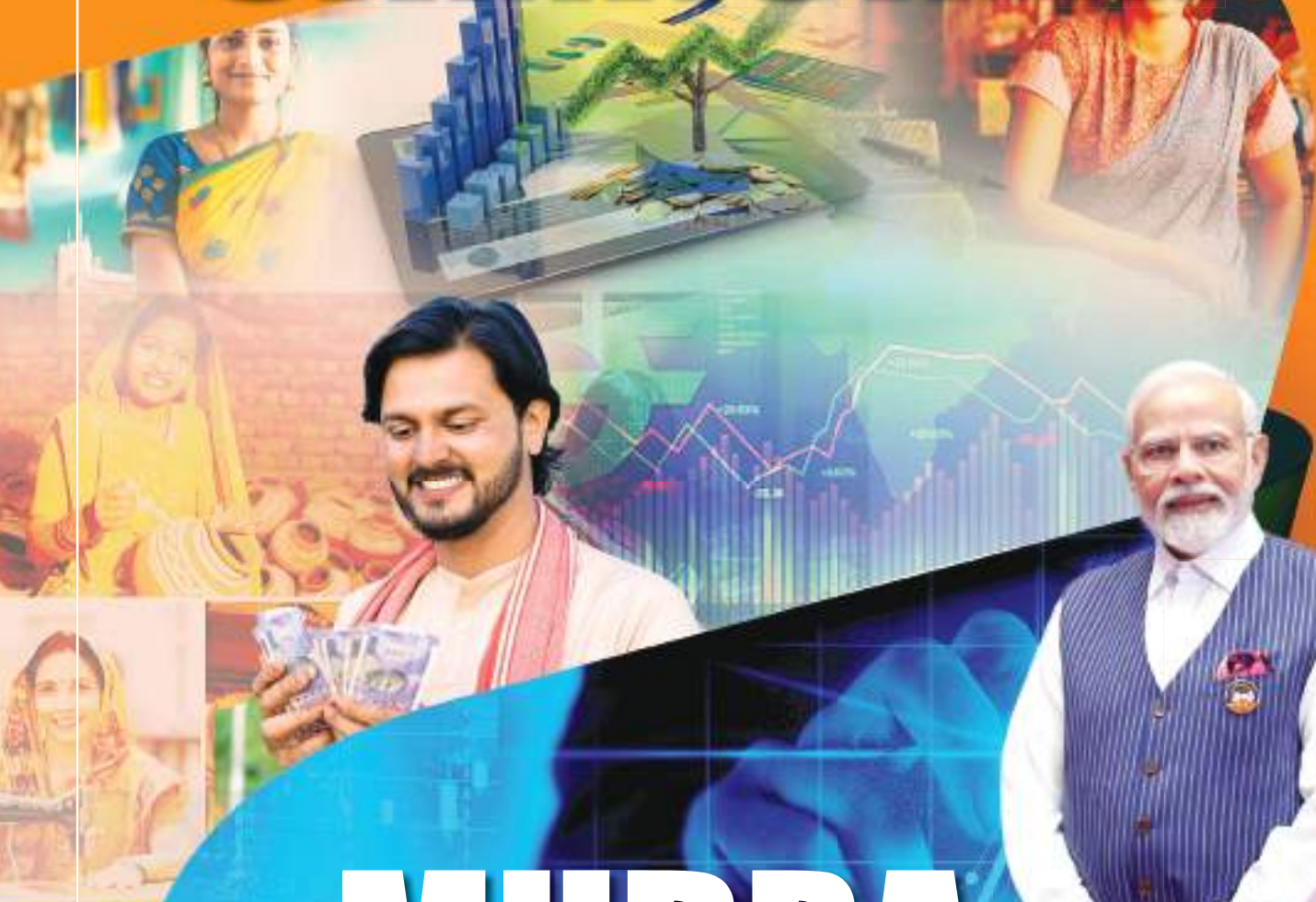
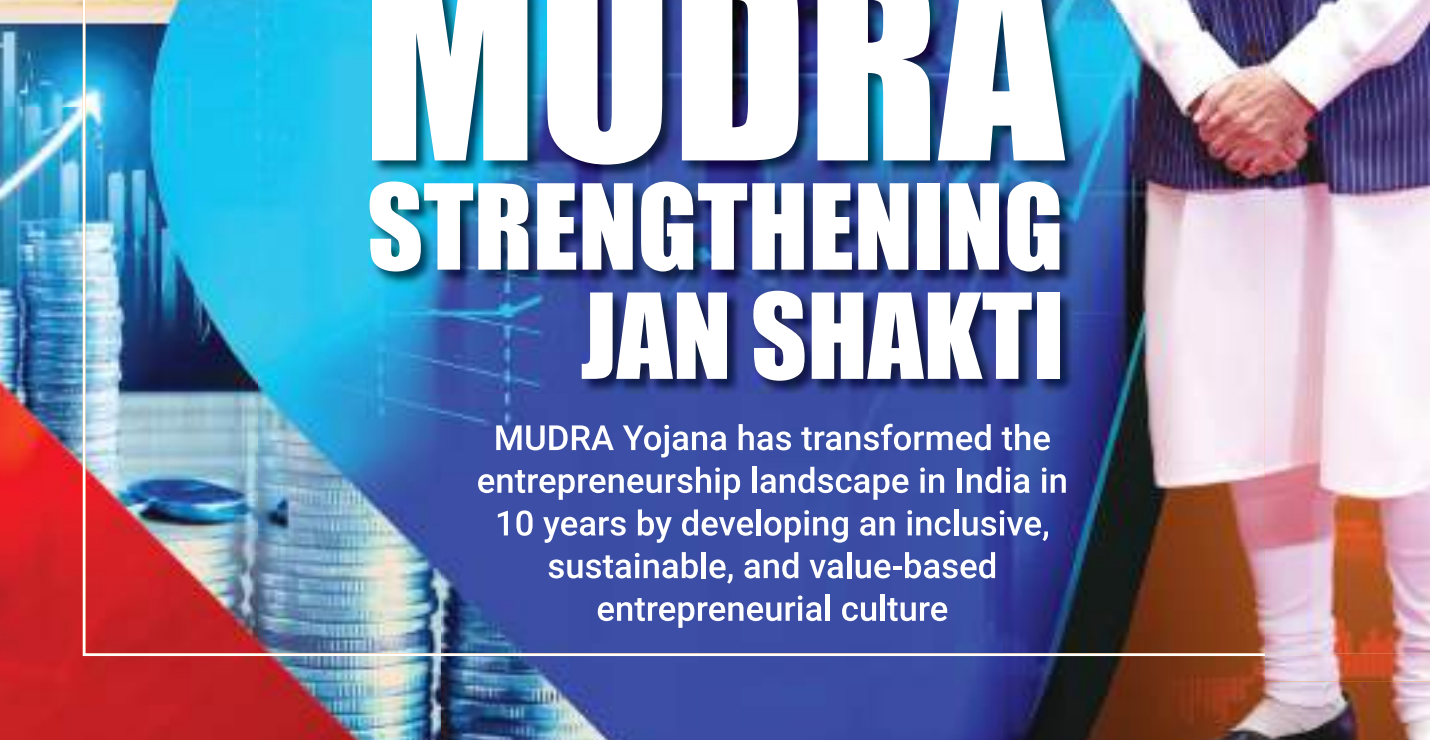


# NEW INDIA SAMACHAR



## MUDRA STRENGTHENING JAN SHAKTI

MUDRA Yojana has transformed the entrepreneurship landscape in India in 10 years by developing an inclusive, sustainable, and value-based entrepreneurial culture





## COVER STORY

A DECADE OF MUDRA YOJANA

# AMRIT DHARA OF ENTERPRISE EMANATING FROM 'MUDRA'

*Launched a decade ago, the Mudra Yojana has approved more than 52 crore loans and disbursed more than Rs. 33 lakh crore, providing an opportunity for the youth, women, underprivileged, and backward communities to become entrepreneurs. Mudra Yojana is a story of trust placed in the entrepreneurship potential of those who were earlier undermined. This transformative initiative by the central government has liberated people from the clutches of middlemen, empowering them with financial resources and strengthening them both economically and socially. This is now, laying a strong foundation to realise the dream of Viksit Bharat....*





## MUDRA YOJANA GAVE WINGS TO BINITA'S DREAMS

*Binita Debnath is one of those women who dreamt of moving forward, but without financial help, there was no means to fulfill the dream. With good*



*knowledge of silk production, Binita wanted to try her hand in this field. She came to know about the Pradhan Mantri Mudra Yojana from television. She approached the bank and got a hassle-free loan under PMMY. Binita*

*started her business with a loan of Rs 1.99 lakh from Mudra Yojana. When the business grew, she once again applied for a loan of Rs 4 lakh. After this, she re-established her work. Today, Binita has established herself as a successful entrepreneur with the production and business of Assam's identity Mekhela and Riha-Sador silk sarees.*

## FROM DAILY WAGE WORKER TO A FLOUR MILL OWNER

*Saraswathi, a resident of Tamil Nadu, was working as a daily wage worker in a flour mill. She had dreamt of setting up her own flour mill. But, due*



*to lack of funds, she was unable to establish her own business.*

*Saraswathi, who belongs to the OBC community, came to know about the Pradhan Mantri Mudra Yojana in 2022.*

*Saraswathi inquired about the cost of setting up her own flour mill, which required less than Rs 5 lakh. Saraswathi applied at the Red Hills branch of Indian Bank and got a loan of Rs 4.86 lakh. Now, she is no longer a job holder or a daily wage earner but a job provider. She has employed 4 persons at her Thirunavukkarasu flour mill.*

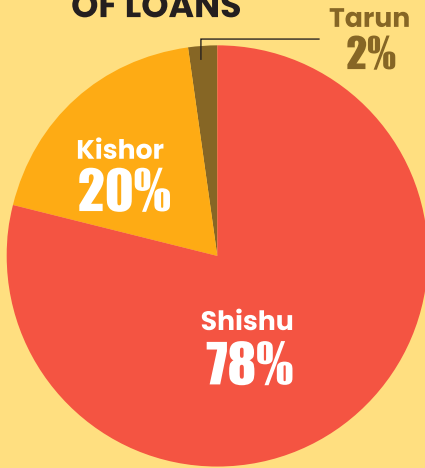


**T**here are millions of stories like these that have transformed the entire scenario of entrepreneurship in India, showcasing how Mudra has evolved into a nationwide movement aimed at the economic upliftment of poor workers. To support this vision, the central government has established a new economic framework that extends beyond its traditional governance, designed to fund generation of aspiring entrepreneurs including educated youth



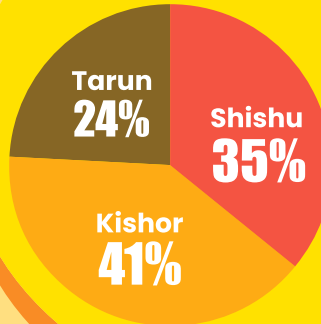
## BENEFICIARIES PARTICIPATION IN PM MUDRA YOJANA

### NUMBER OF LOANS



Tarun Plus has been launched recently.

### SANCTIONED AMOUNT



### SANCTIONED MUDRA LOAN AMOUNT

Shishu Category	11,68,019+
Kishor Category	13,39,994+
Tarun Category	8,08,541+
Tarun+ Category	2,818

\*Amount in Crore Rupees



The figures are till 28 February 2025.

and help them realize their dreams.

With a focus on inclusive development and reaching the most marginalized, the Central Government is dedicated to the principle of 'Antyodaya'—the rise of the last person. To achieve the overarching goal of 'Sarvajan Hitaay, Sarvajan Sukhay' (Welfare and happiness for all), the government has empowered individuals through Mudra, involving them as active partners in the nation's development. This year, on the 135th birth anniversary of Babasaheb Bhimrao Ambedkar, the architect of social justice and the Constitution, a significant milestone is being celebrated. The Pradhan Mantri Mudra Yojana, a major support for small businesses, will mark its 10th anniversary on April 8.

The emphasis on modernization to end social injustice was the result of Dr. Ambedkar's farsighted thinking. His vision for society was such that urbanization and industrialization could move hand in hand in a just manner. An industrial civilization naturally develops on the basis of efficiency and equal opportunities. Seeing the lack of opportunities in the government sector, all sections, including Dalits and backward classes, have started looking for possibilities in the business sector, which also

**Millions of common men and women of this country who run small businesses have remained almost outside the ambit of formal institutional finance, despite their huge contribution to the economy. MUDRA is our innovation to finance the underprivileged.**

**Narendra Modi, Prime Minister**

includes new ventures, and the central government has given them a new opportunity through the Mudra Yojana.

There has long been a belief that large industries are the primary sources of employment. However, the truth is that only about 1.25 crore jobs exist in these large industries. On the other hand, around 6

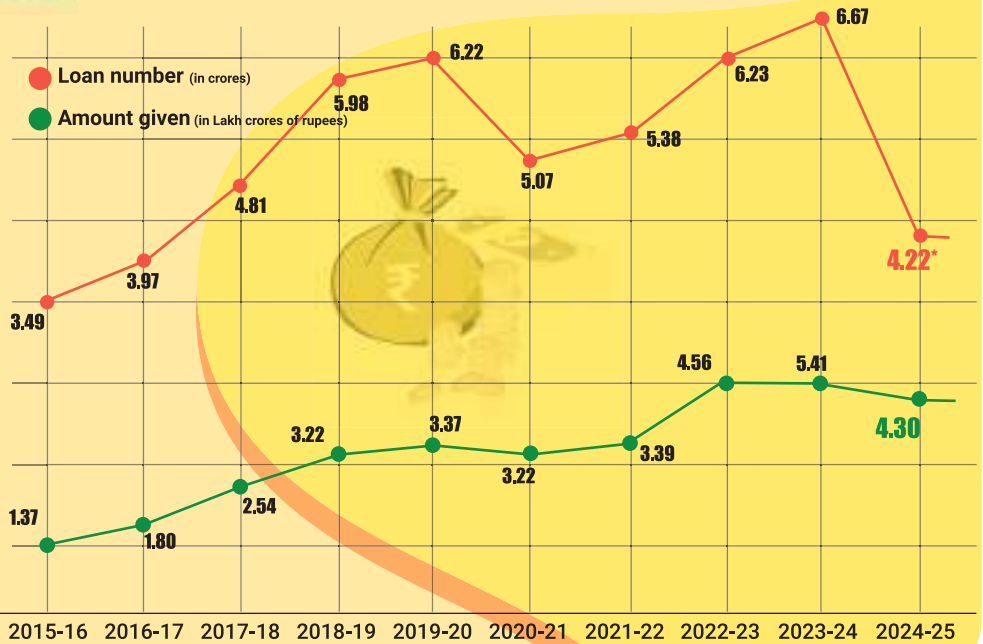


**मुद्रा**



**YEAR-WISE SANCTIONED AMOUNT UNDER PM MUDRA**

- **35.19**  
Crore women accounts
- **25.97**  
Crore SC, ST, OBC accounts
- **10.67**  
Crore new entrepreneur accounts



\*Note- The figures for the financial year 2024-25 are till 28 February.

crore people in India are engaged in small-scale businesses, providing employment to more than 12 crore people. With even a little support, these small business owners can make a significant impact. This idea gave rise to the Pradhan Mantri Mudra Yojana. Today, the central government is focused on empowering small entrepreneurs who can fortify the nation's economic foundation. Mudra serves as a platform that has enabled the functioning of small financial systems, supporting the growth of these small businesses.

Actually, the country's economy resembles a pyramid, where everyone strives to move forward. At the top, there was an abundance of resources for the elite, but those at the bottom faced a lack of societal support, banking services, information, and basic facilities. In this segment, there are over 5.5 crore small-scale units—such as small traders, vegetable vendors, repairmen, drivers, home-based businesses, and street vendors—who heavily relied on high-interest loans from moneylenders. These loans carried interest rates ranging from 24 to 36 per cent. While there were banks at the grassroots level, they did not have confidence in the ability of these small entrepreneurs and refused to give them loans. This raised the question of whether the poor would ever

**NUMBER OF TOTAL LOANS**  
**52.07**  
**CRORE**

**TOTAL AMOUNT**  
**₹ 33.19**  
**LAKH CRORE**

- **For the financial year 2022-23, women beneficiaries constituted 71% of the total number of accounts, involving 48% of the sanctioned loan amount under PM Mudra.**
- **Of these, 99% of the loans have been given to women in the Shishu and Kishor categories.**

escape their financial struggles. It became clear that the only way forward was to place trust in these individuals. This was a challenging task, but if not now, when? With this conviction, the government took a groundbreaking step by creating the Micro



## COVER STORY

### A DECADE OF MUDRA YOJANA

## MUDRA HELPED SINDHU TO SUPPORT HER FAMILY

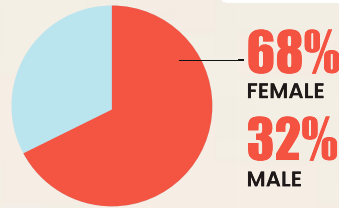
Sindhu, hailing from Nilambur, a small village in Kerala, wanted to do something on her own. She learned how to make mats using cotton and waste material from a relative. Eager to try her hand at



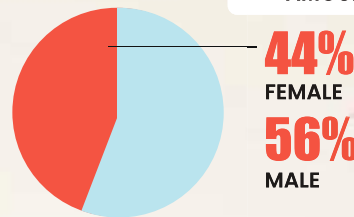
this business, Sindhu faced financial difficulties. Undeterred, she took a loan under the Mudra scheme with the help of a relative. Together, they set up a small unit and began producing 10-15 mats daily. By reaching out to larger companies, Sindhu successfully sold up to 400-500 mats each month. As demand grew, she expanded her operations by purchasing two more machines and hiring three women. Today, Sindhu is not only independent, but has also become the financial backbone of her family.

## PARTICIPATION OF WOMEN

### NUMBER OF LOANS



### AMOUNT



Units Development and Refinance Agency, or MUDRA, to transform the structure of microfinance in India. This initiative became the key to empowering millions of people.

India, a young country full of energy and ambition, needs to harness its innovative spirit for national development. By tapping into the entrepreneurial potential of its citizens, the country can address the existing gaps in its economic ecosystem. Recognizing the need to harness the entrepreneurial potential in India, the Central Government launched the MUDRA scheme, which has given a sense of self-esteem and independence along with the dreams and aspirations of millions of people.

## SUPPORTING NEW ENTREPRENEURS WITH CAPITAL

There was a time when people had unpleasant experiences with taking loans from moneylenders. They had to pay 24% to 30% interest. Since bank loans were typically only available to people with strong connections or a good reputation, this left many, particularly from disadvantaged backgrounds, excluded from the financial system. As a result, many individuals found themselves trapped in the cycle of debt from moneylenders.

However, the introduction of the Pradhan Mantri

- Society progresses when women and youth of the society are empowered. Crores of women have been given the facility to do business by giving them Mudra loans.
- Under Mudra Yojana and Standup India, the government has provided support to over 68% and 82% women entrepreneurs, respectively.

Mudra Yojana has brought a significant change. This scheme is designed to provide financial assistance to small business owners and entrepreneurs who previously struggled to secure funding. It offers loans of up to Rs 20 lakh to those who need them, particularly benefiting individuals from underprivileged communities, without any bias. The scheme aims to empower these entrepreneurs and help them grow their businesses. The Pradhan



Mantri Mudra Yojana has instilled a new confidence in people, signaling that if they are working to contribute to the nation's growth, the government is ready to support them. This initiative has played a key role in strengthening the nation's economy by supporting small businesses, which generate significant employment, second only to agriculture. Under this scheme, a wide range of entrepreneurs, including shopkeepers, vegetable vendors, truck drivers, small industry owners, and artisans, can now access much-needed financial resources. This has been instrumental in boosting economic and social inclusion for many.

### **FINANCIAL ASSISTANCE TO SMALL BUSINESSMEN**

The Mudra Yojana was launched in 2015 with the aim of promoting small businesses and entrepreneurs across the country. Its primary objective is to provide loans of up to Rs 10 lakh to individuals who are starting their own businesses and to regulate microfinance institutions. Initially, the loans were offered in three categories: Shishu, Kishor, and Tarun. Now in view of its success, the central government has added another category in the first general budget of its third term i.e. the general budget presented in July 2024. In this new category Tarun Plus, applicants who have taken a loan under

### **SHAILESH IS CONTRIBUTING TO THE CLEANLINESS**

*Shailesh Bhosale, who lives in Airoli, Mumbai, is not only fulfilling his dream through the Mudra scheme but is also contributing to the Swachh Bharat Abhiyan with his new thinking. When Shailesh heard about the Swachh Bharat Abhiyan started by Prime Minister Narendra Modi, he also felt like joining this great campaign. There was a big problem of sewage where Shailesh lived. Instead of joining it as a volunteer, Shailesh thought of a new idea. He approached the bank with a proposal. The bank appreciated his efforts and issued him a loan of Rs 8.57 lakh under the Mudra scheme. Shailesh bought a tanker, a suction pump, and other equipment with this amount. Today, through this unit, Shailesh is not only contributing to cleanliness, but he is also earning a good income by connecting the thought of serving the country with his livelihood.*

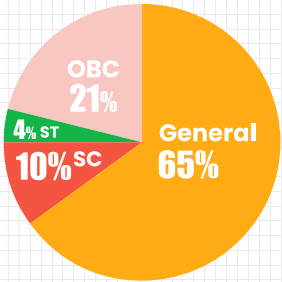
the Tarun category and repaid it, this amount has been increased from Rs 10 lakh to Rs 20 lakh as the maximum limit.

Under the Mudra Yojana, any Indian citizen who is

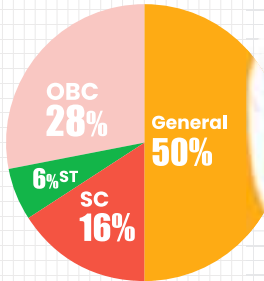


**COMMUNITY: CATEGORY WISE BENEFIT**

LOAN AMOUNT



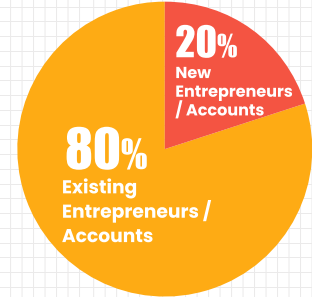
NUMBER OF LOANS



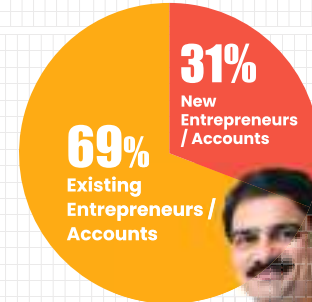
Data till 28.02.2025

**BIG SUPPORT FOR NEW ENTREPRENEURS**

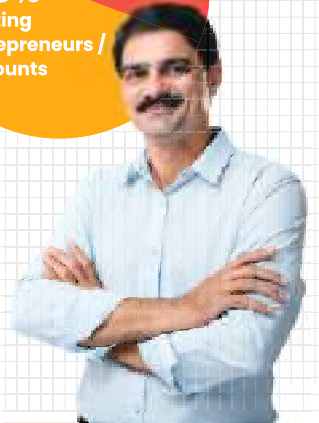
NEW ENTREPRENEURS / NUMBER OF LOANS SHARE



NEW ENTREPRENEURS / LOAN AMOUNT SHARE



Data till 28.02.2025



If the youth had a scheme like Mudra decades ago, the problem of migration toward cities would not have been so severe. By getting a loan at a low interest rate without bank guarantee, the youth would have created employment on their own in their village or city. Today, even the poorest of the poor are getting Mudra loans without any guarantee. A common man can also become an entrepreneur with the help of a Mudra loan.

**- Narendra Modi, Prime Minister**

- Any person who is eligible for a loan and has a business plan for a small business enterprise can avail of a loan under PM Mudra Yojana.
- Income generating activities in manufacturing, trading, and service sector including activities allied to agriculture like poultry, dairy, beekeeping, shopkeepers, fruit and vegetable vendors, truck or other vehicle drivers, small-scale industries, artisans, and others can also apply.

**STRONG SUPPORT FROM MUDRA**

Ruby Devi of Patna, the capital of Bihar, is also among those millions whose family's dreams have been fulfilled by Mudra Yojana.



Ruby's husband, a painter, had irregular work, making it hard for the family to make ends meet. In such circumstances, Ruby came across the Mudra Yojana and decided to take a

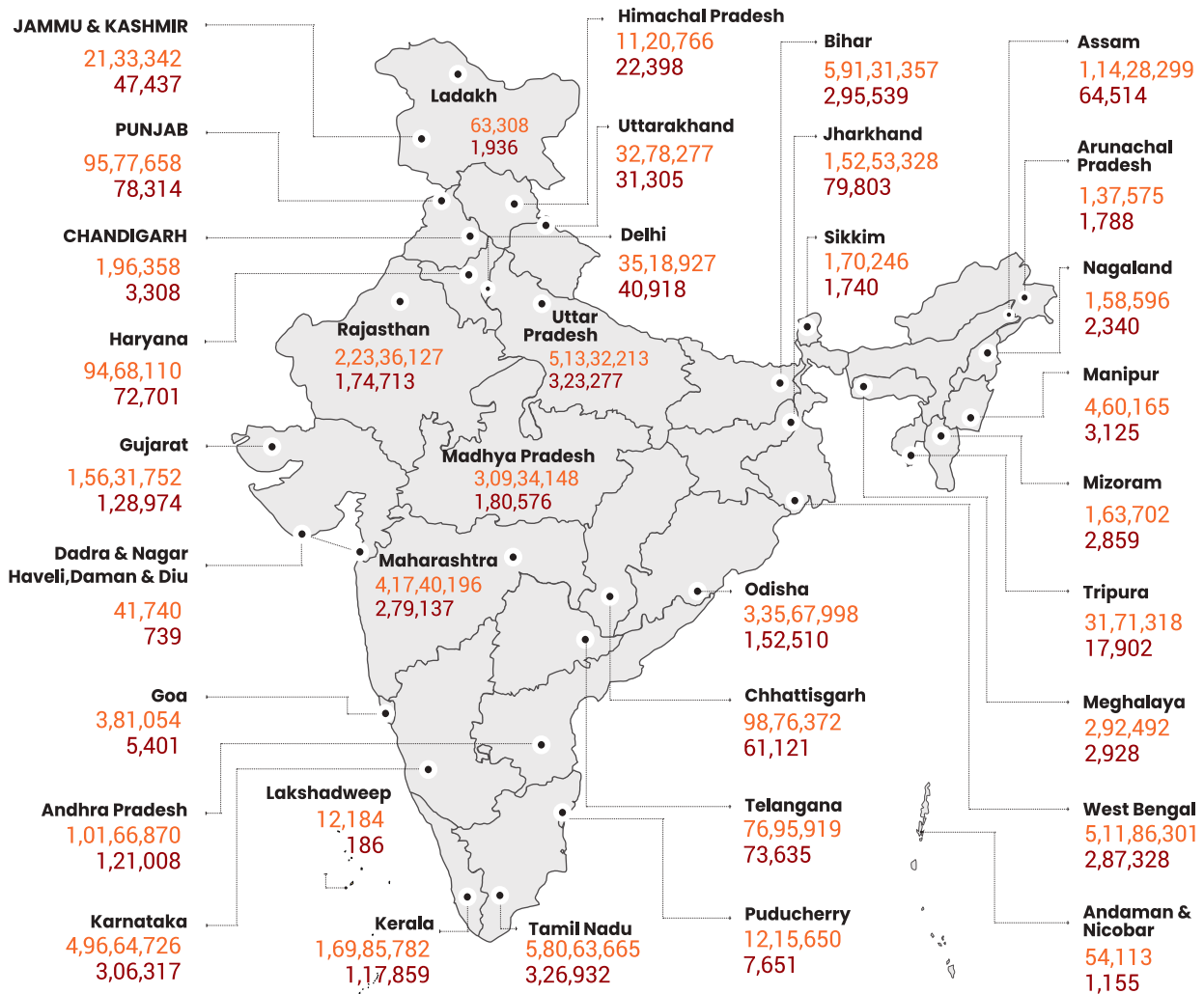
loan in her name. With the funds, her father-in-law purchased large utensils and hired a few people. He began offering catering services for weddings and other events. Over time, the family's income grew steadily. Ruby's children are now studying in good schools.





**NUMBER & AMOUNT OF MUDRA LOANS (FROM APRIL 8, 2015 TO FEBRUARY 28, 2025)**

● NUMBER OF LOANS ● AMOUNT IN CRORES



**TOTAL LOAN NUMBER 52.07 CRORE**

**TOTAL AMOUNT ₹ 33.19 LAKH CRORE**

looking to start a new business and needs financial assistance of up to Rs 10 lakh, can apply for a loan through any bank or NBFC offering Mudra loans. The loan application can be submitted directly through the institutions listed on the official Mudra website, or one can apply online via the Mudra portal.

The basis of the Mudra scheme is a trust in the countrymen because the country has full faith in them. The initiative has been further supported by the country's network of Banks, Non-Banking financial

- Many banks and financial institutions have introduced online platforms and mobile apps for loan applications, reducing the need for paperwork and in-person branch visits.



## LET'S UNDERSTAND THE APPLICATION PROCESS OF MUDRA LOAN

To apply for a Mudra Loan online, first, you have to go to the website <https://www.mudra.org.in/>. Download the form from there. Fill out the form by mentioning the category in which you want to take the loan and submit it to the bank along with the relevant necessary documents.

### Documents to be ready before application

- Identity proof
- Address proof
- Passport-size photo
- Signature of the applicant
- Business proof, where ever applicable

### THIS IS THE STEP-BY-STEP PROCESS OF REGISTRATION

#### STEP 1

Go to the official website **mudra.org.in** for Jan Samarth Portal or go to the nearest branch of any bank.

#### STEP 2

Click on Mudra Loan "Apply Now".

#### STEP 3

Select one of the following: New Entrepreneur / Existing Entrepreneur / Self-Employed Professional.

#### STEP 4

Then, fill in the applicant's name, email, and mobile number and generate an OTP.

### AFTER REGISTRATION

- **Step 1:** Fill in personal details and business details.
- **Step 2:** Select the support agencies if any assistance is required in preparing the project proposal, etc; otherwise, click on "Loan Application Centre".
- **Step 3:** Select the category of loan required - Mudra Shishu/Mudra Kishor/Mudra Tarun/Tarun Plus.
- **Step 4:** Enter the name of the business, business activity, etc. and select the type of industry such as manufacturing, service, trading or agriculture allied to activities.
- **Step 5:** Enter other details like owner details, existing banking and loan facilities, proposed loan facilities, future projections, and preferred lender.
- **Step 6:** Attach all the required documents such as identity proof, address proof, applicant's photo, applicant's signature, identity proof/address of the business enterprise, etc.
- **Step 7:** After the application is submitted, an application number is generated, which has to be kept for future reference.

### GOVERNMENT STEPS TOWARDS MAKING APPLICATION EASIER

The government has taken several steps for the effective implementation of PM Mudra Yojana. These include publicity campaigns, easy application format, loan guarantee scheme, nomination of Mudra nodal officer. Introduction of Jan Samarth Portal facilitates quick and effective loan disbursement with approval based on digital evaluation of the applicant's data.

#### Eligible applicants for PM Mudra Loan

- **Individuals, proprietorship concerns, partnership firms, private limited companies, etc. are eligible to apply for PM Mudra Loan. The applicant should not be a defaulter of any bank or financial institution. His credit track record should be satisfactory.**

Companies (NBFCs) & Micro Finance Institutions (MFIs) . These entities have come together to create a large-scale movement to combat poverty and empower entrepreneurs across the nation.

Under the new scheme these institutions were required to go to the small traders and identify them. These intermediaries were given money at low interest rates through Mudra Ltd. so that they too can give loans to people at low interest rates. For



## NOW LOAN UP TO RS 20 LAKH IN THE NEW FOURTH CATEGORY

The government is removing the capital barrier for becoming a job creator instead of a job seeker. Under the Mudra scheme, 3 categories, Shishu, Kishor, and Tarun, were started with the respective loan limit earlier. The maximum loan limit in the Tarun category was up to Rs 10 lakh. From the financial year 2024-25, a new category Tarun Plus has been created in the scheme, in which a loan upto Rs 20 lakh will be given to those entrepreneurs who have already taken a loan of Rs 10 lakh in the Tarun category and have successfully repaid it. This loan category will also be covered under the Credit Guarantee Fund for Micro Units, making it easier for small businesses to access financing. Now, Mudra loans are given in four categories.



**Shishu Loan:**  
**Up to Rs 50,000**



**Kishor Loan:**  
**Above Rs 50,000 to Rs 5 lakh**



**Tarun: Above Rs 5 lakh upto Rs 10 lakh**



**Tarun Plus:**  
**Above Rs 10 lakh up to Rs 20 lakh**

- No guarantee is required for a Mudra Loan. All credit related matters have been deregulated by RBI and are governed by the bank's own lending policies, subject to extant guidelines of RBI. The interest rate charged for PMMY loans is based on cost of funds, risk assessment, tenure of loans, etc.
- Shishu loan is given priority to promote entrepreneurship among aspiring youth.

### MANY BENEFITS

- A person taking a loan with a Mudra Rupay Debit Card can withdraw the loan amount as per convenience without any hassle.
- Through this card, the person taking the loan gets an overdraft facility, which eases working capital.
- Mudra card can be used to withdraw cash from an ATM or Business Correspondent or to make purchases using a point of sale machine.
- If the loan holder has an extra amount available, he/she can also repay through this. By doing this, the interest cost of the entrepreneur is reduced.



### EMPLOYMENT GENERATED IN THREE YEARS THROUGH MUDRA LOAN

The Ministry of Labor and Employment conducted a national level survey to find out the employment generation under PMMY. According to the survey result, this scheme has helped in generating 1.12 crore additional jobs in three years from 2015 to 2018.



this, three categories (now four) were decided. Along with this, a Mudra card was arranged to meet the need for some more money in between apart from the loan so that one does not have to go back to the moneylenders. This card can be used in an emergency. Mudra Card is a novel loan initiative in which the borrower can avail the loan as per his convenience without any hassle. It provides an overdraft facility to the borrower. Since the Mudra Card is a RuPay debit card, it can be used to



**ANSWERS TO ALL YOUR QUESTIONS****■ Is Khadi activity eligible for a loan under Pradhan Mantri Mudra Yojana?**

- Yes. Mudra loans are available for any activity that generates income. Khadi is one of the eligible activities under the textile sector. If a Mudra loan is taken for income generation, it can be covered.

**■ Are Mudra loans available for the purchase of CNG tempo/taxi?**

- If the applicant wants to use the vehicle for commercial purposes, then a Mudra loan will be available for the purchase of a CNG tempo/taxi.

**■ I have a savings account in a bank. Will loans under Mudra be available?**

- Yes. The applicant can approach the branch. Apply for a loan in the member lending institutions. The terms and conditions of the loan will be as per the policies of the lending institution based on the broad guidelines of RBI. The loan amount will be decided as per the requirement of the proposed income-generating activity.

The repayment terms will be decided by the anticipated cash flow from the activity.

**■ Under PMMY-Shishu Loan, how much time does it take to process a loan proposal?**

- As per the Banking Codes and Standards Board of India (BCSBI) set up by RBI, loan applications for credit limits up to Rs 5 lakh should be disposed of within 2 weeks.

**■ Is it mandatory to submit Income Tax returns for the last 2 years for availing a loan of Rs 10 lakh under PM Mudra Yojana?**

- Generally, Income Tax returns are not insisted upon for small-value loans. However, the concerned lending institution will advise on the required documents based on its internal guidelines and policies.

**■ Is there any agent to facilitate PM Mudra Loan?**

- No agent or middleman is appointed by Mudra to avail a Mudra Loan. Borrowers are advised to stay away from persons posing as agents/facilitators of Mudra/PMMY.

withdraw cash from an ATM or business correspondent or make purchases using a point of sale (POS) machine. It also has the facility to repay the amount whenever surplus cash is available, thereby reducing the interest cost.

**JOB CREATORS, NOT JOB SEEKERS**

Mudra Yojana is very close to the heart of Prime Minister Narendra Modi because the Karmayogis, enterprising youth, and women power emerging from this scheme are today contributing significantly

to the prosperity of the country and the well-being of the society. This scheme has helped the youth to become job creators instead of job seekers. PM Modi says, "I had the opportunity to spend some time with the beneficiaries of Mudra Yojana at my residence. Their experiences, their struggles, and their stories of progress give satisfaction and also fill the mind with pride."

The government's faith in the poor, faith in the dreams of the poor, and faith in the hard work of the poor is the basis of this scheme today. Looking at

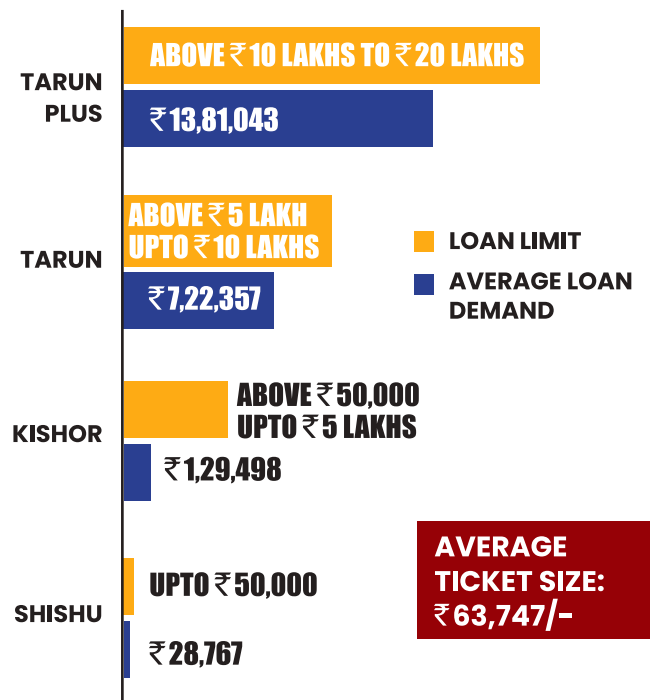
the success of the Mudra Yojana, the Prime Minister emphasizes that if the youth had got a scheme like Mudra decades ago, then the problem of migration to cities would not have been so severe. If the youth had got a loan without a bank guarantee, if they got a loan at low interest rates, they would have generated employment on their own while living in their village or city. Today, even the poorest of the poor are getting Mudra loans without any guarantee. Even a common man, can become an entrepreneur with the help of Mudra loans. There is no dearth of talent in the country. Everyone, no matter which field he is in or which class he belongs to, has some special talent. There is a need to recognize talent and encourage it. Mudra Yojana is strengthening this talent of people, especially the youth. When talent is encouraged, it blossoms further and brings about a change in life.

Under the PM Mudra Yojana, more than 20 per cent of the loans have been given to people who started their own business for the first time or sought a Mudra loan for the first time. These are the people once unemployed are now generating employment. Not only this, about 68 per cent of the loans are of women. When a woman moves forward, becomes the center of economic activity, the confidence of the entire family increases, the thinking itself changes, and the society becomes empowered. Mudra Yojana has increased the economic power of women and their participation in social decisions. Similarly, more than 50 percent loans under the Mudra Yojana have been given to people from backward societies. Mudra Yojana has become a stellar example of financial inclusion. Through Mudra, the dream of providing a strong platform to SC-ST youth to start a business is becoming a reality. The implementation of this scheme has improved the lifestyle of families across the country; they are able to provide quality education to their children and also provide many employment opportunities to others. This is the biggest financial inclusion ever for the socially backward class.

For decades, India has witnessed numerous slogans focused on fighting poverty and advocating for the upliftment of the poor. However, the Mudra Yojana stands out as a scheme that is truly working to empower marginalized communities by providing them with both economic and social support, without any bias. Launched a decade ago by Prime



### AVERAGE LOAN DEMAND





**When skill gets encouragement, it blossoms further, and life changes. Suppose someone has the skill of embroidering. He started the embroidery business by taking a Mudra loan. Someone got help in starting his handloom. In a way, Mudra Yojana has worked to enhance the skill of the common man of the country and empower the people.**

**- Narendra Modi, Prime Minister**

amount has now been increased to Rs 20 lakh.

As of February 2025, more than 52 crore loans have been approved under this scheme. Mudra Yojana has facilitated hassle-free access to collateral-free loans for microenterprises across the country. Thanks to the government's focus on promoting this initiative, millions of MSMEs (Micro, Small, and Medium Enterprises) have been brought into the formal economy, allowing them to escape the high-interest loans often imposed by moneylenders. The easy availability of credit for emerging entrepreneurs has fostered innovation and led to consistent growth in per capita income.

Certainly, the Pradhan Mantri Mudra Yojana has fundamentally changed the landscape of entrepreneurship in India, leading to significant progress in financial and social inclusion. The scheme has enabled countless new entrepreneurs to realize their business dreams. Over the years, the scheme has also empowered women and minority communities, creating opportunities for economic upliftment and fostering an environment for more inclusive growth. As the loan limit increases to Rs 20 lakh, the Mudra Yojana continues to play a vital role in nurturing small businesses and moving the country towards a more equitable and prosperous future.

Minister Narendra Modi, the Pradhan Mantri Mudra Yojana was designed to offer easy access to collateral-free microloans of up to Rs 10 lakh for small, non-corporate, non-agricultural entrepreneurs involved in income-generating activities. This loan