally on secondary facts which has been amassed from the internet site of Finance is a key vast component in putting in place a A completely fresh start-up. It acts as a blood that's vital for the survival of the enterprise. Government enables small and new startups with the aid of using introducing exceptional schemes in economic inclusion. It allows economic offerings to all classes of society beginning from micro-business enterprise to medium business enterprise in addition to small organizations at inexpensive rates. MUDRA Yojana is a flagship scheme launched on 8th Apr, 2015 for imparting financial help of Rs. Upto 10 lakhs to micro, small and medium non shape commercial enterprise gadgets at less expensive price or with the minimum hobby prices. Mudra loans had been fashioned to offer enterprise units as a Sensible monetary machine, to avail "fund the unfunded". Mudra loan serves quite some capabilities that allows in producing employment and income in various segments like production, services, Retail, and Agricultural allied activities.

MUDRA funding divided the products into three categories: "Shishu", "Kishor", and "Tarun". The products were divided into three categories based on the amount of economic assistance, which ranged from Rs. 50,000 to Rs. 20,000,000. These classes have been conducted to recommend product improvement ranges and the fiscal demands of micro, medium-sized, and small businesses. The aforementioned products are accessible from Commercial and Cooperative Banks, RRBs, SFBs, Microfinance Companies, and NBFCs.



India is the country is one of the emerging and fast growing economies with inside the global. As per the Economic Survey 2015-2016, the financial system of India will develop at extra than 7 percentage in 2016-2017. According to International Monetary Fund (IMF) global Economic Outlook Update, Indian financial system is anticipated to increase at 7 percentage to seventy five percentage all through 2016-2017. In India approximately eighty percentage are MSMEs (micro, small, medium organizations) are micro organizations. In the United States, these small organisations serve roughly 10 crore people and provide a living for five times that many.

Around ninety four percentage of small enterprise devices are Own Account Enterprises (OAEs) run with the aid of using people who belongs to eco belonging to financially weaker phase comprising of SCs, STs or OBCs. The credit score availability to those organizations became accessed more often than not from moneylenders, buddies and relatives. Other financially susceptible sections engaged in micro organizations confronted large demanding situations in getting access to credit score. Access to institutional finance ought to doubtlessly flip those micro marketers into sturdy gadgets of Gross Domestic Product and to increase the employment. To prepare for this possibility, that the Indian Government established the 'Unfunded' micro marketers were to be financed by Micro Units Development and Refinance Agency Limited (MUDRA) in 2015-2016.

The Honourable budget Minister presented the February 2015 budget speech to introduce the concept and purpose of MUDRA. After then, MUDRA was fully owned by the Small Industries Development Bank of India (SIDBI), which was established in March 2015 as a public-constrained organisation. On April 8, 2015, it was registered as a Non-Banking Financial Institution (NBFI) with the Reserve Bank of India. The Honourable Prime Minister of India assisted in guiding the microorganizations. The Hon. Prime Minister also announced the Pradhan Manthi MUDRA Yojana (PMMY) program to expand loans to microenterprises in conjunction with the launch of MUDRA.

MUDRA and its annual reviews in addition to with the aid of using established questionnaire. Through the evaluation of facts, it's far determined that there may be extensive upward thrust with inside the disbursement quantity on the grounds from its inception. The end additionally suggested that there may be only a nominal distinction in the quantity of mortgage approved and disbursed. The paper additionally emphasize that the assessment of Prahan Mantri MUDRA Yojana, in exceptional states and in the overall states and basic overall outcome with the aid of using all of the institutions. On the idea of sanctioned quantity with inside the beyond 3 economic years, a comparative result of pinnacle ten states found out



that the state of Tamil Nadu crowned the listing intently observed with the aid of using Karnataka. Additionally, the findings showed that, when comparing the proportion of change in the amount of disbursements from fiscal year 2017–18 to 2018–19, Bihar had the largest increase among these states, exceeding even Odisha. Additionally, according to private sector banks, public sector banks were the largest sanctioned amounts for the economic year 2018–19. Non-banking finance organisations, however, performed better than Small Finance Banks in terms of objective achievement, with 147% over 119%.

1.1 BENEFICIARIES OF SCHEME

Any Indian citizen with a pay producing plan from small-scale firm sports in exchanging, assembling, and preparing, and an increase requirement of less than Rs.10 lakh, can apply for advances under PMMY. The Reserve Bank of India (RBI) regulates loan prices on a regular basis. The strategy benefits the non-profit small business sector (NCSBS) in areas such as advantage division, miniaturised scale manufacturing units, herbal merchandise and vegetable distribution, help and repair, workmanship, and operational nourishment administrations, among others.

2. LITERATURE REVIEW

According to Rudrawar and Uttarwar (2016), the MUDRA loan has the potential to revolutionise the Indian economy. In addition to ensuring a boom in job creation and GDP, it will help achieve the desired changes within the economic system, such as streamlined mortgage lawsuits in significantly reduced documentation requirements, which will play a key role in entrepreneurship improvement. George and Nalini (2018), of their paper has discovered that the small and medium commercial enterprises of India contributes closer to financial improvement and for this reason they must be supported and strengthened. Several plans have been launched in recent years to encourage small businesses. They affirmed that the MUDRA program is one of the latest to be created in India to support devices for micro, medium, and tiny businesses. Professionals and younger, bright adolescents are encouraged and supported in growing their businesses and making financial contributions by means of such arrangements.

Shahid and Irshad (2016) claim that goods like the the PMMY scheme Mudra Yojna are sold to MSME companies, which is crucial for promoting the "Make in India" idea. Additionally, the approach helps micro, medium, and small company gadgets along with independent marketers in rural as well as urban regions, which is boosting the economy as a whole.



Gupta (2015) asserts that MUDRA operates and offers services. The functions, roles, and obligations of MUDRA Yojana are thoroughly described in this analysis, giving readers a clear understanding of the program. By enabling outstanding microfinance support and the use of credit score-plus strategy for the target audience's improvement and advice, it also sheds light on economic inclusion. According to the assessment, the MUDRA, which Yojana is a revolutionary invention with an architecture designed in India that is likely to encourage involvement from last-mile financiers and increase microbusinesses' access to capital.

According to Jindal and Bhardwaj (2016), entrepreneurship is crucial in developing nations like India since it can lead to job possibilities and, more significantly, aid in the advancement of the country. To encourage entrepreneurship in the US, the Indian government has started a variety of programs. The PMMY is regarded as one of the most prominent and promising programs that could improve the economy by selling small and microbusinesses; however, the analysis suggests that proper monitoring and oversight be required in order to regularly examine the scheme's outcomes.

Chowdappa et al. (2017) made an effort to understand the complex structure of the MUDRA scheme and how it works to achieve sustained progress in MSME. The MUDRA scheme's objective, eyesight, groups, and product services are examined, and the examiner admits that they want to improve MSMEs in a sustainable way. The MUDRA program can actually help increase the MSME manufacturing zones' contribution to GDP, which continues to be steadily rising.

The effect of the MUDRA financing program on micro and small printing machines situated in a semi-urban area close to Hisar was examined by Rajiv and Dhirender (2017). The owners over 100 printing businesses in the study area were surveyed to gather statistics for the study, and graphical measures were employed to assess the data. It was found that 40% of the printing devices in the survey upgraded to modern technology using MUDRA funds. Forty-eight percent of owners of the selected printing presses are waiting for the scheme's increasing ceiling quantity, according to the poll.

Agarwal and Dwivedi (2017) used an important technique to examine the MUDRA scheme's overall performance across nation, caste, and class. SWOT analysis was used to understand the scheme's strengths, weaknesses, opportunities, and challenging situations. Research indicates that female marketers profit the most from the initiative, with 46% of disbursements in 2015-16 and 46% in 2016-17. The report



argued that the strategy should also target the minority zone and extend to the non-public zone, aside from farms and industry.

Thus, there is the best descriptive study within the PMMY context, which explains the organization's overview, nature, purpose, task, products services, and so forth, but analytical study on this topic is few. The study examine the differs from previous study in that it provides a far-reaching evaluation of its distribution entirely within the setting of the examination location.

3. The methodology of research

The three phases of the research technique are statistical analysis, research design, and data gathering. The majority of the records pertaining to MUDRA Yojana were collected from the program's official website and quarterly reviews, but they were also acquired from a range of periodicals, publications, and magazines. Obtaining reliable data sources also benefited from speaking with supervisors and banking and financial experts. The entire MUDRA Credit is usually expressed in a few classes in the case of studies layout, specifically "Shishu" (credit score quantity up to 50,000), "Kishore" (credit score quantity between 50000 and five lakh), and Tarun (highest credit score 20 lakh). The north, east (including the northern Japanese states), west, and south are the four regions into which all states and Union Territories have been split. The 147 general economic institutions are divided into the following categories: the public sector banks (21), private-sector banks (18), Foreign Banks (2), RRB (56), NBFC (39), SBI and Associates (6 now merged), and one Micro Financial Institution. Relevant comparisons between schemes, regions, financial institutions, basic credit score, and account numbers have been made in order to meet the examination's goals, which include determining the function of MUDRA Yojana in funding microbusinesses. Throughout the assessment, a range of hypotheses and claims have been tested using statistical techniques like descriptive, percentage, and ANOVA. We considered the Bangalore location for our examination.

3.1 Objectives of the Study

- To investigate how gender affects the use of the MUDRA Yojana.
- To research how people view the MUDRA Yojana.



3.2 ANALYSIS

Demographic Profile

Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 5,00,000	39	19.4	19.5	19.5
	5,00,001 to 10,00,000	49	24.4	24.5	44.0
	10,00,001 to 15,00,000	105	52.2	52.5	96.5
	15,00,001 and Above	8	3.5	3.5	100.0
Total		201	100.0		

For this research, out of total sample, 97% were male as we can see majority entrepreneurs are male whereas only 3% respondents are female.

Gender

	Frequency	Percent
Male	195	97.0
Female	6	3.0
Total	201	100.0

Age

In the case of found that investors are of 29 to 38 that is around in case of only 2.5 %.

		Frequency	%	Valid %	Cumulative %
Valid	18 to 28	33	16.4	16.4	16.4
	29 to 38	107	53.2	53.2	69.7
	39 to 48	56	27.9	27.9	97.5
	48 >	5	2.5	2.5	100.0
	Total	201	100.0	100.0	

age group we majority of the age group years and 53 %. Where above 48 That means



majority sample are from fresh entrepreneurs or users of MUDRA Yojna. In the case of Income majority samples are earn income between 10 to 15lakh per year that is around 52% and 8% samples are earing more than 15 lakh income.

Ho1: Gender are depending on MUDRA Yojna Scheme

Ha1: Gender are Not depending on MUDRA Yojna Scheme

Crosstab

Count

		Which of these types do you think best describes MUDRA Yojna?			Total
		1	2	3	
Gender	Male	34	131	27	192
	Female	2	4	3	9
Total		36	135	30	201

Chi-Square Tests

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	1.627 ^a	2	.443
Likelihood Ratio	2.294	2	.318
Linear-by-Linear Association	1.614	1	.204
Number of Valid Cases	198		

Three cells (50.0%) have expected to count less than five. From the above statistical test we can say that null hypothesis is fail to reject that means there is no any relationship between MUDRA Yojna and gender of entrepreneurs.



Ho2: Perception of Users of MUDRA Yojna and Outcomes are depending.

Ha2: Perception of Users of MUDRA Yojna and Outcomes are not depending

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Gender	Between Groups	1.500	7	.214	9.473	<.001
	Within Groups	4.319	191	.023		
	Total	5.819	198			
Age	Between Groups	29.690	7	4.241	11.385	<.001
	Within Groups	71.155	191	.373		
	Total	100.844	198			
Which one is the most important factor for MUDRA Yojna Implementation?	Between Groups	1.551	7	.222	9.917	<.001
	Within Groups	4.268	191	.022		
	Total	5.819	198			
Do you consider MUDRA Yojna Most Powerful Scheme for Entrepreneur ?	Between Groups	2.005	7	.286	28.565	<.001
	Within Groups	1.915	191	.010		
	Total	3.920	198			
MUDRA Yojna fail Because of Following Reason...	Between Groups	16.574	6	2.762	4.357	<.001
	Within Groups	121.103	191	.634		
	Total	137.677	197			
Process of MUDRA Yojna is very Simple? Give Rating according to level of Satisfaction.	Between Groups	17.703	6	2.950	3.449	.003
	Within Groups	163.388	191	.855		
	Total	181.091	197			

Form the above table researcher can say that all the values of Hypothesis are less than less than 0.05 so that there is statistical significance difference between two variables.

The findings indicate that opinions of MUDRA Yojna are greatly influenced by individual viewpoints and demographics (gender, age). Because the plan is not universally accepted, awareness, accessibility, and



implementation may all need to be improved. Diverse groups hold differing opinions about the reasons behind the scheme's success or failure, underscoring the necessity of tailored policy changes.

A total of INR 12.30 lakh crore has been extended to 24.48 crore mortgage debts under the Prime Minister's flagship program, Pradhan Mantri MUDRA Yojana (PMMY), which seeks to invest in "Funding the Unfunded" microbusinesses and small corporations. The program primarily benefits debtors from the weakest sections of society. The program has now completed its fifth year of operation. Government-owned banks, private sector banks, rural and regional small finance banking institutions, micro-finance organisations (MFIs), and non-banking finance companies (NBFCs) are among the lending institutions that have achieved the yearly goals set by the Indian government below PMMY.

4. CONCLUSION

The review found that PMMY is an excellent program implemented by the GOI. As a result, there is a significant expansion within the microfinance sector. The strategy will benefit the weaker sections, low-profit institutions, and unfunded populations while simultaneously increasing competitiveness. Using PMMY to promote financial inclusion will expand options for the standards of credit scores as well as refinance. The construction of the countrywide strategy PMMY with various types of monetary inclusion initiatives yielded a positive result.

Our nation will undoubtedly advance into the future thanks to the PMMY plot. The financing of women below PMMY was significantly aided by MFIs. It thinks that this plan's execution has caused the economy to focus more on high-quality headings. Therefore, if implemented successfully, it might be a revolutionary financial inclusion initiative of the Indian government, which could stimulate the Indian economy.

Over the course of its five years in operation, the agency Ltd. (MUDRA) has fulfilled two roles as a guide organisation: it has given refinanced guides to numerous financial institutions and has kept a close eye on the PMMY implementation process by means of a separate website that gathers an abundance of collected data about the PMMY scheme to comply with the requirements of the Indian government. PMMY's expanding loan portfolio has no impact on MUDRA. The yearly report also mentions that India's gross non-performing assets (NPAs) have risen above 10% in all sectors.



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