

# PERFORMANCE ANALYSIS OF PRADHAN MANTRI MUDRA YOJANA IN JHARKHAND, INDIA

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## Abstract

Pradhan Mantri Mudra Yojna is an initiative taken by the ministry of finance to fund the unfunded. Mudra Yojna was launched for the development of the informal and unorganized sectors and to involve them in the financial mainstream. This study is a secondary data-based research work which is an attempt to identify the District-wise progress of loan disbursement under Pradhan Mantri Mudra Yojna in Jharkhand. For this purpose, data has been collected from State Level Banking Committee(SLBC) Jharkhand.

**Keywords:** Financial Inclusion, Govt.Scheme Micro Industries, Micro Entrepreneur, MUDRA Loan scheme, MSME, PMMY

## Introduction

The role of the MSME sector is constantly increasing in the country because these industries provide employment to a large population but the major problem faced by the small industry is a shortage of finance. Micro and small enterprises play a very important role in employment generation in India. The problems faced by these small industries were identified by the Prime Minister of India who took the initiative to launch the Pradhan Mantri Mudra Yojana. PMMY helps non-corporate small manufacturing units, vegetables, microentrepreneurs and food vendors, taxi drivers, salons, food caterers, Beauty parlor shops, and allied agriculture activities like fishery, beekeeping, dairy, and many other people to be self-employed. Prime Minister Narendra Modi launched the Mudra scheme on 8 April 2015 to finance the unfunded. The Pradhan Mantri MUDRA (Micro Unit of Development and Refinance Agency) scheme is an important step in promoting financial inclusion in India. This scheme is an initiative taken by the government to assist Micro enterprises and encourage people to be self-employed. These enterprises include Micro units that are concerned with trading, manufacturing, processing, and servicing activities. The Micro unit sector helps the country to achieve a high GDP growth rate as well as improve the quality of life of entrepreneurs. Type of loans offered by the PMMY: Under the Pradhan Mantri Mudra Yojana(PMMY) scheme MUDRA has classified its loans into three categories:

Shishu loan: up to Rs 50,000,

Kishore loan: Rs 50,000 to 5,00,000,s

Tarun loan: 5,00,000 to 10,00,000.

## Review of literature:

**J. Venkatesh Kumari R.L.(2015)** analyzed the role of Pradhan Mantri Mudra Yojana in the development of the MSME sector and found that PMMY is playing a vital role in the development of the MSMEs in India. PMMY helped in boosting the growth of the MSME sector and this will help in increasing the employment opportunity and GDP of India from the current level.

**Shiny (2017)** concluded that PMMY Scheme can boost more entrepreneurs to come up with inventive business plans which can help the growth of the Indian economy. MUDRA to take up the role of a development agency for providing credit services to small and micro enterprises. It can coordinate all the micro-financial institutions and act as an ideal regulator in the Indian economy.

**Anu and Kumar (2018)** analyzed the contribution of the Pradhan Mantri Mudra Yojana (PMMY) in promoting new entrepreneurs and women entrepreneurs in India. According to the study, PMMY was an initiative taken by the Government of India to provide financial assistance to the MSMEs or to encourage self-employed people.

**Singh (2018)** analyzed the district-wise and bank-wise performance of Mudra Yojana in Manipur and also ranked the best district and the best bank in Manipur. This scheme was a perfect solution to develop the servicing and manufacturing sector for the existing as well as the new entrepreneurs of the state. Mudra Yojana provided finance to the unorganized sector in the country to overcome all the financial difficulties faced by small and micro-entrepreneurs.

## Research Objectives:

The present study is conducted to achieve the following:

1. To analyze the performance of Mudra Yojana.
2. To analyze the district-wise performance of PMMY in Jharkhand.

**Research Methodology**

The data for the study has been collected from secondary sources. Secondary data has been collected from a reliable source such as State Level Banking Committee (SLBC). Year-wise comparison of the number of accounts and amount of loans disbursed has been made to assess the performance of the entire district of Jharkhand and the trend has been depicted by way of charts.

**DISTRICT-WISE PERFORMANCE OF MUDRA YOJANA IN JHARKHAND**  
**ACCOUNTS OPENED UNDER MUDRA YOJANA UNDER SHISHU CATEGORY (in numbers)**

Accounts Opened under Shishu Category (in numbers)								
S.N.	District	2017-18	2018-19	2019-20	2020-21	2021-22	Total	Trend
1	BOKARO	9297	13837	31956	10645	44907	110642	▲
2	CHATRA	423	1142	21562	23077	2902	49106	▲
3	DEOGHAR	5353	5067	9808	22537	12122	54887	▲
4	DHANBAD	21030	23521	39411	66230	66963	217155	▲
5	DUMKA	4745	3612	33197	38119	37190	116863	▲
6	E.SINGHBHUM	23467	16078	38569	70591	63126	211831	▲
7	GARHWA	4710	36452	45733	50999	7196	145090	▲
8	GIRIDIH	7199	9225	83589	110512	107303	317828	▲
9	GODDA	8293	5595	26920	37057	8748	86613	▲
10	GUMLA	674	561	7214	10780	1198	20427	▲
11	HAZARIBAGH	7559	8282	30784	47822	47994	142441	▲
12	JAMTARA	3371	1707	366	4430	1591	11465	▼
13	KHUNTI	1591	2306	3284	4271	4864	16316	▲
14	KODERMA	1771	3916	20929	28205	29155	83976	▲
15	LATEHAR	1154	5390	21,924	21924	2516	52908	▲
16	LOHERDAGA	469	390	311	1957	2733	5860	▲
17	PAKUR	11021	7549	35706	11267	60831	126374	▲
18	PALAMU	6721	40513	57879	61891	14073	181077	▲
19	RAMGARH	8237	7085	26231	33827	8449	83829	▲
20	RANCHI	16564	14621	42660	58881	361066	493792	▲
21	SAHIBGANJ	8706	7765	28384	37714	8654	91223	▼
22	SARAIKELA	2762	2484	6018	12610	11189	35063	▲
23	SIMDEGA	458	603	291	2421	1774	5547	▲
24	W.SINGHBHUM	10044	6871	12729	19686	21937	71267	▲

Source: State Level Banking Committee (SLBC) Jharkhand

The above table indicates the number of accounts opened under the Shishu category under Mudra Yojana in the twenty-four districts of Jharkhand. From the table, it is analyzed that Ranchi ranked number one in respect of accounts opened under the Shishu category of Mudra Yojana with 4,93,792 numbers of accounts since the financial year 2017-18 to 2021-22. The number of accounts under the Shishu category is increasing across the state but Jamtara and Sahibganj showing a declining trend. Ranchi (493792 accounts), Giridih, Dhanbad, East Singhbhum, and Palamu (1,81,077 accounts) are among the top five performing districts whereas, Gumla (20427 accounts), Khunti, Jamtara, Loherdaga and Simdega ( 5547 accounts) are the least performing states in terms of numbers of accounts under Shishu category.

**AMOUNT DISBURSED UNDER MUDRA YOJANA UNDER SHISHU CATEGORY (in Lakhs)**

Amount Disbursed (in Lakhs) under Shishu Category								
S.N.	District	2017-18	2018-19	2019-20	2020-21	2021-22	Total	Trend
1	BOKARO	2969.02	2239.55	6832.18	41055	13300.47	66396.22	▲
2	CHATRA	143.89	214.12	5352.09	5373.06	930.37	12013.53	▲
3	DEOGHAR	1545.39	1578.97	2711.14	5080.4	4045.32	14961.22	▲
4	DHANBAD	5399.61	4180.78	7856.81	17082.85	21008.46	55528.51	▲
5	DUMKA	1173.64	1140.89	8831.45	8885.09	11747.14	31778.21	▲
6	E.SINGHBHUM	8175.01	4642.24	9289.7	17005.89	18673.68	57786.52	▲

7	GARHWA	1474.77	10691.5	12896.59	14536.31	3039.54	42638.73	▲
8	GIRIDIH	1653.85	2264.83	22187.75	23796.5	29957.39	79860.32	▲
9	GODDA	2467.07	1863.59	7235.8	9006.71	3206.46	23779.63	▲
10	GUMLA	230.21	180.31	1840.87	2326	442.21	5019.6	▲
11	HAZARIBAGH	1922.34	2368.12	8431.51	12287.26	13889.97	38899.2	▲
12	JAMTARA	994.98	604.46	137.39	920.13	417.66	3074.62	▼
13	KHUNTI	429.34	436.02	697.85	1025.69	1319.7	3908.6	▲
14	KODERMA	449.86	1096.97	5804.75	6048.49	8441.93	21842	▲
15	LATEHAR	360.29	1388.23	5951.95	5951.95	791.48	14443.9	▲
16	LOHERDAGA	171.49	139.26	116.45	120.16	947.92	1495.28	▲
17	PAKUR	3853.58	2985.34	9601.02	49107	17417.06	82964	▲
18	PALAMU	1807.77	11861.5	15939.44	18335.52	5287.82	53232.06	▲
19	RAMGARH	2606.12	1700.98	6645.21	8356.82	3377.78	22686.91	▲
20	RANCHI	6464.03	3921.39	11191.09	14754.66	96357.85	132689	▲
21	SAHIBGANJ	2429.27	2500.43	7752.24	9539.1	3422.2	25643.24	▲
22	SARAIKELA	922.22	779.12	1338.63	2538.6	3511.61	9090.18	▲
23	SIMDEGA	147.94	207.94	97.52	114.16	547.54	1115.1	▲
24	W.SINGHBHUM	3327.8	1543.76	2794.26	4556.99	5977.38	18200.19	▲

Source: State Level Banking Committee (SLBC) Jharkhand

The above table indicates the amount disbursed (in Lakhs) under the Shishu category of Mudra Yojana in each district of Jharkhand, where all the districts have shown an increasing trend in the case of the amount disbursed whereas Jamtara has a decreasing trend in amount disbursed. Ranchi ranked top with 132689 lakhs of the amount disbursed followed by Giridih (79860.32 Lakhs), Dhanbad (55528.51 Lakhs), Pakur (82964 Lakhs), and Hazaribagh (38,899.2 Lakhs) whereas Gadda (23.779 Lakhs), Latehar (14443.9 Lakhs), Simdega (1115.1 Lakhs), Gumla (5019.6 Lakhs) and Jamtara (3074.62) are the districts which are bottom performers under this category.

**ACCOUNTS OPENED UNDER MUDRA YOJANA UNDER KISHORE CATEGORY (in numbers)**

Accounts Opened under Kishore Category (in Numbers)								
S.N.	District	2017-18	2018-19	2019-20	2020-21	2021-22	Total	Trend
1	BOKARO	3274	4331	5839	11319	13740	38503	▲
2	CHATRA	942	1505	2693	4077	781	9998	▼
3	DEOGHAR	1383	2572	2361	3897	5177	15390	▲
4	DHANBAD	4499	5845	5651	12582	16590	45167	▲
5	DUMKA	908	1318	3230	5322	9484	20262	▲
6	E.SINGHBHUM	5907	5933	5920	16532	19644	53936	▲
7	GARHWA	647	1146	4157	9472	2939	18361	▲
8	GIRIDIH	1828	3481	11113	17327	29110	62859	▲
9	GODDA	1112	1057	3894	8424	5802	20289	▲
10	GUMLA	902	1124	677	2113	1167	5983	▲
11	HAZARIBAGH	2379	3248	6315	11041	15719	38702	▲
12	JAMTARA	696	687	401	1283	1049	4116	▲
13	KHUNTI	672	1015	694	1219	1261	4861	▲
14	KODERMA	955	1594	3199	5202	11184	22134	▲
15	LATEHAR	473	594	3,677	3677	390	8811	▼
16	LOHERDAGA	778	771	438	579	1260	3826	▲
17	PAKUR	962	1136	4189	8362	14958	29607	▲
18	PALAMU	916	1470	3910	12729	5892	24917	▲
19	RAMGARH	1494	1550	4026	8091	5395	20556	▲

20	RANCHI	7576	9479	9164	20007	69014	115240	▲
21	SAHIBGANJ	844	891	4061	9530	5636	20962	▲
22	SARAIKELA	1459	1834	1419	2405	4560	11677	▲
23	SIMDEGA	734	716	528	373	504	2855	▼
24	W.SINGHBHUM	3473	1593	1956	5272	5799	18093	▲

Source: State Level Banking Committee (SLBC) Jharkhand

The given table indicates the number of accounts opened under the Kishore category in entire districts of Jharkhand. From this table, it can be analyzed that the number of accounts in the district is increasing but Chatra, Latehar, and Simdega have negative growth trends. Under the Kishore category Ranchi (115240 accounts), Giridih (62859 Accounts), East Singhbhum (53,936 accounts), Dhanbad (45167 accounts), and Hazaribagh (38702 accounts) are among the top five performing districts whereas, Gumla (5983 accounts), Khunti (4861 accounts), Jamtara(4116 accounts), Lohardaga (3826 accounts), Simdega (2855 accounts) are among the bottom performers.

**AMOUNT DISBURSED UNDER MUDRA YOJANA UNDER KISHORE CATEGORY (in Lakhs)**

Amount Disbursed under Kishore Category (in Lakhs)								
S.N.	District	2017-18	2018-19	2019-20	2020-21	2021-22	Total	Trend
1	BOKARO	6571.4	8684.81	7739.79	12895.92	13175.28	27486.47	▲
2	CHATRA	2034.3	2922.19	2779.13	3543.34	1275.89	6089.32	▼
3	DEOGHAR	2775.2	6373.75	4861.94	5870.95	6010.91	13648.05	▲
4	DHANBAD	9176	11371.98	8278.13	16299.47	16002.69	33456.82	▲
5	DUMKA	1680.4	2463.59	3108.93	4932.97	7568.33	12357.66	▲
6	E.SINGHBHUM	10810	12371.44	9790.12	19342.81	18280.47	38880.59	▲
7	GARHWA	1481.6	1917.28	3540.51	7558.5	2911.47	7933.58	▲
8	GIRIDIH	4082.7	8045.29	8869.6	15221.37	22404.45	35356.75	▲
9	GODDA	1813.1	1830.15	3552.12	7956.51	5519.31	10884.53	▲
10	GUMLA	2000.6	2091.75	1094.99	2257.67	1340.16	4435.75	▼
11	HAZARIBAGH	5774.2	7197.01	6589.86	11879.3	14010.23	26374.29	▲
12	JAMTARA	1182.3	1208.81	871.5	1937.04	1478.36	3532.16	▲
13	KHUNTI	1538.1	2306.11	1492.68	1401.71	1302.29	4333.07	▼
14	KODERMA	2220.2	3338.34	3256.51	4997.91	8894.8	14371.51	▲
15	LATEHAR	1193.6	1347.65	3160.52	3160.52	826.52	5180.64	▼
16	LOHERDAGA	1926.8	1468.31	1034.59	873.39	1368.72	4330.11	▼
17	PAKUR	1728.5	3068.5	3885.08	7128.77	11526.04	17139.62	▲
18	PALAMU	1593.4	2106.15	3664.03	11206.16	5673.47	10930.9	▲
19	RAMGARH	3398.9	3117.52	3771.45	8235.84	5375.6	12545.95	▲
20	RANCHI	14282	20270.83	14977.17	27390.16	57152.11	86411.28	▲
21	SAHIBGANJ	1446.7	1721.4	3498.34	8758.13	5548.89	10493.93	▲
22	SARAIKELA	3446.3	3851.06	2405.25	3307.31	4309.67	10161.22	▲
23	SIMDEGA	1601.7	1615.81	1084.99	654.47	686.66	3373.35	▼
24	W.SINGHBHUM	7303.2	3388.29	2638.31	5506.8	5345.39	15286.9	▼

Source: State Level Banking Committee (SLBC) Jharkhand

The above table indicates the amount disbursed under the Kishore category in the entire district of Jharkhand from the financial year 2018-18 to 2021-22. The above table indicates a comparative study of the amount disbursed between FY 2017-18 to 2021-22 for different districts. The amount disbursed under the Kishore category has a significant increase in all the districts of Jharkhand except Chatra, Gumla, Khunti, Latehar, Lohardaga, Simdega, and West Singhbhum, which has a declining trend.

## ACCOUNTS OPENED UNDER MUDRA YOJANA UNDER TARUN CATEGORY (in numbers)

Accounts Opened under Tarun Category (in Numbers)								
S.N.	District	2017-18	2018-19	2019-20	2020-21	2021-22	Total	Trend
1	BOKARO	685	766	910	1085	951	4397	▲
2	CHATRA	156	317	277	319	248	1317	▲
3	DEOGHAR	283	345	376	652	711	2367	▲
4	DHANBAD	635	990	916	1875	1,222	5638	▲
5	DUMKA	120	270	322	266	314	1292	▲
6	E.SINGHBHUM	1075	1338	1458	1833	1,332	7036	▲
7	GARHWA	151	249	436	254	320	1410	▲
8	GIRIDIH	312	613	697	682	706	3010	▲
9	GODDA	120	360	303	491	444	1718	▲
10	GUMLA	226	262	198	209	196	1091	▼
11	HAZARIBAGH	496	672	606	1077	815	3666	▲
12	JAMTARA	77	154	203	159	182	775	▲
13	KHUNTI	145	169	268	143	159	884	▲
14	KODERMA	242	290	205	314	286	1337	▲
15	LATEHAR	107	75	175	175	168	700	▲
16	LOHERDAGA	188	203	308	205	159	1063	▼
17	PAKUR	61	323	505	358	433	1680	▲
18	PALAMU	325	605	538	747	616	2831	▲
19	RAMGARH	346	544	442	582	403	2317	▲
20	RANCHI	1372	2161	2495	4456	2,829	13313	▲
21	SAHIBGANJ	111	266	262	354	363	1356	▲
22	SARAIKELA	244	391	463	466	259	1823	▲
23	SIMDEGA	144	97	80	74	99	494	▼
24	W.SINGHBHUM	1094	306	310	339	313	2362	▼

Source: State Level Banking Committee (SLBC) Jharkhand

The above table indicates the accounts opened under the Tarun category of Pradhan Mantri Mudra Yojana in the entire district of Jharkhand from the financial year 2018-18 to 2021-22. The above table indicates that there is a significant increase in the number of accounts under the Tarun category across Jharkhand but there are some districts that have a declining trend like Gumla, Lohardaga, Simdega, and West Singhbhum. Ranchi, East Singhbhum, Dhanbad, Bokaro, and Hazaribagh districts are among the top five performing districts of Jharkhand and have an increasing trend in terms of the number of accounts under the Tarun Category.

## AMOUNT DISBURSED UNDER MUDRA YOJANA UNDER TARUN CATEGORY (in Lakhs)

Amount Disbursed under Tarun Category (in Lakhs)								
S.N.	District	2017-18	2018-19	2019-20	2020-21	2021-22	Total	Trend
1	BOKARO	4694.99	5348.14	4337.63	6470.9	6382.72	27234.38	▲
2	CHATRA	1158.99	1711.79	1137.22	1729.56	1656.3	7393.86	▲
3	DEOGHAR	1886.81	2503.59	1628.23	4651.42	4702.87	15372.92	▲
4	DHANBAD	5181.23	7204.89	5400.93	12389.39	8163.12	38339.56	▲
5	DUMKA	813.69	1620.52	1487.45	1825.37	1821.55	7568.58	▲
6	E.SINGHBHUM	7829.93	9879.62	8353.85	12447.03	9436.36	47946.79	▲
7	GARHWA	1165.74	1744.18	1707.11	2029.27	2429.52	9075.82	▲
8	GIRIDIH	2233.47	4253.92	3332.87	4181.83	4632.54	18634.63	▲
9	GODDA	815.69	1316.05	1279.64	3244.31	2839.69	9495.38	▲
10	GUMLA	1569.06	1290.21	682.75	1236.72	1276.22	6054.96	▼

11	HAZARIBAGH	3319.61	4410.74	3008.04	6706.74	5107.02	22552.15	▲
12	JAMTARA	463.66	1057.37	901.35	1072.26	1177.14	4671.78	▲
13	KHUNTI	1163.29	1342.59	1296.26	779.59	935.8	5517.53	▼
14	KODERMA	1772.65	1955.48	966.82	1717.76	1829.77	8242.48	▲
15	LATEHAR	833.71	540.23	1419.03	1419.03	1239.76	5451.76	▲
16	LOHERDAGA	1383.02	1111.86	1030.2	948.38	1034.12	5507.58	▼
17	PAKUR	428.25	2312.9	2904.42	2106.43	2548.62	10300.62	▲
18	PALAMU	2117.64	4596.79	3740.72	5567.72	4327.92	20350.79	▲
19	RAMGARH	2753.79	4016.52	2967.75	3635.66	2841.39	16215.11	▲
20	RANCHI	11286.8	15256.84	13363.74	28953.49	19329.82	88190.69	▲
21	SAHIBGANJ	740.28	1587.22	1341.72	2585.08	2343.03	8597.33	▲
22	SARAIKELA	1883.04	3154.03	2742.8	3135.9	1894.43	12810.2	▲
23	SIMDEGA	1119.49	701.25	482.11	382.62	606.03	3291.5	▼
24	W.SINGHBHUM	4669.94	2192.97	1712.14	2127.96	2155.64	12858.65	▼

Source: State Level Banking Committee (SLBC) Jharkhand

The table indicates the amount disbursed under the Kishore category. From the table, it can be analyzed that there is an increasing trend in the case of the amount disbursed under the Tarun category of Mudra Yojana from the FY 2017-18 to 2021-22, but there are districts like Gumla, Khunti, Lohardaga, Simdega, and West Singhbhum shows a declining trend in terms of the amount disbursed.

**Conclusion:** It can be concluded from the above analysis, and interpretation that accounts opened and disbursement of MUDRA loan have been increased in Jharkhand. There are districts like Ranchi, East Singhbhum, Bokaro, Hazaribagh, and Dhanbad that have shown an increasing trend, whereas there are districts like Chatra, Gumla, Khunti, Simdega, Latehar, Lohardaga, and West Singhbhum that have a decreasing growth. Government should also take the initiative to boost the performance of the Mudra scheme in the districts that are not performing well and also encourage young and educated entrepreneurs for employment generation. financial literacy programs and financial awareness should be conducted regularly and should reach the ground level.

#### Limitations:

1. The study is limited only from 2017-18 to 2021-22.

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