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A REVIEW OF MUDRA YOJANA (PMMY) IN PROMOTING MICRO & SMALL ENTREPRENEURSHIP -WITH SPECIAL REFERENCE TO ATHMANIRBHAR THROUGH WOMEN ENTREPRENEURSHIP.

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Abstract:

*Entrepreneurship in India can be classified into two phases, the first phase is after independence to till 1990's and the second phase is after 1990's to till date. The second phase is fueled by new economic policy of Indian government which liberated many sectors of the economy by privatizing most of the government sector and globalizing the Indian economy by integrating it with world economy. Till date many economic and social schemes have been introduced by the Indian government to influence entrepreneurship among the citizens of India and it has yielded good result in number of business started by entrepreneurs but despite all this measures taken by the government of India, the percentage of women entrepreneurs are less compared to men and in one of the schemes of the government that is **Pradan Mantri Mudra Yojana** the scheme is benefiting more number of women to become an entrepreneur though this scheme is meant for all irrespective of gender and since women entrepreneurship is growing tremendously their contribution towards **Athmanirbhar Bharat** is evident through the number of micro and small business they are starting. Since this research article is concerned about women entrepreneurship in India and their contribution towards **Athmanirbhar** and the supporting role of the government towards it, the one of the central government scheme that is **Mudra Yojana** is studied and reviewed to understand its contribution towards the attainment of **Athmanirbhar** through women entrepreneurship in micro and small business enterprises. This article is theoretical and descriptive research in nature.*

Keywords: *mudra yojana, government schemes, Athmanirbhar, women entrepreneurship, micro & small business sectors.*

Introduction:

Finance is the back bone of any business be it production or services, though the individual possess excellent ideas it has to be executed only through the help of finance. Finance plays an important role to start a business and to run a business and in one word we can say there is no

business without finance. Since our point of concern is entrepreneurship and mainly women entrepreneurship, this article reviews one of the successful government scheme that is **Pradan Mantri Mudra Yojana** which was launched by **The Honorable Prime Minister of India Shri. Narendra Modi ji in the year 2015 in New Delhi**. Pradan Mantri mudra yojana is a central government scheme introduced to promote micro and small entrepreneurship in India where the scheme is divided into three components that is Shishu category where the loan is sanctioned upto 50000rs, Kishore category from 50000rs to 5,00,000rs and Tharun category from 5,00,000rs to 10,00,000rs. The prime purpose of the mudra yojana is to finance the unbanked, unorganized, non-corporate and non-farm sectors. The one of the purpose of the mudra yojana is to relieve the entrepreneurs from the clutches of informal money lenders who charges exorbitant interest rate for the loan they lend to these micro and small entrepreneurs. Compared to other central sector schemes the mudra yojana is quite successful in terms of its reach that is number of accounts opened and the total value of loan sanctioned. Interestingly the major beneficiaries are women and they constitute almost 70% of the total beneficiaries. To influence the women to become an entrepreneur this scheme gives special privileges to women in terms of interest rate charged which is less compared to scheme sanctioned to men and also interest subvention is also available to women. The mechanism of mudra yojana is quite interesting, mudra (micro unit development refinance agency) is a refinance agency which lend funds to MLI's (member lending institutions that is banks, nonbanks, small finance banks, cooperative banks. etc.) and these member lending institutions lend loans to the end customers and this end customer should be the account holders of the respective member lending institutions like banks, non-banks, small finance banks and cooperative banks. Mudra is the wholly owned subsidiary of small industrial development bank of India and this scheme is implemented by the union ministry of finance Govt of India.

Women entrepreneurship is the major cause of concern in India today due to the less number of women participation in entrepreneurial activities, though they constitute almost 50% of the total population of India. The economic participation of women will aid her to be financially independent and a financially independent women tend to be decision maker and empowered and this is how women empowerment can be witnessed in a society. "Women entrepreneur is defined as the women who starts and owns a business of her choice independently or with a small group of likeminded individuals, contributing their skills, efforts and resources tirelessly to achieve the objectives like profit, status.etc in a society she is living." Women entrepreneurship is defined as the entrepreneurial activities undertaken by the women or a group of women in order to achieve the objectives of the firm she owns.

Literature Review:

(Mukul Pandey, 2022) finance is the back bone of any business and it is very critical for

small and micro business to start a business. Mudra yojana is one such scheme which funds unbanked, unorganized, non-corporate and non-farm sector entrepreneurs to grow and this in return boost the economy tremendously. This scheme is benefiting deprived and vulnerable section of the society to participate in the economic system as an entrepreneur. This scheme is going to be successful due to its scale toward small and micro enterprises.(Gunjan Bhayana, 2020) Pradan Mantri mudra yojana is promoting entrepreneurial culture by providing collateral free loan to unfunded micro units, otherwise would have been difficult to start the business enterprises due to lack of availability of funds. This research is based on the reports of all India level where the top performing states are Tamilnadu and Karnataka and among the member lending institutions public sector tops the performance followed by private sector and lastly the author suggests appointing independent agency to evaluate the impact bring forth by the PMMY.(Kumar, 2019) the growth of the MSMEs is dependent upon the governments support and initiatives and the scheme like mudra yojana contributes to the make in India initiatives and this will results in the economic growth and development and mainly benefits micro and small enterprises of rural and urban areas. The scheme is aiding the small business from the hands of exploitative unorganized money lenders being charged exorbitant interest rate. The importance of mudra yojana in encouraging the micro & small enterprises is expressed.(Veena Gautam, Parveen Kumar, 2017) there are many difficulties faced by the micro and small enterprises in India. Difficulties like finance, technological and infrastructure etc. are impounding the success of the small enterprises and since India is a populated country and the more number of population is dependent on these sector for their development and also this sector is contributing immensely for the economic growth and development of country in terms of GDP. This article analyses the performance of the mudra from the Haryana state and conveys that this small and micro sector is very important for the country's development and mudra scheme is providing the financial support.

Objectives:

- To study and review the mudra yojana in achieving Athmanirbhar through promoting the micro and small entrepreneurship.
- To study and understand the success of mudra yojana in influencing the women entrepreneurship through official reports.

Methodology of the Study:

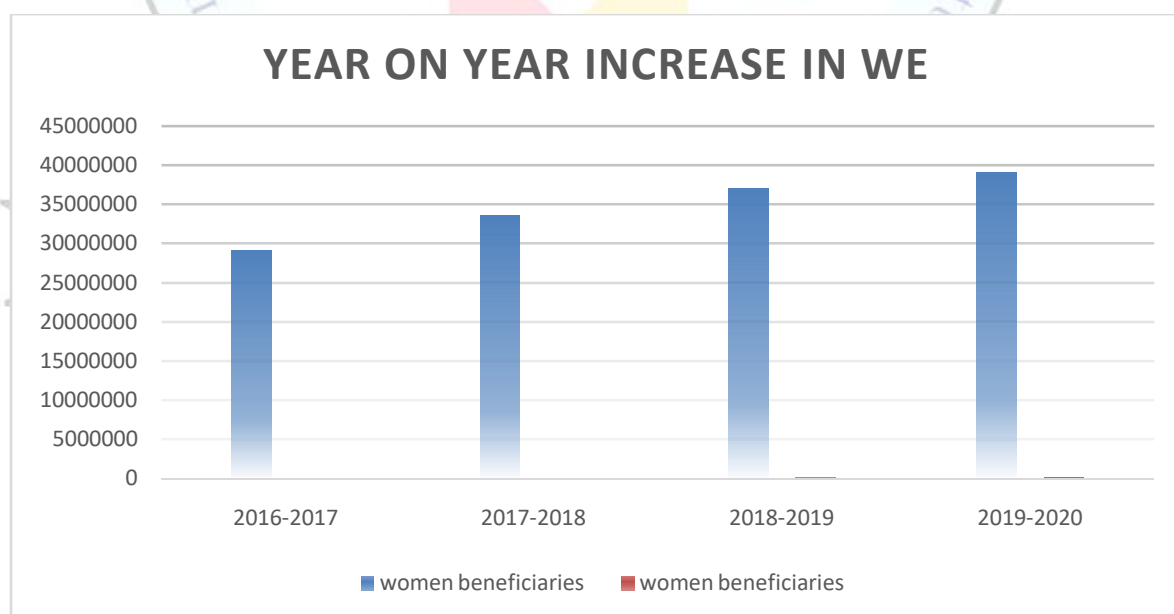
The study is based on secondary data collected from various sources like official websites, newspaper reports and editorials, journals and websites. RTI report also has been taken from the concerned department for authenticity of the data since from the inception of the scheme. Simple calculation has been used to analyze the data and simple graphs have been used to make it more understandable.

Data Analysis:**Table: 01**

Women Beneficiaries		
Category/ years	TOTAL	
	No. of A/Cs	Amount (crores)
2016-2017	2,91,47,000	80,289.68
2017-2018	3,35,58,238	1,03,254.12
2018-2019	3,70,62,562	1,33,033.62
2019-2020	3,91,03,349	1,45,182

Source: PMMY annual report

The data from 2016 to 2020 have been taken from official reports of PradhanMantri mudra yojana. The annual reports from 2016 to 2020 provides interesting facts that women entrepreneurship is increasing year on year and more number of women are becoming entrepreneurs. In 2016 the number of accounts opened under the mudra yojana by the women entrepreneurs are 2,91,47,000 and in the year their numbers increased to 3,91,03,349. With respect to the amount disbursed by the mudra schemes to the women entrepreneurs has increased from 80,289.68 crores in 2016 to 1,45,182 crores in 2020 which is a huge increase in the disbursed amount. The diagram down below represents the clear picture of the number of accounts opened and the amount disbursed year on year from 2016 to 2020. This clearly indicates that the micro and small entrepreneurship is gradually growing and so the small businesses which is a good sign of **Athmanirbhar** in business sector by inclusion of women to play the role of entrepreneurship in creating the small business and achieving the self-reliance.



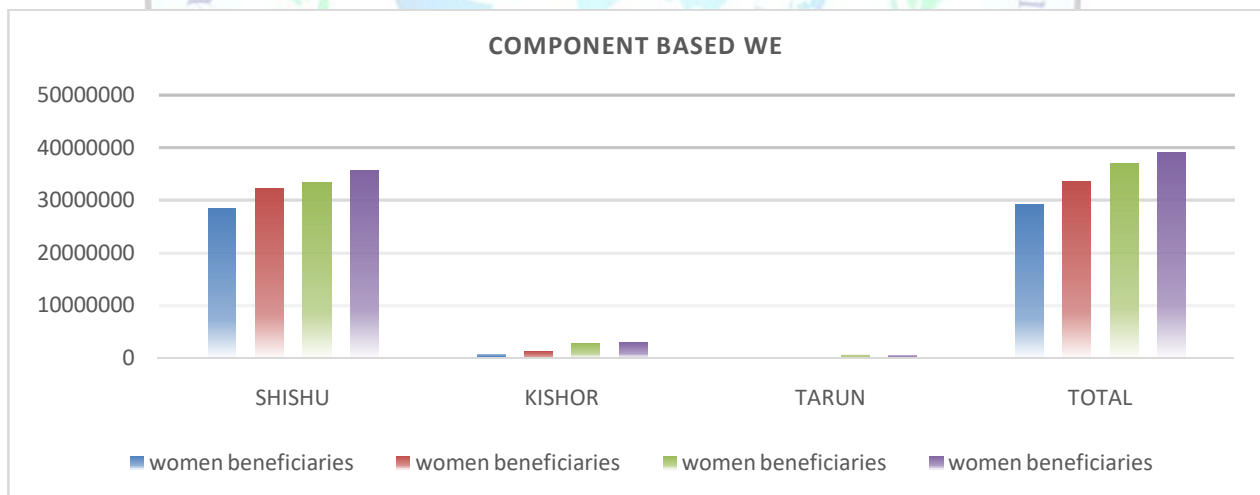
**WE- Women Entrepreneurs*

Table: 02

Women Beneficiaries				
No. of A/Cs	2016-2017	2017-2018	2018-2019	2019-2020
SHISHU	28472000	32144132	33403579	35717217
KISHOR	625000	1335192	2875392	2988307
TARUN	50,000	78,914	783591	397825
TOTAL	29,147,000	3,35,58,238	3,70,62,562	3,91,03,349

Source: PMMY Annual Reports

The above table represents data about the women beneficiaries under three components/ categories of Pradan Mantri mudra yojana. Interestingly, out of the three components of mudra yojana, women entrepreneurs are high in shishu category and then comes the kishor category which represents the micro and small entrepreneurship which in turn represented as micro & small business enterprises. When we go by numbers, that is the volume of accounts opened or created under the scheme from 2016 to 2020, we can witness the tremendous growth of women beneficiaries in total and shishu category of mudra yojana in particular making it a success in terms women entrepreneurs being the owners and starting the small business of their choice and contributing themselves towards the achievement of self-sufficiency or Athmanirbhar. The graphical representation of the data below represents the number of accounts opened that is number of women becoming the micro or small entrepreneurs.



Key Findings:

- Under mudra yojana more number of women are becoming entrepreneurs in terms of opening the accounts under various components of Pradan Mantri mudra yojana
- More number of micro & small entrepreneurs and enterprises or business are created under the scheme
- Out of the three components of the mudra yojana, shishu category stands first in terms of volume of accounts opened and number of entrepreneurs created

- It is assumed that more number of entrepreneurs in terms of account opened means more number of business/enterprises created.

Suggestions:

Schemes like Pradhan Mantri Mudra Yojana is to be encouraged greatly so that funding issue of small and micro enterprises are resolved since the scheme like this focuses on providing easy access to finance which earlier was quite difficult. But simultaneously a very careful measures need to be worked out to avoid the issues like NPA's (non-performing asset) and the issue of middleman's and bogus account created. When we talk about Atmanirbhar, knowingly or unknowingly we miss out the role of women's who constitute almost 50% of the total population of India. So the government of India should work out a modality where in every steps of achieving the Atmanirbhar, women should be given equal footing.

Conclusion:

Atmanirbhar means achieving self-sufficiency, in business the term Atmanirbhar means not being dependent on any country for the product or services. That is producing the products or services using our own resources and meeting the needs of our people which is entirely indigenously produced goods and services. And to achieve this Atmanirbhar the participation of not only men but also the women is also essential in business by starting the small enterprise and producing the goods and services which being self-sufficient and meeting the needs of the local people. Finally, the scheme called Pradhan Mantri Mudra Yojana is contributing immensely to achieve the Indian dream of Atmanirbhar, though it is meant for creating more entrepreneurs, creating employment and funding the unbanked and unorganized section of the society, it is indirectly helping the India achieve Atmanirbhar that is being self-sufficient.

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