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**IMPACT OF PRADHAN MANTRI MUDRA YOJANA (PMMY) ON BUSINESS
DEVELOPMENT AND QUALITY OF LIFE THROUGH BENEFICIARY'S PERCEPTION
AT RURAL AREA NEAR PUNE**

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Abstract

The research work is about the analysis of the existing status and impact of Pradhan Mantri MUDRA Yojana and its contribution in employment generation over the rural area nearby Pune city. This research will be an attempt to evaluate the said government scheme for its employability and entrepreneurship development capabilities with respect to rural area. In other schemes, which are launched by government; it is found that there is huge gap in the expected impact of such schemes and actual effectiveness in devotement of individual quality of life and helping rural population to grow with improved employment opportunities. This research will be an attempt to study practical aspect of scheme impact in the opinion of beneficiaries specifically over rural area near Pune City.

Key Words: MUDRA, Pune City, Micro enterprises, economic, Government, RBI, Pradhan Mantri, Trading, Manufacturing, Processing, Service, PMMY.

1. INTRODUCTION

It is seen many times that government launches different schemes targeting various kind of beneficiaries; but there is no specific mechanism available to measure the impact of such schemes on beneficiary's actual quality of life except the monetary figures that government projects as measure of evaluation. Financial institutions also complete their targets given for the loan amounts and then after nobody bothers about the performance of beneficiaries.

Micro Units Development & Refinance Agency Ltd (MUDRA) was set up by the Government of India. In March 2015 MUDRA was registered as a Company under the Company Act 2013. It is a non financial banking organization registered with RBI in 07th April 2015. On 08th April 2015 MUDRA was launched by Hon. Prime Minister Shri. Narendra Modi.

Micro enterprises plays major role in economic segment in our country and provides large employment after agriculture. This includes Trading, Manufacturing, Processing and Service sector.

Authorized capital of MUDRA is 1000 crores and paid up capital is 750 crore. MUDRA is responsible for developing and refinancing all Micro-enterprises sector by supporting the finance Institutions. Primary objective of MUDRA is to develop the micro enterprise sector in the country by extending various supports which includes financial support in the form of refinance.

Pradhan Mantri Mudra Yojana (PMMY) was launched along with the launching of MUDRA on 08 April 2015. PMMY is a scheme launched by Hon. Prime Minister Shri Narendra Modi. PMMY provides the loans upto 10 lakhs to the non-corporate, non-farm small/micro enterprises. These loans are



known as MUDRA loans under PMMY. The borrower can approach any of the lending institutions mentioned above or can apply online through this portal. Mudra loan is extended for a variety of purposes which provides income generation and employment creation in Manufacturing, Services, Retail and Agri.

2. RESEARCH PROBLEM

The major research question to be studied in this research is “Weather the Pradhan Mantri MUDRA Yojana (PMMY) is really helpful to improve rural employment and quality of life on micro level in beneficiary’s opinion with respect to rural area near Pune City?”.

3. OBJECTIVES

This research will be taken over with the following set of objectives:

1. To study the beneficiaries’ opinion about Pradhan Mantri MUDRA Yojana (PMMY) with respect to employment generation.
2. To find out impact of Pradhan Mantri MUDRA Yojana (PMMY) on quality of life on micro level beneficiaries.

4. LITERATURE REVIEW

4.1 International Status

Most of the developing economies throughout the globe are always supporting to SME’s through financial schemes. Our close neighbor country china also has various micro finance schemes launched since years to support their rural economy and the very huge as well as positive impact is seen them by micro finance schemes. India also may have the same positive and constructive impact of this

scheme on rural economy as like china hence the rural life of people is closely similar.

4.2 National Status

Government of India has launched the MUDRA loan scheme in march 2015 with vision of “To be an integrated financial and support services provider par excellence benchmarked with global best practices and standards for the bottom of the pyramid universe for their comprehensive economic and social development” Finance minister Mr. ArunJaitley has announced the budget for this scheme in April 2015 aiming micro enterprises organize a key economic segment in our country and provides bulky employment after agriculture to our nation. This scheme has sanctioned total 13601933 number of loans till year 2018 since 2015. Rupees 67961.93 crore are disbursed to the beneficiaries over the total sanctioned amount of 72704.60 rupees. The sanctioned loans comprise the amounts ranging from rupees 50000 to 1000000 per individual based on the type of business.

5. IMPORTANCE OF THE RESEARCH

This research will be helpful to understand actual impact of Pradhan Mantri MUDRA Yojana (PMMY) on development of rural people in terms of quality of their life and employment opportunities.

6. RESEARCH METHODOLOGY

This research will be carried out under the descriptive research design. The instrument will be developed to collect beneficiaries’ opinion about Pradhan Mantri MUDRA Yojana (PMMY) and the present scenario of scheme will be described in order to study above mentioned objectives.

Following two types of data will be used for the analysis and description:



- a) **Primary Data-** which is first hand data and collected by the researcher himself through research instrument.
- b) **Secondary Data-** which have already been collected and analysed by someone else in the form of published information.

Primary Sources of Data: Data, which will be collected in fresh for the first time and thus original in character called primary data. Well Structured questionnaire will be used for interviewing and data collection from respondents.

Secondary Sources of Data: The data will be obtained from the various books, magazines, journals, and government circular as well as from various government and private companies' websites. Internet; as the very easiest and common source of information will provide vital support in this research study.

Scaling Techniques: Scaling describes the procedure to assign the numbers to various degrees of opinion, attitude, quality standard, consumption pattern etc. suitable scales (like arbitrary, consensus, cumulative, factor, ranking and rating scales) will be used for this research study. Different scales like nominal, ordinal, ratio and interval scale will be used in order to collect required primary data from sample respondents. Five point Likert scale will play major role in taking respondents agreement and satisfaction level.

7. CLASSES OF RESPONDENTS TO BE CONTACTED

As the study is focused on beneficiaries' opinion about Pradhan Mantri MUDRA Yojana (PMMY) and its capabilities of employability and entrepreneurship development in rural area; beneficiaries' of said scheme will be considered as single class of respondent. No other group will be treated as respondent in this research as sample and hence this research is single class sample research.

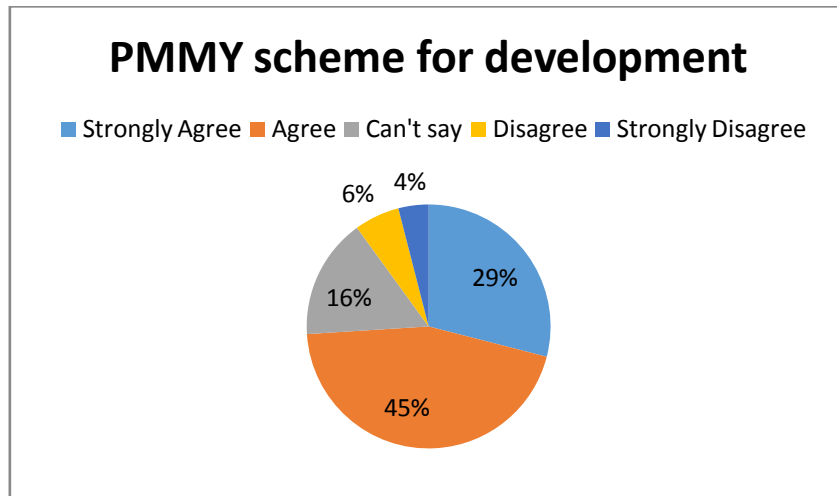
Sampling Technique

- a) **Sample Universe:** All available beneficiaries of Pradhan Mantri MUDRA Yojana (PMMY) in Narhe, Pune will be sample universe for this research study. There are total 70 small and medium scale industries are situated in Narhe, Pune.
- b) **Sample Size:** As the area of scope is very wide and the researcher is having certain limitations for data collection, the sample size is 63 employees.
- c) **Sampling Method:** The sample will be selected with the help of non probability convenience method.

8. Data Analysis

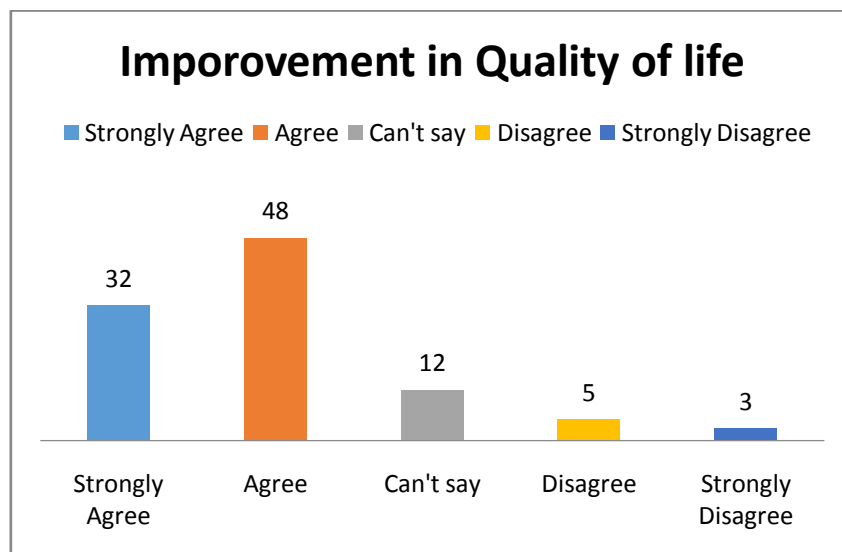
Q1 PMMY scheme is beneficial for development of Small and medium scale business by providing financial support.

Sr. No.	Opinion	Respondents	Percentage
1	Strongly Agree	18	29
2	Agree	28	45
3	Can't say	10	16
4	Disagree	4	6
5	Strongly Disagree	3	4
	Total	63	100



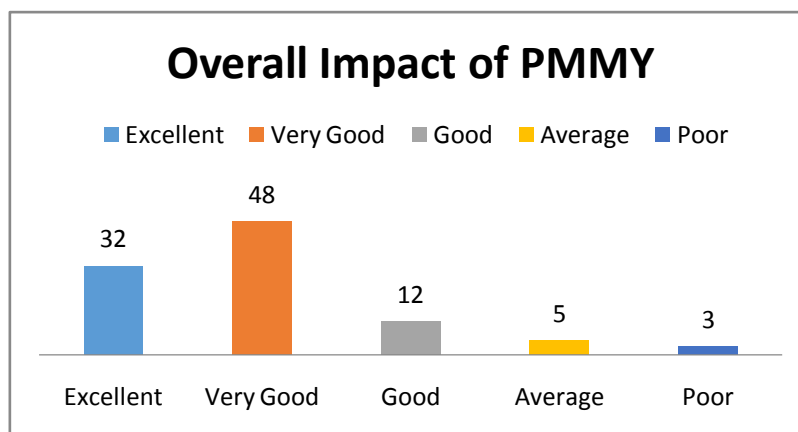
Q2 PMMY Scheme help to improve your quality of life

Sr. No.	Opinion	Respondents	Percentage
1	Strongly Agree	20	32
2	Agree	30	48
3	Can't say	8	12
4	Disagree	3	5
5	Strongly Disagree	2	3
	Total	63	100



Q3 Overall Impact of PMMY Scheme implementation for development and quality of life is

Sr. No.	Opinion	Respondents	Percentage
1	Excellent	21	32
2	Very Good	27	48
3	Good	9	12
4	Average	3	5
5	Poor	3	3
	Total	63	100



9. FINDINGS

1. Found that 74% respondents fill that the PMMY scheme is beneficial for development of Small and medium scale, where 16% are not in passion to say anything about scheme.
2. 80% respondents said that the PMMY scheme helps to improve the quality of life, where 12% respondents are not in passion to say anything about it.
3. 92% respondents gave positive opinion that the overall Impact of PMMY Scheme implementation for development and quality of life is very good, good and excellent. But 8% have negative response to scheme.

10. CONCLUSION

This research will be useful for the government, financial institutions and

proposed as well as current beneficiaries of Pradhan Mantri MUDRA Yojana (PMMY) to understand the impact, and effectiveness of the scheme on quality of life as well as development in business of said scheme. This research will guide government to take corrective actions for requirements of rural are with respect to such schemes. Government and other stakeholders of such scheme will be guided for major challenges and opportunities regarding beneficiaries of Pradhan Mantri MUDRA Yojana (PMMY) through the outcome of this research.

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