INTERNATIONAL RESEARCH JOURNAL OF HUMANITIES AND INTERDISCIPLINARY STUDIES
(Peer-reviewed, Refereed, Indexed & Open Access Journal)
DOI : 03.2021-11278686 ISSN : 2582-8568 IMPACT FACTOR : 8.031 (SJIF 2025)

PERFORMANCE OF THE PRADHAN MANTRI MUDRA YOJANA (PMMY) IN INDIA: AN ANALYTICAL STUDY

PUSHPALATHA M,
M.Com Student,
Vijayanagar College,
Hosapete (Karnataka, India)

Dr. SUJAYA KUMAR S,
Faculty,
Department of Commerce,
Vijayanagar College,
Hosapete (Karnataka, India)
E-mail: shivapursujay@gmail.com

DOI No. 03.2021-11278686 **DOI Link ::** https://doi-ds.org/doilink/10.2025-14591237/IRJHIS2510004

Abstract:

The Pradhan Mantri MUDRA Yojana (PMMY), launched in 2015, is a flagship initiative designed to extend collateral-free loans to micro and small enterprises, thereby addressing financial exclusion and promoting entrepreneurship. This study evaluates the performance of PMMY from 2016 to 2024 using secondary data, focusing on institutional performance, state-wise and regional trends, borrower categories, and social group participation. Findings show that total loan disbursements rose significantly from ₹1.17 lakh crore in 2016–17 to ₹5.32 lakh crore in 2023–24, with public sector banks leading, though private banks, small finance banks, NBFCs, and MFIs have expanded their share in recent years. Tamil Nadu, Karnataka, and Maharashtra consistently led in sanctions, while states like Uttar Pradesh and Bihar showed rapid growth in later years. Regionally, the South, West, and East displayed strong and steady growth, while the East and North-East faced contraction, highlighting uneven outreach.

Category-wise analysis indicates robust growth in Kishor and Tarun loans, reflecting rising demand for mid- and high-value credit, while Shishu loans, though widespread, declined in sanctioned amounts, pointing to small ticket sizes. Social group analysis highlights growing participation of SC, ST, OBC, women, minorities, and new entrepreneurs, though disparities persist in sanction amounts compared to general category borrowers. Women's participation, in particular, has expanded sharply, crossing 4.2 crore accounts by 2023–24. The study concludes that PMMY has significantly deepened financial inclusion and entrepreneurship but faces challenges such as regional imbalances, limited awareness, and small loan sizes. Policy suggestions include targeted literacy drives, flexible loan structures, and enhanced support mechanisms to ensure sustainable and equitable impact.

Keywords: *PMMY, Financial Inclusion, Microfinance, Entrepreneurship, Women Empowerment, Regional Disparities, Shishu, Kishore, and Tarun.*

1. INTRODUCTION:

Finance is the study and management of money, investments, and financial instruments. It involves the processes of acquiring, allocating, and managing funds to achieve personal, corporate, or public financial goals. Key areas of finance include personal finance, corporate finance, and public finance. It encompasses activities such as budgeting, saving, lending, investing, and forecasting. Financial systems, including markets and institutions, facilitate the flow of capital and support economic growth. It helps individuals and organizations make informed decisions, manage risks, and optimize resources effectively. As a dynamic field, finance plays a crucial role in global economic stability and development. Before the launch of PMMY, a significant number of micro and small business units faced challenges in obtaining credit from banks and other formal financial institutions. These enterprises typically operated in rural or semi-urban areas and lacked the required collateral, formal documentation, or credit history, making them ineligible for conventional loans. Many were forced to rely on informal sources of finance such as moneylenders, who often charged exorbitant interest rates, trapping borrowers in a cycle of debt. The government recognized that to promote inclusive growth, it was essential to create a system that could extend affordable and accessible credit to this underserved segment. The MUDRA scheme was, therefore, introduced as a means of financial inclusion, aimed at "funding the unfunded."

The Micro Units Development and Refinance Agency (MUDRA) Ltd**.**, established as a subsidiary of the Small Industries Development Bank of India (SIDBI), is the principal institution implementing this scheme. The core objective of the PMMY is to provide financial assistance, in the form of collateral-free loans, to non-corporate, non-farm small and micro enterprises. The scheme aims to empower individuals by facilitating access to institutional finance and encouraging the spirit of entrepreneurship, particularly among those traditionally excluded from the formal credit system.

2 REVIEW OF LITERATURE:

1. **Khujan Singh and Anil Kumar (2020)** conducted a primary data–based study surveying 161 bank employees (branch/assistant managers) across public and private commercial banks in North India to identify key determinants of PMMY's success. Using exploratory factor analysis and Cronbach's alpha for reliability, the study isolates six determinants that influence scheme performance, including awareness creation among weaker sections, collateral-free lending, and institutional support structures. They find that PMMY is effective for both banks and borrowers as an alternative to conventional credit, especially for unemployed or non-funded individuals in rural and urban areas. Recommendations include continued emphasis on awareness programs and targeted marketing of the scheme by financial institutions. Limitations include reliance on bank perceptions rather than borrower perspectives and limited geographic scope.

2. **Bharamappa Padimani (2024)** presents a descriptive analysis of PMMY performance in Karnataka using secondary government and scheme-level data from FY 2019-20 to FY 2023-24. The study analyzes disbursement trends across Shishu, Kishore, and Tarun (including Tarun Plus), revealing consistent year-on-year growth in number of accounts and sanction amounts—even through COVID-19 disruptions. The Kishore category emerges as fastest growing, reflecting capital deepening in MSMEs. Karnataka consistently meets or exceeds national PMMY targets, particularly

in FY 2023-24. The paper concludes that PMMY has played a major role in economic empowerment and financial inclusion in the state, although it stops short of beneficiary-level impact assessment.

3. Chaturvedi & Mishra (2024), analysed PMMY's implications for MSME development using qualitative and quantitative data from official reports and financial databases. The authors find that MUDRA loans have stimulated entrepreneurship—especially among rural and women entrepreneurs—contributing to business expansion and employment growth. However, they note challenges: repayment burdens, low financial awareness, and procedural opacity in disbursal. The study recommends strengthening financial education, streamlining loan processes, and ensuring clarity in borrower obligations. The mixed-methods approach and the breadth of secondary sources give a comprehensive overview, though the absence of primary data may limit nuanced insights.

4. Gupta, Maurya & Sirohi (2023), focused on Aligarh district, Uttar Pradesh, this study surveys 312 women PMMY beneficiaries and 125 non-beneficiaries via questionnaires and focus groups to assess financial inclusion outcomes. It shows that women loan recipients have improved access to banking, increased adoption of digital finance platforms, higher income, and greater financial independence. However, gaps in digital literacy, insufficient post-loan support, and limited awareness of PMMY features hinder impact sustainability. The study emphasizes the need for ongoing capacity-building and knowledge initiatives to maximize benefits to rural women entrepreneurs.

5. Kumar & Prabhakar (2023), examined women's roles in rural Jharkhand under PMMY, this article highlights how the scheme advances institutional financial inclusion and supports marginalised female entrepreneurs. While the scheme promotes the Atmanirbhar Bharat (self-reliant India) agenda through credit delivery, it is constrained by rural communities' limited awareness of banking norms and loan procedures. The paper advocates for greater outreach, financial literacy training, and simplified documentation to improve uptake and effectiveness among women entrepreneurs in underbanked regions.

6. Jyotirmoy Koley (2025) offers a rigorous secondary-data based critical overview published in 2025. Using PMMY reports, RBI bulletins, and government datasets, he presents milestones: over 52 crore loans disbursed, ₹32.61 lakh crore mobilized, 68% women borrowers, and 50% from SC/ST/OBC communities. The average loan size rose from ₹38,000 (FY 2016) to ₹1.02 lakh (FY 2025), and Kishore loans increased from 5.9% to 44.7%. Tamil Nadu, UP, and Karnataka emerge as leading implementing states. He critiques limited Shishu penetration, rural digital access issues, low borrower literacy, confusion over similar schemes, and rising defaults in Kishore/Tarun. Recommendations cover raising limits, digital inclusion, AI-based NPA monitoring, and skills linkage to PMMY.

7. Ritesh Ranjan & Gope (2023) analysed PMMY performance in Bihar, looking at disbursement, enterprise expansion, employment generation, and socio-economic impact. Employing secondary data supplemented by local surveys, it contextualizes PMMY within Bihar's socio-economic profile. The research highlights moderate uptake, obstacles in loan accessibility and recovery, and constrained job creation relative to expectations. It emphasizes policy calibration—such as tailored outreach and localized support infrastructure—to enhance PMMY efficacy in Bihar's unique landscape.

8. Abhishek Kumar (2022) studied in Varanasi used primary data from PMMY borrowers to evaluate entrepreneurship outcomes. Findings show that Shishu loans dominate, with 30% female participation, and younger (26–45) educated borrowers benefiting most. Key constraints include low awareness of schemes, slow disbursal, and procedural barriers. beneficiaries report positive enterprise initiation and incremental income generation. The study mirrors previous findings about awareness gaps and offers insights into borrower demographics, but is limited to one district.

3 RESEARCH GAP:

Across these studies, PMMY is shown to expand financial inclusion, empower women, and stimulate entrepreneurship, but several research gaps remain. Most evaluations rely on primary data, and limited study on secondary data. Especially there is little comparative work across states, Institution wise performance, Regional Analysis (North, East, North east, South, West), Sub - categories of borrowers (General, SC, ST, OBC, Women Entrepreneurs, New Entrepreneurs/accounts, Minority) to explain variations in uptake and impact.

4 STATEMENT OF THE PROBLEM:

The Pradhan Mantri MUDRA Yojana (PMMY), launched in 2015, aims to provide financial support to micro and small enterprises through institutional credit. While the scheme targets the underserved segments of society, including women, SC/STs, and rural entrepreneurs, questions remain about its effectiveness in fostering sustainable income generation, employment, and economic inclusion. Despite significant loan disbursements, concerns regarding loan repayment, regional disparities, limited entrepreneurial development, and inadequate monitoring mechanisms persist. Furthermore, there is a lack of comprehensive data analyzing the actual performance and outcomes of PMMY across different socio-economic strata. This analytical study aimed to evaluate the performance of PMMY, assess its impact on beneficiaries, and identify the challenges and opportunities for policy enhancement to ensure better outreach and long-term development.

5 SIGNIFICANCE OF THE STUDY:

The Pradhan Mantri MUDRA Yojana (PMMY) is a flagship initiative aimed at promoting financial inclusion by providing collateral-free loans to micro and small enterprises. Studying this scheme is significant as it directly addresses critical issues such as unemployment, entrepreneurship development, and access to institutional credit, especially for marginalized and underbanked populations. By evaluating the effectiveness of PMMY, the study contributes to understanding how microfinance impacts socio-economic development, particularly for women, SC/ST, and rural entrepreneurs. It also sheds light on the challenges faced in implementation, including awareness, loan recovery, and financial literacy. The findings can guide policymakers in refining the scheme, improving outreach, and ensuring better targeting of beneficiaries. Furthermore, it helps assess the role of PMMY in achieving broader goals like Atmanirbhar Bharat (self-reliant India) and sustainable livelihood generation, making the study relevant for researchers, financial institutions, and development planners alike.

6 SCOPE OF THE STUDY:

This study focused on performance of the Pradhan Mantri MUDRA Yojana (PMMY) across various categories—Shishu, Kishore, and Tarun. The study covered Institution wise performance, state wise Performance, Regional Analysis (North, East, North east, South, West), Category wise analysis of PMMY scheme (Shishu, Kishor and Tarun), Sub - categories of borrowers (General, SC, ST, OBC, Women Entrepreneurs, New Entrepreneurs/accounts, Minority) and Total Loan sanctions and Disbursement.

7 OBJECTIVES OF THE STUDY:

1. To understand the conceptual framework of the Pradhan Mantri MUDRA Yojana (PMMY) in India.
2. To evaluate the performance of The Pradhan Mantri MUDRA Yojana (PMMY) in India.
3. To offer suggestions based on the findings of the study.

8 RESEARCH METHODOLOGY:

8.1 RESEARCH METHOD: This study is analytical research in nature.

8.2 TYPE OF DATA: Secondary data has been used to carry out this research.

8.3 SOURCES OF DATA COLLECTION: Researcher collected secondary data sources from the website of Pradhana Mantri MUDRA Yojana (PMMY).

8.4 PERIOD OF THE STUDY: This study covered the period of 8 years from 2016 to 2024.

8.5 STATISTICAL TOOLS: Tables were used to tabulation of collected data and graphs were employed to graphical representation of collected data.

9. LIMITATIONS OF THE STUDY:

1. This study was purely based on secondary data sources.
2. Without primary surveys or experiments, it’s difficult to establish whether changes in business growth, employment, or credit access were caused by PMMY.

PERFORMANCE OF THE PRADHAN MANTRI MUDRA YOJANA (PMMY) IN INDIA

TABLE NO: 1 SHOWS INSTITUTION WISE PERFORMANCES

Year	Public Sector Banks	Private Banks (incl. Foreign)	Small Finance Bank	MFIS	NBFCS	State co-oprate Banks	Total Disbursement
2016-17	80573.41	8654.53	-	23665.43	4492.27	0.07	117385.7
2017-18	92492.68	16739.91	72.38	30055.96	7286.91	0.01	146647.9
2018-19	92495.68	21527.42	4390.89	33117.67	9999.459	0..2	161807
2019-20	91779.14	25139.39	5593.58	38348.76	11184.4	0.03	172045.3
2020-21	73434.15	23462.44	5054.25	29842.8	9620.35	0.03	141414
2021-22	124425	29201.5	6457.84	39778.95	10550.42	0.02	168547
2022-23	171118.78	141116	38297	66830.62	33061.27	0	450423.6
2023-24	196737.68	174911.45	45190.01	76605.33	38913.72	0.12	532358.4

(Sources: https://www.mudra.org.in/)

The data reflects a significant growth in loan disbursements under the Pradhan Mantri MUDRA Yojana (PMMY) from ₹1.17 lakh crore in 2016–17 to ₹5.23 lakh crore in 2023–24. Public sector banks have consistently played a dominant role, while private banks, small finance banks, MFIs, and NBFCs have shown notable growth in recent years. The increasing involvement of private and alternative lenders indicates improved credit access and financial inclusion. The rise in total disbursement highlights the scheme’s effectiveness in supporting micro and small enterprises, promoting self-employment, and contributing to economic empowerment at the grass roots level across India.

TABLE NO: 2 SHOWS PERFORMANCE OF TOP 10 STATES

SL. NO	YEAR / Name of the State	Sanctioned Amount (Rs.)								
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
1	Tamil Nadu	15,846	18052.68	25331.68	34,260.05	35,017	28,967.97	32,477.55	43,730.39	57370.41
2	Karnataka	16,861	18002.55	23009.73	29,995.35	30,188	30,199.18	28,695.29	40,746.09	49510.51
3	Maharashtra	13,806	17286.66	22751.4	26,438.94	27,903	25,208.63	25,797.74	36,104.52	42773.74
4	Uttar Pradesh	12,276	15282.61	22077.89	26,190.58	30,949	29,231.35	33,663.73	47,427.26	58535.05
5	West Bengal	8,034	15695.01	20552.19	26,462.13	26,79	29,335.98	34,893.20	38,353.85	46712.27
6	Bihar	7,554	12190.6	15919.4	24,405.99	27,442	25,589.31	32,096.95	45,448.59	56841.09
7	Madhya Pradesh	8,097	10506.45	14886.15	17,407.92	19,06	18,474.24	18,814.95	24,632.59	25272.18
8	Rajasthan	5,485	9024.71	13862.55	17,506.39	19,662	18,571.38	18,999.20	24,492.62	26755.28
9	Gujarat	6,035	7781.94	11386.52	13,216.78	13,746	---	12,152.39	17,507.49	19640.31
10	Odisha	5,695	7891.34	11558.91	15,770.28	15,419	15,328.63	16,9	21,505.13	23355.99

(Sources: https://www.mudra.org.in/)

The table presents the year-wise sanctioned amounts (in crores) for the top 10 Indian states under a particular scheme from 2015–16 to 2023–24. Tamil Nadu, Karnataka, and Maharashtra consistently receive the highest sanctions, indicating their leading role in utilizing the scheme. A noticeable upward trend is observed across all states, with amounts significantly increasing over the years, reflecting expanded implementation and demand. States like Odisha and Gujarat, although lower in the ranking, also show consistent growth. The data highlights regional disparities in fund allocation but also demonstrates overall growth, with a sharp rise after 2020–21, possibly due to economic recovery efforts.

TABLE NO: 3 SHOWS REGIONAL ANALYSIS (NORTH)

Year	No of A/Cs	Sanctioned Amount
2016-17	66,67,731	41,884.86
2017-18	84,64,083	60,535.36
2018-19	1,12,92,193	74,437.45
2019-20	1,24,56,705	82,045
2020-21	1,04,05,478	78,555
2021-22	1,15,45,805	82,700
2022-23	1,35,57,609	1,11,573.17
2023-24	1,38,08,409	1,27,636.44

(Sources: https://www.mudra.org.in/)

The table shows a consistent rise in both the number of accounts (A/Cs) and sanctioned amounts from 2016–17 to 2023–24. Starting at 66.68 lakh accounts and ₹41,884.86 crore in 2016–17, both figures have grown substantially, with accounts reaching 138.08 lakh and sanction amount increasing to ₹1,27,636.44 crore in 2023–24. Notable jumps occurred in 2018–19 and 2022–23, reflecting increased participation and funding. A slight dip in accounts is observed in 2020–21, possibly due to COVID-19 disruptions.

TABLE NO: 4 SHOWS REGIONAL ANALYSIS (EAST AND NORTH EAST)

Year	No of A/Cs	Sanctioned Amount
2016-17	1,44,37,863	49,765.69
2017-18	43,95,809	18,553.80
2018-19	30,60,244	13,144.77
2019-20	22,78,699	10,824
2020-21	16,81,086	11,511
2021-22	11,74,574	8,682
2022-23	10,84,117	10,486.13
2023-24	11,84,785	11,525.26

(Sources: https://www.mudra.org.in/)

The data shows a sharp decline in both the number of accounts and sanctioned amounts from 2016–17 to 2021–22. In 2016–17, accounts stood at 1.44 crore with a sanction amount of ₹49,765.69 crore. However, by 2021–22, accounts dropped to 11.74 lakh and the sanctioned amount fell to ₹8,682 crore. This downward trend indicates reduced participation or stricter eligibility. A modest recovery is seen in 2022–23 and 2023–24, with slight increases in both metrics. Despite the recent uptick, the overall trend indicates a significant contraction in outreach and funding compared to the 2016–17 levels.

TABLE NO: 5 SHOWS REGIONAL ANALYSIS (SOUTH)

Year	No of A/Cs	Sanctioned Amount
2016-17	1,14,30,144	52,876.65
2017-18	1,44,64,973	76,259.92
2018-19	1,73,15,948	96,930.34
2019-20	1,74,54,720	98,767
2020-21	1,30,83,599	90,325
2021-22	1,33,29,413	91,765
2022-23	1,58,71,449	1,24,650.13
2023-24	1,83,10,948	1,56,416.84

(Sources: https://www.mudra.org.in/)

The table reflects a steady increase in both the number of accounts and sanctioned amounts from 2016–17 to 2023–24. The number of accounts grew from 1.14 crore in 2016–17 to 1.83 crore in 2023–24, while the sanctioned amount rose significantly from ₹52,876.65 crore to ₹1,56,416.84 crore. Despite a dip in 2020–21, likely due to the COVID-19 pandemic, the trend rebounded in subsequent years. Notable growth occurred in 2022–23 and 2023–24, indicating expanded credit outreach and rising demand. Overall, the data demonstrates strong and consistent growth in credit support and financial inclusion over the eight-year period.

TABLE NO: 6 SHOWS REGIONAL ANALYSIS (WEST)

Year	No of A/Cs	Sanctioned Amount
2016-17	71,65,309	36,001.35
2017-18	80,40,860	49,583.68
2018-19	95,43,273	57629.39
2019-20	1,04,68,078	61,285
2020-21	84,76,724	55,897
2021-22	90,21,163	57,327
2022-23	1,07,87,679	79,047.00
2023-24	1,07,33,409	88,546.49

(Sources: https://www.mudra.org.in/)

The data shows a consistent upward trend in both the number of accounts and sanctioned amounts from 2016–17 to 2023–24, with minor fluctuations. Accounts increased from 71.65 lakh in 2016–17 to over 1.07 crore in 2023–24, while the sanctioned amount more than doubled from ₹36,001.35 crore to ₹88,546.49 crore. A dip in both figures is observed in 2020–21, likely due to the pandemic, but recovery began soon after. The highest growth is seen in 2022–23 and 2023–24, indicating enhanced access to credit and stronger demand.

TABLE NO: 7 SHOWS REGIONAL ANALYSIS (EAST)

Year	No of A/Cs	Sanctioned Amount
2016-17	1,28,38,524	43,115.35
2017-18	1,27,64,868	48,744.33
2018-19	1,86,58,660	79,580.84
2019-20	1,95,89,404	84,574
2020-21	1,70,88,159	85,472
2021-22	1,87,24,571	98,637
2022-23	2,10,09,744	1,24,667.22
2023-24	2,27,39,462	1,48,233.29

(Sources: https://www.mudra.org.in/)

The data highlights a strong upward trend in both the number of accounts and the sanctioned amount from 2016–17 to 2023–24. Accounts increased from 1.28 crore in 2016–17 to 2.27 crore in 2023–24, while the sanctioned amount more than tripled from ₹43,115.35 crore to ₹1,48,233.29 crore. After a slight dip in 2017–18 and 2020–21, both metrics showed consistent growth. Significant jumps occurred in 2018–19 and from 2021–22 onwards, indicating rising credit demand and improved financial access. The sharp increase in the last two years indicates enhanced lending efforts, possibly supported by favorable policy measures or economic recovery momentum.

TABLE NO: 8 SHOWS CATEGORY WISE ANALYSIS (SHISHU SCHEME)

YEAR	No. of Accounts (in lakhs)	Sanctioned Amount
2015-16	3240.1	62894.96
2016-17	364.98	85100.74
2017-18	42669795	106001.6
2018-19	51507498	14234525
2019-20	54490617	163559
2020-21	40180115	1099953
2021-22	41721154	124747.37
2022-23	4377851	141609.85
2023-24	41628309	14784.68

(Sources: https://www.mudra.org.in/)

The data shows significant fluctuations in the number of accounts and sanctioned amounts over the years. A sharp rise in accounts occurred from 2017-18 onwards, peaking in 2019-20 with over 54 crore accounts. Sanction amounts also spiked in 2018-19, likely due to a large-scale scheme or correction. However, despite high account numbers in recent years (2020-24), sanctioned amounts declined sharply, especially in 2023-24, indicating reduced funding or smaller loan sizes. The initial years (2015-17) had moderate accounts but relatively higher average sanction amounts. This reflects a shift in policy focus towards expanding coverage over time, possibly at the cost of fund allocation.

TABLE NO: 9 SHOWS CATEGORY WISE ANALYSIS (KISHOR)

YEAR	No. of Accounts (in lakhs)	Sanctioned Amount
2015-16	20.7	43052.55
2016-17	76.63	53545.14
2017-18	4653874	86732.15
2018-19	6606009	104386.7
2019-20	6471873	95578
2020-21	9486160	132560
2021-22	1088206	137644.4
2022-23	17915912	200936.6
2023-24	23630890	257094.5

(Sources: https://www.mudra.org.in/)

The data indicates a significant and consistent rise in both the number of accounts and the sanctioned amount from 2015-16 to 2023-24. Starting from just 20.7 lakh accounts in 2015-16, the figures soared to over 23.6 crore by 2023-24, reflecting a massive expansion in outreach or coverage. The sanctioned amount also grew steadily, from ₹43,052.55 crore to ₹2,57,094.5 crore over the same period. Major jumps occurred post-2020-21, indicating policy shifts or increased financial inclusion efforts. This trend highlights growing demand, wider access to credit facilities, and possibly greater government support or scheme-based disbursements in recent years.

TABLE NO: 4.10 SHOWS CATEGORY WISE ANALYSIS (TARUN)

YEAR	No. of Accounts (in lakhs)	Sanctioned Amount
2015-16	4.1	31501.76
2016-17	5.4	41882.66
2017-18	806924	60943.36
2018-19	1756871	74990
2019-20	1285116	78358
2020-21	1068771	79290
2021-22	986166	76718.61
2022-23	1316835	107877.18
2023-24	1517814	127479.18

(Sources: https://www.mudra.org.in/)

The data shows a steady increase in both the number of accounts and the sanctioned amount from 2015-16 to 2023-24. Starting from just 4.1 lakh accounts and ₹31,501.76 crore in 2015-16, account numbers rose sharply post-2017-18, reaching over 1.5 crore (15.17 lakh) in 2023-24. Sanction amounts followed a similar trend, growing to ₹1,27,479.18 crore in 2023-24. The surge from 2017-18 onwards indicates enhanced access to financial services, possibly driven by policy initiatives, credit schemes, or digital outreach. The consistent rise indicates increasing reliance on institutional credit and a growing inclusion of beneficiaries in formal financial systems.

TABLE NO: 11 SUB CATEGORIES OF BORROWER'S ANALYSIS (GENERAL)

YEAR	No. of Accounts (in lakhs)	Sanctioned Amount
2016-17	172.01	1,12,585.16
2017-18	21906479	167625.69
2018-19	31735223	22019.14
2019-20	324975.06	223611
2020-21	2586469.9	215942
2021-22	2599441.39	213883.91
2022-23	30586600	286445.74
2023-24	35429789	343270.72

(Sources: https://www.mudra.org.in/)

The data reveals a sharp rise in the number of accounts and sanctioned amounts from 2016-17 to 2023-24. Starting with just 172 lakh accounts in 2016-17, the numbers surged dramatically to over 35 crore accounts by 2023-24. Sanction amounts followed a similar upward trend, increasing from ₹1.12 lakh crore to ₹3.43 lakh crore. A significant spike in accounts is observed in 2021-22, likely due to a large-scale policy or digital outreach. While sanctioned amounts dipped slightly in 2018-19, they rebounded strongly thereafter. The trend reflects growing financial inclusion, increased credit demand, and sustained institutional support through various schemes.

TABLE NO: 12 SUB CATEGORIES OF BORROWER'S ANALYSIS (SC)

YEAR	No. of Accounts (in lakhs)	Sanctioned Amount
2016-17	71.36	18,897.83
2017-18	85,06,161	24,378.41
2018-19	9452519	29957.96
2019-20	10281553	94662
2020-21	8398417	30824
2021-22	9364702	37303.61
2022-23	10335914	47272.28
2023-24	10389545	57432.76

(Sources: https://www.mudra.org.in/)

The table shows a steady increase in both the number of accounts and sanctioned amounts from 2016-17 to 2023-24. Starting with 71.36 lakh accounts and ₹18,897.83 crore sanctioned in 2016-17, the numbers rose significantly, reaching over 1.03 crore accounts and ₹57,432.76 crore by 2023-24. A sharp rise in sanctioned amounts occurred from 2019-20 onward, with a peak in that year at ₹94,662 crore despite only a moderate rise in accounts. This indicates increased average loan size or targeted disbursements. The consistent growth highlights expanding financial access, government credit initiatives, and rising credit demand in recent years.

TABLE NO: 13 SUB CATEGORIES OF BORROWER'S ANALYSIS (ST)

YEAR	No. of Accounts (in lakhs)	Sanctioned Amount
2016-17	17.92	5,272.74
2017-18	25,39,307	8,000.41
2018-19	3341329	11053.54
2019-20	3889696	13794
2020-21	3123282	12730
2021-22	3518084	14452.54
2022-23	3536426	17293.9
2023-24	3363476	19895.73

(Sources: https://www.mudra.org.in/)

The data shows consistent growth in both the number of accounts and sanctioned amounts from 2016-17 to 2023-24. Starting with 17.92 lakh accounts and ₹5,272.74 crore sanctioned in 2016-17, the number of accounts rapidly increased to over 33.6 lakh in 2023-24. Sanction amounts also saw a steady rise, reaching ₹19,895.73 crore in 2023-24. The trend reflects expanding financial inclusion and increased access to credit over the years. Notably, growth was steady even during 2020-21, indicating resilience during the pandemic. The data highlights a consistent policy focus on credit support and outreach to a broader population each year.

TABLE NO: 14 SUB CATEGORIES OF BORROWER'S ANALYSIS (OBC)

YEAR	No. of Accounts (in lakhs)	Sanctioned Amount
2016-17	135.72	43,772.82
2017-18	1,51,78,646	53,673.18
2018-19	15341247	60582.74
2019-20	15578851	65428
2020-21	13348648	62263
2021-22	14918601	73470.3
2022-23	17581658	99411.74
2023-24	17594203	111759.14

(Sources: https://www.mudra.org.in/)

The data shows steady growth in both the number of accounts and the sanctioned amount from 2016-17 to 2023-24. Starting with 135.72 lakh accounts and ₹43,772.82 crore in 2016-17, account numbers rose sharply to over 1.75 crore by 2023-24. Sanctioned amounts also increased consistently, reaching ₹1,11,759.14 crore in 2023-24. There were minor dips during 2020-21, likely due to the pandemic, but the figures recovered quickly. This consistent upward trend reflects successful financial outreach, growing credit demand, and sustained government or institutional efforts in supporting beneficiaries through loans or schemes. The data highlights strong momentum in financial inclusion and credit penetration.

TABLE NO: 15 SHOWS NEW ENTREPRENEURS / ACCOUNTS

YEAR	No. of Accounts (in lakhs)	Sanctioned Amount
2015-16	124.75	61649.95
2016-17	99.9	72960.14
2017-18	12559327	97448.7
2018-19	13393802	106033.06
2019-20	11913903	99263
2020-21	7740581	83337
2021-22	6530351	72685.18
2022-23	10066770	129422.76
2023-24	13012796	158107.9

(Sources: https://www.mudra.org.in/)

The data reflects a clear upward trend in both the number of accounts and sanctioned amounts from 2015-16 to 2023-24. From 124.75 lakh accounts and ₹61,649.95 crore sanctioned in 2015-16, the numbers surged to over 1.3 crore accounts and ₹1,58,107.9 crore by 2023-24. There was a notable dip in accounts during 2020-21 and 2021-22, likely due to the pandemic, but the recovery was strong in subsequent years. Sanction amounts steadily increased, especially from 2021-22 onwards, indicating stronger credit demand and financial support. The data indicates expanded outreach, financial inclusion, and growing institutional lending over the years.

TABLE NO: 16 SHOWS WOMEN ENTREPRENEURS

YEAR	No. of Accounts (in lakhs)	Sanctioned Amount
2015-16	276.3	82183.55
2016-17	291.47	80289.68
2017-18	33558238	103254.1
2018-19	37062562	133033.6
2019-20	39103349	145182
2020-21	33303604	131303

2021-22	38429259	166422.5
2022-23	44256813	49196.33
2023-24	42492281	222297.3

(Sources: https://www.mudra.org.in/)

The data shows a massive expansion in the number of accounts and sanctioned amounts from 2015-16 to 2023-24. Accounts grew from just 276.3 lakh in 2015-16 to over 4.24 crore in 2023-24, reflecting strong financial inclusion efforts. Sanctioned amounts also increased significantly from ₹82,183.55 crore to ₹2,22,297.27 crore. After consistent growth until 2019-20, there was a slight decline in 2020-21, likely due to the pandemic, but figures rebounded strongly thereafter. Interestingly, while account numbers peaked in 2022-23, the sanction amount dipped that year, indicating smaller average disbursements. The overall trend highlights expanding credit outreach and increased institutional support over time.

TABLE NO: 17 SHOWS MINORITY

YEAR	No. of Accounts (in lakhs)	Sanction Amt
2016-17	51.54	20,276.07
2017-18	5270095	24091.77
2018-19	6251640	30123.77
2019-20	6427116	30923
2020-21	4172061	26917
2021-22	744839	41310.66
2022-23	7517571	45328.75
2023-24	6621439	45088.23

(Sources: https://www.mudra.org.in/)

The data reflects a steady rise in both the number of accounts and sanctioned amounts from 2016-17 to 2023-24. Starting with just 51.54 lakh accounts and ₹20,276.07 crore in 2016-17, account numbers grew significantly, peaking at over 75 lakh in 2022-23 before slightly dropping in 2023-24. Sanctioned amounts also increased, reaching ₹45,088.23 crore in 2023-24. Despite a dip in 2020-21 due to possible pandemic effects, recovery was strong in subsequent years. A notable rise in sanctioned amounts from 2021-22 onward indicates higher average credit per account.

TABLE NO: 18 SHOWS TOTAL NUMBER OF LOAN ACCOUNT

YEAR	NO OF LOAN A/C
2015-16	3,48,80,924
2016-17	3,97,01,047
2017-18	4,81,30,593
2018-19	5,98,70,318

2019-20	6,22,47,606
2020-21	5,07,35,046
2021-22	5,37,95,526
2022-23	6,23,10,598
2023-24	6,67,77,013

(Sources: https://www.mudra.org.in/)

The data shows a steady increase in the number of loan accounts from 2015-16 to 2023-24, reflecting expanding credit access and financial inclusion. Starting at 3.49 crore accounts in 2015-16, the numbers rose to 6.67 crore by 2023-24. A consistent upward trend is observed until 2019-20, after which there's a noticeable dip in 2020-21, likely due to the COVID-19 pandemic's impact on lending activity. However, the recovery began in 2021-22 and continued strongly through 2023-24. The sharp growth in recent years indicates rising demand for credit, improved banking outreach, and increased participation in formal financial systems across the country.

TABLE NO: 19 SHOWS TOTAL NUMBER OF AVERAGE LOAN

YEAR	Average loan size
2015-16	39,405.28
2016-17	45,471.98
2017-18	52,739
2018-19	53,800
2019-20	54,218
2020-21	63,412.18
2021-22	63,036.91
2022-23	72,286.85
2023-24	79,721.80

(Sources: https://www.mudra.org.in/)

The data reflects a steady rise in the average loan size from ₹39,405.28 in 2015-16 to ₹79,721.80 in 2023-24, indicating a growing credit appetite and possibly a shift toward higher-value lending. The increase is gradual till 2019-20, followed by a sharper rise from 2020-21 onwards, indicating enhanced lending during and after the pandemic. This could be attributed to increased financial needs, inflation, or revised lending norms. The consistent year-on-year growth also implies improved borrower eligibility and confidence in credit institutions.

TABLE NO: 20 SHOWS TOTAL AMOUNT OF SANCTION

YEAR	Sanctioned Amount
2015-16	1,37,449.27
2016-17	1,80,528.54 3

2017-18	2,53,677.10
2018-19	3,21,722.79
2019-20	3,37,495
2020-21	3,21,722
2021-22	3,39,110.35
2022-23	4,50,423.66
2023-24	5,32,358.35

(Sources: https://www.mudra.org.in/)

The data shows a consistent rise in the sanctioned amount from ₹1,37,449.27 crore in 2015-16 to ₹5,32,358.35 crore in 2023-24, reflecting strong growth in credit disbursement over the years. Significant increases occurred in 2017-18 and again from 2021-22 onwards, indicating heightened demand and supply of credit, possibly due to economic recovery, expansion in government schemes, or business activity. A slight stagnation is seen in 2019-20 and 2020-21, likely due to the COVID-19 pandemic's impact. Post-pandemic, there is robust growth, highlighting improved confidence in the lending system.

FINDINGS:

The Pradhan Mantri Mudra Yojana (PMMY) has expanded significantly since its inception, with loan disbursements rising from ₹1.17 lakh crore in 2016–17 to ₹5.32 lakh crore in 2023–24. Public sector banks remained the largest contributors, but in recent years private banks, small finance banks, microfinance institutions (MFIs), and non-banking financial companies (NBFCs) have increased their share. This broader participation has improved credit access and promoted financial inclusion. Geographically, Tamil Nadu, Karnataka, and Maharashtra consistently led in sanctioned amounts, while Uttar Pradesh and Bihar recorded faster growth in the later years. All top states showed steady increases, with a sharp rise after 2020–21, indicating recovery from the pandemic and higher demand for credit. Regionally, the North grew steadily from 66.7 lakh accounts and ₹41,885 crore in 2016–17 to 138 lakh accounts and ₹1,27,636 crore in 2023–24, despite a pandemic-related dip in 2020–21. The South performed strongly, with accounts climbing from 1.14 crore to 1.83 crore and sanction amounts tripling during the same period. The West saw similar momentum, with accounts rising from 71.6 lakh to over 1.07 crore and sanction amounts more than doubling. The East recorded the strongest gains, with accounts growing from 1.28 crore to 2.27 crore and sanction amounts more than tripling, underlining the region's growing role in financial inclusion. The category-wise performance shows varied trends. Shishu loans (up to ₹50,000) saw large account growth but sanctioned amounts fell in recent years, pointing to smaller loan sizes. Kishor loans (₹50,000–₹5 lakh) expanded sharply, with accounts rising from 20.7 lakh in 2015–16 to over 23 crore in 2023–24, reflecting robust demand for mid-sized credit. Tarun loans (₹5–10 lakh) also grew, with accounts rising from 4.1 lakh to over 1.5 crore and sanction amounts keeping pace.

Social group-wise data highlights broad participation. General category borrowers formed the bulk, with accounts increasing from 172 lakh in 2016–17 to 35 crore in 2023–24. SC borrowers crossed 1 crore accounts by 2023–24, with stronger growth in sanction amounts after 2019–20. ST borrowers nearly doubled their accounts, while their sanction amounts rose fourfold, showing better outreach to tribal communities. OBC borrowers grew from 1.35 crore to 1.75 crore accounts, with sanction amounts almost tripling. Minority borrowers grew steadily, with accounts rising from 51 lakh in 2016–17 to about 66 lakh in 2023–24. Other beneficiary groups also saw strong gains. Accounts of new entrepreneurs rose from 124.7 lakh in 2015–16 to over 1.3 crore in 2023–24, recovering well after the pandemic years. Women's participation grew sharply, from 276 lakh accounts in 2015–16 to 4.24 crore in 2023–24, with sanction amounts crossing ₹2.2 lakh crore. PMMY has expanded its footprint across states, regions, and social groups. Total loan accounts nearly doubled from 3.49 crore in 2015–16 to 6.67 crore in 2023–24. The average loan size also increased from ₹39,405 to ₹79,722, reflecting a shift toward larger loans after 2020–21. Together, these trends underline PMMY's role in expanding formal credit access, supporting entrepreneurship, and strengthening financial inclusion across India.

SUGGESTIONS:

The data highlights impressive growth under PMMY but also points to gaps in outreach, loan adequacy, and regional balance that require targeted interventions. Several regions have witnessed sharp declines in both accounts and sanctioned amounts, showing weak participation. Focused financial literacy drives, simplified application procedures, and incentives for lenders can help revive growth and promote balanced regional inclusion. Public sector banks continue to dominate, yet private banks, MFIs, NBFCs, and small finance banks are expanding quickly. To sustain this momentum, policy incentives and risk-sharing mechanisms should be introduced, encouraging deeper participation and wider credit coverage. Women's participation has risen sharply, though sanctioned amounts have not kept pace. Dedicated credit lines, concessional rates, and mentorship programs can help ensure women entrepreneurs not only access loans but also secure adequate funding.

The Shishu category covers a large base of borrowers, but declining sanctioned amounts point to very small ticket sizes. Revising loan limits, providing timely top-ups, and linking loans with capacity-building can make this category more impactful. In contrast, Kishor and Tarun loans show robust demand for mid- and high-value credit. Raising loan caps, easing collateral requirements, and using digital credit assessment tools can further strengthen their reach. Among social groups, SC, ST, OBC, and minority borrowers are showing steady growth, but their average sanctioned amounts remain lower than those of general category borrowers. Earmarked funds, flexible repayment terms, and stricter monitoring could help reduce these disparities. At the state level, leaders like Tamil Nadu and Karnataka outpace states such as Gujarat and Odisha. Tailored state action plans, cluster-based financing, and closer partnerships with state governments could narrow this gap. The pandemic year (2020–21) revealed systemic vulnerabilities across categories and regions. Emergency credit windows, flexible repayment structures, and digital loan processing would help cushion shocks during crises. The sustainable credit access requires more than disbursements. Linking loans with skilling, mentorship, and market support, along with financial advisory, grievance redressal, and repayment tracking, will strengthen repayment capacity, reduce indebtedness, and build long-term trust in the scheme.

CONCLUSION:

The data across Tables 4.1 to 4.20 paints a comprehensive picture of the performance of the Pradhan Mantri Mudra Yojana (PMMY) over a span of nine years (2015–16 to 2023–24). The scheme has played a pivotal role in promoting financial inclusion, self-employment, and entrepreneurial activities, especially among women, SC/ST/OBC communities, and new entrepreneurs.One of the most notable outcomes is the consistent rise in the total sanctioned amount, which grew from ₹1.37 lakh crore in 2015–16 to over ₹5.32 lakh crore in 2023–24. The total number of loan accounts also nearly doubled, showcasing increased coverage and awareness. The South and North regions have performed exceptionally well, driven by robust state-level implementation in Tamil Nadu, Karnataka, and Uttar Pradesh. However, disparities remain, with the East and North-East regions witnessing sharp declines, indicating an urgent need for targeted interventions. The categorization of borrowers reveals a strong policy focus on empowering women, minorities, SC/STs, and first-time borrowers. Women entrepreneurs, in particular, received over ₹2.2 lakh crore in 2023–24, underlining a paradigm shift in gender-based financial empowerment. Similarly, rising average loan sizes indicate enhanced borrowing capacity and confidence in the scheme. while the pandemic caused temporary setbacks in 2020–21, a sharp recovery in subsequent years highlights the scheme's resilience and the banking sector's adaptability. Still, challenges remain—especially around equitable fund distribution, loan quality monitoring, and regional balance. PMMY has emerged as a vital instrument for inclusive growth and microenterprise development in India. To sustain its momentum, policy efforts must now shift towards enhancing credit quality, expanding outreach in underrepresented regions, and strengthening support mechanisms for long-term entrepreneurial success. This will ensure not just financial inclusion but also economic empowerment and sustainable livelihoods.

REFERENCES:

1. *Annual Report 2023-24*. Ministry of Finance, Department of Financial Services. Retrieved from https://financialservices.gov.in/

2. Chakraborty, P. (2019). Does PMMY Help Empower Women? A Case Study. *Indian Journal of Gender Studies*, 26(3), 411–429.
3. Das, S. (2020). Financial Inclusion through PMMY: An Analysis. *Indian Journal of Finance and Banking*, 4(3), 21-32.
4. Dasgupta, M. (2023). Assessing Credit Linkages through PMMY. *Indian Journal of Development Economics*, 6(2), 101–110.
5. Dutta, P. (2021). A Critical Analysis of MUDRA Yojana. *Journal of Business and Economic Policy*, 8(1), 45–54.
6. Economic Times. (2023). PM Mudra Yojana: Disbursals Cross ₹5 Lakh Crore in FY23. *The Economic Times*. Retrieved from https://economictimes.indiatimes.com/
7. *Financial Services Report*. India Brand Equity Foundation. Retrieved from https://www.ibef.org/
8. Gupta, R., & Mehta, A. (2020). Mudra Yojana: Challenges and Future Prospects. *International Journal of Economics and Management Research*, 9(1), 88–97.
9. IndiaStat. (2024). *Mudra Loan Sanctions – Statewise Statistics*.
10. KPMG. (2020). *Evaluating the Impact of the Pradhan Mantri Mudra Yojana*. KPMG India.
11. Kumar, A., & Singh, R. (2021). Impact of PMMY on Micro Enterprises in India. *International Journal of Management Studies*, 8(2), 56-65.
12. Ministry of Finance. (2023). *Budget Speech 2023–24*. Government of India. Retrieved from https://www.indiabudget.gov.in/
13. MSME Ministry. (2023). *Performance of MSMEs under PMMY*. Government of India. Retrieved from https://msme.gov.in/
14. Press Information Bureau. (2023). *PMMY – 8 Years of Impact*. Government of India. Retrieved from https://pib.gov.in/
15. *Progress Report on Pradhan Mantri Mudra Yojana*. Micro Units Development and Refinance Agency Ltd. Retrieved from https://www.mudra.org.in/
16. RBI. (2023). *Report on Trends and Progress of Banking in India*. Reserve Bank of India. Retrieved from https://www.rbi.org.in/
17. Sharma, V., & Patel, N. (2022). A Study of PMMY's Effectiveness in Rural Credit Expansion. *Journal of Rural Development and Administration*, 54(2), 78-87.
18. Singh, S., & Kapoor, H. (2022). Role of Mudra Loans in MSME Sector Development. *South Asian Journal of Business and Management Cases*, 11(2), 190–199.
19. *Status of Microfinance in India 2021–22*. Retrieved from https://www.nabard.org/
20. World Bank. (2021). *Financial Inclusion in South Asia*. Retrieved from https://www.worldbank.org/