



## Pradhan Mantri Mudra Yojana

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### Why in News

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More than 28.68 crore loans for an amount of **Rs. 14.96 lakh crore** have been sanctioned by banks, NBFCs and MFIs since the launch of **Pradhan Mantri Mudra Yojana (PMMY)**.

### Key Points

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- **About Pradhan Mantri Mudra Yojana (PMMY):**

- **Launch and Aim:**

- It was **launched by the government in 2015** for providing **loans up to Rs. 10 lakh** to the **non-corporate, non-farm small/micro-enterprises**.

- **Funding Provision:**

- **MUDRA**, which stands for **Micro Units Development & Refinance Agency Ltd.**, is a financial institution set up by the Government.
  - It **provides funding** to the non-corporate small business sector **through various last-mile financial institutions** like Banks, **Non-Banking Financial Companies (NBFCs)** and **Micro Finance Institutions (MFIs)**.
  - **MUDRA does not lend directly to micro-entrepreneurs/individuals.**

- **Three Products:**

- MUDRA has created three products i.e. **'Shishu'**, **'Kishore'** and **'Tarun'** as per the stage of growth and funding needs of the beneficiary micro unit.

- **Shishu:** Covering loans up to Rs. 50,000.
    - **Kishore:** Covering loans above Rs. 50,000 and up to Rs. 5 lakh.
    - **Tarun:** Covering loans above Rs. 5 lakh and up to Rs. 10 lakh.

- Loans under this scheme are **collateral-free loans**.

- **Achievements:**

- **Loans** have been given to **disadvantaged sections of society such as women entrepreneurs, SC/ST/OBC borrowers, Minority community borrowers, etc.** The focus has also been on **new entrepreneurs.**
- As per a survey conducted by Ministry of Labour and Employment, PMMY helped in **generation of 1.12 crore net additional employment from 2015 to 2018.**  
Out of the **1.12 crore** of estimated increase in employment, **women accounted for 69 lakh (62%).**

**Source: PIB**