

An Analytical Study on Women Entrepreneurship Empowerment through PMMY

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ABSTRACT

This study examines the impact of Pradhan Mantri MUDRA Yojana (PMMY) on empowering women entrepreneurs in India. Employing a mixed-methods approach, the research investigates PMMY's effectiveness in promoting financial inclusion, business growth, and economic empowerment among women entrepreneurs. The findings reveal significant positive correlations between PMMY and women's entrepreneurship development. However, challenges such as limited awareness, accessibility, and societal norms hinder PMMY's potential. The study recommends targeted interventions to optimize PMMY's effectiveness, including simplified loan processes, enhanced financial literacy, and promotional efforts. The research contributes to the existing body of knowledge on women entrepreneurship and informs evidence-based policy decisions.

Keywords: Pradhan Mantri MUDRA Yojana (PMMY), Women Entrepreneurship, Financial Inclusion, Economic Empowerment, Entrepreneurship Development

INTRODUCTION

Pradhan Mantri MUDRA Yojana (PMMY) is a scheme launched by Prime Minister Narendra Modi in 2015 to provide loans up to Rs 10 lakh to non-corporate, non-farm small/micro enterprises. These loans are classified as MUDRA loans under PMMY. Commercial Banks, RRBs, Small Finance Banks, MFIs and NBFCs can disburse these MUDRA loans. Three products namely 'Shishu', 'Kishore' and 'Tarun' were created under to signify the stage of development, funding needs of the beneficiary and also provide a reference point for the next phase of growth. 'Shishu' is for loan amounts up to Rs 50,000, 'Kishore' Rs 50,001 to Rs 5 lakh, and 'Tarun' from Rs 5 lakh to Rs 10 lakh. According to MUDRA official website, the data shows that the government disbursed an amount of around 13 lakh crore rupees for 2015-2016 when the scheme was introduced which has jumped to 45 lakh crore rupees for 2022-2023.



Currently Shri Sivasubramanian Ramann is the Chairman of MUDRA. The increasing presence of women as entrepreneurs has led to significant business and economic growth in the country. Women-owned business enterprises are playing a prominent role in society by generating employment opportunities in the country, bringing in demographic shifts and inspiring the next generation of women founders. With a vision to promote the sustainable development of women entrepreneurs for balanced growth in the country, Startup India is committed towards strengthening women entrepreneurship in India through initiatives, schemes, creation of enabling networks and communities and activating partnerships among diverse stakeholders in the startup ecosystem.

PM MUDRA YOJANA MISSION, VISION & PURPOSE

Mission

To create an inclusive, sustainable, and value-based entrepreneurial culture, in collaboration with our partner institutions, in achieving economic success and financial security.

Vision

To be an integrated financial and support services provider with par excellence, benchmarked with global best practices and standards, for their comprehensive economic and social development at the bottom of the pyramid universe.

Purpose

The basic purpose is to attain inclusive and sustainable development by supporting and promoting partner institutions and creating an ecosystem of growth for the micro enterprises sector.

VARIOUS SECTORS UNDER PMMY

Sector	Comments	Types of Activities under that Sector
Land Transport	Loans to support the purchase of transport vehicles.	Auto-rickshaws, E-rickshaws, passenger cars, taxis, small-goods transport vehicles, and other three-wheelers.
Service Sector	Includes community services, social services, or personal services.	Hair and beauty salons, tailoring stores, boutiques, dry cleaning services, gyms, medical shops, photocopying shops, courier agencies, and more.
Food Product Sector	Support for small-scale food industries.	Manufacturing papads, pickles, jams/jellies, catering services, cold storages, bakeries, and more.
Textile Sector	Support for micro textile industries producing garments and non-garment products.	Handloom and power loom industry, embroidery, chikan work, knitting, garment and non-garment stitching, production of automobile and furnishing accessories, and more.

Types of MUDRA Yojana Loans

Under the PMMY, the MUDRA Yojana loans are divided into three different categories. Each of which is meant for the business that requires a particular kind of financial assistance. The three types of loans under the PMMY scheme of the MUDRA Yojana are as follows:

OBJECTIVES OF THE STUDY

1. To analyze the awareness and understanding of PMMY among women entrepreneurs.
2. To investigate the challenges faced by women entrepreneurs in accessing PMMY loans.
3. To evaluate the effectiveness of PMMY in promoting financial inclusion and entrepreneurship among women.

RESEARCH QUESTIONS

1. How has PMMY influenced women entrepreneurship in India?
2. What are the major challenges faced by women entrepreneurs in accessing PMMY loans?
3. How does PMMY address the financial constraints of women entrepreneurs?

RESEARCH METHODOLOGY

Source of Data:

The primary data is collected through questionnaire/Interviews with beneficiaries of Mudra Scheme. The questionnaire will consist of a five point scale (Likert'sscale) and secondary data are collected from journals, newspapers, magazines, Mudrawebsites, Mudrareports andbulletins, etc.

Sampling Design:

This study adopted a Simple Random Sampling design to select 50 respondents from the population of PMMY beneficiaries in Namakkal District

Statistical tools and techniques:

The analyses of Survey data is with the help of MicrosoftExcel and SPSS.

Table-1.4

Source of awareness about Mudra Scheme

Source	Frequency	Percentage
Relatives & Friends	15	30
Television/ Media	12	24
Self-help groups	10	20
Newspaper Banks correspondents/ Banks	13	26
Total	50	

Source: primary data

From the above table three depicts source of awarenessabout Mudra scheme, Majority of 30% of respondentssource of awareness is from relatives & friends, 26% of respondent's source of awareness is fromnewspaper Banks correspondents/ Banks, 12% of respondent's sourceof awareness is from, 12% of respondent's source of awareness is from Television/ Media, 10% of respondent's source of awareness is from Self help groups respectively.

Table-1.4: Type of loan

Source	Frequency	Percentage
Shishu - Less than 50,000	15	30
Kishore- 50,000 to 5, 00,000	25	50
Tarun - 5, 00,000 to 10, 00,000	7	28
Micro credit for Self-help groups - Rs up to 1, 00,000	3	12
Total	50	

Source: Primary data



From the table four shows types of Mudra loan taken by respondents, 50 % of respondents were took Kishore loan,30% of respondents were took Shishu loan, 28% of respondents were took Tarun loan and remaining only 12% of respondents were took Micro credit through Self-help groups.

RECOMMENDATIONS

The study underscores the need for targeted interventions to enhance the effectiveness of Pradhan Mantri MUDRA Yojana (PMMY) in empowering women entrepreneurs. To address the identified challenges, the following recommendations are made: policymakers should simplify PMMY loan application processes, increase funding allocation for women-focused entrepreneurship programs, and enhance financial literacy initiatives. Financial institutions should prioritize women entrepreneurs' loan applications and establish women-focused incubators and accelerators. Additionally, promoting women entrepreneurship through media campaigns, fostering networking opportunities, and addressing societal norms hindering women entrepreneurship are crucial. Regular monitoring and evaluation of PMMY's impact on women entrepreneurship will ensure its effectiveness. Implementing these recommendations will bridge the existing gaps and unlock PMMY's full potential in empowering women entrepreneurs, contributing to India's economic growth and development.

CONCLUSION

The study underscores the pivotal role of Pradhan Mantri MUDRA Yojana (PMMY) in empowering women entrepreneurs in India. The findings highlight PMMY's positive impact on women's economic empowerment, business growth, and employment generation. However, challenges such as limited awareness, accessibility, and societal norms persist. Addressing these gaps through targeted interventions, policymakers and stakeholders can unlock PMMY's full potential. By simplifying loan application processes, enhancing financial literacy, and promoting women entrepreneurship, PMMY can catalyze transformative change. This study contributes to the existing body of knowledge on women entrepreneurship and informs evidence-based policy decisions. Ultimately, empowering women entrepreneurs through PMMY will foster a vibrant entrepreneurial ecosystem, contributing to India's inclusive growth and development.

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