A STUDY ON PERFORMANCE OF PRADHAN MANTRI MUDRA YOJANA IN HARYANA

Thesis Submitted for the Award of the Degree of

DOCTOR OF PHILOSOPHY

in

Commerce

By

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DECLARATION

I, hereby declared that the presented work in the thesis entitled "**A STUDY ON PERFORMANCE OF PRADHAN MANTRI MUDRA YOJANA IN HARYANA**" in fulfilment of degree of **Doctor of Philosophy (Ph. D.)** is outcome of research work carried out by me under the supervision **Dr. Rupesh Roshan Singh**, working as Associate Professor, in the Mittal School of Business of Lovely Professional University, Punjab, India. In keeping with general practice of reporting scientific observations, due acknowledgements have been made whenever work described here has been based on findings of others investigator. This work has not been submitted in part or full to any other University or Institute for the award of any degree.

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CERTIFICATE

This is to certify that the work reported in the PhD. thesis entitled "**A STUDY ON PERFORMANCE OF PRADHAN MANTRI MUDRA YOJANA IN HARYANA**" submitted in fulfillment of the requirement for the reward of degree of **Doctor of Philosophy (Ph.D.)** in the Mittal School of Business, is a research work carried out by **Anita Bindal**, **41800828**, is bonafide record of his/her original work carried out under my supervision and that no part of thesis has been submitted for any other degree, diploma or equivalent course.

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Anita Bindal

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ABBREVIATIONS

AC	-	Accessibility
AD	-	Adequacy
AF	-	Affordability
AMOS	-	Analysis of Moment Structures
ANOVA	-	Analysis of Variance
APY	-	Atal Pension yojana
ATMs	-	Automated Teller Machines
AV	-	Availability
AW	-	Awareness
BFT	-	Benefit
CFA	-	Confirmatory Factor Analysis
CFI	-	Comparative Fit Index
CGFMU	-	Credit Guarantee Fund for Micro Units
CI	-	Composite Index
CMIN/DF	-	Chi-Square/Degree of Freedom
COR	-	Corruption
CRISIL	-	Credit Rating and Information Services of India Ltd
DBT	-	Direct Benefit Transfer
EG	-	Employment Generation
GCCs	-	General Credit Cards
GDPs	-	Gross Domestics Products
GFIs	-	Goodness-of-Fit Index Statistics
HDI	-	Human Development Index
ICT	-	Information and Communications Technology
IFI	-	Index of Financial Index
IG	-	Income Generation
IMPS	-	Immediate Payment Service

IRDAI	-	Insurance Regulatory and Development Authority of India
KCC	-	Kisan credit cards
KUR	-	Kredit Usaha Raky
KYC	-	Know Your Customer
MCS	-	Micro Credit Scheme
MFIs	-	Microfinance Institutions
MGNREGA	-	Mahatma Gandhi National Rural Employment Guarantee Act
MRA	-	Multiple Regression Analysis
MSME	-	Micro, Small, and Medium Enterprises
MUDRA	-	Micro Units Development and Refinance Agency
NABARD	-	The National Apex Bank for Agriculture and Rural Development
NBFCs	-	Non-Banking Finance Companies
NFAs	-	No-frills Accounts
NFI	-	Normed Fit Index
OBC	-	Other Backward Class
P2P	-	Peer-to-Peer
PMJDY	-	Pradhan Mantri Jan Dhan Yojana
PMJJBY	-	Pradhan Mantri Jeevan Jyoti Bima Yojana
PMMY	-	Pradhan Mantri Mudra Yojana
PMSBY	-	Pradhan Mantri Suraksha Bima Yojana
PSBs	-	Public Sector Banks
RBI	-	Reserve Bank of India
RMSEA	-	Root Mean Square Error of Approximation
S E	-	Standard Error
SC	-	Scheduled Caste
SEM	-	Structural Equation Modeling
SHG	-	Self-Help Groups

SIDBI	-	Small Industries Development Bank of India
SME	-	Small Medium Enterprises
SPSS	-	Statistical Package for Social Sciences
ST	-	Scheduled Tribe
SWOT	-	Strength, Weakness, Opportunity and Threats
UNDP	-	United Nations Development Programme
UPI	-	Unified Payments Interface

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ABSTRACT

India is one of the fastest growing economies of the world which is going to gather pace in time to come due to the government's initiatives for financial inclusion and supportive schemes for the development of MSMEs. The strong and wide network of nationalized banks and financial institutions are instrumental in the India's economic growth. To ensure that all Indians have access to loans, the Pradhan Mantri Mudra Yojana (PMMY) was established. Financing for those at the base of the economic pyramid is made available through a variety of digital mediums. The condition of living of the poor can greatly improve as a result of increased access to financial services. Having access to formal financial services improves the quality of life for low-income households by allowing them to spend more, save more, mitigate risk, and invest in things like food, clothing, housing, and education. Therefore, providing financial services to all demographics, including traditionally underserved communities and those with limited financial resources, is what is meant by "financial inclusion" in its broadest definition. Accessibility, availability, and utilization of banking services constitute the trifecta of financial inclusion. Both the penetration of the banking system and the number of bank branches have been used as indicators of accessibility. That is why, in a word, "financial inclusion" implies that everyone, including individuals and companies, has access to safe and reliable financial goods and services like banking, payments, savings, credit, and insurance. This financial inclusion may aid in poverty alleviation, inclusive growth, equality, financial opportunities, money management, investment projects, level of life, poverty alleviation, and so on in India. Micro-lending is a key component of the Mudra system, which aims to help persons from economically disadvantaged backgrounds improve their lives. Mudra plays a crucial role in facilitating financial inclusion and sustaining growth at the base of the pyramid through a wide variety of channels. Increases in M&S&Es Micro, small, and medium-sized enterprises (MSMEs) are widely recognized as a significant contributor to national economic growth and development. Besides the economic growth, the MSMEs play a pivotal role in generating employment opportunities. In developing countries like India, the role of MSMEs becomes exceedingly important as unemployment is a major problem in India. The inhibitions in taking up an entrepreneurial venture and financial constraints are the major barriers being faced by the MSMEs. To overcome these barriers the government launched Mudra to facilitate the development of entrepreneurial culture in India. Mudra Yojana's total sanctions in FY 2018-19, at 3.21 trillion rupees, were more than the

targeted 3 trillion. Mudra helps banks, NBFCs, and MFIs refinance PMMY loans. Over the course of the 2018–19 fiscal year, Mudra approved and distributed a total of 7,558.10 crores. The above data suggests that the scheme is being promoted by the government of India with a purpose to achieve 100 percent financial inclusion and the development of the MSMEs and to support the budding entrepreneurs. With the introduction of Pradhan Mantri Mudra Yojana (PMMY), the government hopes that the grievances of the small entrepreneurs can be addressed. There are three types of Mudra loans available through PMMY: Shishu, Kishore, and Tarun. Startup and early-stage businesses can get loans of up to Rs.50,000 under the Shishu category, while those looking to expand their operations can get loans of up to Rs.5 lakhs under the Kishore category, and those looking to grow significantly can get loans of up to Rs.10 lakhs under the Tarun category. One of the primary goals of the Pradhan Mantri Mudra Yojana is to enable micro, small, and medium-sized enterprises (MSMEs) in India with access to loans. Due to a lack of trust and a failure to satisfy taxes responsibilities, these MSMEs have a hard time getting loans from banks and other financial organizations. Providing readily accessible loans to MSMEs is a step in the right direction if we want to foster economic growth and development. Funding, extending, credit guaranteeing, and other forms of assistance are all made possible under the Mudra system. Small and medium-sized enterprises (SMEs) are the second-biggest driver of GDP expansion after agriculture. Credit Guarantee Funds for Micro Units backs the collateral-free loans made via the Mudra Yojana. Since the purpose of this research is to determine whether or not Mudra is effective in Haryana, it is the sole location that will be analyzed. The report covers such topics as an introduction, a breakdown of PMMY's effectiveness by state, caste, and category, a strengths, weaknesses, opportunities, and threats analysis of the program, and some suggestions for Haryana. The Mudra yojana establishes a solid basis for GDP and government income by outlining a plan for the growth of small-scale enterprises, particularly in suburban regions. Because it would assist in refinancing the business plans of entrepreneurs at a very low rate of interest, Mudra Yojana is a beneficial move done by the Indian Government that is a visionary step that will carry the country ahead in the future. As MSME flourishes, domestic industries become more productive, leading to progress toward the "Make in India" objective and resulting in more foreign income and a healthier surplus of reserves. Therefore, this scheme's goal of expanding access to finance for micro, small, and medium-sized enterprises (MSMEs) would have a transformative effect on the financial sector and help the Indian economy grow. Haryana is mostly an agricultural state, hence the government is making concerted efforts to create MSMEs as well for the state's economic development. Only the Indian state of Haryana is the focus of this research. The current research aims to assess the significance of the Mudra Scheme to the expansion of India's financial sector and the growth of the country's economy. The study will also propose some recommendations to the government for the better implementation of the Mudra scheme as well as to incorporate some changes in the scheme to make it more effective. The study aims to find out whether the PMMY yojana has been able to meet the desired objectives with which it was introduced in India in general and Haryana in particular.

CHAPTER 1

INTRODUCTION

This chapter starts with some fundamental issues and objectives based on which the yojana was started by the government of India. The chapters highlight the impact of Mudra Yojana on the entrepreneurship development process in the state of Haryana. A comparative study was done to find the usefulness of the Mudra Yojana in the different states of India.

1. Introduction

1.1 Pradhan Mantri MUDRA Yojana:

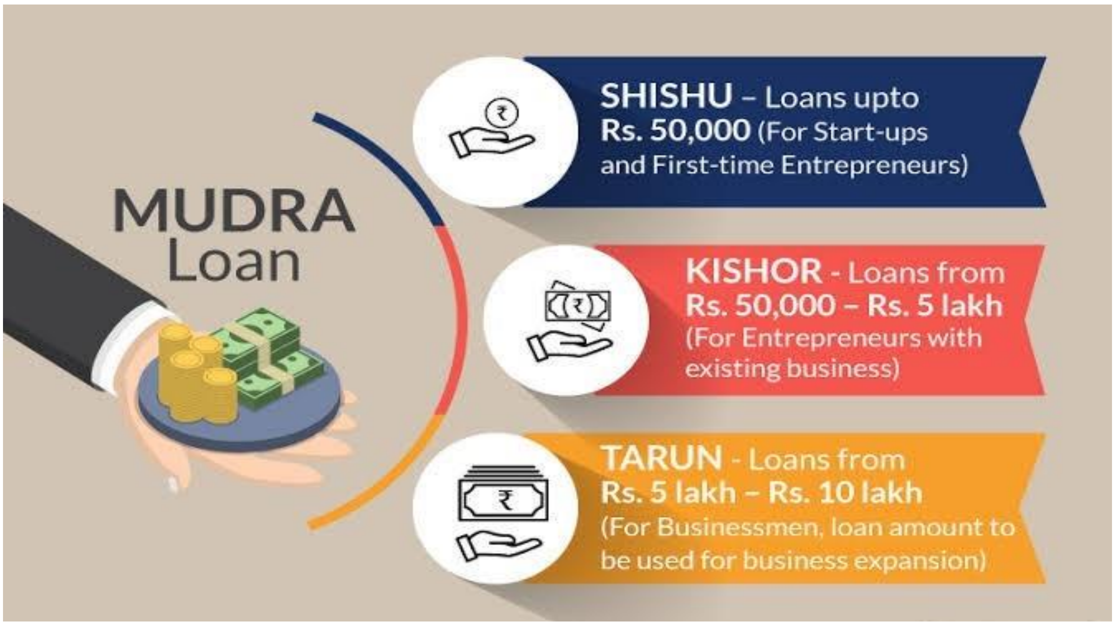
The Indian economy is expanding at a rapid rate. Thanks to our extensive and reliable banking system, we have seen recent economic growth. In an effort to ensure that all Indians have access to finance, the government has implemented the Pradhan Mantri Mudra Yojana (PMMY). Financing for those at the base of the economic pyramid is made more accessible via a variety of digital platforms. Mudra targets micro-borrowers and provides them with micro-loans. For people who are marginalized in society, Mudra represents a revolutionary step toward self-determination. Increasing the number of aspiring business owners, with a focus on providing loans in "smart cities," is a priority for Mudra. Since its beginnings, Mudra has played a crucial role in expanding access to finance and boosting development at the base of the economic pyramid via a wide variety of channels. The total amount of Mudra Yojana sanctions in FY 2018-19 was Rs 3,21,000 crore, exceeding the original goal of Rs 3,000,000 crore. Banks, NBFCs, and MFIs may use Mudra to refinance loans made via the PMMY program. Funding of 7,558.10 crores was approved by Mudra for the 2018–19 fiscal year, with payments totaling 7,130.46 crores being sent out. At 11,847 crores, the outstanding portfolio reached a new all-time high. From FY 2017-18 to FY 2018-19, operating revenue grew by 18%, from 485 crores to 574 crores (Source: Mudra Annual Report 2018-19). M.I.C.E.S. (Micro, Incorporated, and Medium Small and medium-sized enterprises, or MSMEs, are widely recognized as a key contributor to national economic growth and development. The micro, small, and medium-sized enterprises (MSMEs) play a crucial role in creating new jobs and contributing to economic development. Due of the high unemployment rate, MSMEs play a crucial role in emerging nations like India. The inhibitions in taking up an entrepreneurial venture and financial constraints are the major barriers being faced by the MSMEs. As we know that the Banks were nationalized in two phases i.e., in 1969 and 1980 because it was felt that the banks are fulfilling the needs of certain sections of the well-off society. The wealthy and powerful utilize the cheap money from the banks to finance their involvement in the commercial and industrial sectors. For a long time, banks catered to the wealthy by accepting deposits from the middle class and poor and lending the money out at a competitive interest rate for investment and consumer spending. Lenders fret about the borrower's ability to keep whatever collateral they could use to secure the loan safe. Since money is tight, the government believes it should be used to support the economy's productive operations rather than enriching the powerful. In theory, this would hasten the expansion of the country's economy, but in practice, nationalization has not produced the results that the administration had hoped for. In order to protect their minuscule financial interests, the favored classes may nevertheless game the system. In 1976, the government took action to prevent this problem by adding a new layer to the banking system of the nation by creating six regional rural banks (RRBs). Small business owners and other underserved members of commerce and industry in the nation look to RRBs as a possible panacea. Small business owners, who often come from economically marginalized communities, continue to have a hard time gaining access to institutional credit. The government has introduced Mudra in the expectation that it would help alleviate the problems faced by small business owners.

On April 8, 2015, the government of India introduced the Mudra (Micro Units Development and Refinance Agency) initiative to help people deal with their lack of financial resources. To help micro, small, and medium-sized enterprises (MSMEs) expand their operations, the government launched the Mudra yojana program. It is an effort to assist small company owners get off the ground and grow their operations to the point where they can compete with larger corporations in the real economy. On April 8th, 2015, the prime minister unveiled the Pradhan Mantri Mudra Yojana, which provides loans of up to 10 lakhs to non-corporate, small, and Micro firms. In the PMMY framework, these loans are known as Mudra loans. Borrowers may submit an application for one of these loans to any of the aforementioned financial institutions (commercial banks, RRBs, small financing banks, MFIs, and NBFCs), as well as to www.udyamimitra.in. Under PMMY, Mudra has been divided into three groups—Shishu, Kishore, and Tarun—each of which represents a different point in a business's development and a different set of financial requirements (Shahid, M., & Irshad, M. ,2016). The Mudra Yojana's slogan is "finance the unfunded," which means that its primary goal is to help those in need financially. One of the primary goals of the Pradhan Mantri Mudra Yojana (PMMY) is to increase access to credit by providing loans tailored to certain business categories (Pradhan Mantri Mudra Yojana). There are three different types of Mudra loans available through PMMY: loans of up to Rs.50,000 for those just starting out in business, loans of up to Rs.5 lakhs to help them grow their existing businesses, and loans of up to Rs.10 lakhs for those who have already established themselves in the marketplace.

The rates of interest under these schemes are as follows:

- Shishu Yojana – Interest charged is around 10% to 12%, whereas public sector banks generally charge a very reasonable rate.
- Kishore Yojana – Interest charged is around 14% to 17% and differs from bank to bank.
- Tarun Yojana – the rate of Interest charged under this scheme starts from 16%.

Figure 1.1: Categories of MUDRA Loan (Source: PaisaBazar)



The government has agreed to inject an extra 1 trillion (around US$13 billion) into the market. This money will be distributed as follows:

- 40% to Shishu
- 35% to Kishor

- 25% to Tarun

Those eligible to borrow from Mudra bank are

- Small manufacturing unit
- Shopkeepers
- Fruit and vegetable vendors
- Artisans

1.2 Objectives of Pradhan Mantri MUDRA Yojana

The primary goal of the Pradhan Mantri Mudra Yojana is to give financing assistance to small business owners in India that fall into the Micro, Small, and Medium Enterprises category as out by the government. Due to their lack of credibility and their failure to fulfill their taxes responsibilities, these MSMEs have a hard time securing financing from banks and other financial organizations. Facilitating access to credit for micro, small, and medium-sized enterprises is a step in the right direction for boosting the economy. The goal of the Mudra Yojana is to help new company owners expand their businesses while reducing their debt levels. Funding, extending, credit guaranteeing, and other forms of assistance are all made possible under the Mudra system. Next to agriculture, the expansion of the economy is mostly due to the efforts of micro, small, and medium-sized enterprises. Those receiving a loan via the Mudra Yojana do not have to worry about putting up any kind of security since the loan is guaranteed by the Credit Guarantee Funds for Micro Units (Mahajan, Y., 2019). Mudra's main selling point is that it makes it possible for people of all educational levels, professional backgrounds, and genders to have access to low-interest loans. The program not only helps people financially, but it also inspires and encourages the next generation of business leaders. The government's Mudra Yojana is a step in the right direction since it helps women and people from disadvantaged backgrounds start businesses and allows existing businesses to refinance at a lower interest rate, both of which are necessary for the country's economic growth. Since the value of the Rupee is largely determined by the amount of local output, the Mudra Yojana also helps fulfill the goals of the "Make in India Project." Therefore, this plan will serve as a game-changer in the financial industry and boost future economic growth by making more people part of the financial system. All 27 PSU banks, 31 RRBs, 17 PSUs, 36 MIs, 25 NBFCs, and 4 co-ops would be doling out loans as part of the Mudra Yojana. With the help of nationalized banks and partner institutions, PMMY aims to promote financial stability and economic growth via the promotion of an inclusive and sustainable entrepreneurial culture. According to the data provided by the government and Mudra Organizations, the initiative has been a major success throughout the country and in each individual state.

1.2.1 Pradhan Mantri MUDRA Yojana in Haryana

India in general and the state of Haryana, in particular, has a unique feature that the majority of the working population is engaged in either agriculture or small-scale enterprises. The state of Haryana has been a laggard in terms of entrepreneurial development and faced neglect as per the policy documents available in the state. There is no evidence to suggest that the budding entrepreneurs are being provided support to promote the entrepreneurial culture. In such a scenario, if implemented properly PMMY can prove to be a very effective scheme in a state like Haryana for entrepreneurship development. The study suggests that private banks provide more loans to the entrepreneurs under the Shishu category as compared to the other categories of Mudra loans (Kumar, V. ,2020). Larger loan amounts in the Kishore and Tarun categories make lending to those borrowers more of a gamble for private banks, explaining why those groups saw lower rates of loan disbursement. The district-wise analysis for the state of Haryana suggests that under the Shishu category the semi urbanized large districts have the highest number of Loan disbursals. One of the areas of concern is that the rural and backward districts are left untouched and have no contribution whatsoever in all the categories of PMMY in Haryana. The belief that Mudra will guarantee effective execution of the idea of "funding the underfunded" should be approached with extreme caution at this time. The reason for this misconception is that many laws already protect the most vulnerable members of society from unfair debt collection practices and uphold the principles of client protection standards. In order for the Mudra yojana to realize its goal of supporting the unfinanced, the studies suggest that the law should be reinforced. When finance the unfunded's lofty promises are borne out in practice, only then can they be widely accepted. There is flexibility in the role of regulator and financier for the authorities responsible for enforcing Mudra yojana. Recognizing the urgency with which the discrepancy in the Mudra Yojana must be addressed, it is suggested that Mudra's regulatory authority be stripped away and given to the Reserve Bank of India (RBI).

This is one of the most pressing issues, requiring action from the government and other interested parties. A solid financial system and stable financing are crucial to addressing these issues and growing the economy. One of the most crucial factors for achieving this goal and fostering equitable growth and development of economies is the availability of affordable and accessible financial services for everyone. There will be more job possibilities, less poverty, and a higher standard of life thanks to financial inclusion. The term "financial inclusion" refers to the process of ensuring that vulnerable populations and low-income groups have timely, clear access to the financial goods they need. PMMY's many lending options can get more people on the financial ladder and keep the economy growing for the long haul. Small Industrial Development Bank of India owns 100% of Mudra, making it a wholly-owned subsidiary. An NBFC stands for Non-Banking Financial Company. Mudra's primary goal is to foster cooperation and standardization among Micro-Finance institutions. This strategy introduces a number of new systems, such as a performance rating system, credit guarantee scheme, technology scheme, resources management scheme, Mudra card, etc. Clay pot manufacturing, basket weaving, fruit and vegetable seller, cottage industries, handlooms, beauticians, and street vendors are just a few examples of the various minor sector sectors that make up the non-corporation small business sector. To date, SIDBI has completely subscribed to Mudra's authorized capital of 1000 crores and its paid-up capital of 750 crores. The Small Industries Development Bank of India (SIDBI) will help finance institutions that lend to micro and small businesses involved in production, commerce, and service provision. To help the micro, small, and medium-sized enterprises (MSMEs) in India have access to capital, Mudra teamed up with banks, MFIs, and other lenders. The micro, small, and medium-sized enterprises (MSME) that make up India's economic backbone account for 6.25 percent of the manufacturing GDP, 24.6 percent of the service sector GDP, and 33.4 percent of total manufacturing output. Microfinance in India is in a bad state and poses serious challenges for the industry as a whole. PMMY 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 holistic economic and social development, the government of India has created the Mudra Yojana. Many people, of both sexes, want to establish small businesses but have not been able to because they lack the capital to do so or the skills to access other sources of financing. This is where the Mudra Yojana comes in (Vijai, C. ,2018). The small-scale industrial sector is the economy's second-largest contributor, behind agriculture. The only people eligible for this loan are those who are of legal age in the United States and who can prove they have the ability to repay it. This loan is guaranteed by the Credit Guarantee Funds for Micro Units and requires no collateral. The Indian government has made a commendable action in implementing the Mudra Yojana, which would hopefully stimulate the country's economy. Mudra Yojana provides a simple lending method for company owners of small enterprises in order to stimulate growth and reduce debt. Financial aid, loan guarantees, and other assistance programs were originally provided by the Micro Units Development and Refinancing Agency Limited, a wholly-owned subsidiary of the Small Industries Development Bank of India (SIDBI). In addition to ensuring that government-announced programmes are effectively implemented and maintained, SIDBI is also responsible for their simple administration. Many people, regardless of gender, want to start a small company but have not been able to do so due to a lack of finance and a lack of understanding about funding options until Mudra Yojana came along with the goal of funding the unfunded. Originally a wholly-owned subsidiary of the Small Industries Development Bank of India (SIDBI), the Micro Units Development and Refinancing Agency Limited now offers financing, credit guarantee, and other assistance programs. When it comes to government-mandated programs, SIDBI is in charge of making sure everything runs smoothly and efficiently.

1.2.2 Social Benefits of Pradhan Mantri MUDARA yojana

Women, members of the SC/ST community, and other underrepresented groups are actively encouraged to start businesses thanks to the Mudra initiative, which offers low-interest loans to support their ventures. Although Mudra yojana performs the functions of the lender as a last resort, still the schemes have inherent barriers which need special attention. Even after these government initiatives, some major constraints are faced by the MSMEs (MSMEs is taken because they are the backbone of the Indian economy and Mudra Yojana is specially focused on the MSMEs).

Some of the major constraints faced by the MSMEs are as follows:

- Financial /Business Literacy
- Skill Development
- Knowledge Gaps
- Policy needs

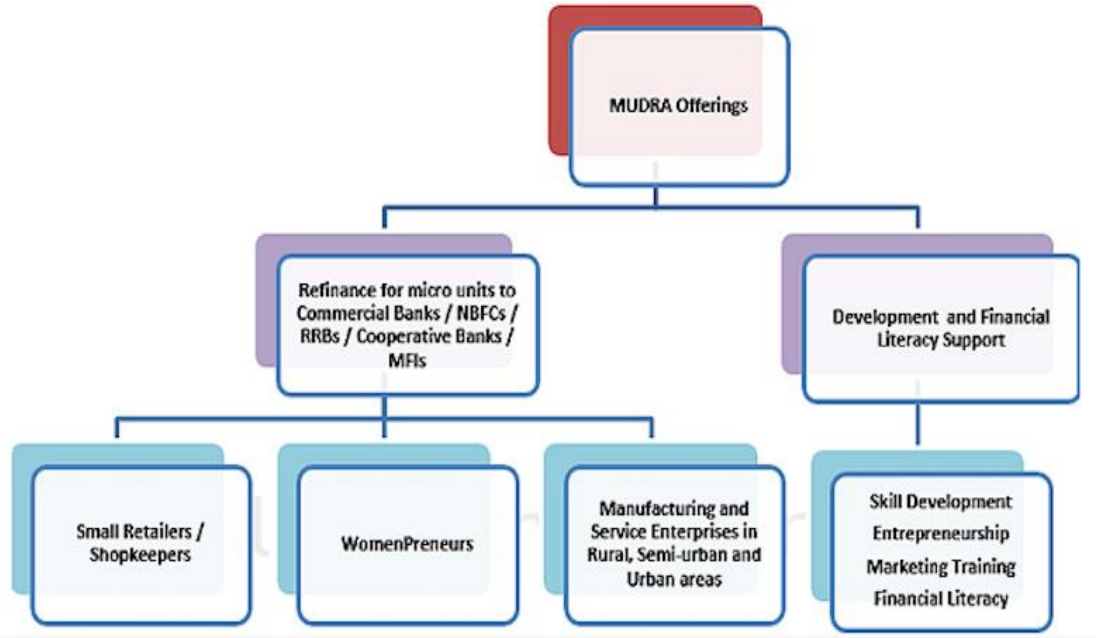
- Infrastructure Gaps
- Information Asymmetry
- Lack of growth orientation

Due to the lack of a legal framework to protect the MSME sector, financial institutions are unable to offer the funding they need. The PMMY scheme's key slogan is "bank to unbanked." The Mudra helps small and medium-sized businesses by providing management and financial assistance. Several activities that lead to the development of new jobs and revenue streams qualify for a Mudra loan. Originally a wholly-owned subsidiary of the Small Industries Development Bank of India (SIDBI), Mudra now offers a wide variety of financial and other assistance programs. Mudra's declared mission, "To establish an inclusive, sustainable, and value-based entrepreneurial culture, in conjunction with our partner institutions in attaining economic success and financial security," reflects this organization's commitment to empowering its members to succeed economically. (https://www.Mudra.org.in/).

The loans are extended under different categories mainly to provide:

- Business Loans for vendors, traders and other service sector activities.
- Working capital loans through Mudra cards.
- Commercial Transport vehicle Loan
- Loan for Agriculture related activities and non-farm income-generating activities.
- Two-wheelers for commercial purposes only.

Figure 1.2 Criteria for Mudra loans



Following is an illustrative list of the activities that can be covered under Mudra loans:

1. Transport Vehicle

Investing in vehicles like auto-rickshaws, small goods transport vehicles, 3 wheelers, e-rickshaws, taxis, etc., for moving people and things about. To further expand PMMY's reach, it now provides support for commercially utilized tractors and tractor carts.

2. Community, Social & Personal Service Activities

Services include Hair Stylists, Massage Therapists, Personal Trainers, Gyms, Boutiques, Dry Cleaners, Bicycle and Motorcycle Repair Shops, Digital Transfer and Photocopying Services, Pharmacy, Courier Services, etc.

3. Food Products Sector

Production of papads, achaar, jams and jellies, the preservation of agricultural products at the rural level, sweet shops, small service food stalls and day-to-day catering/canteen services, cold chain vehicles, cold storages, ice-making units, ice cream-making units, biscuit, bread, and bun production, etc.

4. Textile Products Sector / Activity

Products made with a variety of textile manufacturing techniques, including but not limited to handloom, power looming, khadi activity, chikan work, zari and zardozi work, traditional embroidery and handwork, traditional dying and printing, garment design, knitting, cotton ginning, computerized embroidery, stitching, and other textile non-garment products like bags, vehicle accessories, furnishing accessories, etc.

5. Business loans for Traders and Shopkeepers

Loans of up to 10 lakh rupees (about $15,000) are guaranteed by the government and made available to businesses and people so that they may start or expand their own retail outlets, wholesale operations, service businesses, and other non-agricultural sources of income.

6. Equipment Finance Scheme for Micro Units

A loan of up to 10 lakhs may be disbursed to each recipient, allowing them to invest in the machinery and equipment needed to launch a micro-business. Machines and other mechanical devices utilized in the manufacturing process may be classified as equipment.

7. Activities allied to agriculture

In 2016–17, PMMY will encompass services and activities that help people make a living in the agricultural sector, such as fish farming, beekeeping, poultry raising, animal farming, aggregation, grading, Agri clinics and agribusiness centers, food and agro-processing, and more.

According to the aforementioned classification, the PMMY Loans under various categories as supplied to the MSMEs may be classified as Micro, Small, and Medium Enterprises in accordance with the legislation approved by the parliament of India in the year 2018:

Table: 1.1 Classification of Enterprises into Micro, Small and Medium Enterprises (in INR)

Kind of enterprise	Act of 2006		Bill of 2018
	Manufacturing	Services	All enterprises
	Investment towards plant & machinery	Investment towards equipment	Annual Turnover
Micro	25 lacs	10 lacs	5 Cr
Small	25 lacs to 5 Cr	10 lacs to 2 Cr	5 Cr to 75 Cr
Medium	5 Cr to 10 Cr	2 Cr to 5 Cr	75 Cr to 250 Cr

1.3. Economic State of Haryana

Haryana has a thriving agricultural sector and a culturally significant history. It is bounded by the states of Himachal Pradesh to the north, Uttar Pradesh to the east, Punjab to the west, and Rajasthan to the south. It shares a border with the national capital of Delhi and is bounded on three sides by the state. Haryana provides the Central Pool with a significant portion of its wheat and rice harvest. When it comes to cotton production, Haryana ranks fourth in India. As with other states, Haryana's industrial sector has been growing at a fast pace. The automotive, information technology, agricultural, and petrochemical sectors are all important in Haryana. The State is the greatest vehicle hub in the country since it is favored by auto majors and auto-component makers. The refinery in Panipat, operated by IOCL, is the second biggest in South Asia. Haryana has made significant progress toward reaching sustainable development objectives thanks to its structural change from an agricultural State to an industrial State and the strong growth seen by the services sector. Quick Estimates for 2020-21 put Haryana's contribution to the National GDP at constant (2011-12) prices at 3.95 percent, despite the state only accounting for 1.33 percent of the country's land area. However, in 2020-21, Haryana's economy suffered severely as a result of interruptions caused by the epidemic. Located in the western Himalayas, Haryana is one of India's northernmost states. Agriculture and its peripheral industries are critical to the state's economic and financial development. The 2011 census revealed a total population of 2,535,146 inside the state, with 65.12% living in rural areas and 34.68% in urban centers. In 2017–18, the state's per capita income was Rs 203,340; in 2018–19, it is projected to reach Rs 22,6644. The growth rate in 2018-2019 was 11.5% higher than the growth rate in 2017-18. (The State of Haryana's Economy, 2019–2020) Estimates of the state's gross domestic products are released by the Department of Economic and Statistical Analysis (GSDP). According to projections, the State's GDP would reach Rs-8,95,671.25 crore in 2021-22, representing a stellar 18.1% annual growth rate compared to the negative growth rate of 0.5% projected in 2020-21. When the state of Haryana was first established, agriculture was the backbone of the economy. According to the 4th Five Year Plan implemented in 1969–70, agricultural output contributed 60.7%, followed by services (21.7%) and industry (17.6%). The proportion of Agriculture and Allied Sectors was estimated at 17.6% in the 11th Five Year Plan (2019-20), while the share of Industry and Services was predicted at 34.0% and 48.4%, respectively. The spread of the Covid-19 pandemic has had a significant impact on 2020-21's economy. As a result of the epidemic, the service industry has suffered the most. As a consequence of covid 19, this sector's proportion dropped to 47.1%, giving the Agriculture and Allied (18.0%) and Industry (34.9%) sectors a larger percentage of the economy. In 2021-22, the percentage of Agriculture and Allied Sectors (16.9%) decreased while the share of Industry (11.5%) and Services (10.1%) increased to 35.6% and 47.5%, respectively. In 2021-22, the State plans to keep the per capita income at or above the National average of Rs1,50,326 (at current prices) and Rs93,973 (at constant prices).

Another undertaking of the Non-Banking Financial Company (NBFC) Micro Units Development and Refinance Agency (MUDRA), which was set up to aid the Micro-Enterprise Sector. Sarva Haryana Gramin Bank is a major provider of Mudra loans under the Government of India's program because of its focus on small and medium-sized businesses. Small scale enterprises may get micro-credit from Rs. 50,000 to Rs. 10 lakhs with the help of this loan. (The Government of India Mudra Report, 2020-21)

Table: 1.2 Sarva Haryana Gramin Bank Mudra Loan 2020

Sarva Haryana Gramin Bank Mudra Loan	Max. up to Rs. 10 lakhs
Sarva Haryana Gramin Bank Mudra Loan	Interest Rate 8.05%
Mudra Loan Amount (Shishu Scheme)	Up to Rs. 50,000
Mudra Loan Amount (Kishore Scheme)	Between Rs. 50,000 and Rs. 5 lakhs
Mudra Loan Amount (Tarun Scheme)	Between Rs. 5 lakh and Rs. 10 lakhs

The following business categories are eligible to apply for the Loan:

- Food production sector
- Agricultural activities
- Artisans
- Business vendors and shopkeepers
- Textile industry
- Small manufacturers
- Repairing shops
- Truck owners
- Self-proprietors
- Service sector firms

Sarva Haryana Gramin Bank Mudra Card:

In exchange for a loan made via a PMMY account, a debit card known as a Mudra card may be requested.

In order to efficiently manage the working capital limit while minimizing the interest load, the Mudra Card may be used for numerous withdrawals and credits.

With a Mudra Card, you may get cash from any ATM or micro-ATM in the nation and make purchases at any POS terminal.

The Haryana State Department of Industries and Commerce, which is in charge of fostering the growth of the industrial sector in the state. It is the go-to agency for boosting manufacturing and helping new business owners get their feet off the ground in the state. The agency is also in charge of publicizing government programs like Mudra Yojana, which aim to encourage business creation. The department acts as a catalyst for career advancement and a source of inspiration. Land availability, land allocation procedures, land use conversion options, tax breaks and subsidies for the industry, pollution control and other certifications needed, and government agency support services are all discussed and explained to would-be business owners. It also serves as the primary agency responsible for carrying out industrial policy decisions made at the federal level. It is in charge of coordinating with other government agencies and providing a policy framework, facilitation, and advisory services to make it simpler to launch a business. It is also in charge of driving the development of industrial infrastructure in order to make developed land available for industrial ventures (Biswas, B. ,2019). The state's gross domestic product remained unchanged at Rs-5,88,771.21 crore in 2011-2012, growing by 9.8% in 2021-22 compared to the negative growth of 5.3% predicted in 2020-21. Banks in the state are actively taking part in financial inclusion programmes developed by the State Government and GOI, such as DBT, Stand up India, PMJDY, PMMY, APY, PMJJBY, PMSBY, etc., in order to help the most disadvantaged members of the state's population. The introduction of all these programs is aimed squarely at encouraging innovation and entrepreneurship among the country's young people. All of the federal and state programs implemented by the Indian government may now be found in Haryana. Several different economic and social spheres function in the Indian state of Haryana, as seen on the accompanying map. The main goal of this financial inclusion is to make banking and payment services accessible to everyone. Reducing poverty is directly correlated with expanding access to financial services. In April 2005, Y. Venugopal Reddy, then-Governor of the Reserve Bank of India, coined the phrase "Financial Inclusion." When it comes to modernization, Haryana ranks high. Because of this, opening an account with a little or non-existent balance is now more acceptable. In order to provide the impoverished and the underprivileged with easier access to credit, General Credit Cards (GCCs) were distributed to them. By making banking and other financial services available to the general public, organizations like SHGs, NGOs, MFIs, and banks are working to achieve the goal of universal financial inclusion. Except for a brief time, Haryana's economic progress since becoming a distinct State has been remarkable. Although Haryana is a relatively small state, it is expected to contribute 4.5% of the national GDP in 2020-21, according to preliminary projections. While the financial industry has expanded rapidly in many places, it still does not seem to have infiltrated large parts of our society. As per the CRISIL score, States such as Gujarat followed by Rajasthan have seen a maximum jump in their financial inclusion scores over the years, while among the non-special category of states; Uttar Pradesh and Madhya Pradesh have been fairly poor. The untiring efforts of both the centre and state governments on the financial inclusion front are expected to help achieve greater success in the years to come. In Haryana, out of 2966053 households belonging to rural households 1955176 households are availing of banking services. In an urban area, out of 1751901 households, 1259120 are availing banking services. The government has developed a number of programmes to help the underprivileged get better acquainted with the financial system. To make the PMMY Scheme "more effective," the government can appoint a "independent agency" to evaluate the scheme's impact and make adjustments to the "product designs" and "delivery mechanisms" on a regular basis in response to market demand and the specific requirements of the region's entrepreneurs. A large number of Mudra loans are being made and covered by banks in Haryana, with generally favorable and acceptable results. When it comes to micro and medium-sized businesses, Haryana is now a frontrunner among states. The state boasts of MSMEs in the area of Textiles, Automotive and Automobile Components, Leather, Pharma, wood etc.

This Yojna establishes a solid basis for GDP and government income by providing a clear vision and roadmap for promoting small-scale enterprises, particularly in suburban regions. In the following image, we can see the wide variety of business types represented by Haryana's micro, small, and medium-sized enterprises. The State's economy, according to 2021-22 advance forecasts, is predicted to quickly recover from the negative effects of the COVID-19 epidemic.

Figure 1.3 Haryana Map

Source: https://msme.haryana.gov.in

1.4 Financial Inclusion

Financial Inclusion is one of the important aspects of PMMY and our financial management has dependably been driven by the practical and comprehensive development of the state. The major focus of all the government schemes is to cover all the segments of the population. The government of India has taken some of the most significant measures to "finance the underfunded," with initiatives like the Mudra Yojana being just one example. Pradhan Mantri Mudra Yojana (PMMY) is one of the most important initiatives created by the Government of India (GOI) and is essential to realizing the goal of financial inclusion. Overview, performance analysis of PMMY by state, caste, and category, SWOT analysis of the program, and suggestions for Haryana are all included in the report. The Reserve Bank of India appointed a committee to investigate how the funds allotted under the Prime Minister's Mudra Yojana were really used, headed by the RBI's executive director Shri Deepak Mohanty. All aspects of credit and financial security were reviewed by the committee. Expanding access to financial services was a primary goal of the Mudra yojana's implementation throughout India's states. Therefore, the primary goal of the Pradhan Mantri Mudra Yojana is to provide financial support to those who need it (PMMY). Under the Pradhan Mantri Jan Dhan Yojana (PMJDY), which is a subset of the Mudra programs, you may get an overdraft of up to Rs 5,000. The PMMY budgetary process allows access to the required financing. The Mudra plan will increase competition in the market while helping the economically disadvantaged, the uninsured, and those without access to capital. The Mudra Yojana program of PMMY broadens access to credit and allows for debt consolidation. Under PMMY, MFIs have made major contributions to finance for women. Women business owners, members of the SC/ST/OBC borrower category, members of the Minority community, etc. have all benefited from the loans made available via the PMMY's Mudra Scheme. A lot of attention has also been paid to aspiring business owners (Lall, A. R. ,2018). According to a study by the Ministry of Labor and Employment, PMMY was responsible for creating 1.12 crore net new jobs between 2015 and 2018. Sixty-nine lakhs (or 62%) of the predicted 1.12 crore rise in employment was made up of women. Given this, it is reasonable to speculate that the program, if carried out as intended, has the potential to significantly advance the Government's financial inclusion drive, therefore contributing to the growth of the Indian economy. Based on the available research, there are a number of underlying causes, including a lack of skills, management challenges, marketing issues, and financial concerns. Among the aforementioned concerns, financial concerns have dominated all policy talks. The lack of available funds is often seen as the underlying cause of the industry's other problems. It is clear that these small businesses are crucial to the expansion and development of the economy. Manufacturing units, shopkeepers, fruit and vegetable vendors, truck and taxi drivers, restaurants, repair shops, machinery operators, small manufacturers, artisans, food processors, street vendors, and many more are all included in the report of Mudra Yojana as examples of small entrepreneurs engaged in production, trading, and transportation services. Agricultural production and non-agricultural production are the two main types of production. A broad range of skilled and semi-skilled operations, from food processing to the production of various handicrafts and domestic products like pots, mats, textiles, etc., fall under the category of "non-agricultural." Agricultural activities include farming, cattle keeping, poultry rearing, and fishing. The vast majority of traders engage in small-scale financing to support the purchase and sale of goods including vegetables, seafood, and other perishables. Thus, financing is an important aspect that leads to the growth of entrepreneurship development.

A study by International Finance Corporation (2013) highlights that there are four channels through which jobs can be created through financing which are (IFC,2013):

1. The financing through these schemes helps in the start of entrepreneurship activities.
2. Financing helps businesses in making larger investments,
3. The financing provides businesses with necessary liquid funds, and
4. Financing supports indirect job creation through supply and distribution chains.

With the goal of "providing a coordinated monetary and support administrations supplier second to none at standard with best practices acknowledged worldwide and norms for the lower part of the pyramid universe for financial and social turn of events," the Micro Unit Development Refinance Agency (MUDRA) was launched in response to the financial shortfall of the miniature businesses and the disconnection of assets from financial foundations. The idea behind the Mudra Yojana is to provide a new window for MSMEs to reduce the financial issues of MSMEs. MSMEs usually have limited resources so they have to look for further sources at a different stage of their business but there has not been a source of credit to the sector due to lack of proper maintenance of books of accounts. The banks and financial institutions, on the other hand, faces financial shortages so they do not have enough funds as a backup plan. Further, if the banks are dormant due to unprofitable sourcing credit to the sector, this also causes serious financing problems.

As stated above, Small Industries Development Bank of India (SIDBI) founded Micro Units Development & Refinance Agency Ltd (MUDRA) as a wholly owned subsidiary with a 100% capital investment with the main goal of "funding the underfunded." Mudra has a total authorized capital of 1000 crores and a paid-up capital of 750 crores, both of which have been completely subscribed by SIDBI. Mudra's credit corpus started off at 20,000 crore, and the guarantee corpus is 3,000 crores. The primary objective of the Mudra Yojana is to offer funding for first-time company owners, with a focus on those from the scheduled castes and tribes (SC/ST), but also for other underserved communities and startups that lack access to traditional sources of capital.

Credit of up to 10 lakh (maximum) is provided to Mudra yojana participants under the following categories:

1. Technology enabler
2. To financial institutions as refinance micro-units
3. Credit Guarantee to Mudra loans,
4. Promotional and developmental aid, including training and education programs and initiatives.

Apart from these primary products, the schemes include loans to Land Transport, Community, Social & Personal Services, Food Product and Textile Product sectors etc. To meet the working capital requirements along with long term credit the Mudra Card functions as a 'bridge loan' for meeting the working capital of the entrepreneurs. The Mudra card helps bring beneficiaries into financial inclusion and transactions in digital form. National Payment Corporation of India (NPCI) has recognized Mudra Card as a major credit card and also given Rupay branding to Mudra Card. The beneficiaries can use the Mudra card like another credit card to fulfil their working capital requirements. The card is applicable all over India and cardholders can avail of cash withdrawal facilities form from any ATM / micro-ATM; and through any 'Point of Sale' machines. The withdrawal limit is based on the actual credit due under Mudra Scheme. There are 143 different financial institutions helping to issue Mudra credit; they include NBFCs (39), SBI and Associates (6 now merged), PSU banks (21), PIBs (18), FBs (2), RRBs (56), and an MFI (1). In India, the Mudra Yojana is one such specialized financial arrangement that provides access to finance for small businesses. The government's Mudra Yojana program would be more successful if it included previously underserved populations. To encourage more people to take part in the Tarun Scheme, i.e., rather substantial projects, the government should prioritize the quality of the credit above the amount of the credit. A positive trend is the increasing engagement of the private sector, which has proven more effective than the governmental sector in the past. The government's role is to guarantee that PSBs and RRBs have greater access to credit markets. If the government or institutions that provide funding for micro-businesses take these measures, the Mudra Yojana will begin to develop in a more stable manner;

in addition, the government should broaden the demographic of those who stand to benefit and place more emphasis on the quality of the credit than the quantity.

There are a number of goals that were envisioned when the Mudra Yojana was first conceived, and those goals will be realized when the program is put into action. Here are some of the most notable:

1. As a means of providing small and medium-sized businesses with access to capital
2. Maintaining order among all of the Microfinance Institutions and other relevant organizations.
3. As a means of hastening the expansion of existing companies.
4. Helping low-income communities broaden and diversify their operations.
5. For unbanked business owners to have convenient access to low-cost financing options.
6. To give lower-income and minority loan applicants special consideration.
7. Intended for controlling all Microfinance Organizations engaged in commerce, industry, and service provision.

Mudra Yojana is a positive step taken by the Indian Government that is a visionary step that would take the country forward in future because it would help in refinancing the business plans at a very low rate of interest of the entrepreneurs so that they can generate income and contribute to economic development. Growth in MSME would make the indigenous industries more efficient that would lead help in achieving the goal of 'Make in India' and creating more foreign income which would improve the foreign exchange surplus. Thus, financial inclusion in MSMEs through this scheme will act as a game-changer in the financial market and will boost the Indian Economy in near future.

1.5 Various schemes under the Mudra Yojana:

1. Micro Credit Scheme – This program helps businesses by providing loans of up to Rs. 1 lakh via Micro Financial Institutions (MFIs). Individuals and organizations like JLGs and self-help groups that are involved in targeted microenterprise activities are eligible for this financing (SHGs).
2. Women Enterprise Programme (Mahila Udyami Yojana) – An important scheme of Mudra Yojana which is specifically targeted towards women entrepreneurs. The purpose of the scheme is to motivate individual women entrepreneurs to set up

various micro-enterprises. There is a provision for Special concessions such as a reduction in interest rates of up to 0.25% on loans granted.

3. Refinance Scheme for Banks – Mudra offers the facility to banks like Scheduled Co-operatives Banks, Regional Rural Banks and Commercial banks to refinance loan amounts (up to Rs 10 lakhs per unit). The refinance facility is availed by those who have already taken loans for microenterprise activities. For this, the Banks need to comply with requirements as amended from time to time.
4. Mudra Card – The Mudra card is a novel credit instrument that streamlines the credit procedure by giving the cardholder more leeway. The Mudra Card may serve as either a credit card with an overdraft (loan) limit or a debit card for usage at ATMs. The Mudra Card's hybrid cash and credit system makes it an attractive option for firms in need of short-term financing.
5. Credit Guarantee Fund – Credit guarantee fund is also known as the portfolio credit guarantee, which creates a special fund called the Credit Guarantee Fund for Micro Units (CGFMU). This fund is managed by the National Credit Guarantee Trustee Company Ltd. and allows eligible entities to receive micro-loans easily (https://www.Mudra.org.in)
6. Equipment Finance Scheme – As part of the Mudra Loan program, the Equipment Finance Scheme provides financing for small businesses in need of new or upgraded equipment. As a result, they are able to boost their productivity and efficiency in the workplace.
7. Credit to Micro Enterprises – The objective of Mudra yojana is to maximize the benefits and the number of beneficiaries from the scheme. A large proportion of India’s population is involved in land transport, textile production and community services. To meet the requirements various schemes were launched to help budding entrepreneurs.

Table 1.3 State-wise Distribution of Funds under Mudra Yojana 2019-2020

Sr No	State	Shishu			Tarun		
		No. of A/Cs	Sanction Amt	Disbursement Amt	No. of A/Cs	Sanction Amt	Disbursement Amt
1	Andaman and Nicobar Islands	296	1.14	1.13	598	48.13	46.73
2	Andhra Pradesh	529001	1413.92	1377.77	61613	4520.09	4379.39
3	Arunachal Pradesh	20088	57.16	57.03	765	61.43	58.51

4	Assam	1516050	4811.22	4797.85	14064	1054.85	1006.94
5	Bihar	6168244	18157.42	18074.91	43022	3287.92	3112.9
6	Chandigarh	14790	42.5	41.47	2599	202.99	195.52
7	Chhattisgarh	1115562	3176.22	3148.1	24520	1931.21	1867.44
8	Dadra and Nagar Haveli	2030	6.61	6.53	299	22.81	22.02
9	Daman and Diu	308	0.83	0.62	205	17.4	15.69
10	Delhi	463970	1190.04	1177.93	30343	2611.37	2526.54
11	Goa	26344	79.66	77.27	3050	231.15	217.22
12	Gujarat	1738925	5378	5361.65	94369	4184.95	4071.28
13	Haryana	983706	2995.89	2964.97	32707	2403.1	2305.4
14	Himachal Pradesh	46058	144.77	127.1	14461	1146.19	1087.55
15	Jharkhand	1563096	4401.73	4380.98	21171	1628.46	1549.73
16	Karnataka	4738832	14040.91	14019.42	133629	6062.9	5834.4
17	Kerala	1788708	5615.42	5603.75	36163	2790.48	2679.4
18	Lakshadweep	527	1.45	1.15	19	1.58	1.33
19	Madhya Pradesh	3063437	9169.15	9130.35	103178	4486.17	4274.41
20	Maharashtra	4132679	12141.74	12114.28	133199	8262.68	8015.16
21	Manipur	81858	201.68	200.56	1243	93.9	88.13
22	Meghalaya	38751	94.19	93.76	1335	98.25	95.09
23	Mizoram	13784	65.25	62.83	1137	66.71	63.59
24	Nagaland	11360	41.58	41.19	973	76.91	69.25
25	Odisha	3410033	10038.48	9998.52	27080	2043.94	1948.37
26	Pondicherry	113306	380.33	379.6	6969	145.67	142.78
27	Punjab	1083174	3362.4	3319.21	34686	2850.82	2743.29
28	Rajasthan	2598195	8195.77	8155.91	100952	5990.43	5870.25
29	Sikkim	14587	37.28	36.67	978	71.72	70.24
30	Tamil Nadu	6405139	21241.93	21216.35	141463	5786.94	5637.89
31	Telangana	1213412	3722.14	3707.55	45512	2637.35	2585.34
32	Tripura	371417	1153.24	1151.37	1605	118.93	111.5
33	Union Territory of Jammu and Kashmir	43862	85.85	83.21	16417	1232.54	1203.81
34	Union Territory of Ladakh	577	1.26	1.24	1154	84.49	81.82
35	Uttar Pradesh	5222319	13971.67	13802.3	96858	7631.85	7192.93
36	Uttarakhand	236572	753.44	740.77	13320	1073.82	1027.17
37	West Bengal	5719620	17386.57	17357.91	43460	3398.2	3275.71
	Total	54490617	163558.8	162813.21	1285116	78358.32	75474.75

(https://www.Mudra.org.in/)

1.5.1 Benefits of Financial Inclusion

An efficient monetary system serves an essential function by making available a variety of credit, payment, and risk management options to business owners. The term "financial inclusion" refers to a system in which individuals from all socioeconomic backgrounds have equal and unrestricted access to mainstream financial services. Without access to credit, aspiring business owners would have to dip into their meager resources in order to finance their plans to start their own companies and take advantage of new and exciting prospects. Despite major financial sector changes over the last two decades, India's financial systems are still under-developed when compared to those of wealthy nations. There are various obstacles that Indian businesses face on the path to creating a more economically equitable society. Despite substantial advancements over the last several decades, India's financial systems continue to trail behind those of wealthy nations. The Gross Domestic Product (GDP) gap between the United States and other industrialized countries is the most reliable indication of economic health (World Bank, 2018). In the last two decades, we have seen a widening of the financial inclusion gap, but the gap is still there. Many Indian citizens and businesses still lack access to financial services, despite the expansion of the country's financial industry in recent years. Cost, distance, and paperwork requirements are seen as the primary impediments to financial inclusion in India, putting the country behind other economies in each of these areas. In general, as GDP per person grows, so do these limitations. It is difficult to increase financial inclusion by removing physical, regulatory, and monetary obstacles since doing so involves addressing underlying problems. The acceptance and widespread use of innovative goods, procedures, and technology that might reduce obstacles to financial inclusion in India are expected to be hastened by efforts to enhance financial systems for improved financial inclusion. The term "financial inclusion" refers to the process of making the formal financial system accessible, available, and usable for all members of society, but notably the economically disadvantaged. By allowing for more effective resource allocation, financial inclusion helps keep overhead costs down. Improvements in day-to-day money management may be enormous if more people have access to financial services. According to Thrift (1995), financial exclusion refers to the actions taken to exclude people and communities from participating in the mainstream financial system. The term "financial exclusion" was used by Carbo et al. (2005) to describe the condition in which some demographics are denied entry to the financial system. Conroy (2005) defines financial exclusion as "a mechanism that inhibits poor and disadvantaged socioeconomic groups from getting access to formal financial institutions in their country." In Mohan's (2006) definition, financial exclusion occurs when some segments of society do not have access to mainstream providers' services in a way that is convenient, affordable, and secure. The informal, often exploitative, sources of credit are discouraged by a system that values financial inclusion. Therefore, financial inclusion improves productivity and well-being by enabling access to a variety of secure financial services that promote responsible saving and investment. In a nutshell, "financial inclusion" involves providing economically disadvantaged people with access to mainstream financial services on an equal and open basis. As such, it is crucial for the economy as a whole to expand and thrive. Reaching out to underprivileged communities and those of lower incomes is central to the concept of financial inclusion. Increasing people's access to financial services is crucial to a country's economic growth and to providing people with higher standards of living and more disposable money. According to a study published by the World Bank, "financial inclusion is defined as the absence of price or non-price obstacles in the use of financial services." The Rangarajan Committee's report defines financial inclusion as "the process of enabling access to financial services quickly whenever required by the disadvantaged group at the correct time." Financial inclusion includes the following:

- Availability
- Adequacy
- Accessibility
- Affordability
- Awareness

In 2005, then-RBI governor Shri Y. V. Reddy pioneered the notion of financial inclusion. This implies that affordable financial services for people from all walks of life, including those with lower incomes and more vulnerable backgrounds, need to be created. The government of India has launched a number of programs—including the Pradhan Mantri Jan Dhan Yojana, the Pradhan Mantri Jeevan Jyoti Bima Yojana, the Pradhan Mantri Suraksha Bima Yojana, the Atal Pension Yojana, the Varishtha Pension Bima Yojana, and the Pradhan Mantri Mudra Yojana—in an effort to expand access to formal financial If India is going to make strides toward achieving its goal of universal financial access, then the Pradhan Mantri Mudra Yojana is essential. High client acquisition costs, low financial literacy rates, and a general lack of awareness are just a few of the issues that financial inclusion attempts to address. The Reserve Bank of India has taken many steps to improve financial inclusion, so that more individuals in India may benefit from government programs. Innovations in mobile banking, the ultra-small branch, and other areas have contributed to the expansion of India's financial system in recent years. Microfinance programs aim to help those at the very bottom of the economic ladder find ways to improve their financial situations. It plays a wide variety of functions, the most notable of which are the provision of credit and credit-plus services including savings, pensions, insurance, money transfers, financial literacy, and other support services.

There are essentially three types of major participants in the microfinance industry. Here are some of them:

1. The SHG-Bank linkage model through Commercial Banks & RRBs channels
2. The Non-Banking Finance Company popularly known as NBFCs and
3. Others including Companies, Trusts, Societies, etc. (Covered in Section 8 previously Section 25)

Universal banking services were made available to the unbanked and those in need of startup capital under this plan. It is founded on the tenets of providing financial services to the unbanked, protecting the unprotected, providing money to the unprovided, and reaching out to neglected regions. In order to fund the last mile of the supply chain for small and micro businesses, these financial institutions collaborate with their state and regional counterparts. Recently, the concept of financial inclusion has gained traction and is now a top policy concern in many nations. Governments and financial authorities are supporting initiatives to broaden access to the financial system. Financial inclusion has been pushed forward by several sectors, but none more so than banking. Microfinance institutions and so-called "Self-Help Groups" have been two of the alternative financial institutions championed in developing nations to provide access to financial services for the poor. What we mean by "financial inclusion" is providing low-income people and communities with access to banking services at a price they can afford. Households that are unable to get credit because of a lack of credit history would fall under the category of the financially excluded. For people outside of the official financial system, financial inclusion means gaining access to credit as well as other services like savings, insurance, payments, and remittances. Many families are being financially excluded because they are victimized by moneylenders who provide loans at very high interest rates (50 to 60 percent). It is possible that RBI is considering employing moneylenders in a formal capacity. It has not happened yet, however. As a result, families who have access to reliable microfinance institutions, such as NABARD SHG-linkage, self-help groups, and commercial banks, are considered to be financially included. More people may create bank accounts in the formal system to help reach financial inclusion goals. Small and marginal business owners, farmers, and members of disadvantaged socioeconomic groups are also targets of financial inclusion initiatives. Credit, which would boost the production and sustainability of marginalized populations, is the primary objective of financial inclusion. Several well-known academics have offered their own definitions of "financial inclusion." Leyshon and Thrift (1995) provide one prominent definition of financial exclusion as a mechanism that works to deny access to the formal financial system to particular socioeconomic groups and people. As described by Carbo et al. (2005), financial exclusion occurs when some demographics are denied entry to the financial system. According to Conroy (2005), "financial exclusion" is the process through which low-income and other marginalized populations are denied entry to their nations' official financial institutions. Financial exclusion, as defined by Mohan (2006), occurs when a significant portion of the population is denied access to widely available, low-cost, fair, and secure financial goods and services. All people in a country should be able to quickly and easily participate in and benefit from the official financial system. India's economy has changed dramatically in recent years, both in terms of its strength and the number of new companies entering the market, and finance has played a key role in this transformation. Conversely, the banking industry is the most vital part of the financial sector as a whole. Dr. C. Rangarajan chaired a commission in 2006 that studied the state of financial inclusion for marginalized groups including the poor and members of SC/ST and other historically marginalized populations. In India, the term "financial inclusion" refers to the provision of low-cost banking services to economically marginalized groups. Dr. K.C. Chakrabarty, Deputy Governor of the Reserve Bank of India, described financial inclusion as the process of ensuring that all members of society, and especially those most at risk, have affordable and clear access to financial products. In order to expand access to banking services among the underserved population, the concept of "financial inclusion" was developed (V. Leeladhar,2005). As a consequence of these structural impediments, the poor are unable to get access to financial services, which may lead to further marginalization. It is proposed that attempts be made to shift from the notion of anytime, anywhere banking to everyone banking in order to ease the financial inclusion process. Previous research has highlighted the importance of simple access to sources of financing in alleviating poverty, promoting inclusive development, and achieving financial inclusion. At various points, action is required to address weaknesses in the nationalization, privatization, and growth of the banking sector, as well as the rural cooperative sector. In order to improve Financial Inclusion, banks were urged to adopt a number of the commission's suggested policies and practices. To expand access to banking services, banks throughout the country need to expand their footprint by creating basic checking accounts in underserved areas, allocating underserved villages to existing banks, and so on. In order to reach more people and finish the job, the committee prioritized expanding the use of technology. Over 90% of the world's 721 million individuals have registered new accounts between 2011 and 2014, according to the World Bank worldwide index. This is evidence of progress toward achieving financial equality.

The concept of financial inclusion is especially important for India due to many reasons which are mentioned as below:

1. Financial inclusion is hampered by the fact that most people in rural regions and the unorganized sector lack easy access to cheap financial services including savings, loans, and insurance.
2. Provide accessible and reasonably priced financial services Expanding access to finance and insurance in particular helps the impoverished by increasing their range of viable economic activities.
3. The empowerment that comes from improved financial strength has a ripple effect that promotes social and political stability.
4. Financial inclusion gives identification, access to the payments system, and savings security options like deposit insurance to people in developing nations like India.

For these reasons and more, broadening access to financial services is seen as essential to fostering inclusive development, which is necessary for the economy to expand sustainably. If the poor and vulnerable in India's rapidly expanding society are not included in the process, the country's economy will not develop in a way that is fair or sustainable. The opening of bank account can make it easier for the government to deliver direct aid and resources to those in need, minimizing the need for intermediaries.

1.5.2 Financial Inclusion in Haryana

Haryana is one of the most progressive states in India, and it is making great strides in meeting its crucial Financial Inclusion Indicators, such as a Credit-Deposit Ratio of 35.71 against a baseline of 60 and Financial Exclusion of 68.1%, the highest in the Northern Region. According to the research, Crisil Rohtak performed best in Haryana, earning a score of 63.4%, while Mewat performed worst, earning a score of 25.7%. In September 2016, the United Nations Development Programme awarded Haryana the HPPI 'Disha project' to aid 14,000 disadvantaged women in the districts of Faridabad, Gurugram, Mahendragarh, Mewat, and Rewari through training and entrepreneurship skill development to raise awareness about financial inclusion. Better employment opportunities, higher levels of education, and greater access to financial services would all contribute to a rise in monetary activity. Financial inclusion is widely seen as a key indicator of economic health and progress. National income, personal and societal prosperity, the emergence and growth of micro, small, and medium-sized enterprises, and so on, are all bolstered by widespread access to financial services. The level of life of the poor may be significantly improved by financial inclusion. Through access to formal financial services, low-income households are better able to meet their basic needs, such as purchasing food, paying for medical care, and educating their children. Therefore, financial inclusion, in its widest definition, is the provision of financial services at affordable prices to all sectors, including disadvantaged and impoverished or low-income groups. India's socialist roots mean that the country prioritizes ensuring its citizens have access to formal financial services. After the government took over the banking industry in 1969, the poor have relied mostly on credit to meet their financial needs. There were two strategies used for this credit drive: Priority sector objectives for banks ensured that a large share of loans went to credit-starved impoverished households and MSMEs, and institutions like regional rural banks and cooperative banks were set up to aid with financial inclusion. In addition to the aforementioned benefits, financial inclusion also gives a stable identity, access to the payment system, and a savings safety net, such as deposit insurance. Consequently, inclusive development, which is relevant for the country's overall sustainable growth, requires financial inclusion. To that end, on August 28, 2014, the PMJDY (Pradhan Mantri Jan Dhan Yojana) was launched to increase access to banking services for economically disadvantaged people throughout India. Therefore, the PMJDY account features a variety of financial goods such as credit, overdraft, and remittance services, as well as savings and retirement plans. Increasing the commercial potential of formal institutions is important for economic and social development, and financial inclusion is a key component of that. Increases in production, investment, productivity, output, and earnings are all aided by greater access to financial services. Inclusion in the financial system is aided by factors such as education, employment, production, per capita income, and employment. So, an evenly distributed banking sector is first needed for financial inclusion. Financial Inclusion Includes:

1. Transmission services – also referred to as banking services.
2. Protective services- provides stability for the long-term and the short-term, insurance against income and expense swings,
3. Promotional services - facilitate autonomy and enable individuals to promote themselves.

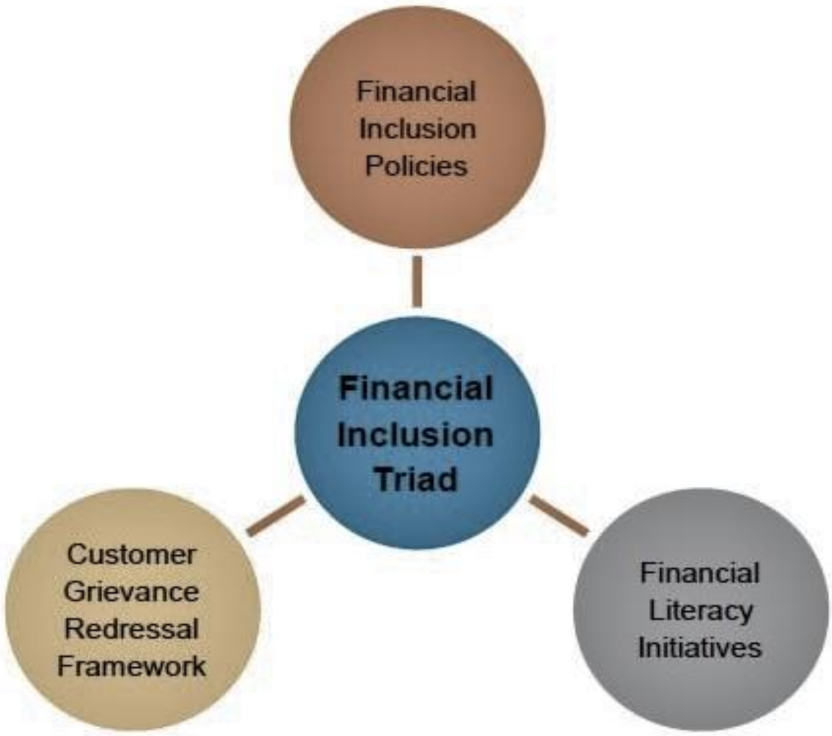
The cost of capital may be lowered if the economy as a whole has access to a stable financial system that allows for the equitable distribution of income. The right financial services may do wonders for day-to-day money management. It has the potential to curb the expansion of predatory, informal loan networks. Therefore, financial inclusion improves productivity and well-being since it paves the way for a wider variety of financial services and creates opportunities for safe and sound saving habits. There is a consensus that expanding access to financial services is crucial, and as a result, many nations have made it a policy priority in recent years. Banking institutions, government agencies, and financial regulators have all put significant effort into financial inclusion initiatives. For example, the Community Reinvestment Act (1997) in the United States mandates that financial institutions provide credit to all residents in their service region. The government of the United Kingdom established the 'Financial Inclusion Task Force' in 2005 to track the progress of financial inclusion. Banking institutions have also been at the forefront of advancing financial inclusion. The Reserve Bank of India (RBI) has implemented a number of initiatives to increase financial inclusion in India, such as making 'no-frills' accounts and 'General Credit Cards' with modest deposit and credit available to the general public. Microfinance institutions and "Self-Help Groups" have also been advocated as viable financial institutions for accomplishing financial inclusion's goals. Research on financial inclusion has shown that it is multifaceted, therefore any attempt to quantify it must take this into account. An indicator known as the "index of financial inclusion" is used to evaluate how welcoming a country's financial system is to its citizens. This multi-factor index measures factors critical to financial inclusion, such as the number of people with bank accounts, the accessibility of banking services, and the frequency with which people make use of these resources. The index combines data from several sources into a single figure between 0 and 1, where 0 represents full financial exclusion and 1 represents complete financial inclusion throughout an economy. Therefore, it is important to build a FI-Index that is sensitive to the availability, ease of access, degree of use, disparity and insufficiency in services, level of financial literacy, and consumer protection within the formal financial inclusion sector. On August 17, the Reserve Bank of India (RBI) released the Financial Inclusion Index (FI-Index) to assess the number of Indians who have access to, and make use of, formal banking and financial services and products. It is calculated by identifying:

- An approximate measure of access's depth is the percentage of the population with a bank account.
- The number of bank branches and the number of ATMs may be used as proxies for convenience.
- Customer use as a proxy for engagement levels.

This means that the definitions of financial inclusion point to the marginalized as the primary victims of financial exclusion. A report by the reserve bank of India proposes a financial inclusion triad consisting of the following (Fig-3):

- Financial Inclusion policies
- Customer grievance redressal framework
- Financial literacy initiatives

Figure 1.4 Financial Inclusion Triad Consisting



Source: Reserve bank of India report (2020)

1.5.3 Dimension of Financial Inclusion:

Accessibility, availability, and use of banking services are the three cornerstones of financial inclusion. Bank branch density is one indicator of accessibility, while banking system penetration is another. For this reason, we may define financial inclusion as the availability of appropriate and affordable financial goods and services (such as transactions, payments, savings, credit, and insurance) to all members of society and all segments of the economy. Through increased access to a wider range of financial services, India has a greater chance of achieving goals such as poverty alleviation, inclusive growth, equality, money management, investment projects, and a higher standard of life. The National Policy for Financial Inclusion 2019-2024 was published by the Reserve Bank of India (RBI) on January 10, 2020. This document lays forth the goals and aspirations for India's financial inclusion initiatives. The RBI developed the plan with help from other government agencies and banking industry watchdogs (Securities and Exchange Board of India, Insurance Regulatory and Development Authority of India and Pension Fund Regulatory and Development Authority of India). The term financial inclusion, as used in the study, refers to the process of providing low-income and vulnerable populations with timely and appropriate access to financial services and credit. There are six main goals that the Reserve Bank of India has set for a nationwide plan to expand access to financial services.

1. Universal access to financial services,
2. Providing a basic bouquet of financial services,
3. Access to livelihood and skill development,
4. Financial literacy and education,
5. Customer protection and grievance redressal, and
6. Effective coordination.

Access to and use of financial services are only two of the many facets that may be quantified when assessing financial inclusion. The Financial Inclusion Tracker Surveys of the Gates Foundation and the Global Findex database of the World Bank both investigate the state of financial inclusion in a nation from the viewpoint of its citizens. The Financial Access Surveys conducted by the International Monetary Fund are another excellent example of a source that takes a firm-centric approach. The Mobile Money Regulatory Index created by the Global System for Mobile Communications (GSMA) and the World Bank are two more examples of financial inclusion research that use a broader environmental approach. Two such indicators (from Findex and the Financial Access Surveys) are used by the United Nations to evaluate progress toward the Sustainable Development Goals.

As a result, it is clear that emerging nations like India have an urgent need to focus on financial inclusion. This research aims to examine the effectiveness of Haryana's financial inclusion programs from 2001.

1.6. Initiatives by Different Countries for Financial Inclusion:

Financial Inclusion in the Philippines

The emerging credit scoring sector helped the Philippines, which was considered as a way to provide access to credit for individuals at the bottom of the economic pyramid. The Filipino public has just come to appreciate the transformative effect of access to finance. The Financial Inclusion reports published by the Bangko Sentral ng Pilipinas (BSP) provide a concise overview of the country's progress and major milestones in this area. Some people said they did not open a bank account because they did not have enough money. A significant portion of the population in this developing nation lives below the poverty line, making it difficult to provide them with adequate financial services. As of March 18, 2016, the poverty incidence in the Philippines was 26.3%, and the subsistence incidence was 12.1%, which means that over 26 million Filipinos are still living in poverty.

Financial inclusion in India

The government has made promoting financial inclusion a priority since at least the 1950s. In 1969, the government took control of 14 commercial banks to make financial services more accessible to the poor. The government created Regional Rural Banks (RRBs) in 1975 to serve the rapidly growing rural sector. The phrase "financial inclusion" first used in an Indian setting in the early 2000s. Mangalam, Puducherry made history by becoming the first Indian hamlet to provide banking services to every single family. Several Indian states and union territories, including Puducherry, Himachal Pradesh, and Kerala, have pledged to make all of their districts fully financially integrated. No-frills accounts (NFAs) in India, which may be created with zero or very small initial deposits, are one example of the various programmes that the Reserve Bank of India has launched to expand the country's access to financial services. To better assist bank clients, the Reserve Bank of India has continued to loosen regulations. In addition, in August 2005, the paperwork requirement for creating a bank account was eliminated for minor accounts, making it easier for people to obtain bank accounts. The RBI began allowing middlemen in the banking system in January 2006. This allowed financial institutions to provide direct access to underserved regions by easing the process of conducting transactions and bringing banking services to those who needed them. To expand access to financial services, fintech is often cited as a promising solution. Because of concerns about the safety of online financial transactions, the government has mandated that financial institutions make better use of information and communication technology (ICT) to provide customers direct banking services that can be verified by biometrics. Financial institutions provide their customers with a variety of credit card options, the most common of which are the general-purpose credit card (GCC) and the Kisan credit card. After 2011, the RBI mandated that 25% of all new branches operate in a given year be located in underserved rural regions. Social and economic empowerment, especially for women and the economically disadvantaged, may be achieved via group-based models in which people pool their money. For the purpose of empowering rural women and workers, the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was enacted to provide them with supplementary employment at a guaranteed minimum income and to promote their financial inclusion. Greetings, Pradhan Mantri Through the establishment of basic bank accounts accompanied by other basic financial services, the Jan Dhan Yojana aims to give "universal access" to banking. Over 18 million new bank accounts have been established throughout the country since the scheme's launch day. While the process of creating bank accounts is still ongoing in India, the digital push by the government has severely disrupted the country's financial system, prompting heated controversy.

Financial inclusion in Tanzania

Tanzania has 55.57 million inhabitants yet just a fraction of them have bank accounts. Access to formal banking tools for Tanzania's rural population is connected to poverty reduction. Thanks to the rise of online banking, that percentage is now 60%. Since mobile money was introduced, the situation in Tanzania has drastically improved. The widespread availability of mobile banking choices has greatly contributed to the rapid growth of financial inclusion in Tanzania.

Financial Inclusion in the United States

Microfinance principles found widespread support in the United States in the late 1980s and early 1990s. The United States lagged behind other nations in making these modifications. To aid and encourage the upward mobility of more underprivileged populations, MFI groups must first empower their own local communities. Since several American companies stopped accepting cash payments during the COVID-19 outbreak, digital financial exclusion has grown more widespread in the country.

Financial inclusion in Indonesia

To increase citizens' access to financial services, Indonesia's government adopted a national policy for financial inclusion in 2016. Indonesia's financial inclusion initiatives focus on the following areas:

- Those with the lowest incomes and the fewest or no resources to use financial services.
- Small enterprises, startups, and micro-entrepreneurs, and
- Women, the elderly, persons with criminal records, the homeless, college students, and young adults.

Seventy-five percent of Indonesia's adult population is projected to have access to formal financial services by the end of 2019. To ensure that the strategy is carried out consistently and efficiently, as well as to formulate strategies and policies to remove roadblocks to financial inclusion, the National Council for Financial Inclusion was set up. As of this year, 76.19 percent of adults in Indonesia reported using some kind of financial service.

Financial Inclusion in Haryana:

If you are looking for a state with a reputation for progressivism, go no further than Haryana. In spite of its reputation as a leader in progressive policy, the state is having trouble meeting its targets on the Financial Inclusion Indicators. Compared to the national average of 60, Haryana's Credit-Deposit Ratio is very low at only 35.71. At 68 percent, Haryana has one of the highest rates of financial exclusion in Northern India.

Haryana has a population of 2.54 billion people, with a density of 573/square kilometer and a literacy rate of 67.9%. There is a total of 22, 72, 93, 50, 154, and 6,841 administrative divisions inside these cities and towns. Punjab National Bank is the most prominent financial institution in Haryana, and it is implementing a wide range of initiatives aimed at expanding access to banking services for the state's low-income residents (14.7 percent of the population) (Economic Survey). There are a total of 653 branches spread over 1 Regional Rural Bank and 15 Private Sector Banks that are all operated by the state. There are 37 financial institutions in the State, with a total of 4,718 locations across the state. While the district of Mewat in Haryana has the lowest financial inclusion score (25.7), the city of Rohtak has the highest (63.4) according to the 2013 CRISIL study. About 14,000 low-income women in the Haryana districts of Faridabad, Gurugram, Mahendergarh, Mewat, and Rewari will benefit from the 'Disha initiative' by the United Nations Development Programme (UNDP,2013) by learning how to become successful business owners. Since the state's economy is so heavily tied to farming, its citizens would benefit from more financial inclusion if they had access to higher-paying employment, more formal education opportunities, and more diverse financial products and services. Haryana's government has been making significant efforts to bring hitherto unbanked regions inside the realm of the official banking sector. In order to find the unbanked areas in Haryana State, as proclaimed by the Reserve Bank of India, a detailed strategy has been established. All 235 of these communities have been given to the appropriate banks as part of a statewide initiative to increase access to banking services. To bring all sectors of society inside the purview of the official monetary system, the paper proposes an all-encompassing program for financial inclusion. Reforms in the financial sector and efforts to expand financial access may be aided by extending the reach of digital infrastructure to underserved regions, establishing more financial literacy centers, and adopting more lenient credit regulations.

1.7 Conclusion:

The studies on Mudra yojana will bring new insights about the schemes, which will be a good step toward addressing the needs of the vulnerable populations through the Mudra Scheme. The key players such as banks, small businesses, and self-employed persons, have benefitted immensely from the scheme. The Mudra scheme also addresses issues such as financial illiteracy, lack of knowledge and expensive customer acquisition costs. The schemes such as Mudra will improve the well-being of the informal sector workers which will help in the economic development of the country. The Mudra Scheme focused on enhancing the lives of the women and the deprived sections of society particularly those who are uneducated or semi-skilled. In future, the impact of economic development will be visible due to the constant efforts of the government. If implemented properly these schemes will contribute towards societal development, and it has the potential to be a game-changing concept in the efforts towards financial inclusion, thus giving a boost to the Indian economy. Numerous Haryana entrepreneurs, particularly women, have benefited from the Pradhan Mantri Mudra Yojana. These people benefited from various Mudra loans, which provided them with access to finance they could use to launch micro-enterprises. According to the available research, private banks are more likely to make loans in the Shishu category of Mudra loans than in the Kishore or Tarun categories, where the loan amount is much bigger and hence presents more risk to the private sector banks. The major issues which act as a hindrance in the successful implementation of Mudra schemes are that the Mudra funding institutions- public sector banks, private banks and regional rural banks, are not working in a synchronized way in Haryana. Until and unless the core funding institutions hand hold each other for PMMY, the objectives of the creation of entrepreneurial culture and financial inclusion would remain unrealized. The district-wise performance of the PMMY indicates that there are more beneficiaries under the Shishu category in districts such as Bhiwani, Sirsa, Hissar and Jind. These four districts are largest in area and semi-urbanized. For the Kishore Category, Gurugram, Faridabad, Hissar and Karnal are the top performers. Under the Tarun category, Gurugram, Faridabad, Panipat and Karnal districts are sharing the highest contribution because of more urbanization and more population. But the area of concern is that the scheme is still not able to meet its stated objectives in the rural and backward districts in Haryana viz Charkhi Dadri, Nuh, Palwal in all the categories of PMMY. This issue needs the immediate attention of policymakers. Hence lack of synchronization on one hand and disparity in terms of PMMY are the major areas of concern that needs attention by policymakers, to achieve the desired objectives. If done properly, the Mudra Yojana would increase competition among financial institutions offering loans to the poor. Loans are being made by banks in Haryana, and the outcome is encouraging. In terms of the number of successful small and medium-sized businesses, Haryana ranks first among the states. To aid in the growth of the economy, this Yojana will pave the way for the establishment of new small enterprises, particularly in the suburbs. Many potential companies have been established in the state of Haryana thanks in large part to the Mudra yojana, which has aided many sectors of society that have done well in creating wealth and paying taxes to the government. Financial inclusion has improved as a result of these programs, which is acknowledged. By expanding access to banking services, this plan has the potential to aid India's impoverished and vulnerable population while also boosting the country's economic growth. The Hon'ble Prime Minister of India introduced the Mudra Yojana to stimulate India's micro and small-scale businesses, and the government has been taking steady action to boost MSE productivity ever since. If appropriately supported, the micro, small, and medium-sized enterprise (MSME) sector may be a significant contributor to job creation and, by extension, to the expansion of the country's gross domestic product. Aspiring business owners may follow Mudra's blueprint to business success with the support of a variety of programs designed to help them get started. Despite its advantages, the Mura Yojana is not without its drawbacks, particularly in rural regions where the program is less well-known. Making loans available to the aspiring business owner without requiring collateral and at low interest rates can help bridge the gap caused by a lack of capital. The conclusion that these programs will increase the morale of "first-generation entrepreneurs" by helping them launch their micro-businesses is also plausible. Another area the government should concentrate on is filling the void in the Mudra program created by the lack of novel and appealing ideas. Modernizing the Mudra system is necessary to keep up with the times. Furthermore, as Mudra yojana meets the needs of new businesses, it may help to stimulate Haryana's culture of entrepreneurship. The government may make the program "more effective" by reinventing it on a regular basis in response to market needs. This "independent agency" would be responsible for evaluating the scheme's effects. Balanced economic growth and development relies heavily on the success of businesses of all sizes, and it is widely accepted that fostering small and medium-sized firms (SMEs) is crucial. Countries have been paying small businesses a lot of attention because of their special ability to generate new jobs, new inventions, a more stable economy, and a noticeable impact on national development indicators. Due to India's complex social and economic landscape, many of the country's most vulnerable populations—including women, members of the Scheduled Castes and Scheduled Tribes, and members of other minority groups—are unable to obtain adequate financial support for the micro-enterprises they have chosen to pursue. The Mudra Yojana, which aims to solve this problem by providing micro-enterprises in India with access to loans, is an exclusive financial arrangement. Research findings also reveal that the majority of account holders and credit recipients fall within the General group, whereas the ST category only represents a very small percentage of those who register accounts and benefit from credit. The government should initiate a special program only for the underprivileged if it really wants to boost their representation. The "Shishu" plan is used to open the great majority of accounts, whereas the "Tarun" strategy is used to open a far smaller number. The government should prioritize loan quality over quantity to boost participation in the Tarun Scheme. Better participation from the corporate sector than from the public sector is not a promising trend, though. Because of their greater reach than private banks, public sector banks must be involved. There is a rising tide of optimism, as seen by the increasing numbers of people using both creation accounts and credit. The government may increase the effectiveness of Mudra programs by prioritizing the quality of credit above the amount of credit and working to increase the number of people who benefit from the programmes. The government should implement initiatives to raise people's financial literacy and inspire the young and educated to go into business for themselves and create new jobs. Women's economic independence and self-sufficiency would also benefit greatly from Mudra Yojana's implementation. In light of the findings of this research, it is imperative that Mudra Yojana be successfully implemented throughout the country, not only in Haryana. The PPMY initiator, on the other hand, is a total game-changer. Mudra Scheme has been a significant turning point in the creation of rural jobs and rural economic growth. Haryana's efforts to increase financial inclusion via the Mudra Yojana have been hampered by a number of factors, including the state's geographical and health disparities, a lack of awareness among women about these programs, and a general gender enrollment gap. Rural development is not progressing at the rate anticipated. There is a need for better communication and cooperation between bank representatives and state and federal government officials to ensure that the Mudra Yojana continues to be implemented efficiently even when circumstances change. Accordingly, it can be argued that the Micro Units Development and Refinancing Agency (MUDRA) was a fantastic effort by the Government of India in 2015. The 2019-2020 state totals for Mudra show that it has been successful across all demographics. The Mudra program encourages a long-term, value-based, entrepreneurial culture and the establishment of partner institutions to achieve economic success and stability. Mudra has provided a tremendous chance to improve the lot of the poor in India, one that will ultimately lead to a shift in the country's paradigm about financial inclusion.

Research Gap

To what extent the PMMY yojana in India and Haryana has achieved its stated goals is the focus of the current research. Even though the government of India has come up with several plans to finance the unfunded, a survey of the literature reveals that financial restrictions remain the primary problem that entrepreneurs face today. According to the available research, if government programs had been tailored to the specific state in the current relevant sector, they may have been more beneficial to the business owners that participated in them. Researchers set out to bridge a knowledge vacuum by analyzing the effectiveness of the PMMY Yojana and the Mudra yojana on the status of Haryana's nascent business community. The research will provide a framework for discussion between financial institutions and other interested parties, especially those who are working to expand the reach of finance initiatives and boost the sector's contribution to micro, small, and medium-sized enterprises. The purpose of this research was to evaluate how PMMY has affected MSMEs in the Indian North. The government has sanctioned the development and execution of several yojanas like Mudra because it recognizes the significance of including MSMEs in economic growth. This research presents data that may be used to improve the effectiveness of funding distribution to the underserved, and it makes recommendations for how these tactics might be applied for the greatest possible benefit. Increases in profit, income, employment, and ecological sustainability are all hoped for as a result of this research on the financial sector's competitiveness. A stronger demand and supply for funding micro, small, and medium enterprises will result from this. Although various studies have been conducted on Mudra, the effectiveness of the Mudra Yojana for MSMEs in the state of Haryana deserves special attention. The current research examines how well the Pradhan Mantri Mudra Yojana is doing in the Indian state of Haryana.

Scope of the Study

Weak rules, lack of information, and economic and financial restrictions all contribute to the generally low level of financing available to MSMEs. Investing in micro, small, and medium-sized enterprises (MSMEs) is less appealing due to weak legislation and financial infrastructure as well as political instability. The most common explanation for limited participation is a lack of local education or information about available options. Furthermore, financial products may not be well adapted to investments in MSMEs, either due to the high costs and risks involved in MSME financing or the difficulty intermediaries and MSMEs have in gaining access to capital. Financial inclusion and economic growth are impossible to achieve without government programs like PMMY (Mudra Yojana). Satisfying clients and meeting the needs of underserved populations is important to financial inclusion. As a result, the keys to financing the unfunded are leadership, cultural reform, and financial inclusion. Banks and SHGs must strive for the achievement of the goals if financial inclusion and government programs are to be evaluated effectively. The goals of financial inclusion cannot be reached without improving the institutions' culture, skills, and competence. Finding out how well government programs in Haryana have been working is the purpose of the current impact assessment research. The research focuses on how Mudra Yojana might help underprivileged groups become financially included in society. The current research will aid in the rollout of government programmes in Haryana by means of financial institutions. Knowledge and skills would need to be upgraded in order for a corporation to succeed in today's highly competitive business climate, which is why training and development programs are so important. The findings of this research will help illuminate government initiatives for broadening access to financial services. To better achieve their goals of financial inclusion, the schemes might benefit from the advice given. The research highlights the government's endeavor to improve the efficacy of the Mudra Yojana in the state of Haryana. Key elements of the program that helped its participants develop the necessary skills to launch successful businesses are also highlighted. This research focuses on the effectiveness of various schemes used by financial institutions to create individualized goods by taking into account demographic, psychological, and economic characteristics. Most microfinance institutions (MFIs) are also Mudra partners, hence it is important to record the amount of Mudra loans they provide. This research will help in the development of novel approaches of communicating with the Mudra Bank, which is in charge of overseeing and supporting all MFIs that provide credit to MSMEs and service businesses.

Thesis Structure:

The thesis is divided into six chapters. The content of the thesis has been presented as follows.

Chapter 1: Introduction

This chapter starts with some fundamental issues and objectives based on which the yojana was started by the government of India. The chapters highlight the impact of Mudra Yojana on the entrepreneurship development process in the state of Haryana. A comparative study was done to find the usefulness of the Mudra Yojana in the different states of India.

Chapter 2: Literature Review

This section builds on earlier research on the numerous programmes introduced by the government of India to encourage entrepreneurship and provide financial support to those who lack access to such resources, with particular emphasis on the state of Haryana. Studies examining the factors that have facilitated or slowed down the rollout of the Mudra yojana throughout India and the state of Haryana will also be discussed. This chapter will aid in the selection of appropriate variables that will be used in the analysis presented in later chapters. This section provides a conceptual and empirical literature evaluation of the state of Haryana's efforts to finance its underserved population.

Chapter 3: Research Methodology

This section includes the author's stated goals for the study, questions the author hopes to answer, and any hypotheses he or she has formed to explain the data. The methodology of the study is then described in this chapter. After that, we will chat a little about the primary and secondary data, as well as where to look for them. The author's sample strategy and the scale she employed for her research are the next topics to be covered in this chapter. A brief outline of financial inclusion, Mudra scheme and funding the unfunded for mitigating financial constraints for promoting entrepreneurship development is discussed.

Chapter 4: Analysis and Interpretation

This section provides the framework for the study technique, as it examines the data using a variety of statistical and analytical methods. After that, we will talk about whether or not the questionnaire's reliability and validity can be shown using other relevant instruments. Findings will be summarized, and any issues that were revealed throughout the inquiry will be made clear. This section draws on the results and discussions in the previous sections of the literature review. The findings will be interpreted using the many models and theories around the idea of financial inclusion and government programs. The chapter will throw light on the performance of the various schemes and how can these schemes be made more effective with the changing times.

Chapter 5: Findings and Conclusion

In this chapter, we will go through the conclusions that may be drawn from the data analyzed with the help of SPSS and other econometric software. We looked into and studied the data to decipher how it should be used to learn about the efficacy of Haryana's Mudra Yojana. A discussion of how to improve the effect of government programs on financial inclusion in the Indian state of Haryana is the focus of this chapter. After the analysis, the analysis will be concluded which can be used by the policymakers to enhance the effectiveness of the various financial inclusion schemes.

Chapter 6: Recommendation and future scope

This section presents the study's results; subsequent sections provide a conclusion; recommendations and ideas; and the thesis concludes with a discussion of its limits and potential for future research in the field of green finance. The recommendations provided will be helpful in the identification of the gaps which inhibits the process of financial inclusion.

Appendices and References have been given at the end of the thesis

CHAPTER 2

LITERATURE REVIEW

This section builds on earlier research on the numerous programmes introduced by the government of India to encourage entrepreneurship and provide financial support to those who lack access to such resources, with particular emphasis on the state of Haryana. Studies examining the factors that have facilitated or slowed down the rollout of the Mudra yojana throughout India and the state of Haryana will also be discussed. This chapter will aid in the selection of appropriate variables that will be used in the analysis presented in later chapters. This section provides a conceptual and empirical literature evaluation of the state of Haryana's efforts to finance its underserved population.

This chapter on literature review gives an overview of the previous studies that has been divided into two groups that are important to this inquiry. In the first part, financial inclusion from Indian context, world level and challenges in financial inclusion. In the second Part the importance of Pradhan Mantri Mudra Yojana and other various aspects is discussed from the Indian perspective.

2.1 Financial Inclusion from Indian Context

The two most common indicators of financial inclusion are the availability of funds and the use of financial services. Financial service quality and socioeconomic limitations were not taken into account in many of the earlier research. Approximately 67% of India's population resides in rural areas (census 2011), and a sizable proportion of the country's populace is impoverished. Many of those living in poverty are small farmers and business owners, as well as those who earn just a few dollars a day or are not part of a union.

The plenty of job prospects in the urban areas, combined with a downturn in the rural economy and dearth of the required skills has resulted in migration from the rural areas to the urban areas. The government wants to reverse this trend by enhancing the skill set and including these deprived sections of the society by providing them with easy loans and helping them to start their own businesses.

Chaturvedi & Sharma (2019) Financial inclusion schemes have been launched by several governments in the past to guarantee that those earning below the poverty line have access to credit. The "financially untouchables" have been brought into the financial mainstream by organizations like as NABARD, SIDBI, PSBs, and government efforts such as SHG-Bank linkage. The advent of microfinance institutions in India, however, freed a sizable portion of the people from the "poverty trap" and integrated them into the financial system, allowing them to achieve economic independence and lead dignified lives. The government of India initiated a large-scale program in April 2015 with the goal of including previously excluded people in the country's expanding system of financial services. The Pradhan Mantri Mudra Yojana was created to facilitate the expansion of microfinance institutions and the widespread availability of microcredit, therefore achieving this goal. The primary goal of the PMMY was to provide access to credit for micro enterprises and people so that they could raise operating capital and satisfy other financial obligations. Numerous microfinance institutions, public sector banks, and small finance banks make up the PMMY's channel partners.

Ranjan & Gautam (2019) investigated that this service of financial inclusion through the universities will reduce the challenges of unemployment and help in integrating various subjects with entrepreneurship education in university curricula to upgrade the skills of the underprivileged

Akula (2008) explained that in line with objective the government introduced many Microfinance organizations to provide financial services to those at the bottom of the economic pyramid. The services of the microfinance organizations are offered in both rural and urban settings.

2.2 Financial Inclusion at the world Level

The definition of financial inclusion has been given by many researchers by identifying some of the critical factors because of which the process of financial inclusion could not take off despite best efforts of the government of many countries. The literature suggests that there is no universally accepted definition of financial inclusion, each definition given have its own justification and meaning of financial inclusion, most of the definitions have highlighted that exclusion from the financial system to be the beginning of deprivation from the inclusion.

Leyshon and Thrift (1993) have referred to social exclusion and how social exclusion lead to financial exclusion this holds true for the deprived sections of the society like SC, ST and OBCs along with the issue of geographical access to financial services, in particular banking outlets.

Ford and Rowlingson (1996) have elaborated on the fact that the morphing landscape of banking institutions is not the only factor contributing to the phenomenon of financial exclusion. Therefore, the discussion has expanded to cover the many groups and practices that result in individuals being excluded from financial services.

This section takes up some of the most common definitions of financial inclusion from a variety of sources.

From the experience countries the developing countries can take some lessons in terms of that financial inclusion does not require that everybody who is eligible should be given the financial services even if he/she is not willing to take it. It is important that the specific requirement of specific individual be identified and then this customized financial service be offered to the respective individuals as desired by them.

World bank (2008) With respect to studies in India financial inclusion have similar meaning as given by foreign authors but with minor changes which are specific to India. The committee on financial inclusion in India defined financial inclusion as "a procedure that offers timely financial access to the vulnerable groups such as weaker sections and low-income groups at a reasonable cost" in its report. The World Bank defines financial inclusion as the elimination of all monetary and non-monetary obstacles to the use of financial services.

United Nations (2006) an apex body in all the area related to world affairs explains financial inclusion as a process which provides financial access or credit to all the needy people who are given the financial assistance looking at the bankability of the individual and the firms. They refer to it as a method that focuses on making savings and payments available to all individuals and businesses, including those in need, and offering insurance to anybody who may benefit from it. This definition by the United Nations is the apt description of the financial inclusion which focuses on all the issues related to financial inclusion.

Scottish Government (2005) believed that people should have easy and affordable access to a wide range of financial goods and services that meet their needs. Scots law mandates that all citizens have access to and are able to fully use the range of financial services on offer. If all the services mentioned above is missing then it leads to the concept called as financial exclusion, which in simple terms is the absence of all these services.

Chant Link and Associates (2004) defined financial exclusion differently, saying it occurs when low-income people are unable to obtain the financial products and services they need from mainstream financial institutions because of factors like price or access. Financial exclusion is a major concern for those which have lower income consumers or they are facing financial hardships.

United Kingdom (2004) considered financial inclusion to be people's access to useful forms of financial product and service. A lot of work has been done by the European countries on financial inclusion and due to this the governments of most of the developed countries formulate policies which is focused on financial inclusion.

Stephen P. Sinclair (2001) defined financial exclusion as a process of providing necessary financial services to the poor and needy in such a way which is convenient to the unfunded individuals in an appropriate form. Many a times despite all the available financial services the people of a country are hesitant of using these services because of the problems of negative experiences or negative perceptions. Accessibility issues, poor facilities, high costs, or voluntary exclusion may all contribute to unpleasant first impressions.

Asian Development Bank (2000) defines financial inclusion as a process in which various financial institutions offer their services such as deposits. Loans funding the unfunded, money transfers to the deprived sections of the society to bring them under the ambit the financial inclusion.

Meadows, Ormerod and Cook (2004) focused on the term accessibility which is often used in context of financial inclusion is difficult to define and measure since it is very relative in nature and have many dimensions when it comes to finance accessibility.

Speak and Graham (1999) have centered on who owns a financial product and how easy it is to get hold of a certain financial service. Financial goods and services offered by traditional banks and credit unions are the primary emphasis of the operational definition of financial inclusion. Services including wire transfers, home owners insurance, and credit and savings accounts fall under this category.

UK. Rao, M.B.N. (2007) The public policy concerns that many individuals, especially the poorer sectors of society, cannot access the popular financial goods like as bank accounts and low-cost loans, which in turn imposes actual costs on them, are specified alongside the operational definitions that accompany them.

There is an emphasis on the involvement of financial institutions and service providers in the operational definition of financial inclusion, which is based on access to financial goods and services. The nature and forms of financial exclusion and the factors responsible for it are numerous and varied therefore to say that any single factor could explain the process of financial inclusion would be a fallacy.

Some of the main barriers which act as hindrance in the proper implementation of financial inclusion are as follows:

- Physical access,
- High charges and penalties, and
- Conditions attached to products

Due to these obstacles, the process of financial inclusion is often seen as too difficult or unsuitable, and low-income individuals often have negative impressions of financial service providers. These obstacles to financial inclusion are not the product of any conscious action, but rather the inherent design of the financial services sector.

Kempson et al. (2000) The research team behind the study of financial inclusion set out to investigate the potential effects of geographical and physical obstacles on the process of financial inclusion, and they found many factors that contribute to the underprivileged population's lack of access to a variety of financial services. The barriers to financial inclusion for various types of financial products may vary under different conditions and geographical locations.

Speak and Graham (1999) identified number of dimensions for the reasons for financial exclusion. Some of the critical dimensions of financial exclusion include but not limited to are as follows:

1. Access exclusion- High entry barriers to the accessibility to a certain type of financial services to the deprived section of the society by financial Institutions. This is due to the unfriendly governmental policies towards the financial inclusion

policies. Sometimes improper knowledge of the ground realities can also contribute to the Access inclusion.

2. Condition exclusion – There are various circumstances due to which the financial inclusion cannot be enforced for example poor economic condition of the country or countries facing economic depression. Therefore, there are many conditions attached in the process of financial inclusion which make the scheme inappropriate for the needs of deprived sections of the society.
3. Price exclusion- In many counties especially the developing countries the financial services are offered at fee or price which many of the individuals are not able to afford and due to this they are deprived of the benefits of financial inclusion policies or schemes. The government should offer all the financial inclusion schemes free of cost to the deprived sections of the society only then these schemes can be effective.
4. Marketing exclusion – Some sections of the society are deliberately excluded by targeted marketing and sales. The companies involved in the marketing of the financial inclusion schemes are not able to market or promote the schemes in an effective way so the reach of the schemes does not impact the deprived due to the unawareness about the schemes. Proper use of offline and online methods is important in solving this problem and lastly
5. Self-exclusion – This is a very common problem in developing countries especially India due to many factors such as risk aversion, illiteracy, technological obsoleteness etc many individuals decide not to take the advantage of the financial inclusion policies. This is a problem in which the government wants to include the people in financial inclusion schemes but the individuals deliberately avoid it die to the reasons mentioned above.

According to the **Treasury Committee of United Kingdom (2006),** Individuals, families, communities, and even nations may all pay a heavy price when they are unable to participate in the financial system. Some of the major problems which are faced by the individuals due to financial exclusion are as follows:

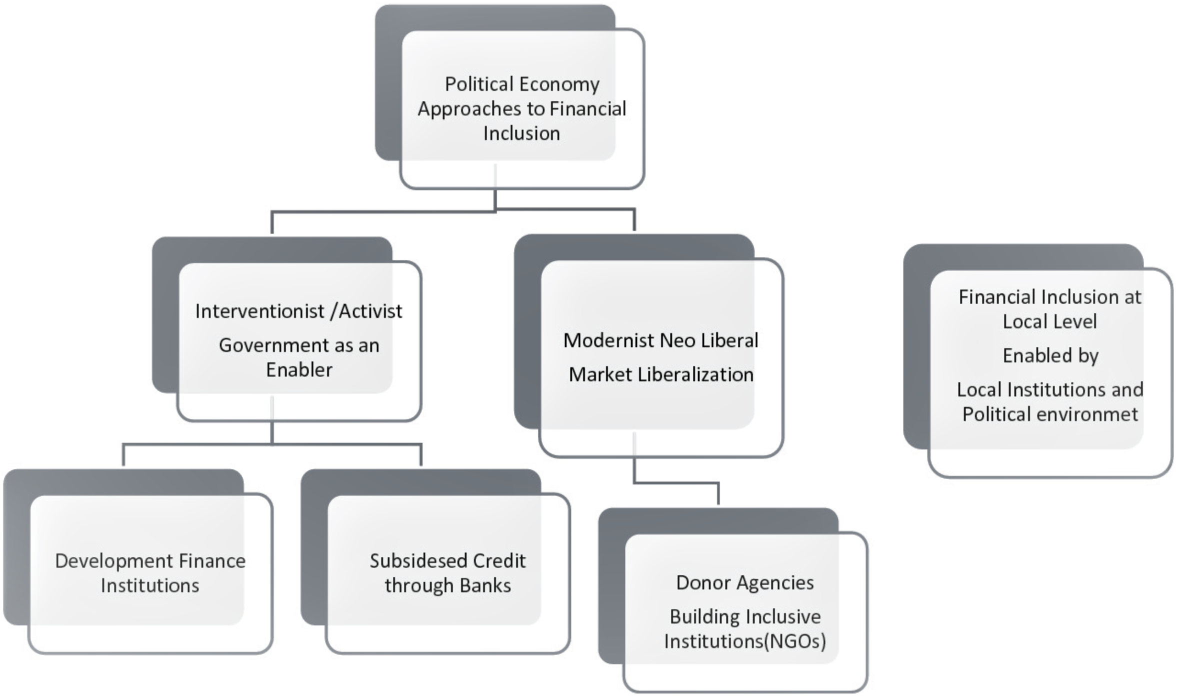
1. Barriers to employment as employers may require wages to be paid into a bank account which would keep the money in circulation and the money in banks can also be used for the economic development or infrastructural development.

2. Opportunities to save and borrow can be difficult to access; the money saved provides financial strength to the individual. The overall saving of the money leads to a financial stable society as a whole.
3. Since low-income people have a harder time acquiring assets, including them in the financial system would allow them to participate more fully in the country's success narrative. The benefits of the financial inclusion can be reaped by deprived by procuring the products important for maintaining a quality of life.
4. In most cases due to seasonal incomes or any other factor due to which the regular income of the individual is impacted then the savings of the individual or the schemes of the financial inclusion becomes handy in dealing with these problems and ensuring that the financial shocks are absorbed to a considerable level.
5. Due to financial exclusion the deprived sections of the society are not able to access many things which are important for the sustainable living of an individual. The financial inclusion ensures that this problem is taken care of provided the financial inclusion schemes are properly marketed and made convenient enough so that it can be accessed by all the deprived sections of the society.

It has been observed that monitoring a person's utilization of a certain financial service at a given moment does not disclose whether exclusion is a temporary or long-term process, or if access is dwindling or improving. Therefore, rather than focusing on whether or not a population has access to a certain set of financial services, the concept of financial exclusion is seen as a continuous process based on the vulnerability of the poor. Thus, financial exclusion is to be minimized if a country wants to grow in terms of economy, equitable development and overall growth of the country. Therefore, looking at the importance of the financial inclusion most of the companies have started embracing financial inclusion as a process for the overall economic development of the country.

Figure-1 provides a detailed description of the institutional framework that plays a role in determining whether or not a population has access to basic financial services. The fig-1 also represents the various types of economies and the formats or policies used for financial inclusion. The figure is given below is as follows:

Figure 2.1 Various financial products influencing the financial inclusion process



Financial inclusion due to its inherent nature has a very strong impact on the deprived sections of the society which may last for a very long time. The societies which have been deprived for centuries should be prioritized when it comes to financial inclusion. The socio-economic characteristics of a country like India have been responsible for the financial exclusion of many segments of the society because of many factors such as discrimination and other social reasons which later on became inter-generational. These underserved groups have no access to any kind of financial services, whether official or informal. Aside from this, entrepreneurs, small businesses, or MSMEs encounter plenty of challenges in getting financial services in many developing nations. There is a deficiency in the provision of basic financial services to the low-income sectors. It is an issue that many new business owners are having, and if it is not fixed soon, it might hurt the country's economy. There are a lot of individuals who rely on financial institutions that are not sustainable and are severely mismanaged since the people who can have access to financial services do not obtain financial goods and services that are excellent in terms of quality and quantity.

Speak and Graham (1999) have investigated that to overcome this problem the government has taken necessary steps to provide accessibility to the unfunded population in terms of Bank accounts, credit and insurance for personal financial management and for necessary transactions in the present scenario

Financial exclusion of a large section of the society results in higher transactions costs such as money transfer or other charges which causes an unnecessary burden on the financially excluded. Thus, the financial inclusion is the only solution to the problems of the large section of the unfunded population. Apart from this the financial exclusion of the population keeps these people bereft of the government policies and welfare policies. The Jan Dhan Yojana was a step in the direction of financial inclusion. Due to financial exclusion a vast section of the society is trapped by moneylenders who charges exorbitant interest rates from the individual who finally results in financial strain and huge debt. This subsequently leads to other related economic and social problems. Thus, financial exclusion is an important reason for poverty.

Ranjan (2010) analyzed As India's economy is predominantly rural in character therefore the Increase in competition, saturated urban markets, have made the companies think about new potential rural markets to access the new markets the concept of financial inclusion becomes all the more important.

It has been seen that the financial exclusion is mostly concentrated among the rural areas and they contribute to a much wider problem of social exclusion**.** In the case of medical emergencies, the concept of financial inclusion can be an important tool to take care of the medical issues. It has been proven empirically that medical and financial emergencies are the major reasons for household borrowings which also eats on the savings of the person. It is not only that the unfunded populations that are affected by the financial exclusion but the financial institutions also impacted of the profits which they are losing by not serving the large section of the society. The Banks both private and government can exploit this opportunity of serving the underserved. The initial costs can be high but the long-term profits are very high. These business opportunities can be exploited when the meaningful technological development is carried out at a nascent stage and expanding the coverage of financial services requires substantial investment. Availability and usage of financial services by the otherwise excluded population groups would lead to increase in their income levels and savings. Although there are many factors which leads to the financial exclusion there are two factors which have led to the financial exclusion. The two factors are given as follows:

Firstly, being financially excluded means that most of the businesses are always in the risk of irregular cash flows.

Secondly, lack of absence to the access to bank accounts and saving opportunities poses a risk at the later stages of life.

Due to innate nature of the Indian society which focuses on keeping savings intact in times of emergency has helped many financially excluded sections of society to take care of medical and emergency expenses. The Indian society acknowledges that an individual without proper savings can create problems for them in two aspects firstly people without any proper saving instruments are bereft of benefit from the interest rate and tax advantages that sections of society using formal methods of savings enjoy. Secondly informal saving channels are less secure than formal saving savings scheme offered by govt or private banks. These types of formal savings are more secure as compared to the informal savings. In such a scenario when the savings are minimal from the formal sources the unfinanced populations are left with no option but to rely on the moneylenders who charges exorbitant interest rates and exploit them. Such a situation results in two problems which are exposure to higher interest rates by money lenders; and the inability of customers to repay them. So, it can be summarized that financial exclusion is a serious concern among low-income households, mainly located in rural areas.

To address this concern of financial exclusion it becomes extremely important that financial inclusion is looked upon from a different perspective.

Mol S.TP (2014) highlighted some of the major reasons such as illiteracy, no awareness about the step being taken up by the government to promote financial inclusion and government apathy as the major reasons for financial exclusion. Reserve Bank of India along with governments help have taken various measures to improve financial inclusion. Some of the steps taken up by the government along with RBI are, use of technology for creating awareness amongst the unfinanced, use of digital media etc. to enhance financial inclusion. Over the last few years financial inclusion has increased rapidly in India due to latest innovations in banking such as Mobile banking. IMPS, UPI payment system and other upgraded technological developments.

Mehar (2014) Apart from this the schemes of the central government such as Jan Dhan Yojana has played an important role in maximizing the scope of financial inclusion, but still much needs to be done in the area of financial inclusion as almost 35% (RBI Report) of the Indian population is still excluded from the formal banking infrastructure.

The Mudra Yojana launched by the government of India will also solve the problem of sfinancial exclusion as the Mudra Yojana caters to the financial problems of MSMEs and focuses on providing necessary funds to the unbanked and unfunded sections of society. More of such schemes in the future will solve the problem of financial exclusion in India.

Chandra (2015) in its study suggested that Mudra scheme will not only solve the financial problems of MSMEs and the unbanked sections of the society but the scheme will act as a strong motivator for the vast section of society who dreams of becoming an entrepreneur. The Financial schemes such as Mudra and other related schemes will result in financial inclusion of these sections of society. Once the dreams of these entrepreneurs are realized and they become successful entrepreneurs with the help of financial inclusion schemes then they start contributing to the economic development of India which ultimately helps both the entrepreneur and the economy of the country. Along with providing solutions to the perennial problems the financial inclusion schemes also provide necessary moral support to the vast young unfunded population and help them realize their dreams by starting the startup or MSMEs of their own.

Seema (2015) reemphasized the point that the main focus of the Mudra scheme is to support an inclusive growth in a sustainable manner by promoting an ecosystem which acts as a facilitator in the growth of MSMEs. The paper also highlighted on other facets of financial inclusion such as Micro Credit Schemes (MCS), refinancing to financial institutions and also suggested that these schemes will have a strong impact on the economic development of the Indian economy.

Rudrawar, & Uttarwar (2016) in their study on financial inclusion concluded that the Mudra scheme has the capability and content which can be helpful in the desired transformation of the Indian economy. The purpose with which the scheme was launched has been able to achieve the desired results. The Mudra scheme can be a game changer especially for the population who are placed at the bottom of the pyramid. The scheme along with being a game changer will also help in the increase and boosting of the Indian economy along with the economic development of the country. The study suggests that if the scheme needs to be more efficient then the Mudra scheme should include less documentation and the reach of the scheme should be in every nook and corner of the country. If done so the Scheme will be helpful in the generation of employment, growth of the country's GDP and in the creation of an ecosystem or culture of entrepreneurship in the society at large.

2.3 Challenges in Financial Inclusion

The literature on financial inclusion is varied and vast which is available in both applied and theoretical forms. The studies on financial inclusion focus on the challenges in the process and also elaborate on the process of financial inclusion. The studies also highlight some of the important factors which have been left out by the government in their policy formation. Despite the vast amount of literature available and studies on diverse themes but still there are lots of gaps in the financial inclusion process which needs further deliberations. The concept of financial inclusion is very important as it is concerned with the societal changes and economic empowerment of the weaker sections of the society. The studies on financial inclusion are interesting as it contrasts the process of financial inclusion between developed and developing nations. The review suggests that the developed countries have taken many steps to justify the process of financial inclusion and most of the developed studies have reaped the benefits of financial inclusion.

The digital dimension received lots of attention in the current studies and it would be used in the future studies as well. The digital dimension needs special focus when the literature on financial inclusion is reviewed. For example-

During this time the government of India took many decisions which facilitated the process of financial inclusion in India. Some of the initiatives which were taken in the year 1969 under bank nationalization are such as setting up of Regional Rural banks, some of the sectors were identified as the priority lending areas by the nationalized banks, Introduction of bank accounts with the help of bank mitras, launch of Kisan credit cards, service at the door steps etc are some of the prominent decisions which were taken by the Indian government for the promotion of financial inclusion in India. In India financial inclusion is the major thrust area of the government and the policy makers. An economic system which is focused on financial inclusion helps in the efficient and effective utilization of the resources. Financial inclusion is essential for the inclusive growth of India. The launch of Pradhan Mantri Jan Dhan yojana (PMJDY) in 2014 indicates toward the fact that the financial inclusion is the major area of concern of the government.

Keeping this in mind it is important that the financial inclusion should be measured with the help of best and latest scientific methods to get the correct information. The latest results which have been analyzed using latest methods suggest that Goa comes first when it comes to financial inclusion which is followed by Delhi and Maharashtra. States such as Uttar Pradesh, Bihar, Odisha and north east states are at the bottom when it comes to financial inclusion. The ranking of the states has been done keeping in mind the basis of supply-side information-based index is not in perfect agreement based on the demand-side information.

1. The penetration of banking services which is calculated as number of bank accounts proportionate to the population of the specific geographical location.
2. The accessibility of banking services which means that number of bank branches over a population of 1000 population.
3. and the use of banking services by the unbanked population of the country in which GDP (Gross domestic product) is used as one of the important parameters for calculation.

Looking at the predictive value of IFI and the importance of such a index CRISIL (2015) developed its own index called as Inclusive in the year 2013 for India. This Inclusive index consisted of three indicators which are critical namely: The penetration of banking services, penetration of the bank branches and the penetration of the deposits and credits. Th value of the Inclusive index varies from 0 to 100, the higher the value of the index indicates that the status of financial inclusion is higher or financial inclusion is better in the country. CRISIL calculated the value of the Inclusive index for India which came out to be above 50 in 2017 indicating that the financial inclusion in the northern part of India still requires substantial improvement. The value of Inclusive was higher for the southern states indicating a better financial inclusion among all the four regions. The index although presents a clear picture of the financial inclusion but still it suffers from two major drawbacks which are firstly it does not distinguish between residents and NRIs bank accounts and secondly it does not take into consideration the multiple accounts which a single customer may hold in different bank branches, this may present a wrong picture of the financial inclusion for a country as financial inclusion is as concept which is multidimensional hence if it is calculated using the unidimensional parameters it may provide only partial or incorrect information. It is quite possible that one state may be very good in one dimension but may fare very badly in other dimension which would capture only the partial information about a state. Therefore, a composite index which can capture all the dimensions of financial inclusion becomes important.

Burton (2018) The most comprehensive, diversified and extensive studies on financial inclusion has been conducted in USA. The studies on financial inclusion concentrated on many elements such as racial groups, migrants and the weaker sections of the society.

European Parliament (2017) discussed that the developed countries have taken the utmost advantage of the fintech companies and the digital technologies which resulted in the effective implementation of the financial inclusion schemes. The technologies used also helped in the deep penetration of the financial inclusion schemes along with increased cost cuttings and overall increase in the efficiencies.

Aguila et al. (2016) attempted to find the effect of financial inclusion on the mental health of the underprivileged sections of the society and concluded that the financial inclusion helps to increase the respect and social prestige of the persons owing to financial inclusion. It is recommended by the previous studies that financial literacy and more penetration of the financial schemes in the society can enhance the financial inclusion in the society. The other important element used in the current studies is the digital dimension of financial inclusion.

Rogers & Clarke (2016) contented that P2P lending has immensely contributed in the financial inclusion process in the developed as well as developing countries.P2P lending contributes in bringing the financial inclusion as a mainstream activity which results in the promotion of financial inclusion in the society and country. The study concluded that peer to peer lending is a very socially useful activity in the process of financial inclusion because it promotes productive capital inflows thus resulting in the contribution towards financial inclusion.

Mukhopadhyay (2016) found that the future researches should focus on identifying the financial needs of the poor in India should focus on designing and suitable financial products tailored to their needs. The studies should also find the causal relationship between the potential determinants and usage of financial services.

Berry (2015) has been noticed that in the recent past most of the developing countries are facing sudden increase in the vulnerability and inequality due to the ageing population. The debates on financial inclusion revolve around the welfare provisions or in "inculcating new social norms around well-being and responsibility".

Alama et al. (2015) When it comes to the studies done in the developed studies it can be safely said that Spain is one country which focused on financial inclusion keeping in mind the relevance of bank branches. Spain tried to include the unbanked population by increasing the number of bank branches which definitely helped the financially excluded population. The study also highlighted that how the financial exclusion of the large segment of population can hamper the economic development of a country.

Loureiro and Gonzalez (2015) an interesting study by on peer-to-peer lending (P2P lending) emphasized that P2P lending is a method which lacks the necessary potential in the removal of financial exclusion or increasing financial inclusion.

Prabhakar (2014) contented that the financial inclusion is also seen from the perspectives of fixing responsibility. The study contends that the responsibility of financial inclusion should be targeted towards the unbaked population and as well as the financial institutions.

Mowl and Boudot (2014) Along with this high miscellaneous cost involved in the opening of the bank accounts, High transportation costs involved in visiting the bank branches because the online banking services offered by the government is still not used and adopted by most of the rural customers and the requirement of minimum account balance deter many accounts holders to continue with their opened account. Due to these factors most of the bank accounts remains in the inoperative state which hinders the process of financial inclusion.

Mowl and Boudot (2014) was developed the IFI (Index for financial inclusion) falls between 0 and 1 and if the value of IFI is on the higher side it indicates that the particular District/Geographical Location/Country have a better status of financial inclusion. The similar type of Index for the rural areas.

Coppock (2013) The analysis of rural areas and other financial options have been included in the topics of digitalization and online banking Thus, it is suggested from the literature that the studies on the use of digitization and its role on financial inclusion has been mostly conducted in the UK and USA. Most the developed countries and the developing countries have not included digitization as the potent tool which can immensely contribute in the process of financial inclusion. For a country the size of India, financial inclusion is a very difficult task and without the use of digital services it would be next to impossible to even think of financial inclusion. In India the lack of awareness about banking services and vast illiterate population contributes to financial exclusion therefore it becomes important that the government with schemes such as Mudra should try to achieve the financial inclusion which would contribute to the economic development of India. The next section is devoted to the studies on financial inclusion from the Indian perspective. In India when the nationalization of banks took place in the year 1969 it was an event which laid down the foundation for financial inclusion in India.

Chakravarty & Pal (2013) used the composite index to have a holistic view of financial inclusion in India. Based on the composite index the study was carried out for 22 states in India. The composite index was then ranked which showed that out of the 22 states Goa was the best performer when it comes to financial inclusion and the states such as Odisha, Bihar and north east states lags far behind in financial inclusion. Hence the study concluded by suggesting that other states should emulate Goa for successful implementation of the financial inclusion schemes which would result in the holistic financial inclusion in India. The study also suggested that mere providing the financial services is not sufficient for the financial Inclusion process which is being indicated by many previous studies as well as indexes. The study pointed towards broadening the accessibility of formal financial services for the poor and the weaker sections of society in general and particularly for the big states such as Bihar and Uttar Pradesh despite years of nationalization of banks process. Many of the poor people depend on the informal financial services which are given to them at exorbitant interest rates. This can be due to the non-penetration of the financial services and also to the lack of awareness about the schemes for financial inclusion. Thus, there is a need to bring these services to the poor people and the awareness generation about these schemes should be the top priority of the government if the intention of the government is to have holistic financial inclusion in India. Services such as financial facilities Opening of savings accounts, at the doorsteps in the remotest part of the country. The latest initiative of the Reserve bank of India to set up small finance banks as payments bank is a step in the right direction. These initiatives would facilitate the process of financial inclusion in the rural and urban part of India. Clearly, the Pradhan Mantri Jan-Dhan Yojana, aimed universal access to bank account can pave the way for better accessibility to formal finance in future which will definitely contribute to the financial inclusion as the people working as labourers in the non-farm sector lack access to formal finance. Other factor that causes low demand for financial services is lack of education therefore setting up of Financial Literacy Centre is a step in the right direction which is useful in imparting necessary financial education to the financially excluded section of the country.

Kamath et al. (2010) there is a significant mismatch in the demand and supply side which means that the supply of financial inclusion schemes but the demand of this schemes is comparatively very less, this is due to the fact that the awareness programs related to the financial inclusion schemes is not satisfactory as this problem is still a major hurdle in the process of financial inclusion.

Collins et al (2010) In developing countries such as India the weaker sections of the society have to face multiple problems as they not only have to grapple with unpredictable incomes along with that their awareness levels of the peoples had very less which subsequently makes the management of money a very difficult proposition for the weaker sections of the society.

Kamath et al (2010) it was found that most of the poor people or the disadvantaged sections of the society continue to face financial problems due to limited accessibility to the financial products which are offered by the government to promote financial inclusion. The study contented that due to the diverse needs of this vast population many a times the diverse needs are not fulfilled by the limited financial services offered to promote financial inclusion and varying income-expenditure patterns also contributes in their financial exclusion. Such a situation incurs high opportunity costs to the poor. Keeping in account some of these factors the committee on low-income households in their report opined that financial inclusion can be said to achieve his desired objective when the appropriate products are offered to the suitable poor sections of the society to fulfill the financial needs of the unbanked section of the society (RBI,2014). To understand the process of financial inclusion in quantitative terms.

Devlin (2009) opined that when it comes to financial inclusion United states of America has carried maximum number of advanced studies on financial inclusion. The study argued that due to effective measures of financial inclusion by USA they have been successful in becoming the most powerful economic country in the world.

Beck et al (2009) has been noticed globally that the barriers to assess to formal financial services Globally it has been found that MSMEs and weaker sections of the society face major barriers to access to financial services.

Thyagarajan & Venkatesan (2008) The Committee constituted by the Government of India in 2008 popularly known as the Rangarajan Committee to study the financial inclusion process in India defined financial inclusion as a process of providing financial services to the poor, low-income group and weaker sections of the society at a convenient and affordable cost. Despite the best efforts by the government of India to promote financial inclusion in the urban and rural pockets of India the performance of financial inclusion process is still moving at a snail'space. Despite the best of the efforts of the policy makers to have a no frill bank accounts to accelerate the process of financial inclusion the situation remains dismal as the bank accounts remains mostly dormant or inoperative.

Sharma (2008) developed a IFI known as Index of financial inclusion which is similar to the HDI method which is used by UNDP for computing Human Development Index. The study in order to study the process and penetration of financial inclusion in quantitative terms used three commonly used dimensions of banking services which have already been used in many previous studies to calculated HDI or any other index. The three dimensions are as follows:

Beck et al (2007) The studies also suggested that simply providing financial services to the population does not reflect upon the current picture of the perfect financial inclusion process.

Dev (2006) In Indian context financial inclusion can be defined as the process of making financial services accessible to the poor and weaker sections of the society. The financial indices which represent the number of banks per lakh population in a district does not provide correct information about the financial inclusion in a district as one person may have multiple bank accounts.

2.4 Microfinance/ Mudra

The governments of many countries have thus started focusing on the financial inclusion and developed many schemes so that this objective of financial inclusion can be achieved. By expanding people's access to both official and informal financial services, financial inclusion aims to reduce economic disparities between rich and poor in both developed and developing nations. Since many nations now understand the value of financial inclusion and the advantages they can get from implementing the idea with the help of financial institutions, the push to expand access to financial services is being implemented on a global scale.

Raj Kumar (2019) identified the relevance of innovative banking initiatives for the upliftment of MSMEs in India and impact of financial lending on the MSMEs. The study concluded that Micro, Small, and Medium Enterprises (MSMEs) have made a substantial contribution to the development of the global economy, both in terms of GDP contribution and employment generation. The researchers looked at the expansion of bank credit to small businesses during the last ten years. The study found that while bank credit to the MSME sector has expanded significantly over the year since the priority sector lending criteria were established, but there is still a major gap that needs to be closed when it comes to meeting the MSME sector's credit demands.

Simon Boateng (2019) investigated the challenges faced by women entrepreneurs in Ghana's Eastern Region. The study highlighted similar problems which the Indian women entrepreneurs are facing such as Poor market demand, shortage of credit and tedious bureaucratic hurdles are the main problems faced by the entrepreneurs. Furthermore, there is a prejudice against women micro-entrepreneurs. The lack of a proper planning and informational asymmetries regarding women entrepreneurs indicates that financial institutions pre-suppose lending as risky proposition in the Ghana region. The study can be corroborated to Indian conditions as the problems faced are identical. The study, concluded by recommending that the women entrepreneurs in the micro business should be given due recognition as they are very important for the economic growth of the country. The same hold true in the Indian context as well.

Girish S et al. (2018) examined how startups contribute to raising the standard of living of the deprived population, particularly in rural India. One of the many programs the federal government has launched to help micro, small, and medium-sized enterprises (MSMEs) is Mudra (Micro Units Development and Refinance Agency), which has been a game-changer in terms of helping entrepreneurs get the capital they need to take off.

Karnataka, in India, was the focus of the research. The research found that banks are a significant mechanism for extending financial support to low-skilled and low-education individuals who want to launch their own businesses. It may be said in a nutshell that if the companies are allowed to get credit, they will expand both in terms of production and employment. Easy access to credit would be helpful in accelerating poverty but it is still debatable as many poor households are still left untouched of the benefits offered by the government. Thus, if the financing of the Small-scale industries and startups is carried out in a systematic manner then it can play a pivotal role in raising the living standards, particularly in rural India. The literature would also focus on the influence of loans on employment, income generation and raising the living standards of rural population.

Prakash & Devaki (2018) in their study on Mudra yojana for the state of Tamil Nadu examined various aspects of the Pradhan Mantra Mudra Yojana to understand and evaluate the performance of Mudra yojana. The study concluded that the Mudra scheme is helpful in the growth of MSMEs as it provides the necessary finances and marketing support to the unfunded population. Mudra yojana has helped many budding entrepreneurs to start a venture of their own and helped them to earn a decent livelihood in the competitive market. Mudra yojana has been instrumental in transforming the economy of developing countries such as India.

Mahajan (2018) analyzed the impact of Mudra on MSMEs determined the Mudra yojana impact on small businesses and small entrepreneurs. The study concluded by highlighting that Mudra have helped tremendously the unfunded individuals. The economic growth of the nation and the advancement of the disadvantaged populations would both benefit from more of these programs aimed at expanding access to financial services. When it comes to empowering women, Mudra has also made significant contributions. In the not-too-distant future, this plan should reach its potential.

Venkatesh & Lavanya (2018) has explained the Mudra yojana helped the small entrepreneurs in purchasing the small and allied machineries which would help them in enhancing their production capacity.

Singh (2018) Through providing financial assistance, Mudra Banks are playing a significant role in raising living standards, expanding economic prospects, boosting national income, and decreasing poverty, as has been pointed out by the World Bank and the International Finance Corporation, among others.

Kumar (2017) focused few of the microfinance organizations minimized their activities; however, the ones which survived have to change their approach dramatically. Time and distance constraints, as well as respondents' capacity to use financial services, are also considered in studies the performance of small-scale sector's depends on the accessibility of the funds by the financial institutions.

Purnima Rao (2017) analyzed the financial challenges faced by Indian small and medium enterprise (SME) owners in their exploratory study. The study divided the finance problems into four categories which are: demand, knowledge, supply, and kindness. The study concluded by enumerating the difficulties that SME owners are now dealing with. The study indicated that the SMEs were hampered on both the demand and supply sides. The most common issues with funding that entrepreneurs confront are high credit prices, complex lending processes, information asymmetry, creditworthiness, and independence from external financial resources. A lack of knowledge and understanding about available financial options was also cited as a significant challenge.

Lestari (2017) studied the (KUR) programme called as Kredit Usaha Raky, which is operated in Indonesia as a microcredit that supports the development of MSMEs. MSMEs are predicted to grow as a result of having access to loans, creating jobs and income for the poor and near poor. The study detailed how the KUR program in Indonesia resulted in ameliorating poverty and whether this program is actually effective as many individuals below the poverty line are not able to take the advantage of the program. The study concluded by suggesting that the KUR design has to be improved for better coordination for achieving its anti-poverty goals by reaching the right sectors at the right time across key stakeholders.

Agarwal (2017) state that Mudra yojana offers some specific privileges like no collateral requirements and no processing fees, to motivate the budding entrepreneurs to take up profitable projects from certain groups due to these specific features the Mudra loans are readily and easily available.

Agarwal and Dwivedi's (2017) emphasized that the Mudra scheme has been a potent tool to finance most needed like the weaker sections of the society, unfunded people, and many more. They content that the Mudra yojana is a wonderful effort, because it is a relatively new, and there is a scope for some considerations in the scheme. For instance, using Mudra cards, expanding the minority business sector, etc. If these details are ironed out, Mudra will be an invaluable tool in the years to come, bolstering the economy and allowing more people to meet their financial obligations.

Kumar (2017) analyzed the role and impact of Mudra Yojana on financial inclusion by covering various products offered by Mudra Bank. The study that MSMEs is of utmost importance for the economic development of the county which needs to be strengthened and supported. The study also touched upon the evolution of microfinance in India, with major focus on the implementation and outcomes of the Mudra schemes.

Shenti Kumar (2017) contended that the introduction of Mudra scheme was done to help the budding entrepreneurs to have financial assistance in setting up their own enterprises for their present and future business needs. The yojana makes available loans of up to Rs. 10 lakhs without requiring borrowers to put up collateral or get a guarantee from a third party. With the help of Mudra yojana's financial aid, the aspiring businessman may launch his venture.

Kumar (2017) pointed out the scheme's primary goals emphasized the key goals of the Mudra Scheme. Looking at the significance of small enterprises in Indian economy, Mudra Scheme was developed to address the financial difficulty. As a result, the Mudra Scheme is primarily concerned with helping new and aspiring company owners.

Rudrawar and Uttarwar (2016) found the most significant barrier to the development of micro and small businesses is a lack of financial help. A good number of these Micro finance institutions established themselves as Small Finance Banks and began to provide personal loans.

Shahid and Irshad (2016) According to the research conducted, the Mudra plan plays a crucial role in boosting MSME and, if executed correctly with transparency, would have a major influence on the Indian economy. The value of sole proprietors and smaller businesses.

Roy et al. (2016) studied the product offerings by Mudra Bank's and their performance was reviewed in this study which was conducted for the state of Karnataka and contribution of small businesses to the country’s GDP. The importance of small companies as a strategic tool for economic development was highlighted in this research. The involvement of Mudra Bank towards small businesses was also undertaken in the study.

Shahid & Irshad (2016) explained the working of Mudra banks. The small-scale sector and the self-employed persons are the principal beneficiaries of the Mudra loan. The entire focus of the central government is to focus on the younger generations who are motivated towards entrepreneurs. The loans provided under the Mudra yojana would assist the startups in expanding their operations, as well as encourage the younger generation to pursue innovative profitable projects.

Bakshi & Chawla (2016) study elaborated on the role of MFIs and how they are governed, and the policy parameters which governs this yojana is discussed in Mudra Yojana- new wings for the growth of small enterprises.

Avani (2016) discovered that the Mudra plan aided M&S expansion in Kerala. The research showed that Mudra Bank's primary goal was to provide financial support to those who lacked access to conventional financial services.

Rudrawar & Uttarwar (2016) said that there are certain problems with the plan that need be fixed to make it more successful. If implemented correctly, the initiative has the potential to be a game-changer for the Indian economy. The report recommends fewer, more accessible documents as one of its recommendations. If Mudra is successfully implemented, it will boost GDP and economic growth in the future years.

Roy & Kumar (2016) emphasized the importance of small companies as the backbone of economic development for the poor. Small business expansion and creation are crucial to any nation's economic progress. The most current program to help India's small and micro businesses is called Mudra Yojana. This plan would strengthen the market by increasing competition and providing assistance to the vulnerable, low-income, and uninsured. Credit need and refinancing are both made more likely by PMMY's financial inclusion. The outcomes of PMMY have been satisfactory. India's economy will get a significant boost from the Mudra Yojana, and the country's standard of living will rise as a result. As a result of Mudra's efforts, a growing number of people are now able to access and benefit from the financial system. This strategy has produced the expected outcomes. If successful, this plan might be a game-changer for the government's financial inclusion program in India and a boon to the country's economy.

This Mudra plan will bring about significant change and contribute to the development of India.

Patil & Chaudhari (2016) financial constraints were stressed again as the main challenge facing the MSME industry. The plan is beneficial since it provides financial aid to MSMEs at affordable interest rates.

Dixit (2015) discovered that funding for women-owned MSMEs in India is still developing compared to loans for other MSMEs. Because of a lack of segmentation emphasis and a higher risk perception, traditional financial institutions have made little attempt to target this sector. This research looks at the gender gap in access to credit for small and medium-sized enterprises (SMEs) in India. It focuses on the possibility of helping female business owners and the steps that financial institutions have done to make credit more accessible to them. According to the results of the research, there is a lack of lending institutions willing to finance microbusinesses run by women. Moreover, the research evaluated the contribution of microenterprise loans on the expansion of business owners' revenue and inventiveness. The research found that Micro Financial Institutions (MFIs) carefully screen and monitor borrowers to make sure that the loan money they disperse is put to good use, and that MFIs also give loans that are correlated with the right business skills and technology. And as compared to loans to other MSMEs in India, lending to MSMEs owned by women is still mostly uncharted territory.

Gupta (2015) carried out its empirical work on the rational and concept of Mudra Yojana. The study concluded that Mudra will be a catalyst in the process of entrepreneurship development, and higher GDP growth.

Verma (2015) indicated that the schemes such as Mudra not only solve the financial problems of the entrepreneurs but it also provides the necessary moral support to them. The vast young population of India has started reaping the benefits of such schemes by becoming successful entrepreneurs.

Gupta (2015) Mudra yojana's original intent was to "Fund the underfunded," as the program's name suggests. The Government of India is working toward this goal via PMMY by opening up the official banking channel to small businesses that are not part of a corporation. It is designed for micro-unit-related development and refinancing projects.

Karmakar (2014) concluded The Mudra scheme's primary channel partners are now microfinance institutions. Despite the widespread use of parallel banking across the globe, the microfinance industry prioritizes the development of long-term, mutually beneficial relationships with customers.

Mol S.TP (2014) listed some of the issues that need to be addressed, such financial illiteracy, lack of knowledge, and client acquisition. RBI has developed a number of programs to expand access to financial services. It is essential that information and communication technologies play a role in expanding access to financial services for the unbanked.

Mehar (2014) emphasized that financial inclusion has grown in India over the last five years because to technologies like mobile banking and ultra-small branches, but that more work still to be done.

Mol S.TP (2014) suggested that inequality in income can have a detrimental effect on the socio-economic conditions of the population of any country and economic inequality can lead to the economic deprivation of some section of society which is an indication of social and financial deprivation.

Neeraj Arya (2013) attempted to study the small and large printing units having limited access to funds and on the other hand those units which are managed by big corporate houses having substantial amount of funds. The study concluded that the government schemes such as Mudra have immensely contributed in the growth of small and medium units that too in the printing industry. Financial constraints are the major issue in the growth of small and medium units. The schemes like Mudra have contributed in addressing this issue of financial constraints.

Pillai (2011) help us to understand a scenario Microfinance has played a pivotal role and it the increased credit accessibility thus helping in the improvement of people's quality of life. According to a study, microfinance has reached almost 80 million families through the services of around 20,000 microfinance institutions (MFIs) operating in Latin America, Europe, Asia, and Africa.

Irani Arráiz (2011) investigated using a firm-level panel dataset from 1997 to 2007 of Colombian manufacturing sector the impact of government policies that automatically grants government-backed partial credit guarantees to MSMEs without collateral in to remove credit limitations. The study concluded that businesses who have access to loans backed by the NGF (National Guarantee fund) guarantees are able to expand in terms of output and employment, as well as raise their average earnings. However, the study also concluded that there is no effect on labour productivity or investment, and the data on the effect on total factor productivity is inconclusive. The results of the study suggest that entrepreneurs use the funds from MFIs to diversify their business and not for accumulating the fixed assests.

Sriram (2010) analyzed Microfinance may alternatively be defined as a method of lending a modest amount of money to an individual or a group of people (up to Rs. 50,000 total per person) for use in starting or expanding a small company, farming, or other economically useful endeavor (including consumption purposes). There have been several developments in the sector since it first began. The government, along with NABARD, initiated a large-scale Self-help group initiative, which served as the catalyst for the movement's formation. However, the private sector was relatively inactive since it deemed the region to be unprofitable. Microloans were expected to increase the volume of non-performing assets due to a large number of defaults. This assumption was flawed since smaller businesses such as Bandhan and SKS were able to thrive because of their low default rates and high payback rates. As a consequence, several organizations, sometimes referred to as "Non-Banking Finance Companies," started providing similar options to their customers. Using the joint-liability group method, some private banks have established independent verticals to provide microcredit to their customers. As a result of accusations that it contributed to a high rate of farmer suicides in Krishna district, Andhra Pradesh, in 2007, the sector was threatened with extinction. The banks were accused of using predatory loan tactics.

World Bank (2005) reported Economic inequality can lead to wastage of talent as the opportunities are distributed unequally amongst the population. The section of society which is capable of performing is bereft of this opportunity because of financial deprivation. This waste of potential talent is to be avoided of the country wants to grow economically and socially. The inefficient distribution of resources inhibits the sound development process of a country.

Jayaraman (2001) concluded When the Bangladesh model of microfinance became popular in 2000, the movement was widely accepted by many developing countries. Microfinance, in its theoretical form, is the provision of a range of financial services to the poor, including micro pensions, microcredit, savings and deposits, remittances, and so on. When it comes to actual application, though, micro-credit is getting plenty of love. The majority of Indian companies fall under the category of non-banking finance firms, which means they are not allowed to provide savings or deposit accounts and so go by the name "micro-credit" or "micro-finance institutions." As the situation in developing countries such as India is gradually changing, because most companies have registered as small financing institutions. The portfolio of the sector's is diversifying, with new products such as home improvement loans, school loans, and other types of loans being introduced to the mix.

Hulme, Montgomery & Bhattacharya (1996) studied the Microfinance companies focusses on women with the goal of effectively tackling the poor by selecting and screening borrowers and enforcing credit agreements.

India's prime minister unveiled the Mudra initiative in April 2015 to help the country's budding micro-entrepreneurs get access to loans. Commercial banks, rural cooperatives, local financial institutions, and microfinance institutions are all potential sources for such loans. A person seeking funding for a micro-business may borrow up to a total of 10 lakhs under this plan; the maximum loan amounts for the Shishu, Kishore, and Tarun categories are 50,000, 5,000,000, and 10,000,000, respectively.

2.5 MSMEs and Start Ups

Thus Mudra as a financial tool is very effective in its early stages across the country and if implemented properly with utmost transparency it would have a far reaching impact on the economic development of India.

Mahajan (2018) emphasized that the Mudra has been instrumental in upgrading the status of women especially the women from the backward sections of the society who are not well educated and skilled or they do not get any support from the family and friends. The study concluded by suggesting that the schemes like Mudra would be very helpful in improving the status of women and other backward sections of the society. As historically the women have not been given its right place in the society and they have been deprived of their rights its time that they should be made equal partner in the growth story of the country. Therefore, the financial exclusion which they have faced since time immemorial has to be removed with the schemes such as Mudra. The Pradhan Mantri Mudra yojana has been instrumental in the social and economic empowerment of women by encouraging them to start new ventures and start-ups and supporting them financially in the form of different types of loans all these supportive activities leads to the social and economic empowerment of the women and facilitating the development of strong economy in the coming years.

Prakash and Devaki (2018) in their study highlighted the importance of schemes such as Mudra and concluded that, Mudra Yojana is one scheme which truly focuses on the financial inclusion of the financially excluded. It is one scheme which would boost the growth of Middle small and micro enterprises in India which is the backbone in the economic development of the country. The Mudra scheme focuses on the development of budding entrepreneurs and facilitates the process of entrepreneurial development. Such types of schemes will act as tool for economic empowerment especially for those who are involved in the Small-scale industries which would subsequently result in the economic development of the country. So, the central government should focus on designing more of such schemes which would contribute the process of financial inclusion.

Kumar (2017) It has been highlighted by many studies that the growth of entrepreneurs and the process of entrepreneurship development is hampered due to the lack of financial support. The lack of financial support is one of the major reasons which have been highlighted by almost all the studies undertaken. To top it all the financial support which is taken by the entrepreneur is from the non-formal sources. As the Micro, small and mini enterprises play a very crucial role in the economic development of the country and in the employment generation thus Mudra plays an important role in the handling of financial and other constraints issues. One of the important features of the Mudra Yojana is that the scheme is associated with Mudra Bank will local coordinators which supports the implementation of the scheme and also helps in providing finance to Last Mile Financiers of Micro, small and mini enterprises MSMEs,

Sonia (2017) concluded that Mudra scheme has proved to be game changer in the area of Micro finance and more such schemes in the future will revolutionize the entire process of financial inclusion in India. The study also concluded that the Mudra scheme will be helpful in promoting competition and will provide credit support to the weaker sections of the society, people with low income and the vase sections of society which have left out form the formal banking system. The study suggests that due to the Mudra Yojana a big change has taken place in the area of microfinance.

Agrawal and Dwivedi (2017) contented that Pradhan Mantri Mudra yojana is on the greatest contribution to the financial inclusion and a commendable initiative taken by the government of India. The study suggested that due to the Mudra yojana a lot of fundamental changes have taken place in the area of micro finance. The Mudra proved to be boon for the weaker sections of the society who had an idea to do something great by due to the lack of financial support could not fulfil their dreams. So, the study concluded that the Mudra is a very helpful schemes which helped the poor people, weaker sections of the society, low-income groups and the unfunded population of India all these things combined together will result in a healthy competition in the developing country such as India.

Manish Agarwal (2017) suggested that financial inclusion has increased drastically through the schemes such as Mudra and the scheme has successfully increased the opportunities for credit requirement and refinance for the poor and weaker sections of the society so in a nutshell almost all the studies points towards the fact that Mudra scheme is a very popular and useful scheme which has immensely contributed to the process of financial inclusion in the developing country like India.

Roy (2016) The study also suggested that the MSMEs forms the backbone of the economic development of the country and helps in supporting the economically deprived sections of the society. Hence the scheme is very useful and should be applied in such a way so that the actual dream with which this scheme was launched is fulfilled. It is the foundation of the economic development of the country. Many schemes for the economic development of the country have been taken by the various governments in the past as well but the Mudra scheme is different and it is the step in the right direction.

2.6 Financial Well Being in India

Financial inclusion has in the present scenario become a topic of political discussion for the governments and the government controlled and private banks in India. This is case with all the developing countries since maximum developing countries in Asia are grappling with the problem of financial inclusion in Asia. Financial inclusion has attracted the attention of people in varied areas. Especially the researchers, policy makers and the academicians have been constantly working in the area of financial inclusion around the world to make it better so that it can lead to the holistic economic development of the developing countries.

Nandru and Rentala (2019) The Indian government taking cues from the world bank and other developed countries in the year 2016 launched a national level scheme for financial inclusion namely "Pradhan Mantri Jan Dhan Yojana (PMJDY)".

Camara and Tuesta (2014) The world bank as the lender to world has reemphasized time and again that the main objective of the world bank is to provide financial schemes to everyone especially the unbanked population for achieving the main objective of universal financial access by 2024.

Demirguc-Kunt and Klapper (2013) gave a different dimension to the concept of financial inclusion. They argued that financial inclusion is concerned with the well-structured financial system which facilitates the smooth accessibility to the financial services such as savings, providing credit at a reasonable interest- rates, insurance products and special financial schemes for the weaker and downtrodden sections of the society which constitutes a vast section of the society.

Leeladhar (2005) focused the initiatives from the government the Reserve Bank of India is also trying its level best to bring the vast section of the unbanked section of the society into the mainstream formal banking system of India.

Other prominent scheme directed toward financial inclusion is PMMY (Pradhan Mantri Mudra Yojana) to bank the unbanked. The foremost objective of PMMY is to support and minimize the financial difficulties of the entrepreneurs via Micro Units Development and Refinance Agency (MUDRA) Bank. The scheme was launched by the government of India on 8th April 2015 to 'fund the unfunded' under the Mudra Yojana. Mudra was initially launched as a wholly owned subsidiary of Small Industries Development bank of India (SIDBI) with 100% funded by SIDBI. To facilitate financial inclusion the authorized capital of Mudra is 1000 crores and paid-up capital is 750 crores which are fully subscribed by SIDBI. Although the funds allocated to Mudra Yojana is still less but the government is making concerted efforts to increase the allocation of funds under Mudra. Mudra schemes has been mandated by the government of India to partner with Banks, MFIs and other prominent lending institutions at different levels to provide financial support to the MSMEs in India.

2.6.1 Mudra Products &Schemes

The budding entrepreneurs in rural and urban areas with financing requirement of up to 10 lakhs have been taken care of by the Mudra scheme. The major thrust of Mudra yojana is financial assistance for the MSMEs in India. There are different categories under which loans are offered under the Mudra scheme namely 'Shishu', 'Kishore'& 'Tarun' for funding needs of the MSMEs entrepreneurs.

a. Shishu – Loan up to Rs 50,000. Loan under this category is given to those businesses which are just starting up their enterprise. The interest rates vary from 10-12% with loan limit Rs 50,000 in shishu category.

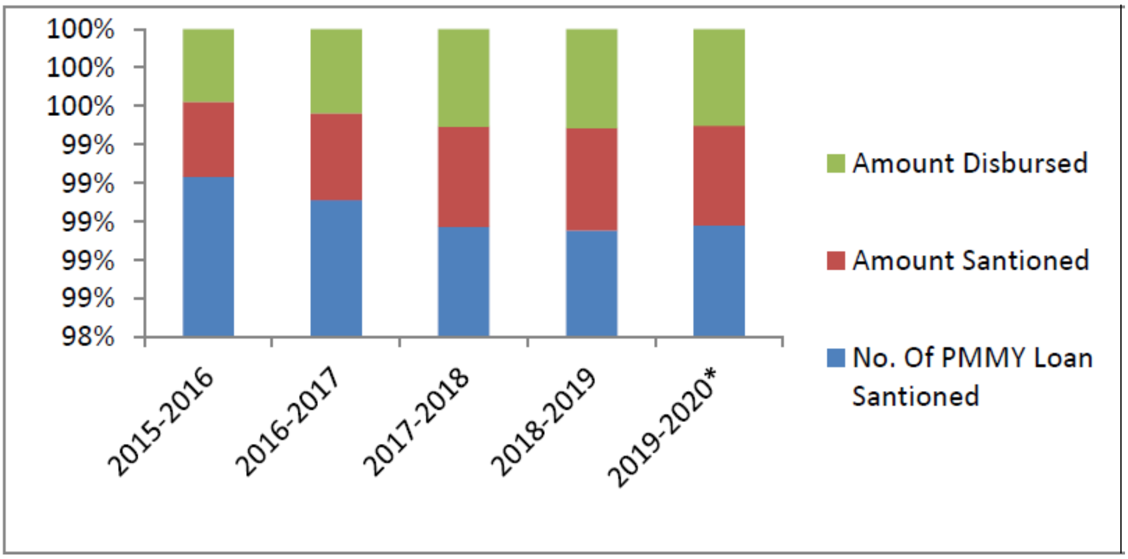
b. Kishore - Loan up to above Rs 50,000/ and up to Rs 5 lakhs is given when the business has started and more funds are required to strengthen the operations of the business. The interest rates vary from 10-12% with loan limit Rs 50,000 in Kishore category.

c. Tarun – Loan above Rs 5 lakhs and up to Rs 10 lakhs is given for diversification of the business. The interest rates vary from 10-12% with loan limit Rs 50,000 in the Tarun category (C. Vijai, 2018).

Despite the promising schemes such as PMJDY and PMMY necessary steps needs to be taken to tackle major hurdles which comes in the way of financial inclusion. These hurdles should be identified by the government as well as by the RBI and they should be addressed so that these barriers can be removed resulting in the effective implementation of the schemes for the financial inclusion in India. One of the major hurdles is the lack of awareness about the schemes launched by the government for financial inclusion as already discussed, if the awareness about the financial schemes is made more effective than the financial inclusion process may become more effective. Use of digital medium can prove to be very supportive tool in this process. Along with this the use of offline and online platforms for can prove to be a major tool for creating awareness amongst the unbanked population on India. Use of intermediaries in providing the financial services at the door steps of the consumers can also be a potent tool in increasing the reach of the financial services all these steps will support the process of financial inclusion. It's almost seventy-five that India got independence but the successive governments have not taken right steps to promote financial inclusion. Therefore, the time has come so that the unbanked population can be brought in the formal financial system of India. The present study is focused for the state of Haryana which predominantly depends upon agriculture and its allied activities. The per capital income of state has reached Rs. 203340 in year 2017-18 and Rs 226644 in year 2018-

19. During 2018-19 showed an increase of 11.5 percent as compared to the growth rate of year 2017-18. (Economy survey of Haryana 2018-19). For the upliftment of the unbanked population in the state of Haryana the state government has actively participated in all the financial inclusion schemes of the central Government i.e. DBT, stand up India, PMJDY, PMMY, APY, PMJJBY, PMSBY, etc. out of the schemes mentioned Mudra needs special mention as the study is focused on this particular scheme only. The below figure represents the amount of money disbursed and sanctioned under the Mudra Yojana.

Figure 2.2 Amount of money disbursed and sanctioned under the Mudra Yojana



Source (www.Mudra.org.in)

2.7 Literature Review on Development of an Index to calculate the level of Financial Inclusion

In this section various studies related to the development of an index to calculate the level of financial inclusion is discussed. Some of the prominent studies related to the development of the index for financial inclusion are as follows:

- The level of Banking penetration in the country and the tools used by the government for financial inclusion
- The availability of the banking services in the particular geographical location and
- The ease of usage of banking services by the unbanked sections of the society.

Bhatia & Singh (2019) tried finding the impact of financial inclusion on the empowerment of women in the rural and urban areas.

Nandru and Rentala (2019) studied the impact of financial inclusion on socio economic status of tribals in India. The study concluded that the accessibility of banking services, availability, ease of access, affordability and usage factors are the major factors of the financial inclusion.

Cabeza-Garcıa et al. (2019) contented that the women participation in the process financial inclusion both improves the economic and social well-being of the society in the globalized world.

Sahoo et al. (2017) carried on its study on financial inclusion among the tribal households in Odisha and found that the tribal do not have a bank account and don't have a post office savings account.

Sharma (2016) highlighted the linkage between financial inclusion dimensions and economic growth both the dimensions show that there is a positive relationship economic growth and dimensions of financial inclusion.

Yadav and Sharma (2016) also developed Index of financial Inclusion which include penetration, availability and usage of financial services.

Nandru et al. (2016) empirically found the demographic factors which have an impact on the financial inclusion and it was measured by the number of bank account holders in a particular geographical region. The finding of the study suggests that a respondent income and education level have a significant impact on the opening of bank account.

Ranjani and Bapat (2015) study highlighted that the poor and marginalized section of the society preference is more from microfinance institutions (MFIs) that offered more flexible services than the banks.

CRISIL Inclusive (2014) Computed Financial Inclusion Index used the multi-dimensional variables because financial inclusion is a multidimensional concept therefore the computed financial inclusion index takes into consideration many variables such as outreach of the banking services, usage of the banking services, ease and convenience of transactions and cost of transaction dimensions. Some of the pertinent socio-economic factors such as income, literacy and population are also associated with the level of financial inclusion. Credit Rating and Information Services of India Ltd calculated the financial inclusion by measuring the inclusive index for measuring financial inclusion progress in India, which includes branch penetration, credit penetration and deposit penetration.

Kumar (2013) opined that the determinants of financial inclusion indicated that the regions tend to maintain the banking activity without mitigating the gap in meeting the financial needs.

Cnaan et al. (2012) developed an index for calculating the index for financial inclusion in the southern states of rural India. The results from the index highlighted that the majority of rural households in the southern states have no access to bank accounts and 23%of the households have no access to the financial services or the banking services.

Bhanot et al. (2012) with the use of demand-side analysis calculated the financial inclusion of two states in the north-east India taking into consideration the Income levels, awareness on financial products through various offline and online modes of communication and information about self-help groups (SHGs).

Gupte et al. (2012) The study concluded that the schemes for financial inclusion such as Pradhan Mantri Jan Dhan yojana has a significant effect on the social, economic and political empowerment of women.

Chattopadhyay (2011) investigated the extent of financial inclusion and employed multidimensional approach for building the Index for financial Inclusion. The development of multidimensional index examined three indicators to build an Index of Financial Index, which includes penetration of bank branches, penetration of the banking services and availability and convenience of banking services usage.

Kuri and Laha (2011) found the determinants of financial inclusion in India and used the same three dimensions used in previous studies such as banking penetration, availability and usage of the banking system.

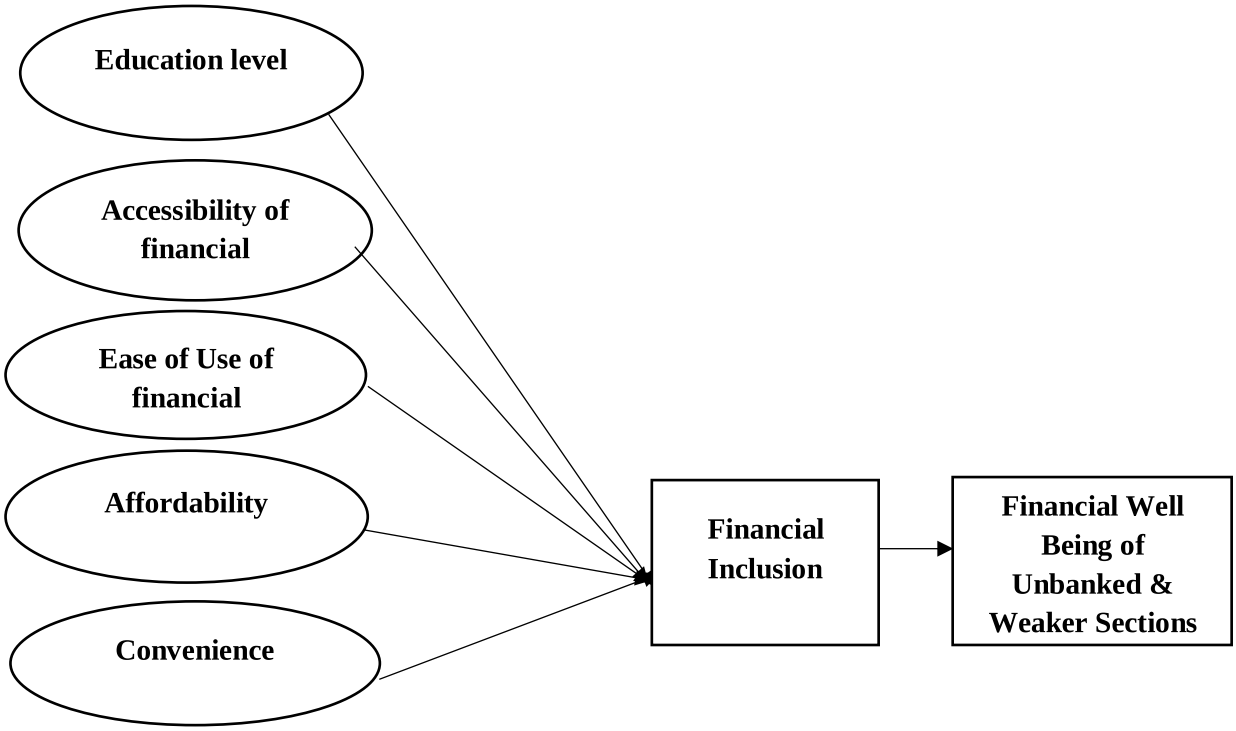
Duvendack et al. (2011) examined the impact of microfinance on the well-being of poor households. The study concluded that Micro Financial Institutions significantly influenced the physical well-being, level of education, income or consumption expenditures and subjective well-being changes of the households.

Arora (2010) developed an index called as multiple dimensional indexes for calculating the extent of financial inclusion in the developed and developing nations for measuring financial inclusion, such as physical access, ease of transaction and cost of transactions.

Mehrotra et al. (2009) developed two indicators or the calculation of Index of Financial Index (IFI) namely accessibility and usage of banking services.

Sharma (2008) in which the index was developed using the same index which was used by UNDP to calculate HDI (Human development index) using the HDI as suggested by UNDP the study constructed the "Index of financial inclusion (IFI)" by considering three important considerations which are:

Figure 2.3 Proposed Model on Financial Inclusion



Elaboration of the Proposed Model:

The above-mentioned model shows the impact of various variables on the financial inclusion and subsequently the well-being of the weaker sections of the society. Each of the variables have been mentioned below:

Education level:

Martinez et al. (2013) The education in terms of financial literacy refers to the ability to take the right financial decisions. According to Kostov et al. (2015) financial education means understanding of financial terms, to access different types of financial services. Beckand Le Da Torre (2007) The lower demand for access to formal credit sources is due to lack of awareness and education. Ghosh (2012) The low level of education results in the financial exclusion. Noor et al. (2020) contented that education level has a strong positive impact on financial inclusion. Martinez et al. (2013) contented that financial literacy is the major determining factor for financial inclusion. Das (2007) The level of Education is an important element for promoting financial inclusion. Morgan and Long (2020), it can be concluded that the financial literacy and financial inclusion have a significantly correlated.

Accessibility:

Allen et al. (2012) Accessibility is concerned with the ability to use available financial services which means that the barriers to usage of financial services are minimum. The low barriers are related to ease of opening a bank account, affordability and proximity to bank service points, automated teller machines (ATMs), etc. The better access to financial services and less documentation requirements to open a bank account are closely related to the financial inclusion.

Ease of Use of Financial Services:

It is concerned with the possibility for use formal financial services to foster financial inclusion (Camara and Tuesta, 2014). For the ease of use of financial services three dimensions are used for financial inclusion which is penetration of services, bank branches and allied services. Gupte et al. (2012) proposed a dimension "ease of transactions" to having minimum amount to open savings account or consumer getting loan on less interest.

Availability.

Sharma (2008) Availability refers to easy obtain ability of finical services to its users for an inclusive financial system. Availability of banking services may be defined as the geographic and demographic penetration of banking services.

Affordability:

Affordability refers to the cost incurred in maintaining minimum balance. Gupte et al. (2012) proposed a dimension "ease of transactions" to refer to affordability of customer in having minimum amount to open savings account or consumer getting loan on less interest. Allen et al. (2012) Cost in terms of cost of opening a bank account, maintaining a bank account and debit card use are found to be the major barrier to financial inclusion.

Convenience:

Sharma (2008) Convenience is concerned with permanence of actual usage and depth of financial services or products. It also refers to regularity, frequency and duration of time used. Having only a bank account is not enough for financial inclusion, but the account has to be operated in a proper manner.

Financial well-being:

As given by (Michael Collins and Urban, 2020) financial well-being is the state when an individual is able to comfortably meet its financial needs and have the freedom to enjoy life to the fullest. Mahendru (2020) defined financial well-being as “an individual’s ability to quickly meet one’s current financial obligations and the needs of the present and future which is commonly referred to as financial security or financial freedom. Cabeza-Garcıa et al. (2019) The financial inclusion of women, have a positive impact on the on economic development. Thorat (2007) Financial inclusion ensures achieving inclusive growth with the equal access to financial services to the deprived, poor and economically weak sections of the society also called as the marginalized groups. Allen et al. (2012) Financial inclusion can bring many benefits to the poor across the countries. Dupas et al. (2017) compared with unbanked households, financial inclusion accumulates the economic benefits through access to financial services with banked rural households.

CHAPTER 3

RESEARCH METHODOLOGY

This section includes the author's stated goals for the study, questions the author hopes to answer, and any hypotheses he or she has formed to explain the data. The methodology of the study is then described in this chapter. After that, we will chat a little about the main and secondary data, as well as where to look for them. The author's sample strategy and the scale she employed for her research are the next topics to be covered in this chapter. A brief outline of financial inclusion, Mudra scheme and funding the unfunded for mitigating financial constraints for promoting entrepreneurship development is discussed

This chapter of the study answers the questions such as why we are conducting this research, what are the different speculations that can be obtained after conducting this research, objectives of the research, how we will be carrying on with the research, different types of dependent and independent factors involved in the study etc., It also emphasizes this part, which depicts the study's technique and considers the research setup, evaluating size, test engaged in the study, and tactics used in the study to successfully complete the research. This part has been coordinated as follows-:

3.1 Need of the Study

3.2 Research Questions

3.3 Research Objectives

3.4 Research Design

3.5 Variables in the study

3.6 Tools and Techniques

3.7 Pilot Study

3.1 Need of the Study

The purpose of this research is to examine how Pradhan Mantri Mudra Yojana (PMMY) has affected small company owners and those who work for themselves. The role of Mudra Bank in India's Pradhan Mantri Mudra Yojana to improve the quality of life for small company owners and self-employed people is also examined. Moreover, the goal of the Pradhan Mantri Mudra Yojana (PMMY) is to provide financial services to those who now lack access to such. Using the resources of the Micro Units Development and Refinancing Agency (MUDRA) Bank, PMMY aims to support the business pioneers in the aforementioned group. On April 8th, 2015, the Government of India (GOI) released a proposal dubbed the Micro Unit Development and Refinance Agency (MUDRA) to aid the underfunded under the PMMY program. The government of India created the Micro Units Development and Refinancing Agency Ltd (MUDRA) (GOI). Mudra was originally established as a wholly owned subsidiary of the Small Industries Development Bank of India (SIDBI), which provided all of the initial funding. Mudra has an authorised capital of 15.97 lakh crores and a settled-up capital of roughly 12 lakh crores, both of which have been fully purchased up by SIDBI. Improved Mudra functionality requires further funding. By providing assistance to financial institutions focused on lending to small/private venture components engaged in manufacturing, trading, and administration, this Agency would be responsible for establishing and renegotiating all Micro-Enterprise zones. When it comes to providing financial support for the tiny enterprise sector in the nation, Mudra would work with banks, MFIs, and other loaning organizations at the state and territorial levels.

The implementation of any policy faces obstacles so author has also taken into consideration the obstacles coming in the way of PMMY and has suggested some strategies to get them through and has also made an effort to find out the level of awareness of Pradhan Mantri Mudra Yojana on promotion of financial inclusion in Haryana.

3.2 Research Questions

The study is based to deduce the following questions-:

1. I would want to know more about the Pradhan Mantri Mudra Yojana in India, specifically on the Mudra Bank's involvement and the many initiatives it offers.
2. I was wondering how well-known the Pradhan Mantri Mudra Yojana is in Haryana and how it is helping to expand access to banking services.
3. How has the Pradhan Mantri Mudra Yojana affected the income and number of jobs available to its target demographic—those who run small businesses or are self-employed?
4. What are the key challenges coming in the way of Mudra Yojana in Haryana and what are its remedial steps.

3.3 Research Objectives

1. To study the scheme offered and contribution by Mudra Bank under Pradhan Mantri Mudra Yojana in India.
2. To analyze the awareness level of Pradhan Mantri Mudra Yojana on promotion of financial inclusion in Haryana.
3. To study the impact of Pradhan Mantri Mudra Yojana on income and employment generation on beneficiaries i.e., small business owner & self-employed people.
4. To study the key challenges to implement the Mudra Yojana in Haryana and offer the possible suggestion for its improvement.

3.4 Research Design

This study will be descriptive in nature following a descriptive research design. A quantitative research method will be used to provide better and wider view of situation in a fast and efficient manner. The deductive approach will be used the research study. The data collection was also done in two parts. Part 1 including 352 banking professionals i.e., employees of banks and Part 2 including 664 respondents which are the beneficiaries of PMMY taking the sample size to a total of 1016 (352+664=1016).

The responses of 664 respondents were taken to deduce the Significance of PMMY on Employment Generation, Significance of PMMY on Income Generation and most important barriers for implementation of Pradhan Mantri Mudra Yojana.

The responses of 352 employees of bank were taken to calculate the availability, affordability, accessibility, awareness and adequacy of Pradhan Mantri Mudra Yojana.

The responses of 352 banking professional were also taken to deduce awareness of Pradhan Mantri Mudra Yojana and to find out the most important barrier in the implementation of Pradhan Mantri Mudra Yojana.

All sample size were calculated using Rao soft Formula using either 2% or 5% margin of error with 95% level of significance.

3.4.1 Hypothesis of the Study

The following hypotheses will be considered in light of the stated aims of the study.

H01: The PMMY's efforts to spread the word about the benefits of banking on yourself have not made much of a splash in Haryana.

Ha1: While PMMY has been successful in raising financial inclusion awareness in several states, the situation in Haryana is quite different.

H02: There is no significant impact of PMMY on income and employment generation of beneficiary i.e., small business owner & self-employed people.

Ha2: There is a significant impact of PMMY on income and employment generation of beneficiary i.e., small business owner & self-employed people.

H03: There are no key challenges to implement the Mudra Yojana.

Ha3: There are few key challenges to implement the Mudra Yojana.

3.4.2 Data Collection and Sample Size

Primary data will be collected by the means of a self-designed questionnaire deduced after extensive literature review divided in three parts.

The sampling technique adopted was simple random sampling.

In order to find out the sample size of the employees of bank we need to calculate the total number of banks (Branches wise) in Haryana.

Table 3.1 The total number of banks (Branches wise) in Haryana

S.No.	NAME OF THE BANK	BRANCHES IN HARYANA
1	ALLAHABAD BANK	87 Branches
2	ANDHRA BANK	73 Branches
3	AXIS BANK	217 Branches
4	BANK OF BARODA	225 Branches
5	BANK OF INDIA	87 Branches
6	BANK OF MAHARASHTRA	30 Branches
7	CANARA BANK	189 Branches
8	CORPORATION BANK	99 Branches
9	GURGAON GRAMIN BANL LTD	192 Branches
10	HONG KONG & SHANGHAI BANK (HSBC)	1 Branch
11	INDIAN BANK	59 Branches
12	INDIAN OVERSEAS BANK	62 Branches
13	ORIENTAL BANK OF COMMERCE	234 Branches
14	PUNJAB AND SIND BANK	100 Branches
15	PUNJAB NATIONAL BANK	524 Branches
16	SOUTH INDIAN BANK	5 Branches
17	CENTRAL BANK OF INDIA	210 Branches

18	KARUR VYSYA BANK	4 Branches
19	BANDHAN BANK LIMITED	6 Branches
20	LAXMI VILAS BANK	1 Branch
21	BHARATIYA MAHILA BANK LIMITED	3 Branches
22	CATHOLIC SYRIAN BANK	2 Branches
23	CITIBANK NA (CITY)	2 Branches
24	CITY UNION BANK LTD	1 Branch
25	DEVELOPMENT CREDIT BANK	5 Branches
26	DEUTSCHE BANK AG	1 Branch
27	DHANALAXMI BANK	2 Branches
28	FEDERAL BANK LTD	12 Branches
29	HDFC BANK LTD	367 Branches
30	ICICI BANK LTD	103 Branches
31	IDBI BANK LTD	41 Branches
32	ING VYSYA BANK LTD	5 Branches
33	INDUSIND BANK LTD	25 Branches
34	JAMMU AND KASHMIR BANK LTD	9 Branches
35	KARNATAKA BANK LTD	6 Branches
36	KOTAK MAHINDRA BANK	21 Branches
37	RATNAKAR BANK LTD	3 Branches
38	STATE BANK OF INDIA	374 Branches
39	NAINITAL BANK LTD	5 Branches
40	ROYAL BANK OF SCOTLAND	2 Branches
41	SHAMRAO VITHAL CO-OP BANK LTD	1 Branch
42	YES BANK LTD	58 Branches
43	STANDARD CHARTERED BANK	4 Branches
44	STATE BANK OF BIKANER AND JAIPUR	27 Branches
45	STATE BANK OF HYDERABAD	14 Branches
46	STATE BANK OF MYSORE	3 Branches
47	STATE BANK OF PATIALA	246 Branches
48	STATE BANK OF TRAVANCORE	8 Branches
49	SYNDICATE BANK	148 Branches
50	UCO BANK	99 Branches
51	UNION BANK OF INDIA	118 Branches
52	UNITED BANK OF INDIA	26 Branches
	TOTAL	**4146 Branches**

Hence to find out the sample size at margin of error and at 95% confidence level using population size as 4146 using Raosoft formula we reach to a value of 352.

Table 3.2 Sample will be taken from the rural & urban area of six division of Haryana-

Haryana (6 Division with 22 Districts)

Division 1 **Ambala**	**Division 2** **Hisar**	**Division 3** **Rohtak**	**Division 4** **Gurugram**	**Division 5** **Karnal**	**Division 6** **Faridabad**
Ambala Kurkshetra Panchkula YamunaNagar (AMBALA)	Fatehabad Hisar Jind Sirsa (HISAR)	Jhajjar Charkhi,Dadri Rohtak Sonipat Bhiwani (SONIPAT)	Gurugram Mahendergarh Rewari (GURUGARM)	Karnal Panipat Kaithal (PANIPAT)	Faridabad Palwal Nuh (FARIDABAD)

Source: https://www.haryanamagazine.com

Table 3.3 Selection of Banks has been taken on the basis of Maximum No. of Branches in Haryana State-

Public Sector Banks (5)	**Private Sector Banks (2)**	**Regional Rural Banks (2)**
1. **PNB+OBC+UBI** 2. **CBI** 3. **SBI+SBBJ+SBH+SBM+SBP+SBT+BMB** 4. **BOB+DENA BANK+VIJAY BANK** 5. **CANARA BANK+SYNDICATE BANK**	1. **AXIS BANK** 2. **HDFC BANK LTD**	**1.SARVE HARYANA GRAMIN BANK (SHGB)** **2.GURUGRAM GRAMIN BANK (GGB)**

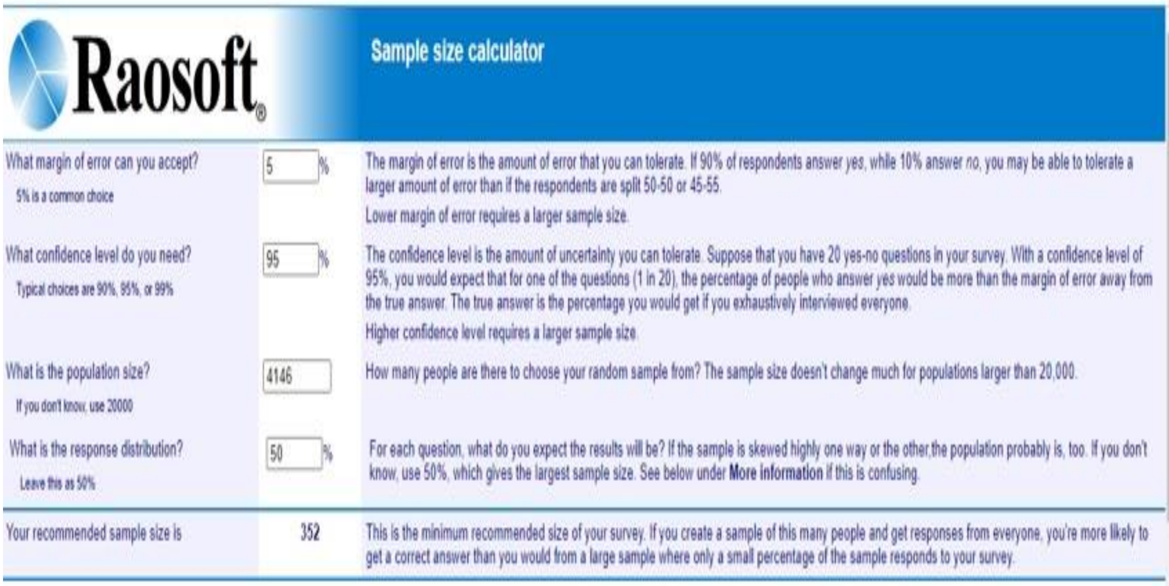
Table 3.4 Total no of Public, Private, RRB'S Banks Branches in six Districts:

Name of Selected Districts	Public Sector Bank	Private Sector Bank	Regional Rural Bank	Total no. of Bank Branches
AMBALA	135	36	21	192
FARIDABAD	186	28	69	283
GURUGRAM	278	115	124	517
HISAR	128	14	47	189
PANIPAT	117	23	07	147
ROHTAK	120	13	23	156
TOTAL	964	229	291	1484

Table 3.5 Number of bank branches and bank employees selected Proportionate method from selected districts

S NO 1	Districts to be contacted 2	Total no of Bank Branches 3	Bank Branches (10% of 3) 4	Bank Employees (Proportionate) 5
1	AMBALA	192	19	45
2	FARIDABAD	283	28	66
3	GURUGRAM	517	52	123
4	HISAR	189	19	45
5	PANIPAT	149	15	35
6	ROHATAK	156	16	38
Total	6	148	149	352

Figure 3.1 Raosoft- Sample size calculator employee of Bank



Hence in Part-I we will gather the responses of 352 employees of bank were taken to calculate the availability, affordability, accessibility, awareness and adequacy of Pradhan Mantri Mudra Yojana, and to deduce awareness of Pradhan Mantri Mudra Yojana and to find out the most important barrier in the implementation of Pradhan Mantri Mudra Yojana.

Moreover, if we try to find out the sample size of the respondents using the total number of beneficiaries from PMMY in Haryana i.e.,1155917. Hence to find out the sample size at margin of error and at 95% confidence level using population size as 1155917 using Raosoft formula we again reach to a value of 664.

Figure 3.2 Raosoft- Sample size calculator Beneficiaries

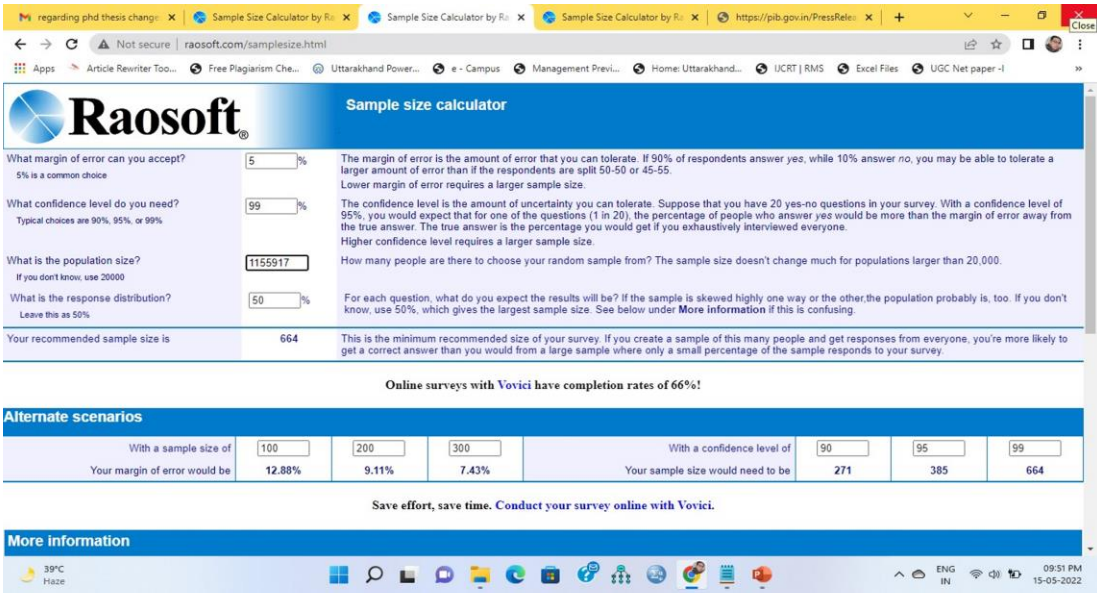


Table 3.6 Account opened under PMMY – Shishu, Kishore, Tarun + Women beneficiaries Dec 2020 and respondents selected Proportionate method -

DISTRICTS 1	TOTAL NO. OF ACCOUNTS (SHISHU+KISHORE+TARUN) 2	NO. OF ACCOUNTS (WOMEN) 3	TOTAL NO. OF ACCOUNTS 2+3	RESPONDENTS
AMBALA	10573	2536	13109	102
FARIDABAD	6028	2078	8106	63
GURUGRAM	14443	3996	18439	144
HISAR	19197	3805	23002	179
PANIPAT	7329	3500	10829	84
ROHATAK	9068	2678	11746	92
TOTAL	66638	18593	85231	664

Source: State Statistical survey of Haryana 2019-20

In Part-II we will gather the responses of 664 respondents were taken to deduce the Significance of PMMY on Employment Generation, Significance of PMMY on Income Generation and most important barriers for implementation of Pradhan Mantri Mudra Yojana.

Which takes a total tally of sample size to 352+664=1016.

Whereas the secondary data to collect information regarding banks and branches of each bank will be collected from government websites such as Ministry of Finance and RBI.

3.5 Variables in the Study

For Banks-:

Availability, Affordability, Accessibility, Awareness and Adequacy are independent variables whereas Financial Inclusion is a dependent variable.

Pradhan Mantri Mudra Yojana is an independent variable whereas Employment Generation and Income Generation are dependent variables.

For beneficiaries-:

Benefits of Pradhan Mantri Mudra Yojana and personal details of respondents all are independent variables.

3.6 Tools and Techniques

Objective-1→ Theoretical by using secondary data

Objective-2→ Descriptive Statistics using SPSS

Objective-3→ SEM (Structural Equation Modelling) using AMOS and MRA (Multiple Regression Analysis) using SPSS

Objective-4→ Pareto Analysis and Pareto Chart using Excel

3.7 Pilot Study

Case Processing Summary			
		N	%
Cases	Valid	100	100.0
	Excluded	0	.0
	Total	100	100.0

Reliability Statistics of questionnaire for banks	
Cronbach's Alpha	N of Items
.865	18
Reliability Statistics of questionnaire for beneficiaries	
Cronbach's Alpha	N of Items
.776	17

The data gathered for the pilot research has no blanks, as shown by the case processing report. The validity of the questionnaire and the reliability analysis were both confirmed by a pilot study. The sample size if 100 respondents was taken to detect the reliability of both the parts of the questionnaire (Hair et al., 2006). The reliability of Part-1 of the questionnaire is 86.5% and for Part-2 it was found to be 77.6% which is way above the acceptable limit of 50% or 70% (Hair et al., 2006, 2015, 2021).

3.8 Theoretical Framework-:

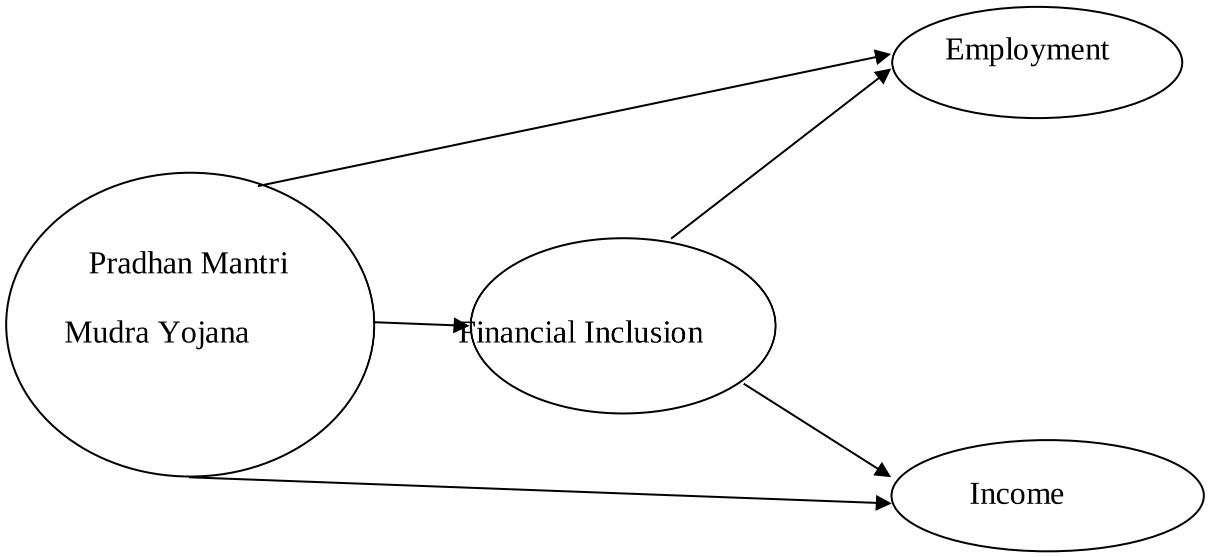


Figure 3.3 Theoretical Framework of PMMY

3.9 List of Banks (in Haryana) Under Pradhan Mantri Mudra Yojna

1. ALLAHABAD BANK
2. ANDHRA BANK
3. AXIS BANK
4. BANK OF BARODA
5. BANK OF INDIA
6. BANK OF MAHARASHTRA
7. CANARA BANK
8. CORPORATION BANK
9. GURGAON GRAMIN BANL LTD
10. HONG KONG & SHANGHAI BANK (HSBC)
11. INDIAN BANK
12. INDIAN OVERSEAS BANK
13. ORIENTAL BANK OF COMMERCE
14. PUNJAB AND SIND BANK
15. PUNJAB NATIONAL BANK

16. SOUTH INDIAN BANK
17. CENTRAL BANK OF INDIA
18. KARUR VYSYA BANK
19. DENA BANK
20. BANDHAN BANK LIMITED
21. LAXMI VILAS BANK
22. BHARATIYA MAHILA BANK LIMITED
23. CATHOLIC SYRIAN BANK
24. CITIBANK NA (CITY)
25. CITY UNION BANK LTD
26. DEVELOPMENT CREDIT BANK
27. DEUTSCHE BANK AG
28. DHANALAXMI BANK
29. FEDERAL BANK LTD
30. HDFC BANK LTD
31. ICICI BANK LTD
32. IDBI BANK LTD
33. ING VYSYA BANK LTD
34. INDUSIND BANK LTD
35. JAMMU AND KASHMIR BANK LTD
36. KARNATAKA BANK LTD
37. KOTAK MAHINDRA BANK
38. RATNAKAR BANK LTD
39. STATE BANK OF INDIA
40. NAINITAL BANK LTD
41. ROYAL BANK OF SCOTLAND

42. SHAMRAO VITHAL CO-OP BANK LTD
43. YES BANK LTD
44. STANDARD CHARTERED BANK
45. STATE BANK OF BIKANER AND JAIPUR
46. STATE BANK OF HYDERABAD
47. STATE BANK OF MYSORE
48. STATE BANK OF PATIALA
49. STATE BANK OF TRAVANCORE
50. SYNDICATE BANK
51. LAKSHMI VILAS BANK LTD
52. UCO BANK
53. UNION BANK OF INDIA
54. UNITED BANK OF INDIA
55. VIJAYA BANK

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

In this section, we put the data to the test to see whether we can use the social science methods and tools to achieve our goals. Data acquired in the field through a self-designed questionnaire are examined in this chapter, with an emphasis on their validity and trustworthiness.

4.1 Case Processing Summary

From the table 4.1 (Case Processing Summary) it is evident that the value of valid N i.e., number of values present in the data set is 1016 (352 for banks and 664 for beneficiaries) which are 100% of the total population which states that values of entire population is present in the data set. When there are no missing values, as shown by a missing N value of zero, which indicates that there are no missing values in the data set, the data set may be used for further analysis.

Table 4.1 Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
AV1	352	100.0%	0	0.0%	352	100.0%
AV2	352	100.0%	0	0.0%	352	100.0%
AV3	352	100.0%	0	0.0%	352	100.0%
AF1	352	100.0%	0	0.0%	352	100.0%
AF2	352	100.0%	0	0.0%	352	100.0%
AF3	352	100.0%	0	0.0%	352	100.0%
AC1	352	100.0%	0	0.0%	352	100.0%
AC2	352	100.0%	0	0.0%	352	100.0%
AC3	352	100.0%	0	0.0%	352	100.0%
AW1	352	100.0%	0	0.0%	352	100.0%
AW2	352	100.0%	0	0.0%	352	100.0%
AW3	352	100.0%	0	0.0%	352	100.0%
AW4	352	100.0%	0	0.0%	352	100.0%
AD1	352	100.0%	0	0.0%	352	100.0%
AD2	352	100.0%	0	0.0%	352	100.0%
AD3	352	100.0%	0	0.0%	352	100.0%
AD4	352	100.0%	0	0.0%	352	100.0%

Case Processing Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
EG1	664	100.0%	0	0.0%	664	100.0%
EG2	664	100.0%	0	0.0%	664	100.0%
EG3	664	100.0%	0	0.0%	664	100.0%
EG4	664	100.0%	0	0.0%	664	100.0%
EG5	664	100.0%	0	0.0%	664	100.0%
IG1	664	100.0%	0	0.0%	664	100.0%
IG2	664	100.0%	0	0.0%	664	100.0%
IG3	664	100.0%	0	0.0%	664	100.0%
IG4	664	100.0%	0	0.0%	664	100.0%
BFT1	664	100.0%	0	0.0%	664	100.0%
BFT2	664	100.0%	0	0.0%	664	100.0%
BFT3	664	100.0%	0	0.0%	664	100.0%
BFT4	664	100.0%	0	0.0%	664	100.0%
BFT5	664	100.0%	0	0.0%	664	100.0%
COR1	664	100.0%	0	0.0%	664	100.0%
COR2	664	100.0%	0	0.0%	664	100.0%
COR3	664	100.0%	0	0.0%	664	100.0%

4.2 Descriptive Statistics

Mean, 95% Confidence Interval for Mean, 5% Trimmed Mean, and Standard Deviation are tabulated together with their respective error bars and confidence intervals in Table 4.2 (Descriptive Statistics). Variance, Standard Deviation, and Median The smallest value for a variable across all 1016 respondents (352 bankers and 664 recipients), and the largest value for a variable among all 1016 respondents (352 banking professionals and 664 beneficiaries), Variable's range (highest and lowest values) over all 1016 responses (352 banking professionals and 664 beneficiaries), Distinguishing characteristics of data include its interquartile range, skewness (which indicates the extent to which data has shifted to the right and left from the mean), and its dispersion around the mean. The degree to which a real-valued random variable has fat tails is quantified by a statistic called its kurtosis.

Acceptable values for skewness and Kurtosis are between -1.98 and +1.98.

The skewness and kurtosis of all 54 variables are well within the allowable limits. Because of this, we may conclude that the acquired information is neither skewed nor kurtotic and is therefore suitable for analysis.

Table 4.2 Descriptive Statistics for Banks

Descriptive Statistics for Banks				
			Statistic	Std. Error
AV1	Mean		3.5881	.07523
	95% Confidence Interval for Mean	Lower Bound	3.4401	
		Upper Bound	3.7360	
	5% Trimmed Mean		3.6534	
	Median		4.0000	
	Variance		1.992	
	Std. Deviation		1.41146	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.728	.130
	Kurtosis		-.818	.259
AV2	Mean		3.6420	.07112
	95% Confidence Interval for Mean	Lower Bound	3.5022	
		Upper Bound	3.7819	
	5% Trimmed Mean		3.7134	
	Median		4.0000	
	Variance		1.780	
	Std. Deviation		1.33429	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.734	.130
	Kurtosis		-.703	.259
AV3	Mean		3.5824	.06896
	95% Confidence Interval for Mean	Lower Bound	3.4468	

		Upper Bound	3.7180	
	5% Trimmed Mean		3.6471	
	Median		4.0000	
	Variance		1.674	
	Std. Deviation		1.29387	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.695	.130
	Kurtosis		-.633	.259
AF1	Mean		3.6506	.06863
	95% Confidence Interval for Mean	Lower Bound	3.5156	
		Upper Bound	3.7856	
	5% Trimmed Mean		3.7229	
	Median		4.0000	
	Variance		1.658	
	Std. Deviation		1.28770	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.800	.130
	Kurtosis		-.475	.259
AF2	Mean		3.5170	.07297
	95% Confidence Interval for Mean	Lower Bound	3.3735	
		Upper Bound	3.6606	
	5% Trimmed Mean		3.5745	
	Median		4.0000	
	Variance		1.874	
	Std. Deviation		1.36907	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.676	.130
	Kurtosis		-.789	.259

AF3	Mean		3.6563	.07000
	95% Confidence Interval for Mean	Lower Bound	3.5186	
		Upper Bound	3.7939	
	5% Trimmed Mean		3.7292	
	Median		4.0000	
	Variance		1.725	
	Std. Deviation		1.31332	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.772	.130
	Kurtosis		-.573	.259
AC1	Mean		3.5028	.07864
	95% Confidence Interval for Mean	Lower Bound	3.3482	
		Upper Bound	3.6575	
	5% Trimmed Mean		3.5587	
	Median		4.0000	
	Variance		2.177	
	Std. Deviation		1.47534	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		3.00	
	Skewness		-.600	.130
	Kurtosis		-1.093	.259
AC2	Mean		3.6420	.07292
	95% Confidence Interval for Mean	Lower Bound	3.4986	
		Upper Bound	3.7855	
	5% Trimmed Mean		3.7134	
	Median		4.0000	
	Variance		1.872	
	Std. Deviation		1.36803	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	

	Interquartile Range		2.00	
	Skewness		-.737	.130
	Kurtosis		-.719	.259
AC3	Mean		3.5767	.06945
	95% Confidence Interval for Mean	Lower Bound	3.4401	
		Upper Bound	3.7133	
	5% Trimmed Mean		3.6408	
	Median		4.0000	
	Variance		1.698	
	Std. Deviation		1.30300	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.624	.130
	Kurtosis		-.750	.259
AW1	Mean		3.6903	.07271
	95% Confidence Interval for Mean	Lower Bound	3.5473	
		Upper Bound	3.8333	
	5% Trimmed Mean		3.7670	
	Median		4.0000	
	Variance		1.861	
	Std. Deviation		1.36422	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.808	.130
	Kurtosis		-.618	.259
AW2	Mean		3.6364	.07172
	95% Confidence Interval for Mean	Lower Bound	3.4953	
		Upper Bound	3.7774	
	5% Trimmed Mean		3.7071	
	Median		4.0000	
	Variance		1.810	
	Std. Deviation		1.34552	

	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.776	.130
	Kurtosis		-.614	.259
AW3	Mean		3.6392	.07113
	95% Confidence Interval for Mean	Lower Bound	3.4993	
		Upper Bound	3.7791	
	5% Trimmed Mean		3.7102	
	Median		4.0000	
	Variance		1.781	
	Std. Deviation		1.33459	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.778	.130
	Kurtosis		-.602	.259
AW4	Mean		3.5852	.07317
	95% Confidence Interval for Mean	Lower Bound	3.4413	
		Upper Bound	3.7291	
	5% Trimmed Mean		3.6503	
	Median		4.0000	
	Variance		1.884	
	Std. Deviation		1.37275	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.75	
	Skewness		-.664	.130
	Kurtosis		-.847	.259
AD1	Mean		3.6165	.07170
	95% Confidence Interval for Mean	Lower Bound	3.4755	
		Upper Bound	3.7575	
	5% Trimmed Mean		3.6850	

	Median		4.0000	
	Variance		1.810	
	Std. Deviation		1.34527	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.688	.130
	Kurtosis		-.741	.259
AD2	Mean		3.5994	.06983
	95% Confidence Interval for Mean	Lower Bound	3.4621	
		Upper Bound	3.7368	
	5% Trimmed Mean		3.6660	
	Median		4.0000	
	Variance		1.717	
	Std. Deviation		1.31018	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.711	.130
	Kurtosis		-.650	.259
AD3	Mean		3.6165	.07182
	95% Confidence Interval for Mean	Lower Bound	3.4752	
		Upper Bound	3.7577	
	5% Trimmed Mean		3.6850	
	Median		4.0000	
	Variance		1.815	
	Std. Deviation		1.34739	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.696	.130
	Kurtosis		-.768	.259
AD4	Mean		3.6335	.07059
	95% Confidence Interval for Mean	Lower Bound	3.4947	

		Upper Bound	3.7724	
	5% Trimmed Mean		3.7039	
	Median		4.0000	
	Variance		1.754	
	Std. Deviation		1.32446	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.775	.130
	Kurtosis		-.590	.259

Table 4.3 Descriptive Statistics for Beneficiaries

Descriptive Statistics for Beneficiaries				
			Statistic	Std. Error
EG1	Mean		3.5512	.05325
	95% Confidence Interval for Mean	Lower Bound	3.4466	
		Upper Bound	3.6558	
	5% Trimmed Mean		3.6124	
	Median		4.0000	
	Variance		1.883	
	Std. Deviation		1.37213	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		3.00	
	Skewness		-.638	.095
	Kurtosis		-.879	.189
EG2	Mean		3.5813	.05450
	95% Confidence Interval for Mean	Lower Bound	3.4743	
		Upper Bound	3.6883	
	5% Trimmed Mean		3.6459	
	Median		4.0000	
	Variance		1.972	
	Std. Deviation		1.40437	
	Minimum		1.00	

	Maximum		5.00	
	Range		4.00	
	Interquartile Range		3.00	
	Skewness		-.664	.095
	Kurtosis		-.897	.189
EG3	Mean		3.6657	.05052
	95% Confidence Interval for Mean	Lower Bound	3.5665	
		Upper Bound	3.7649	
	5% Trimmed Mean		3.7396	
	Median		4.0000	
	Variance		1.695	
	Std. Deviation		1.30192	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.769	.095
	Kurtosis		-.552	.189
EG4	Mean		3.6506	.05149
	95% Confidence Interval for Mean	Lower Bound	3.5495	
		Upper Bound	3.7517	
	5% Trimmed Mean		3.7229	
	Median		4.0000	
	Variance		1.760	
	Std. Deviation		1.32668	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.762	.095
	Kurtosis		-.615	.189
EG5	Mean		3.6431	.05009
	95% Confidence Interval for Mean	Lower Bound	3.5447	
		Upper Bound	3.7414	
	5% Trimmed Mean		3.7145	
	Median		4.0000	

	Variance		1.666	
	Std. Deviation		1.29065	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.795	.095
	Kurtosis		-.484	.189
IG1	Mean		3.5633	.05259
	95% Confidence Interval for Mean	Lower Bound	3.4600	
		Upper Bound	3.6665	
	5% Trimmed Mean		3.6258	
	Median		4.0000	
	Variance		1.836	
	Std. Deviation		1.35503	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.676	.095
	Kurtosis		-.792	.189
IG2	Mean		3.6581	.05259
	95% Confidence Interval for Mean	Lower Bound	3.5549	
		Upper Bound	3.7614	
	5% Trimmed Mean		3.7313	
	Median		4.0000	
	Variance		1.836	
	Std. Deviation		1.35506	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.775	.095
	Kurtosis		-.653	.189
IG3	Mean		3.5798	.05181
	95% Confidence Interval for Mean	Lower Bound	3.4781	

		Upper Bound	3.6816	
	5% Trimmed Mean		3.6442	
	Median		4.0000	
	Variance		1.782	
	Std. Deviation		1.33509	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.732	.095
	Kurtosis		-.663	.189
IG4	Mean		3.5151	.05247
	95% Confidence Interval for Mean	Lower Bound	3.4120	
		Upper Bound	3.6181	
	5% Trimmed Mean		3.5723	
	Median		4.0000	
	Variance		1.828	
	Std. Deviation		1.35197	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		3.00	
	Skewness		-.611	.095
	Kurtosis		-.880	.189
BFT1	Mean		3.6220	.05265
	95% Confidence Interval for Mean	Lower Bound	3.5186	
		Upper Bound	3.7254	
	5% Trimmed Mean		3.6911	
	Median		4.0000	
	Variance		1.840	
	Std. Deviation		1.35658	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.695	.095
	Kurtosis		-.756	.189

BFT2	Mean		3.5617	.05280
	95% Confidence Interval for Mean	Lower Bound	3.4581	
		Upper Bound	3.6654	
	5% Trimmed Mean		3.6242	
	Median		4.0000	
	Variance		1.851	
	Std. Deviation		1.36066	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		3.00	
	Skewness		-.639	.095
	Kurtosis		-.857	.189
BFT3	Mean		3.6114	.05164
	95% Confidence Interval for Mean	Lower Bound	3.5101	
		Upper Bound	3.7128	
	5% Trimmed Mean		3.6794	
	Median		4.0000	
	Variance		1.770	
	Std. Deviation		1.33055	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.680	.095
	Kurtosis		-.757	.189
BFT4	Mean		3.6220	.05221
	95% Confidence Interval for Mean	Lower Bound	3.5195	
		Upper Bound	3.7245	
	5% Trimmed Mean		3.6911	
	Median		4.0000	
	Variance		1.810	
	Std. Deviation		1.34541	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	

	Interquartile Range		2.00	
	Skewness		-.734	.095
	Kurtosis		-.705	.189
BFT5	Mean		3.6114	.05146
	95% Confidence Interval for Mean	Lower Bound	3.5104	
		Upper Bound	3.7125	
	5% Trimmed Mean		3.6794	
	Median		4.0000	
	Variance		1.758	
	Std. Deviation		1.32601	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.674	.095
	Kurtosis		-.741	.189
COR1	Mean		3.6506	.05153
	95% Confidence Interval for Mean	Lower Bound	3.5494	
		Upper Bound	3.7518	
	5% Trimmed Mean		3.7229	
	Median		4.0000	
	Variance		1.763	
	Std. Deviation		1.32782	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.755	.095
	Kurtosis		-.611	.189
COR2	Mean		3.6175	.05153
	95% Confidence Interval for Mean	Lower Bound	3.5163	
		Upper Bound	3.7186	
	5% Trimmed Mean		3.6861	
	Median		4.0000	
	Variance		1.763	
	Std. Deviation		1.32776	

1	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.689	.095
	Kurtosis		-.746	.189
COR3	Mean		3.6009	.05114
	95% Confidence Interval for Mean	Lower Bound	3.5005	
		Upper Bound	3.7013	
	5% Trimmed Mean		3.6677	
	Median		4.0000	
	Variance		1.736	
	Std. Deviation		1.31773	
	Minimum		1.00	
	Maximum		5.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.704	.095
	Kurtosis		-.675	.189

4.3 Test of normality

Table 4.4 (Test of Normality) is applied in order to check whether the primary data from the field is normally distributed or not (even if it is having non skewed and non-kurtotic values). Moreover, if the data set is of more than 2000 respondents we apply Shapiro-Wilk test but if the data set if of less than 2000 then we apply Kolmogorov-Smirnov test. In this study the data set is of 500 respondents hence we will look into the values of Kolmogorov-Smirnov test.

In table 4.4 the significant value is less than 0.05 which means that the primary data collected from the field is normally distributed.

Table 4.4 Tests of Normality for bankers

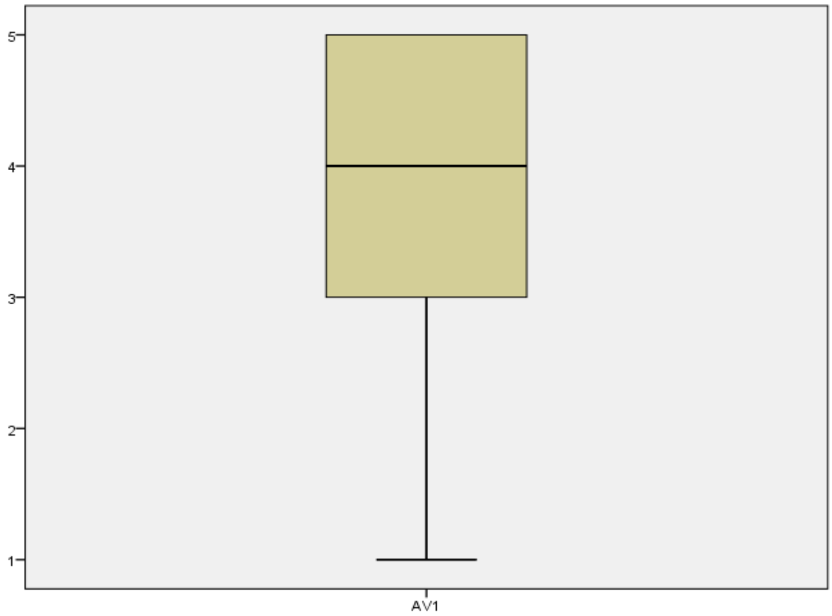
Tests of Normality						
	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	Df	Sig.
AV1	.268	352	.000	.821	352	.000
AV2	.268	352	.000	.834	352	.000
AV3	.260	352	.000	.853	352	.000
AF1	.277	352	.000	.837	352	.000
AF2	.263	352	.000	.842	352	.000
AF3	.265	352	.000	.836	352	.000
AC1	.254	352	.000	.823	352	.000
AC2	.248	352	.000	.831	352	.000
AC3	.238	352	.000	.861	352	.000
AW1	.260	352	.000	.819	352	.000
AW2	.266	352	.000	.831	352	.000
AW3	.271	352	.000	.831	352	.000
AW4	.252	352	.000	.839	352	.000
AD1	.240	352	.000	.844	352	.000
AD2	.262	352	.000	.847	352	.000
AD3	.257	352	.000	.839	352	.000
AD4	.274	352	.000	.833	352	.000

Table: 4.5 Tests of Normality Beneficiaries

Tests of Normality						
	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	Df	Sig.
EG1	.255	664	.000	.844	664	.000
EG2	.248	664	.000	.833	664	.000
EG3	.259	664	.000	.839	664	.000
EG4	.262	664	.000	.835	664	.000
EG5	.276	664	.000	.837	664	.000
IG1	.262	664	.000	.843	664	.000
IG2	.262	664	.000	.827	664	.000
IG3	.271	664	.000	.839	664	.000
IG4	.259	664	.000	.851	664	.000
BFT1	.241	664	.000	.840	664	.000
BFT2	.251	664	.000	.846	664	.000
BFT3	.253	664	.000	.845	664	.000
BFT4	.267	664	.000	.834	664	.000
BFT5	.245	664	.000	.848	664	.000
COR1	.253	664	.000	.838	664	.000
COR2	.256	664	.000	.844	664	.000
COR3	.258	664	.000	.847	664	.000

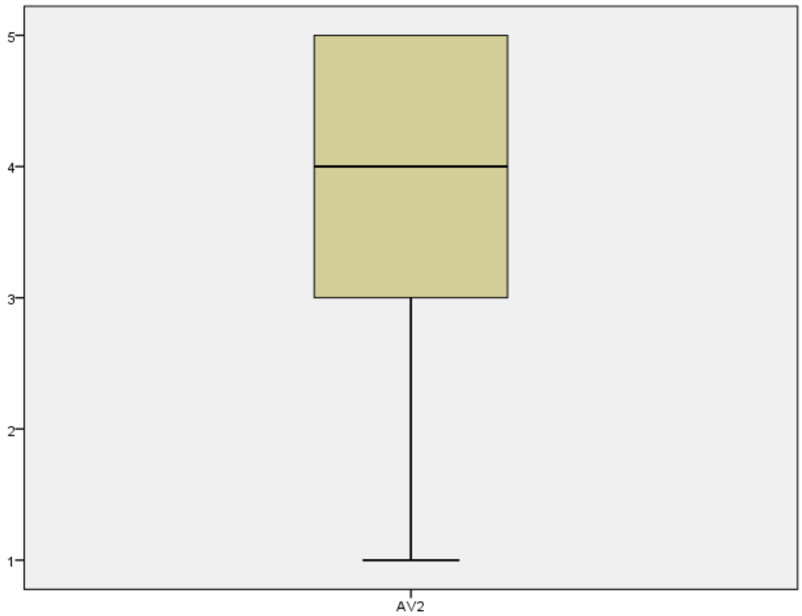
4.4 Checking outliers

Figure 4.1 Variable1-: AV1



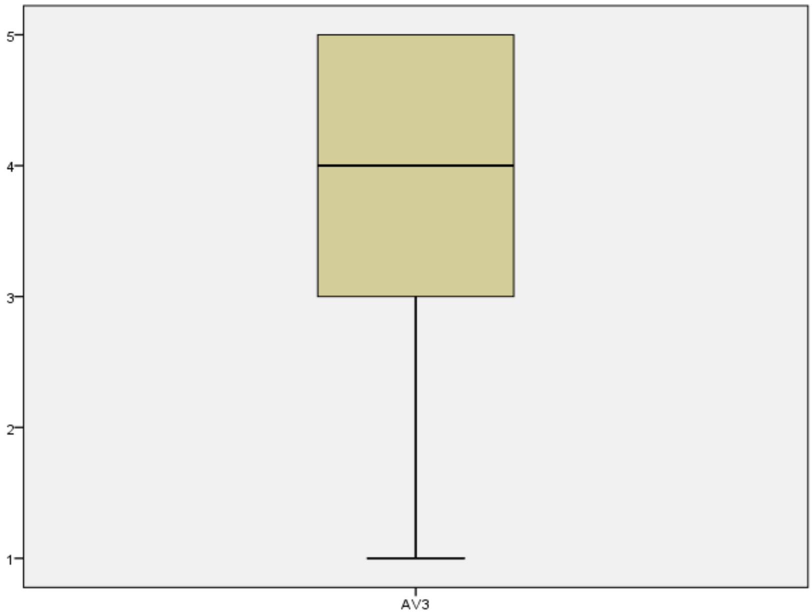
There are no outliers present in first variable hence values of the first variables are normal and can be considered for further processing.

Figure 4.2 Variable2-: AV2



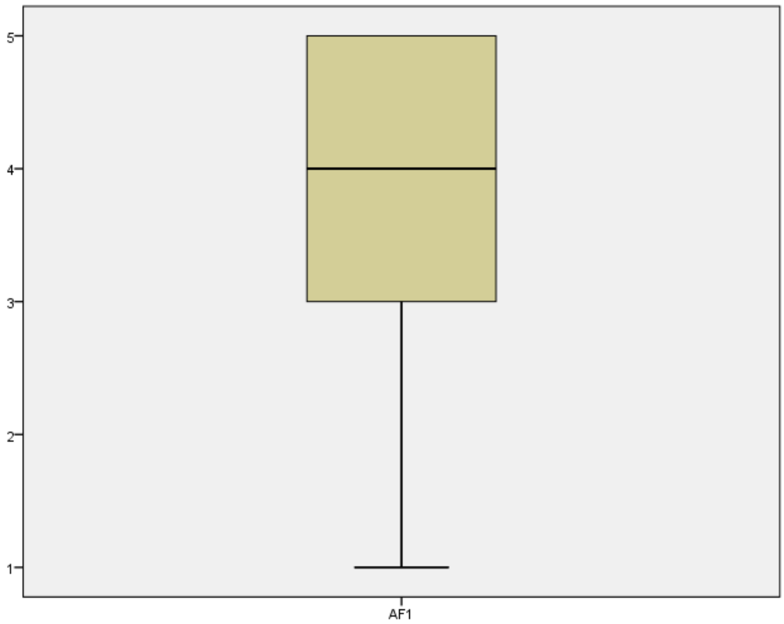
There are no outliers present in second variable hence values of the second variables are normal and can be considered for further processing.

Figure 4.3 Variable 3-: AV3



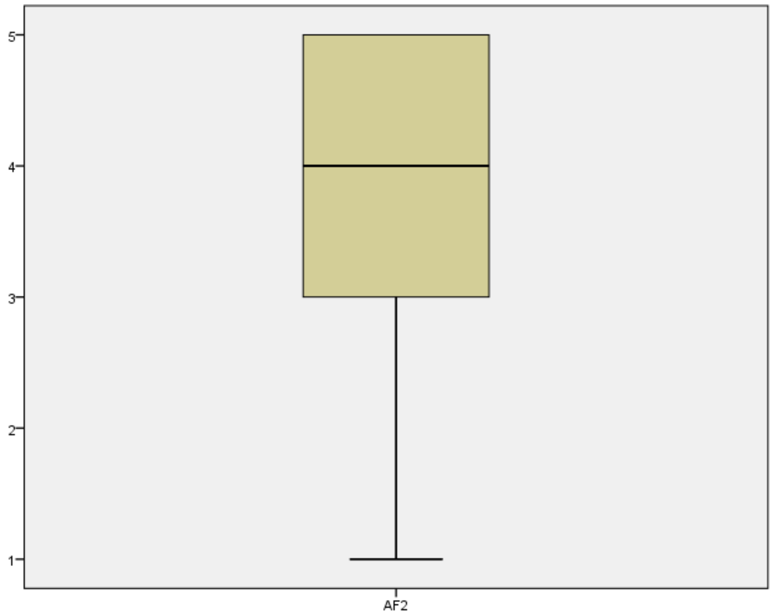
There are no outliers present in third variable hence values of the third variables are normal and can be considered for further processing.

Figure 4.4 Variable 4-: AF1



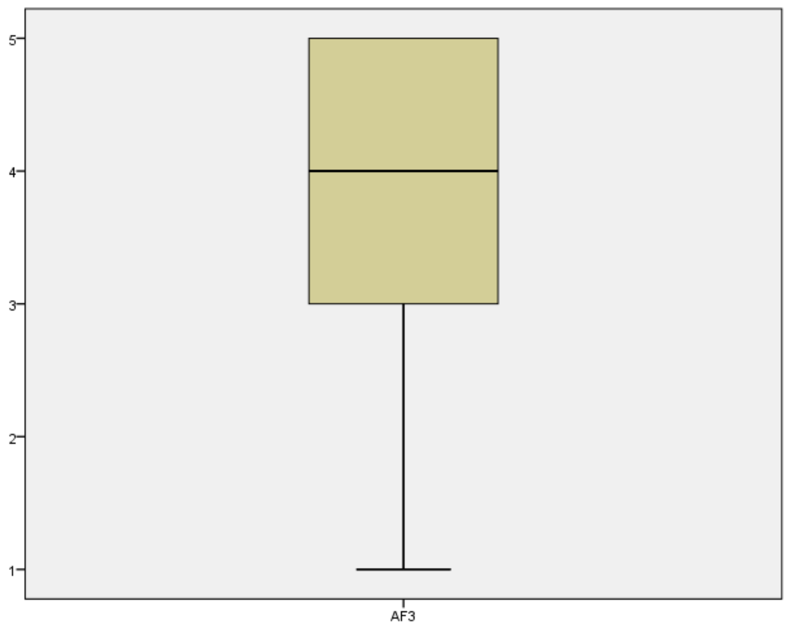
There are no outliers present in fourth variable hence values of the fourth variables are normal and can be considered for further processing.

Figure 4.5 Variable 5-: AF2



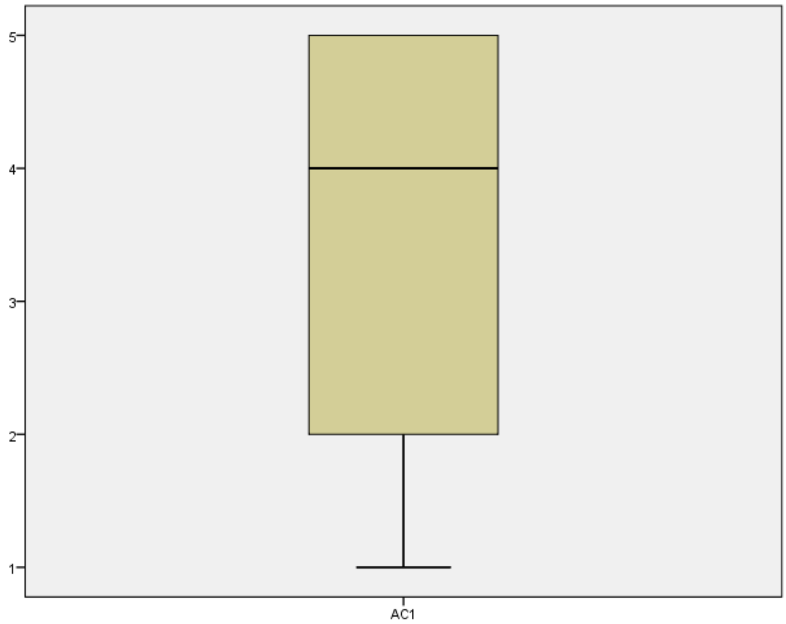
There are no outliers present in fifth variable hence values of the fifth variables are normal and can be considered for further processing.

Figure 4.6 Variable 6-: AF3



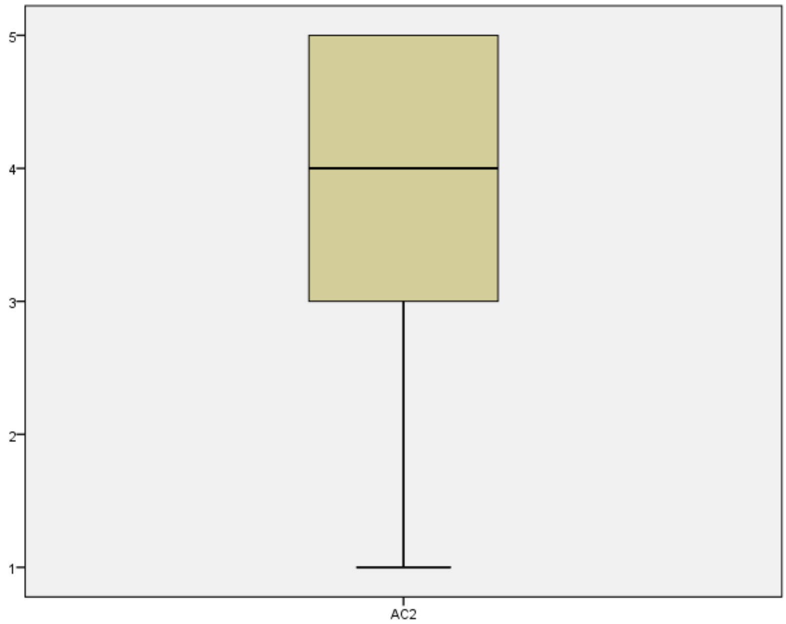
There are no outliers present in sixth variable hence values of the sixth variables are normal and can be considered for further processing.

Figure 4.7 Variable 7-: AC1



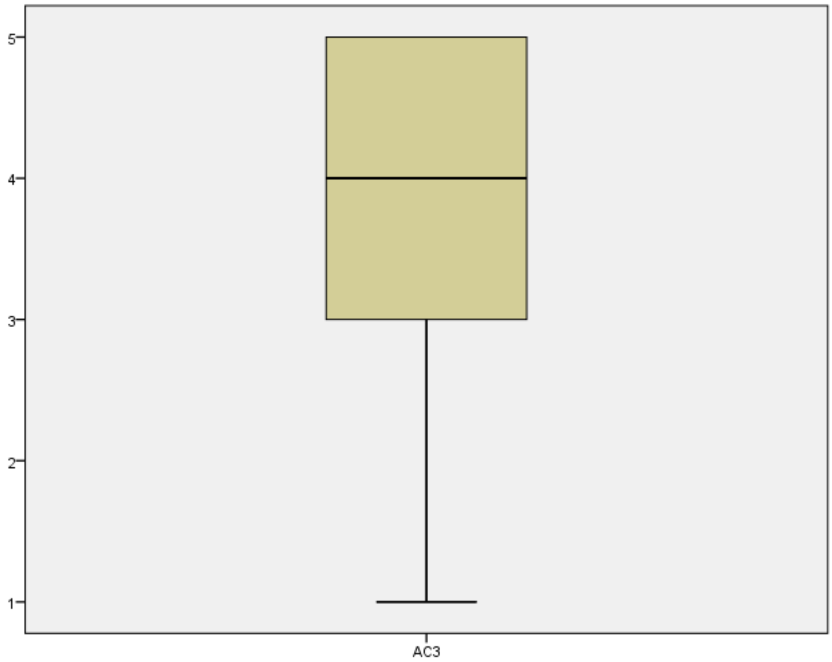
There are no outliers present in seventh variable hence values of the seventh variables are normal and can be considered for further processing.

Figure 4.8 Variable 8-: AC2



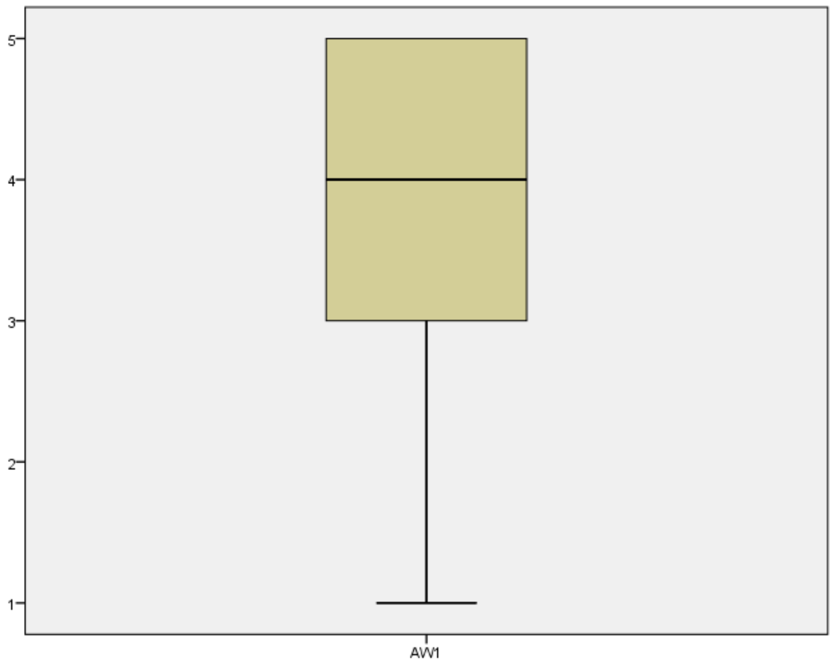
There are no outliers present in eighth variable hence values of the eighth variables are normal and can be considered for further processing.

Figure 4.9 Variable 9-: AC3



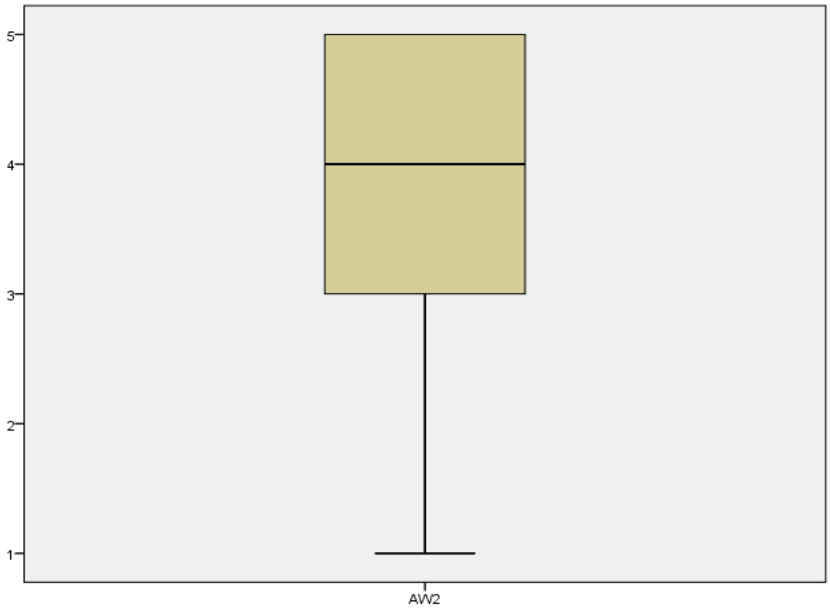
There are no outliers present in ninth variable hence values of the ninth variables are normal and can be considered for further processing.

Figure 4.10 Variable 10-: AW1



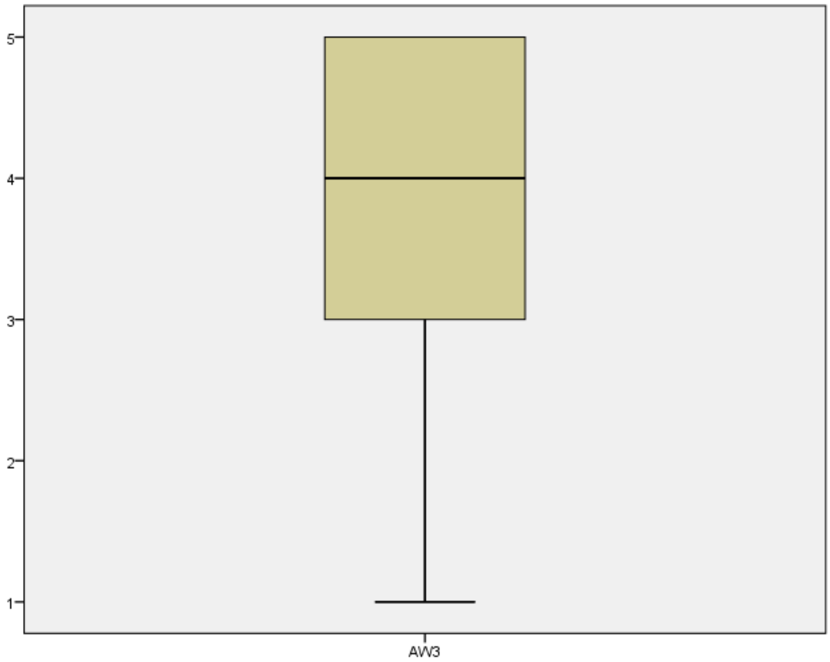
There are no outliers present in tenth variable hence values of the tenth variables are normal and can be considered for further processing.

Figure 4.11 Variable 11-: AW2



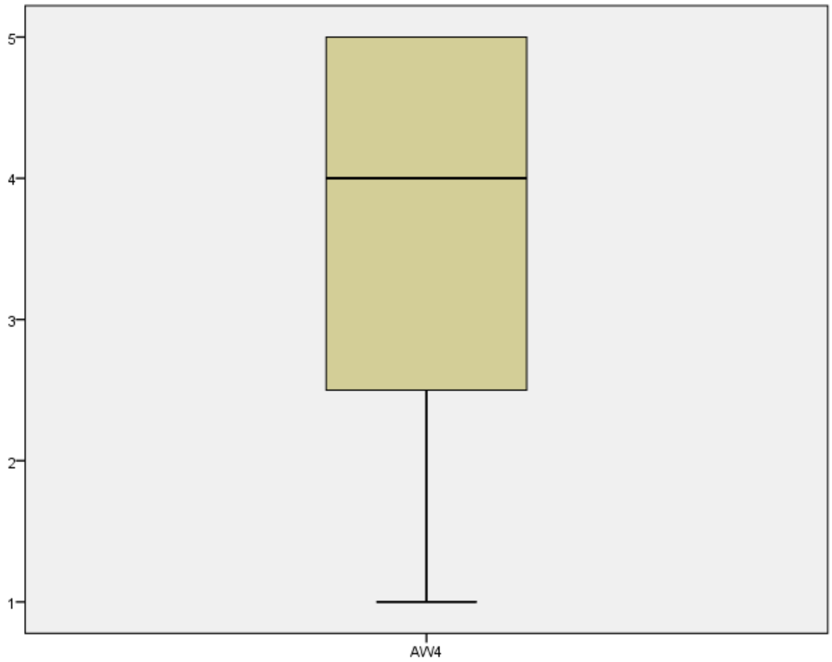
There are no outliers present in eleventh variable hence values of the eleventh variables are normal and can be considered for further processing.

Figure 4.12 Variable 12-: AW3



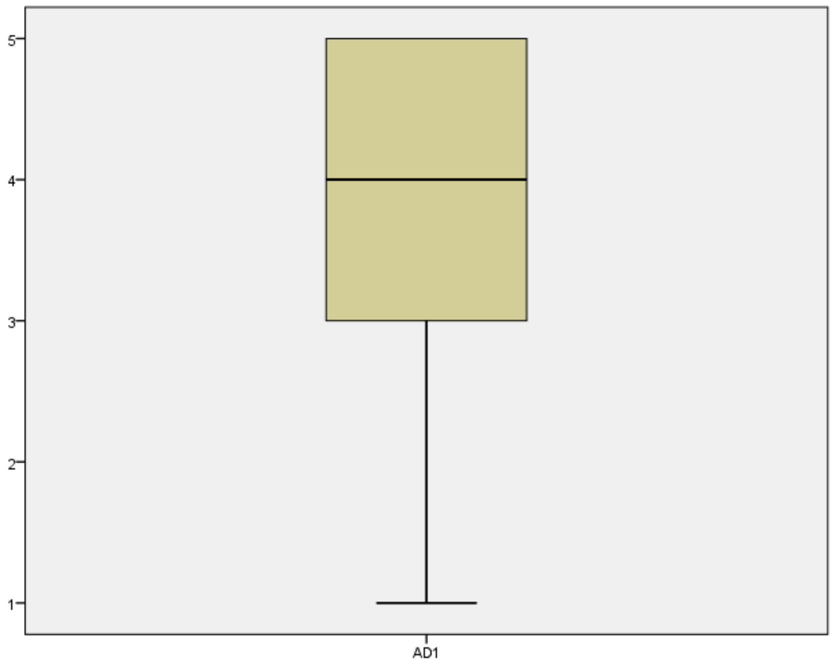
There are no outliers present in twelfth variable hence values of the twelfth variables are normal and can be considered for further processing.

Figure 4.13 Variable 13-: AW4



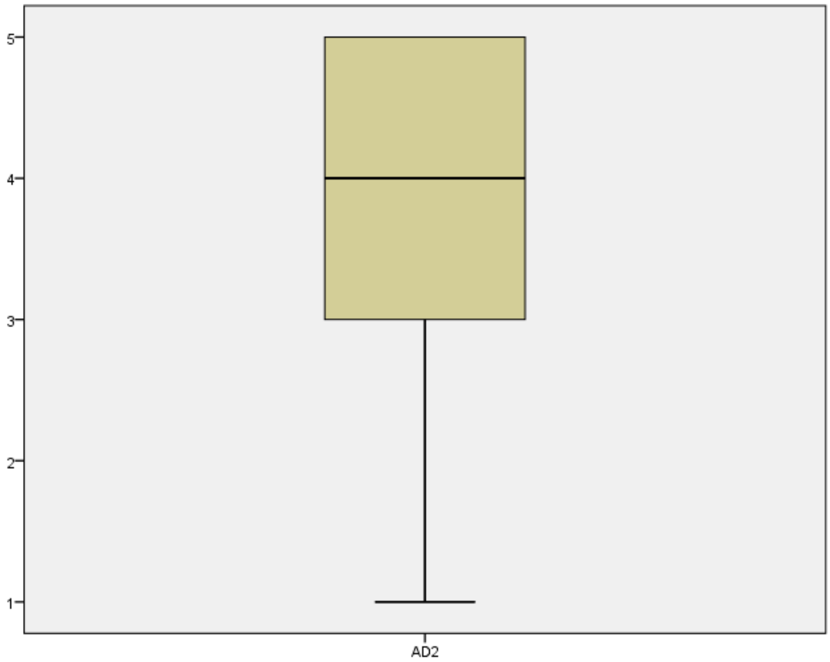
There are no outliers present in thirteenth variable hence values of the thirteenth variables are normal and can be considered for further processing.

Figure 4.14 Variable 14-: AD1



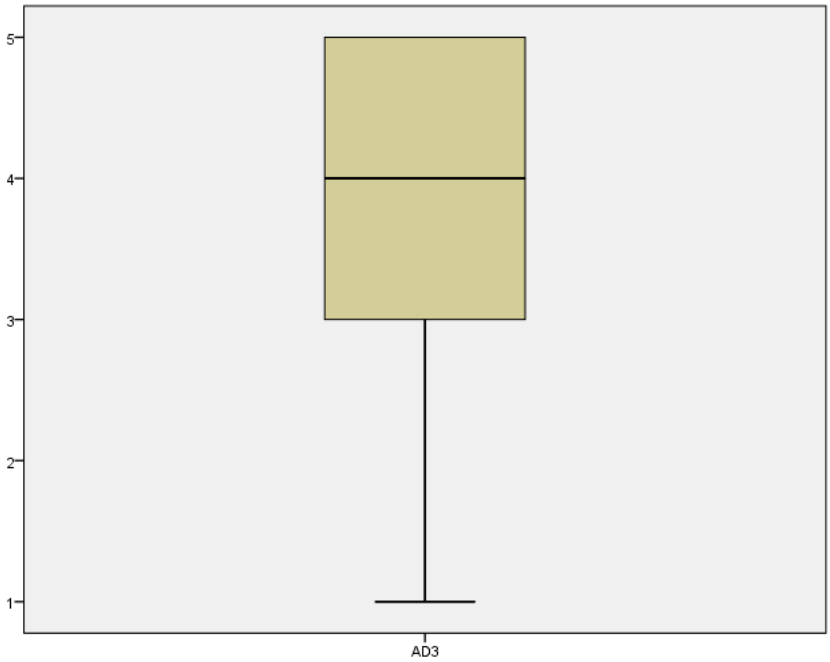
There are no outliers present in fourteenth variable hence values of the fourteenth variables are normal and can be considered for further processing.

Figure 4.15 Variable 15-: AD2



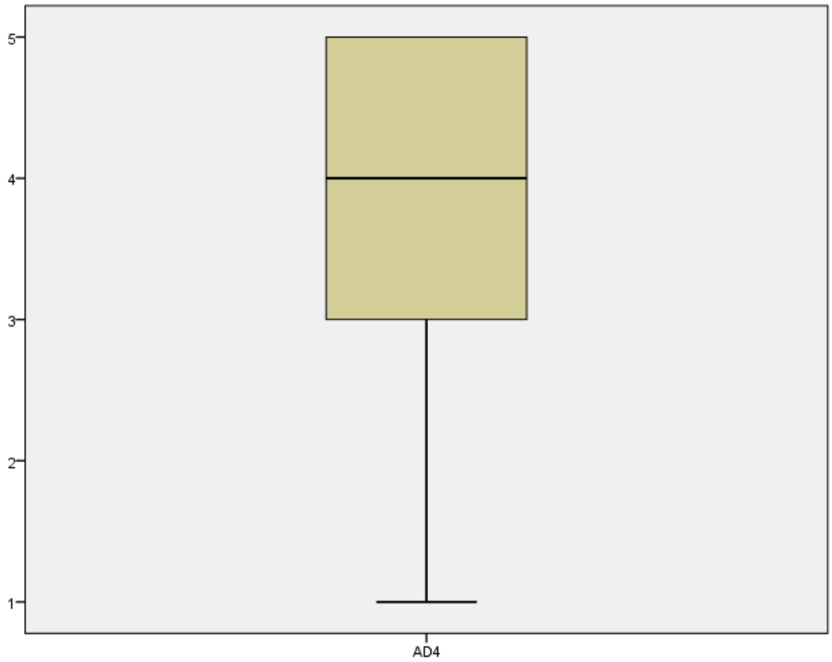
There are no outliers present in fifteenth variable hence values of the fifteenth variables are normal and can be considered for further processing.

Figure 4.16 Variable 16-: AD3



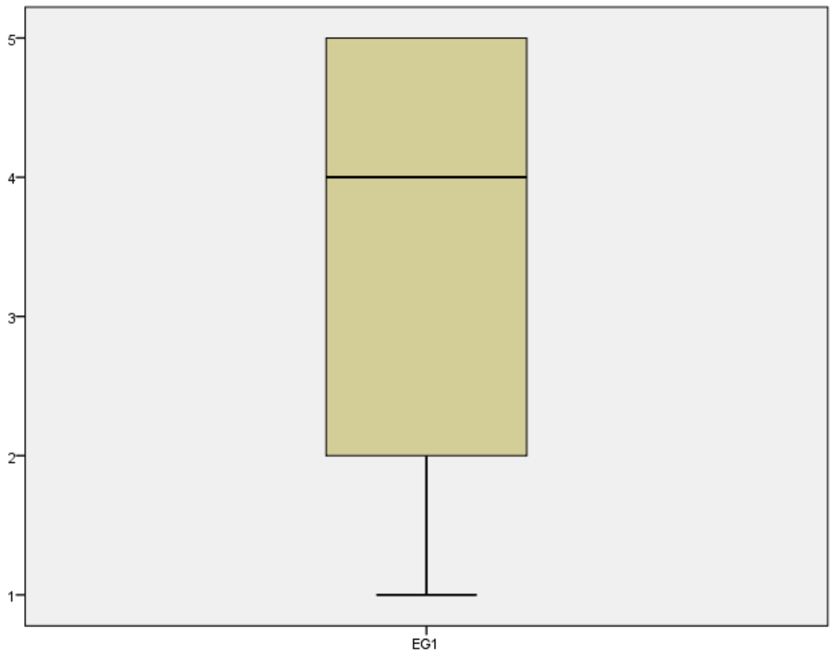
There are no outliers present in sixteenth variable hence values of the sixteenth variables are normal and can be considered for further processing.

Figure 4.17 Variable 17-: AD4



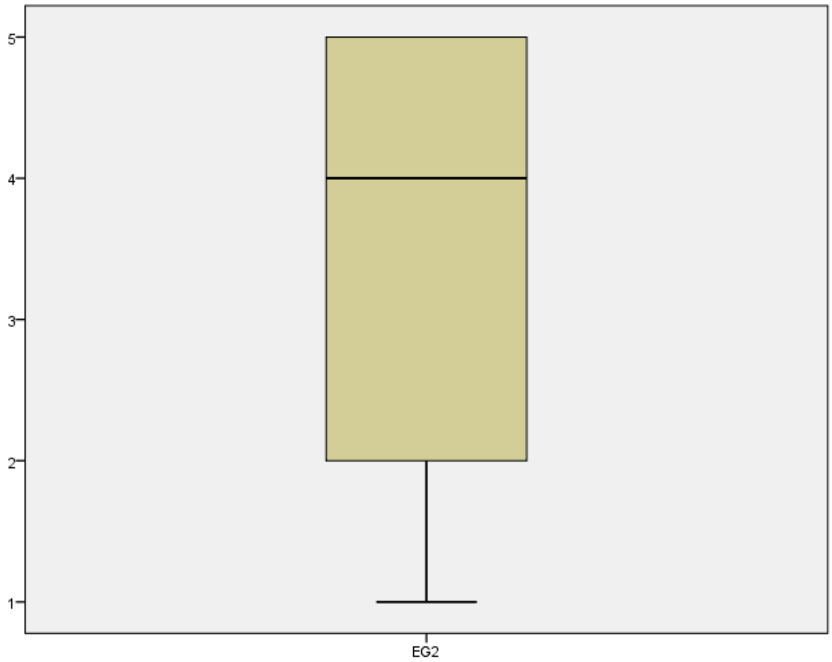
There are no outliers present in seventeenth variable hence values of the seventeenth variables are normal and can be considered for further processing.

Figure 4.18 Variable 18-: EG1



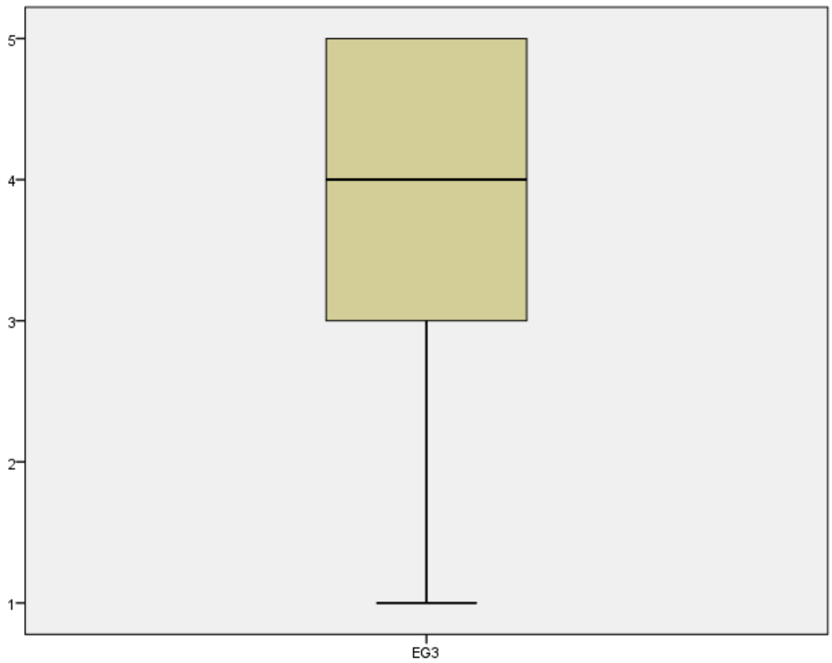
There are no outliers present in eighteenth variable hence values of the eighteenth variables are normal and can be considered for further processing.

Figure 4.19 Variable 19-: EG2



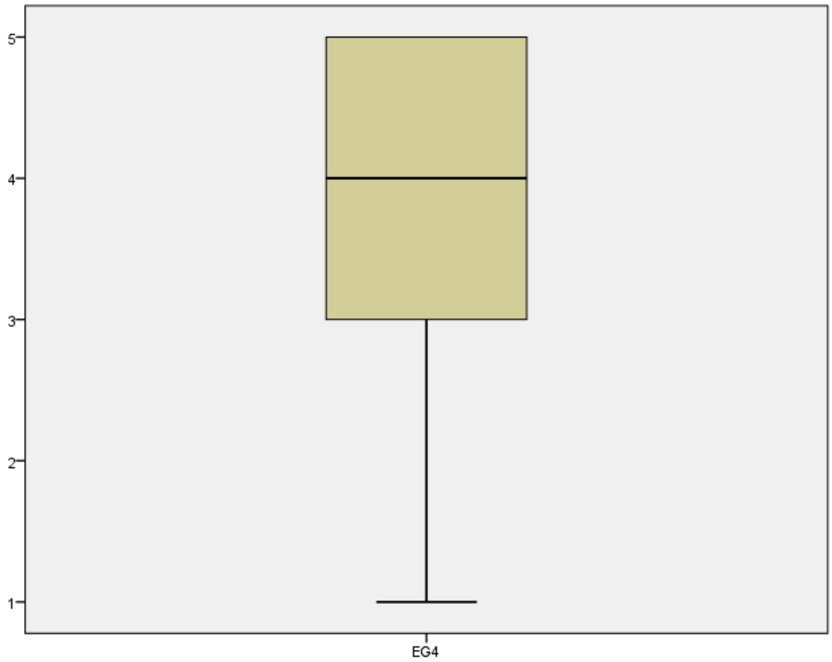
There are no outliers present in nineteenth variable hence values of the nineteenth variables are normal and can be considered for further processing.

Figure 4.20 Variable 20-: EG3



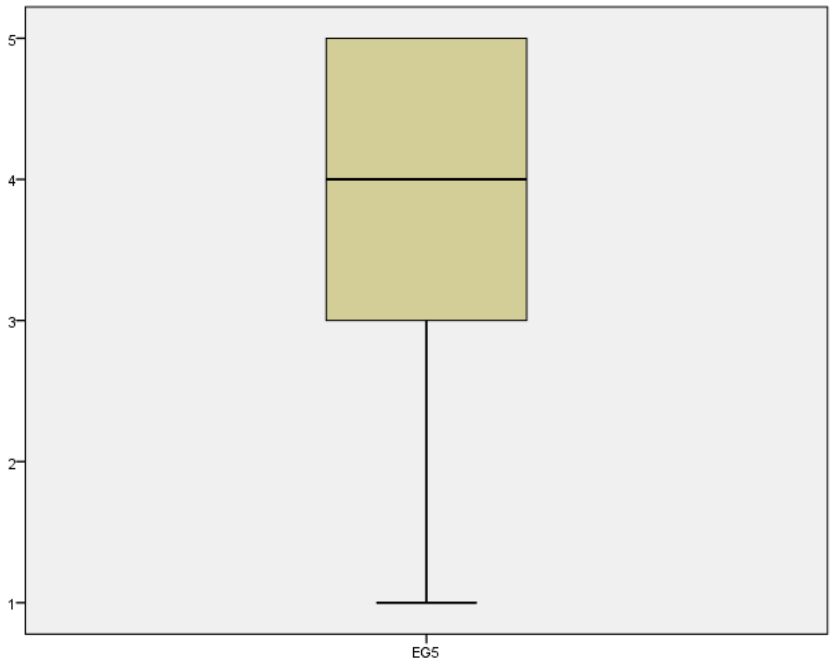
There are no outliers present in variable number twenty hence values of the variable number twenty are normal and can be considered for further processing.

Figure 4.21 Variable 21-: EG4



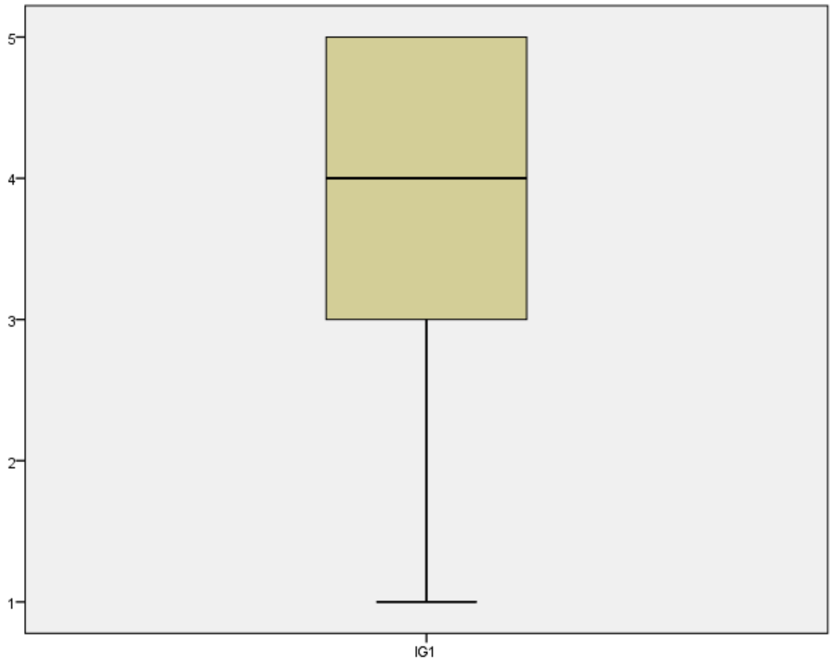
There are no outliers present in variable number twenty-one hence values of the variable number twenty-one are normal and can be considered for further processing.

Figure 4.22 Variable 22-: EG5



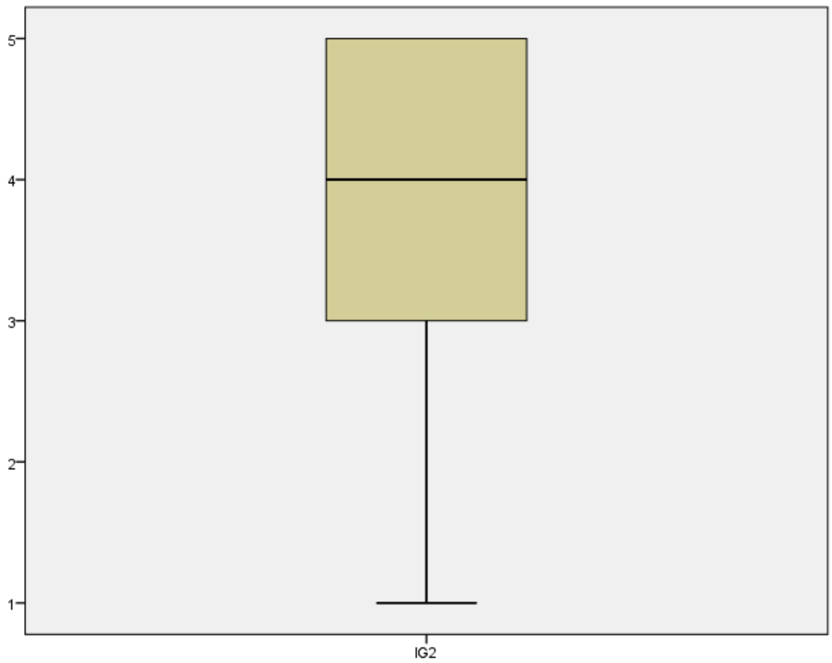
There are no outliers present in variable number twenty-two hence values of variable number twenty-two are normal and can be considered for further processing.

Figure 4.23 Variable 23-: IG1



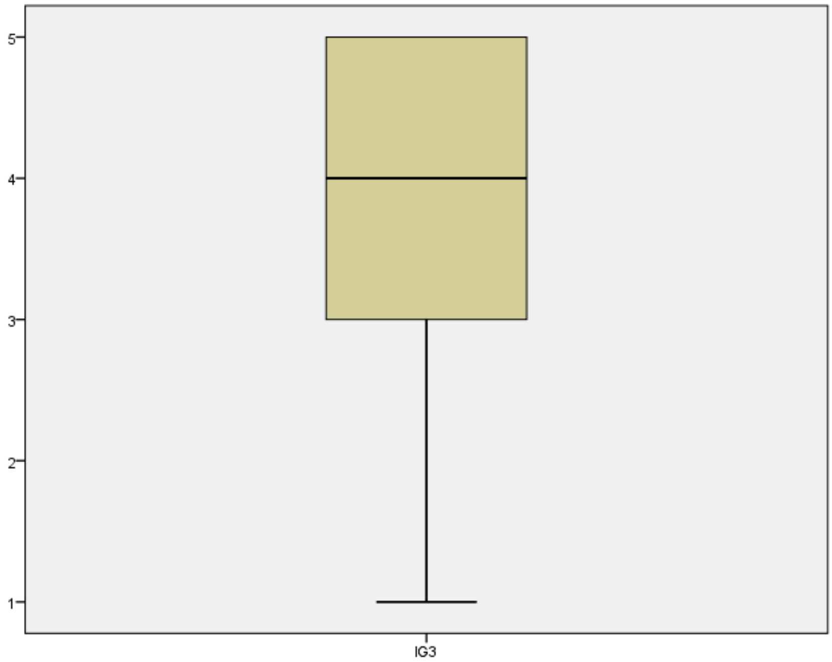
There are no outliers present in variable number twenty-three hence values of variable number twenty-three are normal and can be considered for further processing.

Figure 4.24 Variable 24-: IG2



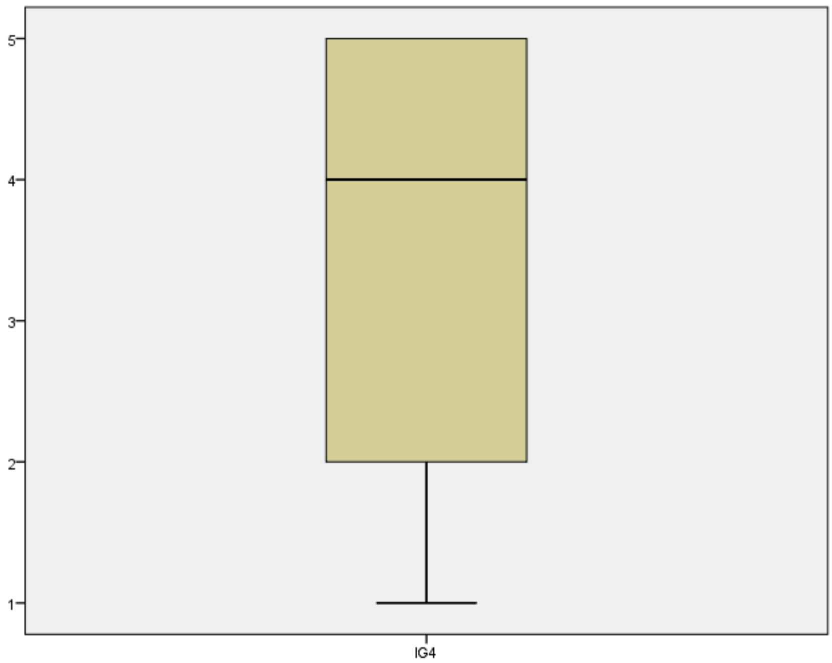
There are no outliers present in variable number twenty-four hence values of variable number twenty-four are normal and can be considered for further processing.

Figure 4.25 Variable 25-: IG3



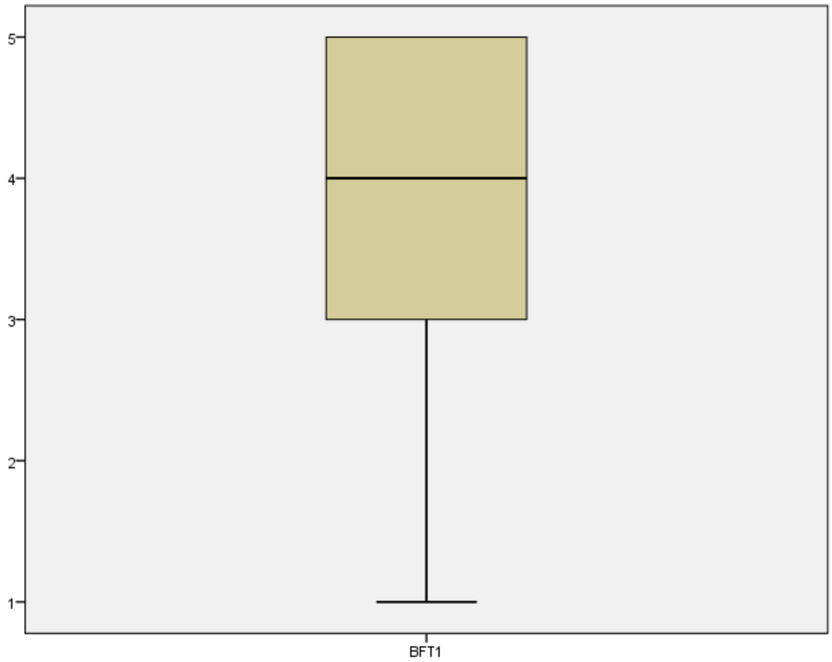
There are no outliers present in variable number twenty-five hence values of variable number twenty-five are normal and can be considered for further processing.

Figure 4.26 Variable 26-: IG4



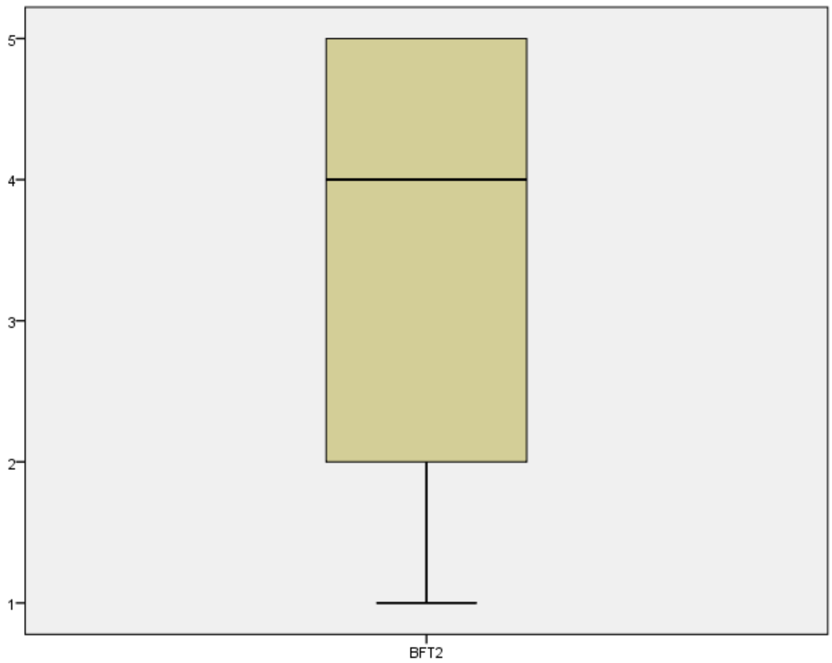
There are no outliers present in variable number twenty-six hence values of variable number twenty-six are normal and can be considered for further processing.

Figure 4.27 Variable 27-: BFT1



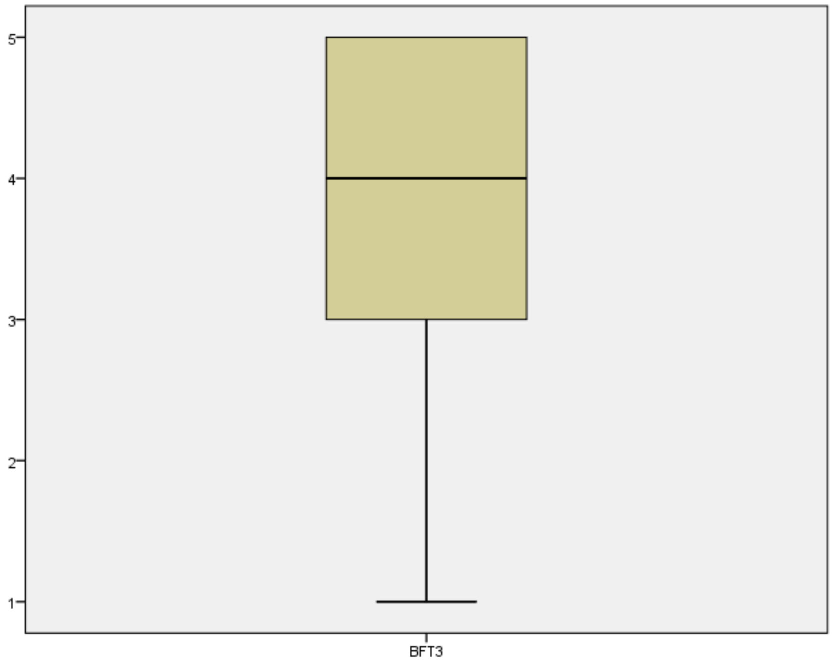
There are no outliers present in variable number twenty-seven hence values of variable number twenty-seven are normal and can be considered for further processing.

Figure 4.28 Variable 28-: BFT2



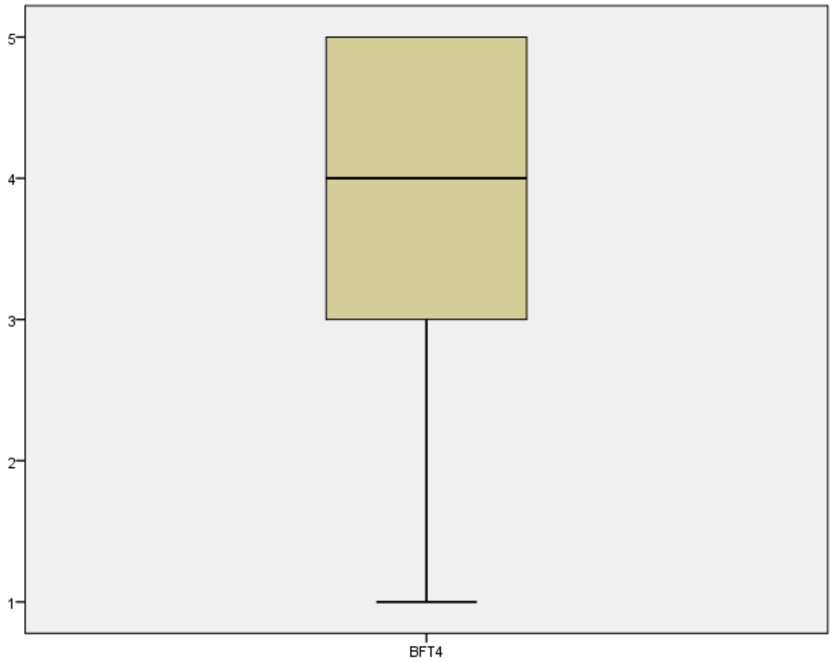
There are no outliers present in variable number twenty-eight hence values of variable number twenty-eight are normal and can be considered for further processing.

Figure 4.29 Variable 29 -: BFT3



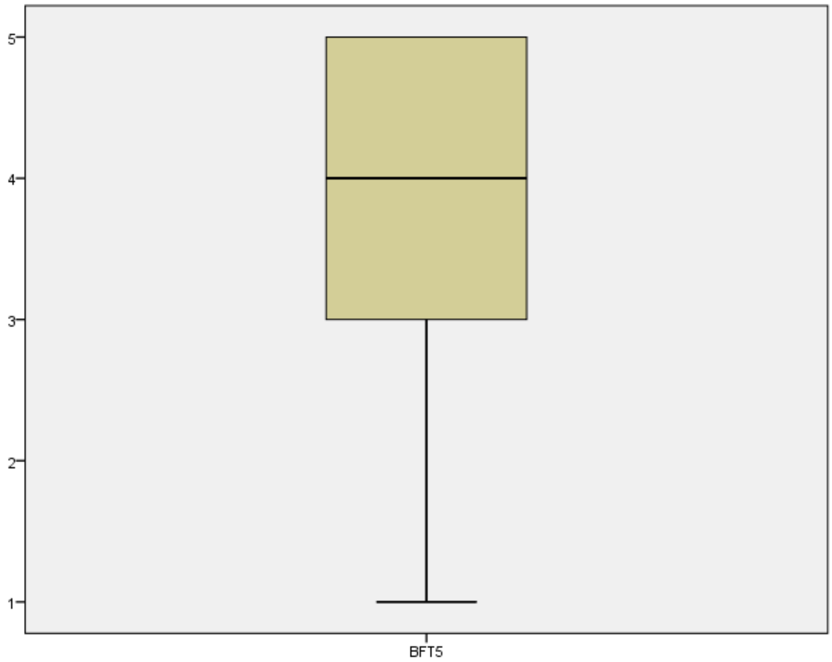
There are no outliers present in variable number twenty-nine hence values of variable number twenty-nine are normal and can be considered for further processing.

Figure 4.30 Variable 30-: BFT4



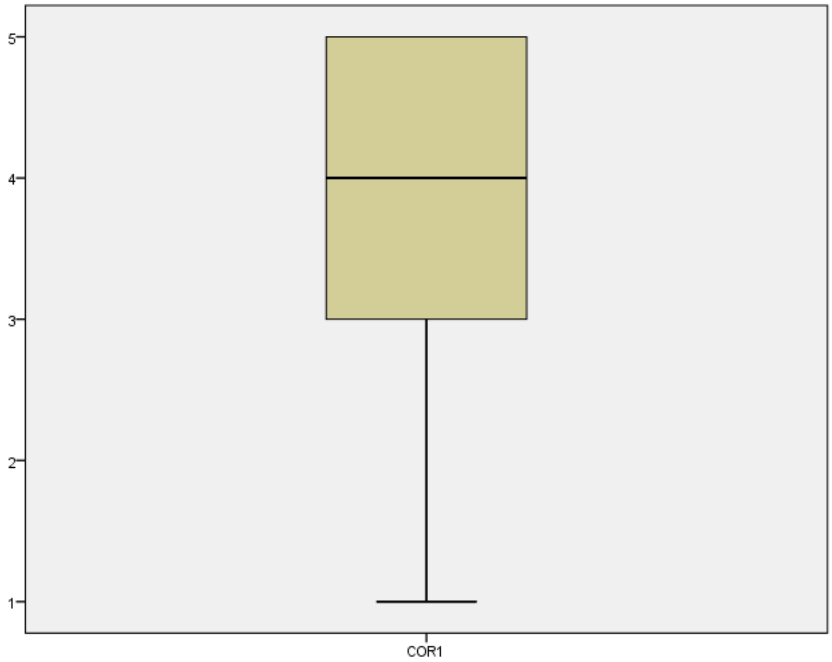
There are no outliers present in variable number thirty hence values of variable number thirty are normal and can be considered for further processing.

Figure 4.31 Variable 31 -: BFT5



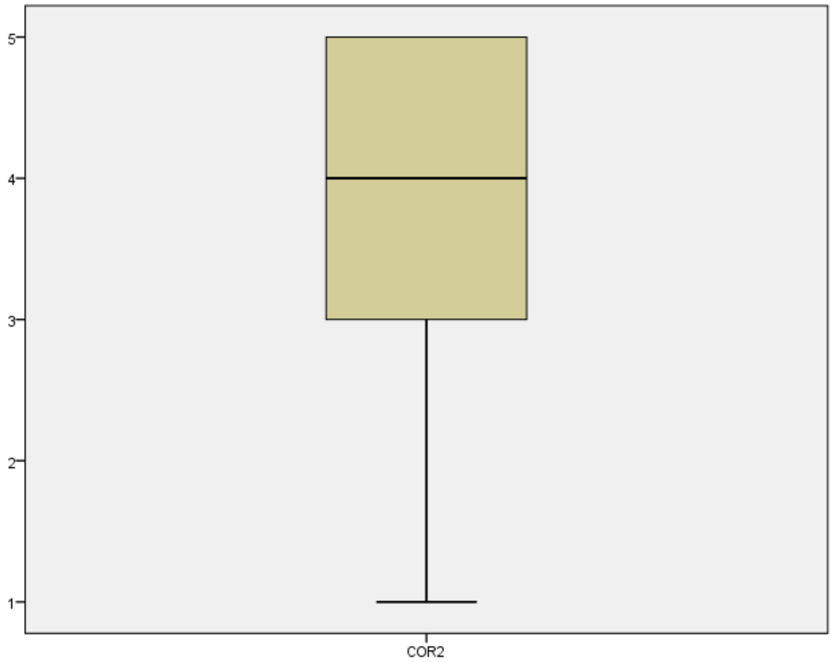
There are no outliers present in variable number thirty-one hence values of variable number thirty-one are normal and can be considered for further processing.

Figure 4.32 Variable 32-: COR1



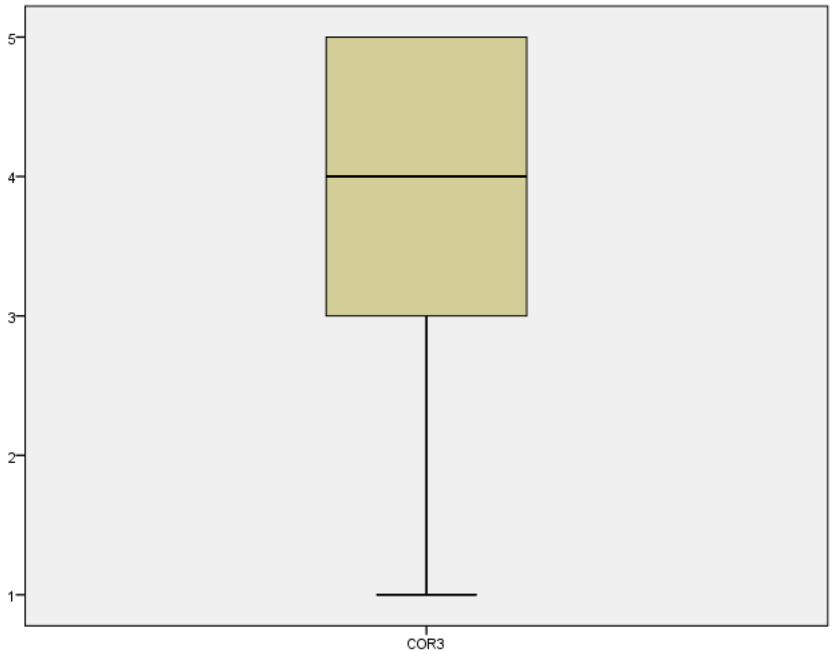
There are no outliers present in variable number thirty-two hence values of variable number thirty-two are normal and can be considered for further processing.

Figure 4.33 Variable 33 -: COR2



There are no outliers present in variable number thirty-three hence values of variable number thirty-three are normal and can be considered for further processing.

Figure 4.34 Variable 34-: COR3



There are no outliers present in variable number thirty-four hence values of variable number thirty-four are normal and can be considered for further processing.

Hence box plot for all above 34 variables shows that there are no outliers present in the data collected.

4.5 Reliability analysis

Case Processing summary shows that no variable was found missing while calculating the reliability of the data collected from field. Hence multiple imputation technique will not be applied to this study and data collected is ready for further study.

Table 4.6 Reliability analysis for Banking Professionals

Reliability Statistics of Questionnaire for Banking Professionals	
Cronbach's Alpha	N of Items
.871	17

Reliability statistics of the questionnaire is 0.871 which is way above the acceptable value of 0.5 (if there are less than 10 items in the scale) and 0.7 (if there are more than 10 items in the scale) (Nunnally, 1978 and Hinkin, 1998). Reliability statistics of the questionnaire calculates the Cronbach's alpha for the complete questionnaire and states the value 0.871 states that if same set of banking professionals are again given the same set of questionnaires at different time, then there are 87.1% chances that they will give same responses.

Table 4.7 Reliability Statistics for Beneficiaries

Reliability Statistics of Questionnaire for Beneficiaries	
Cronbach's Alpha	N of Items
.875	17

Reliability statistics of the questionnaire is 0.875 which is way above the acceptable value of 0.5 (if there are less than 10 items in the scale) and 0.7 (if there are more than 10 items in the scale) (Nunnally, 1978 and Hinkin, 1998). Reliability statistics of the questionnaire calculates the Cronbach's alpha for the complete questionnaire and states the value 0.875 states that if same set of beneficiaries are again given the same set of questionnaires at different time, then there are 87.5% chances that they will give same responses.

Table 4.8 Item Statistics for bankers Variable

Item Statistics			
	Mean	Std. Deviation	N
AV1	3.5881	1.41146	352
AV2	3.6420	1.33429	352
AV3	3.5824	1.29387	352
AF1	3.6506	1.28770	352
AF2	3.5170	1.36907	352
AF3	3.6563	1.31332	352
AC1	3.5028	1.47534	352
AC2	3.6420	1.36803	352
AC3	3.5767	1.30300	352
AW1	3.6903	1.36422	352
AW2	3.6364	1.34552	352
AW3	3.6392	1.33459	352
AW4	3.5852	1.37275	352
AD1	3.6165	1.34527	352
AD2	3.5994	1.31018	352
AD3	3.6165	1.34739	352
AD4	3.6335	1.32446	352

Table 4.9 Item Statistics for Beneficiaries

Item Statistics			
	Mean	Std. Deviation	N
EG1	3.5512	1.37213	664
EG2	3.5813	1.40437	664
EG3	3.6657	1.30192	664
EG4	3.6506	1.32668	664
EG5	3.6431	1.29065	664
IG1	3.5633	1.35503	664
IG2	3.6581	1.35506	664
IG3	3.5798	1.33509	664

IG4	3.5151	1.35197	664
BFT1	3.6220	1.35658	664
BFT2	3.5617	1.36066	664
BFT3	3.6114	1.33055	664
BFT4	3.6220	1.34541	664
BFT5	3.6114	1.32601	664
COR1	3.6506	1.32782	664
COR2	3.6175	1.32776	664
COR3	3.6009	1.31773	664

No values are missing from the dataset, as shown by item statistics for the whole questionnaire. As a result, Cronbach's alpha may be used to the data to establish the validity of the results.

Table 4.10 Item Total Statistics for Bankers

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
AV1	57.7869	151.724	.502	.864
AV2	57.7330	153.866	.469	.865
AV3	57.7926	153.447	.501	.864
AF1	57.7244	154.160	.480	.864
AF2	57.8580	152.527	.496	.864
AF3	57.7188	154.220	.467	.865
AC1	57.8722	149.730	.534	.862
AC2	57.7330	152.322	.503	.864
AC3	57.7983	152.532	.527	.863
AW1	57.6847	152.815	.489	.864
AW2	57.7386	152.735	.500	.864
AW3	57.7358	154.491	.449	.866
AW4	57.7898	151.990	.511	.863
AD1	57.7585	151.859	.528	.862

AD2	57.7756	153.234	.500	.864
AD3	57.7585	153.648	.470	.865
AD4	57.7415	153.212	.494	.864

Item-Total Statistics shows that even if any variable of the questionnaire is deleted then also the value of reliability of the questionnaire is not increasing from the obtained value of 0.871, hence all questions obtained in the study are reliable enough to carry on with study.

Table 4.11 Item Total Statistics for Beneficiaries

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
EG1	57.7545	152.837	.534	.867
EG2	57.7244	153.455	.500	.868
EG3	57.6401	155.754	.473	.869
EG4	57.6551	154.821	.492	.868
EG5	57.6627	155.916	.473	.869
IG1	57.7425	154.581	.487	.869
IG2	57.6476	153.411	.524	.867
IG3	57.7259	155.053	.481	.869
IG4	57.7907	153.490	.523	.867
BFT1	57.6837	153.963	.506	.868
BFT2	57.7440	152.716	.543	.866
BFT3	57.6943	154.342	.506	.868
BFT4	57.6837	154.563	.492	.868
BFT5	57.6943	154.668	.497	.868
COR1	57.6551	154.902	.489	.868
COR2	57.6883	153.889	.521	.867
COR3	57.7048	154.655	.502	.868

Item-Total Statistics shows that even if any variable of the questionnaire is deleted then also the value of reliability of the questionnaire is not increasing from the obtained value of 0.875, hence all questions obtained in the study are reliable enough to carry on with study.

Table 4.12 Reliability Statistics of Factor 1

Reliability Statistics of Factor 1 (Availability)	
Cronbach's Alpha	N of Items
.540	3

Reliability statistics of factor 1 is 0.540 which is above the acceptable value of 0.5; if there are less than 10 items in the scale and 0.07; if there are more than 10 items in the scale (Nunnally, 1978 and Hinkin, 1998). Reliability statistics of the factor calculates the Cronbach’s alpha for the factor and states the value 0.540 states that if same set of respondents are again given the same set of questionnaires at different time, then there are 54% chances that they will give same responses.

Table 4.13 Reliability Statistics of Factor 2

Reliability Statistics of Factor 2 (Affordability)	
Cronbach's Alpha	N of Items
.503	3

Reliability statistics of factor 2 is 0.503 which is above the acceptable value of 0.5; if there are less than 10 items in the scale and 0.07; if there are more than 10 items in the scale (Nunnally, 1978 and Hinkin, 1998). Reliability statistics of the factor calculates the Cronbach’s alpha for the factor and states the value 0.503 states that if same set of respondents are again given the same set of questionnaires at different time, then there are 50.3% chances that they will give same responses.

Table 4.14 Reliability Statistics of Factor 3

Reliability Statistics of Factor 3 (Accessibility)	
Cronbach's Alpha	N of Items
.586	3

Reliability statistics of factor 3 is 0.586 which is above the acceptable value of 0.5; if there are less than 10 items in the scale and 0.07; if there are more than 10 items in the scale (Nunnally, 1978 and Hinkin, 1998). Reliability statistics of the factor calculates the Cronbach’s alpha for the factor and states the value 0.586 states that if same set of respondents are again given the same set of questionnaires at different time, then there are 58.6% chances that they will give same responses.

Table 4.15 Reliability Statistics of Factor 4

Reliability Statistics of Factor 4 (Awareness)	
Cronbach's Alpha	N of Items
.579	4

Reliability statistics of factor 4 is 0.579 which is above the acceptable value of 0.5; if there are less than 10 items in the scale and 0.07; if there are more than 10 items in the scale (Nunnally, 1978 and Hinkin, 1998). Reliability statistics of the factor calculates the Cronbach’s alpha for the factor and states the value 0.579 states that if same set of respondents are again given the same set of questionnaires at different time, then there are 57.9% chances that they will give same responses.

Table 4.16 Reliability Statistics of Factor 5

Reliability Statistics of Factor 5 (Adequacy)	
Cronbach's Alpha	N of Items
.586	4

Reliability statistics of factor 5 is 0.586 which is above the acceptable value of 0.5; if there are less than 10 items in the scale and 0.07; if there are more than 10 items in the scale (Nunnally, 1978 and Hinkin, 1998). Reliability statistics of the factor calculates the Cronbach’s alpha for the factor and states the value 0.586 states that if same set of respondents are again given the same set of questionnaires at different time, then there are 58.6% chances that they will give same responses.

Table 4.17 Reliability Statistics of Factor 6

Reliability Statistics of Factor 6 (Employment Generation)	
Cronbach's Alpha	N of Items
.662	5

Reliability statistics of factor 6 is 0.662 which is above the acceptable value of 0.5; if there are less than 10 items in the scale and 0.07; if there are more than 10 items in the scale (Nunnally, 1978 and Hinkin, 1998). Reliability statistics of the factor calculates the Cronbach’s alpha for the factor and states the value 0.662 states that if same set of respondents are again given the same set of questionnaires at different time, then there are 66.2% chances that they will give same responses.

Table 4.18 Reliability Statistics of Factor 7

Reliability Statistics of Factor 7 (Income Generation)	
Cronbach's Alpha	N of Items
.620	4

Reliability statistics of factor 7 is 0.620 which is above the acceptable value of 0.5; if there are less than 10 items in the scale and 0.07; if there are more than 10 items in the scale (Nunnally, 1978 and Hinkin, 1998). Reliability statistics of the factor calculates the Cronbach's alpha for the factor and states the value 0.620 states that if same set of respondents are again given the same set of questionnaires at different time, then there are 62% chances that they will give same responses.

Table 4.19 Reliability Statistics of Factor 8

Reliability Statistics of Factor 8 (Benefits of PMMY)	
Cronbach's Alpha	N of Items
.675	5

Reliability statistics of factor 8 is 0.675 which is above the acceptable value of 0.5; if there are less than 10 items in the scale and 0.07; if there are more than 10 items in the scale (Nunnally, 1978 and Hinkin, 1998). Reliability statistics of the factor calculates the Cronbach's alpha for the factor and states the value 0.675 states that if same set of respondents are again given the same set of questionnaires at different time, then there are 67.5% chances that they will give same responses.

Table 4.20 Reliability Statistics of Factor 9

Reliability Statistics of Factor 9 (Corruption in PMMY)	
Cronbach's Alpha	N of Items
.564	3

Reliability statistics of factor 9 is 0.564 which is above the acceptable value of 0.5; if there are less than 10 items in the scale and 0.07; if there are more than 10 items in the scale (Nunnally, 1978 and Hinkin, 1998). Reliability statistics of the factor calculates the Cronbach's alpha for the factor and states the value 0.564 states that if same set of respondents are again given the same set of questionnaires at different time, then there are 56.4% chances that they will give same responses.

After calculating the normality and validity of the questionnaire and the data it was found that data and questionnaire were both normalized and valid in all respects, hence study proceeded towards objective proving and hypothesis testing.

4.6 Extreme Values

Table 4.21 Extreme Values for the questionnaire developed for Banking Professionals

Extreme Values				
			Case Number	Value
AV1	Highest	1	4	5.00
		2	6	5.00
		3	8	5.00
		4	17	5.00
		5	20	5.00[a]
	Lowest	1	210	1.00
		2	199	1.00
		3	198	1.00
		4	195	1.00
		5	193	1.00[b]
AV2	Highest	1	1	5.00
		2	2	5.00
		3	15	5.00
		4	16	5.00
		5	21	5.00[a]
	Lowest	1	208	1.00
		2	204	1.00
		3	197	1.00
		4	193	1.00
		5	185	1.00[b]
AV3	Highest	1	2	5.00
		2	9	5.00
		3	13	5.00
		4	15	5.00
		5	17	5.00[a]
	Lowest	1	210	1.00
		2	208	1.00
		3	204	1.00
		4	201	1.00
		5	191	1.00[b]
AF1	Highest	1	6	5.00
		2	8	5.00
		3	11	5.00
		4	24	5.00
		5	27	5.00[a]
	Lowest	1	209	1.00

		2	200	1.00
		3	196	1.00
		4	184	1.00
		5	182	1.00[b]
AF2	Highest	1	1	5.00
		2	3	5.00
		3	31	5.00
		4	34	5.00
		5	36	5.00[a]
	Lowest	1	209	1.00
		2	207	1.00
		3	204	1.00
		4	198	1.00
		5	197	1.00[b]
AF3	Highest	1	10	5.00
		2	12	5.00
		3	15	5.00
		4	28	5.00
		5	33	5.00[a]
	Lowest	1	192	1.00
		2	186	1.00
		3	185	1.00
		4	177	1.00
		5	168	1.00[b]
AC1	Highest	1	4	5.00
		2	16	5.00
		3	22	5.00
		4	27	5.00
		5	29	5.00[a]
	Lowest	1	210	1.00
		2	209	1.00
		3	208	1.00
		4	204	1.00
		5	199	1.00[b]
AC2	Highest	1	1	5.00
		2	5	5.00
		3	7	5.00
		4	8	5.00
		5	9	5.00[a]
	Lowest	1	208	1.00
		2	199	1.00
		3	194	1.00
		4	190	1.00
		5	181	1.00[b]
AC3	Highest	1	10	5.00
		2	13	5.00
		3	28	5.00
		4	31	5.00

		5	33	5.00[a]
	Lowest	1	200	1.00
		2	199	1.00
		3	195	1.00
		4	191	1.00
		5	190	1.00[b]
AW1	Highest	1	3	5.00
		2	11	5.00
		3	21	5.00
		4	28	5.00
		5	33	5.00[a]
	Lowest	1	210	1.00
		2	205	1.00
		3	204	1.00
		4	199	1.00
		5	195	1.00[b]
AW2	Highest	1	9	5.00
		2	14	5.00
		3	22	5.00
		4	23	5.00
		5	26	5.00[a]
	Lowest	1	209	1.00
		2	205	1.00
		3	196	1.00
		4	194	1.00
		5	182	1.00[b]
AW3	Highest	1	1	5.00
		2	2	5.00
		3	6	5.00
		4	7	5.00
		5	9	5.00[a]
	Lowest	1	210	1.00
		2	206	1.00
		3	202	1.00
		4	201	1.00
		5	197	1.00[b]
AW4	Highest	1	5	5.00
		2	9	5.00
		3	10	5.00
		4	25	5.00
		5	28	5.00[a]
	Lowest	1	204	1.00
		2	203	1.00
		3	201	1.00
		4	199	1.00
		5	191	1.00[b]
AD1	Highest	1	1	5.00
		2	3	5.00

		3	4	5.00
		4	5	5.00
		5	8	5.00[a]
	Lowest	1	204	1.00
		2	200	1.00
		3	199	1.00
		4	198	1.00
		5	183	1.00[b]
AD2	Highest	1	10	5.00
		2	17	5.00
		3	18	5.00
		4	23	5.00
		5	32	5.00[a]
	Lowest	1	206	1.00
		2	203	1.00
		3	201	1.00
		4	197	1.00
		5	193	1.00[b]
AD3	Highest	1	5	5.00
		2	7	5.00
		3	14	5.00
		4	16	5.00
		5	22	5.00[a]
	Lowest	1	183	1.00
		2	181	1.00
		3	166	1.00
		4	153	1.00
		5	144	1.00[b]
AD4	Highest	1	9	5.00
		2	10	5.00
		3	16	5.00
		4	24	5.00
		5	29	5.00[a]
	Lowest	1	203	1.00
		2	200	1.00
		3	199	1.00
		4	196	1.00
		5	189	1.00[b]

Extreme values of any data set define the highest number of response (On a Likert's Scale) given by the how many numbers of respondents and the lowest number of response (On a Likert's Scale) given by the how many numbers of respondents to a particular question.

Table 4.22 Extreme Values for the questionnaire developed for Beneficiaries

Extreme Values				
			Case Number	Value
EG1	Highest	1	1	5.00
		2	9	5.00
		3	15	5.00
		4	18	5.00
		5	21	5.00[a]
	Lowest	1	400	1.00
		2	399	1.00
		3	397	1.00
		4	394	1.00
		5	389	1.00[b]
EG2	Highest	1	3	5.00
		2	7	5.00
		3	12	5.00
		4	17	5.00
		5	22	5.00[a]
	Lowest	1	396	1.00
		2	395	1.00
		3	392	1.00
		4	390	1.00
		5	386	1.00[b]
EG3	Highest	1	10	5.00
		2	12	5.00
		3	13	5.00
		4	17	5.00
		5	18	5.00[a]
	Lowest	1	399	1.00
		2	398	1.00
		3	397	1.00
		4	393	1.00
		5	392	1.00[b]
EG4	Highest	1	3	5.00
		2	4	5.00
		3	12	5.00
		4	13	5.00
		5	15	5.00[a]
	Lowest	1	397	1.00
		2	391	1.00
		3	389	1.00
		4	383	1.00
		5	381	1.00[b]
EG5	Highest	1	7	5.00
		2	24	5.00
		3	25	5.00
		4	27	5.00

		5	28	5.00[a]
	Lowest	1	400	1.00
		2	396	1.00
		3	385	1.00
		4	383	1.00
		5	380	1.00[b]
IG1	Highest	1	9	5.00
		2	13	5.00
		3	15	5.00
		4	18	5.00
		5	19	5.00[a]
	Lowest	1	394	1.00
		2	389	1.00
		3	387	1.00
		4	386	1.00
		5	385	1.00[b]
IG2	Highest	1	2	5.00
		2	8	5.00
		3	9	5.00
		4	15	5.00
		5	17	5.00[a]
	Lowest	1	398	1.00
		2	396	1.00
		3	389	1.00
		4	388	1.00
		5	387	1.00[b]
sIG3	Highest	1	36	5.00
		2	39	5.00
		3	46	5.00
		4	51	5.00
		5	61	5.00[a]
	Lowest	1	382	1.00
		2	376	1.00
		3	373	1.00
		4	372	1.00
		5	361	1.00[b]
IG4	Highest	1	8	5.00
		2	16	5.00
		3	17	5.00
		4	22	5.00
		5	24	5.00[a]
	Lowest	1	399	1.00
		2	395	1.00
		3	388	1.00
		4	385	1.00
		5	384	1.00[b]
BFT1	Highest	1	5	5.00
		2	13	5.00

		3	16	5.00
		4	18	5.00
		5	37	5.00[a]
	Lowest	1	400	1.00
		2	397	1.00
		3	396	1.00
		4	391	1.00
		5	389	1.00[b]
BFT2	Highest	1	1	5.00
		2	5	5.00
		3	11	5.00
		4	24	5.00
		5	25	5.00[a]
	Lowest	1	400	1.00
		2	399	1.00
		3	396	1.00
		4	395	1.00
		5	380	1.00[b]
BFT3	Highest	1	1	5.00
		2	7	5.00
		3	9	5.00
		4	13	5.00
		5	23	5.00[a]
	Lowest	1	400	1.00
		2	392	1.00
		3	387	1.00
		4	375	1.00
		5	372	1.00[b]
BFT4	Highest	1	1	5.00
		2	6	5.00
		3	13	5.00
		4	16	5.00
		5	22	5.00[a]
	Lowest	1	397	1.00
		2	378	1.00
		3	377	1.00
		4	373	1.00
		5	366	1.00[b]
BFT5	Highest	1	2	5.00
		2	15	5.00
		3	19	5.00
		4	28	5.00
		5	30	5.00[a]
	Lowest	1	400	1.00
		2	398	1.00
		3	397	1.00
		4	396	1.00
		5	388	1.00[b]

COR1	Highest	1	9	5.00
		2	17	5.00
		3	26	5.00
		4	31	5.00
		5	34	5.00[a]
	Lowest	1	395	1.00
		2	391	1.00
		3	388	1.00
		4	385	1.00
		5	370	1.00[b]
COR2	Highest	1	2	5.00
		2	10	5.00
		3	14	5.00
		4	26	5.00
		5	32	5.00[a]
	Lowest	1	377	1.00
		2	355	1.00
		3	351	1.00
		4	350	1.00
		5	347	1.00[b]
COR3	Highest	1	1	5.00
		2	3	5.00
		3	9	5.00
		4	12	5.00
		5	18	5.00[a]
	Lowest	1	395	1.00
		2	390	1.00
		3	389	1.00
		4	386	1.00
		5	385	1.00[b]

Extreme values of any data set define the highest number of response (On a Likert's Scale) given by the how many numbers of respondents and the lowest number of response (On a Likert's Scale) given by the how many numbers of respondents to a particular question.

4.7 Hypothesis testing

The questionnaires used to gather data in this study were created by the researchers themselves. The questionnaire was created by the researcher after careful consideration of the available literature. Investigation of the survey revealed the use of two distinct surveys to get the core data. First questionnaire was developed to collect the responses of banking professionals. Second questionnaire is divided into two parts and was developed to collect the responses of beneficiaries of Pradhan Mantri Mudra Yojana.

Objective 1: To study the scheme offered and contribution by Mudra Bank under Pradhan Mantri Mudra Yojana in India.

Schemes offered by Mudra Bank-:

Mudra Loan is a credit funding scheme initiated by the Government of India to offer business loans and working capital loans of amount up to Rs. 10 lakhs to individuals, MSMEs and self-employed professionals. No collateral/security is required by any financial institution from the borrowers. The maximum repayment tenure offered under Mudra Yojana is up to 5 years with Nil to nominal processing fees and foreclosure charges.

Banks, NBFCs, MFIs, and other qualifying financial intermediaries are those that may provide Mudra loans to borrowers. Micro-enterprises in the manufacturing, commerce, and service sectors would be eligible for loans of up to 10 lakhs of rupees under the Pradhan Mantri Mudra Yojana (PMMY), which was announced by the Hon'ble Prime Minister on April 8, 2015.

Prime Minister Mudra Yojana overdrafts of up to 5,000 are now officially Mudra loans (PMMY).

The Mudra loans are extended under following three categories:

Loans up to 50,000/- (Shishu)

Loans from 50,001 to 5 lakhs (Kishore)

Loans from 5,00,001/- to 10 lakhs (Tarun)

More focus would be given to Shishu.

As a result, the PMMY classifies as Mudra loans all advances made after April 8, 2015, that fit under the aforementioned categories. This lending program will be known as the "Pradhan Mantri Mudra Yojana," and it will be referred to as such on all loan application forms.

Table: 4.23 Number of PMMY Loan sanctioned, amount sanctioned and amount disbursed in different financial years

FINANCIAL YEAR	NO. OF PMMY LOANS SANCTIONED	AMOUNT SANCTIONED CRORE	AMOUNT DISBURSED CRORE
2022-2023	*17130464	*122873.03	*117565.92
2021-2022	53795526	339110.35	331402.20
2020-2021	50735046	321759.25	311754.47
2019-2020	62247606	337495.53	329715.03
2018-2019	59870318	321722.79	311811.38
2017-2018	48130593	253677.10	246437.40
2016-2017	39701047	180528.54	175312.13
2015-2016	34880924	137449.27	132954.73

*****Provisional Data Last Updated on:02/09/2022

Source- https://www.Mudra.org.in/

Table 4.23 shows that number of loans under PMMY, amount sanctioned and amount disbursed during from 2015- 2023. In these number of loans sanctioned has been expected to increase in year to year. It was found that the number of loans sanctioned under PMMY grew from 34880924 in 2015-2016 to 53795526 in 2021-2022, with a corresponding rise in the amounts sanctioned and disbursed of 137449.27 crore and 132954.73 crore, respectively. High growth rates are expected from 2015–2023, although because to the covid scenario in 2020–2021, growth rates are expected to slow. The number of loans approved, the amount approved, and the total disbursed all went up again following the covid.

Table: 4.24 AGENCY-WISE Performance (in crore)

AGENCY	SANCTION 2015-16	SANCTION 2016-17	SANCTION 2017-18	SANCTION 2018-19	SANCTION 2019-20	SANCTION 2020-21
Public Sector Banks #	59,674.28 (43%)	71,953.67 (40%)	92,492.68 (98%)	99,234.96 (91%)	1,17,729 (92%)	1,29,915 (101%)
Private Sector Banks $	20,445.74 (15%)	39,042.60 (21%)	49,545.11 (105%)	64,037.25 (111%)	91,780 (132%)	93,613.20 (102%)
RRBs	11,324.47 (8%)	12,009.52 (7%)	15,454.51 (85%)	18,046.89 (88%)	Inclusive in public sector bank	Inclusive in public sector bank
SFBs/MFIs@	46,004.78 (34%)	55,657.01 (31%)	19,022.89 (110%) /50,143.75 (87%)	29,794.37 (119%) / 63,470.97 (114%)	29,501 (101%)/ 57,967 (101%)	19,646 (68%)/ 46601.40 (79%)
NBFCs %	*	1,865.74 (1%)	27,018.16 (299%)	47,136.75 (147%)	40,518 (101%)	31,983.17 (78%)
Total	1,37,449.27 (100%)	1,80,528.54 (100%)	2,53,677.10 (104%)	3,21,722.79 (107%)	3,37,495 (104%)	3,21,759 (92%)

Table 4.24 below details the performance by agency from 2015 to 2020. In this, it was found that the total amount of loans sanctioned by public sector banks in 2015–16 was Rs 59,674.28 crore (43%), and that this amount would grow to Rs 1,29,915 crore (101%) in 2020–21. The loan amount approved by private sector banks in 2015–16 was Rs 20,445.74 cr (15%), and it is expected to expand to Rs 93,615.20 cr (102%) in 2019–20. Loans to RFBs, SFBIs, and NBFCs will rise in this fashion between fiscal years 2015–16 and 2019–20. This analysis concludes that the total loan sanctioned by all agencies in 2015–2016 was Rs 1,37,449.27 crore, and that this amount would climb to Rs 3,21,759 crore in 2020–2021. The biggest of India's PSU banks, State Bank of India (SBI), granted Rs 35,125 crore to 36.76 lakh accounts, making it the top lender on the

list. Bank of Baroda and Canara Bank followed SBI with totals of Rs 10,282 crore and Rs 9,489 crore in total sanction amounts, respectively.

The Private Sector Banks significantly improved their performance this year, sanctioning a total of Rs 91,780 crore throughout the course of the year, an increase of 43% from the previous year. The merger between SKS Microfinance (Bharat Finance Ltd.) and IndusInd Bank, which ranked top with a penalty of over Rs 38,199.43 crore and accounted for more than 41% of all private sector bank penalties, was largely responsible for this. Among the other major private sector banks, Bandhan Bank and IDFC Bank played important roles.

The non-banking finance companies (NBFCs) have emerged as a major player in the PMMY, with a total sanction of Rs. 40,518 crore (12 percent of the entire sanction amount). Among the companies that have made contributions, Fullerton India Credit Company Limited stands out as the leader with a total sanction amount of $11.666 billion. Boosting their target by 101%, small finance banks performed very well. A total of 71.60 million loan accounts were given approval by the 10 SFBs, amounting to a total of 29,501 crore.

RRBs- Regional Rural Banks, SFBs- Small Finance Banks, MFIs- Micro Finance Institutions, NBFCs- Non-Banking Financial Corporations.

- including SBI and its associates; $ - including Foreign Banks; @ - Includes SFBs, NBFC-MFIs, Non-NBFC-MFIs; % - Newly inducted into the programme; *target not given. https://www.Mudra.org.in/

Table: 4.25 Regional analysis

Below is a comparison of the PMMY loan distribution over the various years, broken down by region and showing how the states were separated into four areas based on geography.

Table: 4.25 Regional analysis

Financial Year	2015-	-2016	2016-	-2017	2017-	-2018	2018-	-2019	2019-	-2020	2020-	-2021
Region	**No. of Accounts**	**Loan Amount Sanctioned crore**	**No. of Accounts**	**Loan Amount Sanctioned Crore**	**No. of Accounts**	**Loan Amount Sanctioned crore**	**No. of Accounts**	**Loan Amount Sanctioned Crore**	**No. of Accounts**	**Loan Amount Sanctioned Crore**	**No. of Accounts**	**Loan Amount Sanctioned crore**
North	58,45,356	13,631.56	66,67,731 (17)	41,884.86 (23)	84,64,083 (18%)	60,535.36 (24)	1,12,92,193	74,437.45	1,24,56,705 (20%)	82,045 (25%)	1,04,05,478 (21%)	78,555 (24%)
East and north east	1,39,06,283	33,271.15	14,437,863 (36)	49,765.69 (28)	17,160,677 (35)	67,298.13 (26)	49,262,904	92,725.61	21,868,103 (35%)	95,398 (28%)	1,70,88,159 (34%) 16,81,086 (3%)	85,472 (27%) 11,511 (4%)
South	1,01,90,459	23,224.70	1,14,30,144 (29)	52,876.65 (29)	1,44,64,973 (30)	76,259.92 (30)	1,73,15,948	96,930.34	1,74,54,720 (28%)	98,767 (29%)	1,30,83,599 (26%)	90,325 (28%)
West	65,55,715	14,973.34	71,65,309 (18)	36,001.35 (20)	80,40,860 (17)	49,583.68 (20)	95,43,273	57629.39	1,04,68,078 (17%)	61,285 (18%)	84,76,724 (17%)	55,897 (17%)

Table 4.25 Regional Analysis

Financial Year	2015-	-2016	2016-	-2017	2017-	-2018	2018-	-2019	2019-	-2020	2020-	-2021
Region	**No. of Accounts**	**Loan Amount Sanctioned crore**	**No. of Accounts**	**Loan Amount Sanctioned Crore**	**No. of Accounts**	**Loan Amount Sanctioned crore**	**No. of Accounts**	**Loan Amount Sanctioned Crore**	**No. of Accounts**	**Loan Amount Sanctioned Crore**	**No. of Accounts**	**Loan Amount Sanctioned crore**
Total	3,64,97,813	85,100.75	3,97,01,047	1,80,528.54	4,81,30,593	2,53,677.1	5,98,70,318	3,21,722.79	6,22,47,606	3,37,495	5,07,35,046	3,21,722
Share to total (%)	91.93	47.14	100	100	100	100	100	100	100	100	101	100

North East:

Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura,

East:

Odisha, West Bengal, Bihar, Jharkhand, Chhattisgarh

West:

Dadra & Nagar Haveli, Daman & Diu, Gujarat, Goa, Madhya Pradesh, Maharashtra

South:

Karnataka, Kerala, Puducherry, Tamil Nadu, Telangana, Andhra Pradesh, Andaman & Nicobar, Lakshadweep

North:

Chandigarh, Haryana, Himachal Pradesh, Jammu & Kashmir, Delhi, Uttar Pradesh, Uttarakhand, Punjab and Rajasthan

More loan sanction under PMMY in south region- Tamil Nadu and Karnataka states followed by east and north east regions in year to year.

The table 4.3 exhibits the region wise number of accounts opened under PMMY and loan amount sanctioned from financial year 2015-16 to 2020-21. According to the numbers, the East and North-Eastern area fared the best in terms of the overall number of loan accounts sanctioned, making up approximately a third of them, but they only received 28% of the total loan amount, tying them with the Southern region for lowest. Loan amounts and number of accounts were almost identical in the North and West. There was a 28% and 29% increase in the number of loan accounts and the total amount of loans sanctioned for the Southern area that year.

Table: 4.26 PERFORMANCE OF T0P 10 STATES (in crore)

Sr. No.	State	Sanction Loan 2015-16	Sanction Loan 2016-17	Sanction Loan 2017-18	Sanction Loan 2018-19	Sanction Loan 2019-20	Sanction Loan 2020-21
1	Tamil Nadu	15,846	18,052.68	25,331.68	34,260.05	35,017	28,967.97
2	Karnataka	16,861	18,002.55	23,009.73	29,995.35	30,188	30,199.1
3	Maharashtra	13,806	17,286.66	22,751.40	26,438.94	27,903	25,208.63
4	West Bengal	8,034	15,695.01	20,552.19	26,462.13	26,790	29,335.98
5	Uttar Pradesh	12,276	15,282.61	22,077.89	26,190.58	30,949	29,231.35
6	Bihar	7,554	12,190.6	15,919.40	24,405.99	27,442	25,589.31
7	Madhya Pradesh	8,097	10,506.45	14,886.15	17,407.92	19,060	18,474.24
8	Rajasthan	5,485	9,024.71	13,862.55	17,506.39	19,662	18,571.38
9	Odisha	5,695	7,891.34	11,558.91	15,770.28	15,419	15,328.63
10	Gujarat	6,035	7,781.94	11,386.52	13,216.78	13,746	Andhra Pradesh 12,028.33

The table 4.26 describes how SLBC kept an eye on state level performance. With 35,017 Rs crore in sanction, Tamilnadu topped all other States, closely followed by Karnataka with 30,188 Rs crore and Maharashtra in third with 27,903 Rs crore. In terms of loan approvals among all the states, Tamil Nadu always came out on top, followed by Karnataka and Maharashtra. However, in terms of loans sanctioned in 2020–21, Karnataka is in 1st place, followed by other states, with Uttar Pradesh coming in second.

Table: 4.27 Category -wise analysis of PMMY scheme (in crore)

Category	Loan sanctioned 2015-16	Loan sanctioned 2016-17	Loan sanctioned 2017-18	Loan sanctioned 2018-19	Loan sanctioned 2019-20	Loan sanctioned 2020-21
Shishu	62,894.96 (45.76%)	85,100.74 (47.14%)	1,06,001.6 (41.78%)	5,15,07,438 (86%)	5,44,90,617 (88%)	4,01,80,115 (79%)
Kishor	43,052.55 (31.32%)	53,545.14 (29.66%)	86,732.15 (34.19%)	66,06,009 (11%)	64,71,873 (10%)	94,86,160 (19%)
Tarun	31,501.76 (22.92%)	41,882.66 (23.20%)	60,943.36 (24.02%)	17,56,871 (3%)	12,85,116 (2%)	10,68,771 (2%)
TOTAL	1,37,449.27 (100.00%)	1,80,528.54 (100.00%)	2,53,677.11 (100.00%)	5,98,70,318 (100.00%)	6,22,47,606 (100.00%)	5,07,35,046 (100.00%)

Table 4.27 explains the category wise-analysis of PMMY. The above table displays loan approvals for various Mudra products, including Shishu, Kishore, and Tarun, from financial year 2015–16 to 2020–21. The largest loan permitted under the Shishu Scheme. Tarun Scheme's minimum loan amount is approved. Among the three types of loans, shishu loans had the largest share, making up 88% of all accounts and 48% of all value. In addition, the total amount that might be sanctioned via Shishu Loans is 15% more than it was this time last year.

Shishu loan limit is 50000Rs

Kishore loan limit is 50001 to 5.00Lakh Rs

Tarun loan limit is above 5.00 lakh upto 10.00 lakh Rs.

Table: 4.28 Sub-categories of borrowers: Sanctions in SHISHU PRODUCT (in crore)

YEAR	2015-	-2016	2016-	-2017	2017-	-2018	2018-	-2019	2019-	-2020	2020-	-2021
Category	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount
General	-------	---------	148.35	35,163.69	1,79,11,238	47,171.25	2,59,93,019	74,816.03	2,76,14,426	86,660	1,91,09,271	52,164
SC	-------	---------	69.86	15,976.20	81,86,001	19,462.62	87,67,153	23,253.35	95,31,602	27,326	73,34,828	19,714
ST	-------	--------	17.27	3,831.23	24,18,131	5,616.06	30,12,074	7,697.71	35,80,397	10,087	26,62,727	7,218
OBC	--------	--------	129.50	30,129.63	1,41,54,425	33,751.67	1,37,35,192	36,578.17	1,37,64,192	39,486	1,10,73,289	30,857
TOTAL	324.02	62,028	364.98	85,100.75	4,26,69,795	1,06,001.6	5,15,07,438	1,42,345.25	5,44,90,617	1,63,559	4,01,80,115	1,09,953

Table: 4.29 Sub-categories of borrowers: Sanctions in KISHOR PRODUCT (in crore)

YEAR	2015-	-2016	2016-	-2017	2017-	-2018	2018-	-2019	2019-	-2020	2020-	-2021
Category	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount
General	-------	---------	18.97	40,820.62	32,83,034	66,477.31	44,39,825	7,8947.67	37,76,211	67,332	58,33,669	94,426
SC	-------	---------	1.40	2,170.84	3,07,214	3,976.79	5,52,277	5,291.86	7,15,832	6,064	10,38,947	9,430
ST	-------	--------	0.60	1,030.01	1,12,795	1,794.64	2,00,315	2,352.7	2,81,585	2,828	4,43,598	4,344
OBC	--------	--------	5.66	9,523.67	9,50,831	14,483.42	14,13,592	17,794.45	17,794.45	19,354	21,69,946	24,317
TOTAL	20.69	41,073	26.63	53,545.14	46,53,874	86,732.16	66,06,009	1,04,386.68	64,71,873	95,578	94,86,160	1,32,516

Table: 4.30 Sub-categories of borrowers: Sanctions in TARUN PRODUCT (in crore)

YEAR	2015-	-2016	2016-	-2017	2017-	-2018	2018-	-2019	2019-	-2020	2020-	-2021
Category	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount
General	-------	---------	4.690	36,600.85	7,12,207	53,976.53	13,02,379	66,365.45	11,06,869	69,620	9,21,759	69,353
SC	-------	---------	0.100	750.79	12,946	939	1,33,089	1,412.16	34,119	1,272	24,642	1,680
ST	-------	--------	0.060	411.50	8,381	589.71	1,28,940	1,003.14	27,714	879	16,957	1,168
OBC	--------	--------	0.550	4119.52	73,390	5,438.1	1,92,463	6,210.12	1,16,414	6,588	1,05,413	7,089
TOTAL	4.10	29,854	5.400	41,882.66	8,06,924	60,943.34	17,56,871	74,990.86	12,85,116	78,359	10,68,771	79,290

Table 4.31Out of the above-women, new entrepreneur and minorities

YEAR	2015-	-2016	2016-	-2017	2017-	-2018	2018-	-2019	2019-	-2020	2020-	-2021
Category	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount	No. of A/Cs - in lakh	Amount
Woman	276.28 (79%)	63,190	291.47 (73.42%)	80,289.68 (44.47%)	3,35,58,238 (69.72%)	1,03,254.12	3,70,62,562 (62%)	1,33,033.62 (41%)	3,91,03,349 (63%)	1,45,182 (43%)	3,33,03,604 (66%)	1,31,303 (41%)
New Entrepreneur Accounts	124.75 (36%)	58,908	51.54 (12.98%)	20,276.07 (11.23%)	1,25,59,327 (26.09%)	97,448.7	1,33,93,802 (22%)	1,06,033.06 (33%)	1,19,13,903 (19%)	99,263 (29%)	77,40,581 (15%)	83,337 (26%)
Minorities	184.00 (53%)	49,196.33	99.89 (25.16%)	72,960.14 (40.41%)	52,70,095 (10.95%)	24,091.77	62,51,640 (10%)	30,123.77 (9%)	64,27,116 (10%)	30,923 (9%)	41,72,061 (8%)	26,917 (8%)

Above four tables 4.28,4.29,4.30 and 4.31 shows Sub Category like SC, ST, OBCs, women, minorities number of account opened and loan amount sanctioned under different schemes of PMMY.

- Women made up 66% of the Shishu category account holders and received 67% of the Shishu category's allotted amount in grants. The majority of micro-loans given out by MFIs go to women, which is why so many of them are included in the Shishu category.
- Almost half (49%) of PMMY loan accounts were held by members of the economically and socially disadvantaged (SCs, STs, and OBCs), whereas just a third (33%) of total loan funds were allocated to these groups. Sanctioned loan accounts broke down as follows: 17% for SC, 6% for ST, and 26% for OBC. Once again, the bulk of their market share is classified as Shishu.

Table: 4.32 PMMY – State-wise Performance SHISHU (Amount Rs. in Crore)

YEAR	2015-	-2016	2016-	-2017	2017-	-2018	2018-	-2019	2019-	-2020	2020-	-2021	2021-	-2022
State Name	No. of A/Cs	Disbursement Amount	No. of A/Cs	Disbursement Amount	No. of A/Cs	Disbursement Amount	No. of A/Cs	Disbursement Amount	No. of A/Cs	Disbursement Amount	No. of A/Cs	Disbursement Amount	No. of A/Cs	Disbursement Amount
Andaman and Nicobar Islands	15724	64.54	1634	2.6	1710	5.15	2047	6.19	296	1.13	2376	5.52	348	0.75
Andhra Pradesh	612312	1312.12	366322	964.68	353879	1187.66	366217	983.13	529001	1377.77	811412	1423.98	752451	1595.71
Arunachal Pradesh	3194	8.18	4645	13.16	9137	23.14	12476	42.28	20088	57.03	2506	3.65	3968	9.87
Assam	390320	759.22	1214502	3593.18	1558335	4311.15	2112198	6331.27	1516050	4797.85	862844	2215.83	491693	1329.19
Bihar	2310112	4113.7	3622665	8225.89	4063534	9646.78	5507357	14372.71	6168244	18074.91	4487990	12720.1	5433461	17054.61
Chandigarh	18082	32.41	14151	24.64	9391	29.08	18683	49.24	14790	41.47	9564	23.49	8595	25.52
Chhattisgarh	605051	1178.78	840480	1749.77	871455	1938.4	1078662	2670.54	1115562	3148.1	821423	2284.9	772151	2163.56
Dadra and Nagar Haveli	815	1.65	2196	7.41	2437	7.69	1441	5.09	2030	6.53	1953	5.15	1779	4.85
Daman and Diu	835	1.16	471	0.5	462	0.78	280	0.57	308	0.62	586	0.73	262	0.49
Delhi	341933	692.9	148741	406.96	145979	450.08	627923	1765.28	463970	1177.93	227677	516.93	122705	333.15
Goa	36247	89.83	22173	71.99	26766	84.42	32711	92.5	26344	77.27	19166	55.18	19157	58.38
Gujarat	975320	2171.87	944644	2426.52	1230455	3506.4	1306008	3811.02	1738925	5361.65	1114077	3352.66	1192620	3665.76
Haryana	693408	1371.96	652844	1460.35	660709	1757.46	916742	2552.51	983706	2964.97	785940	2303.93	776064	2523.88
Himachal Pradesh	59757	103.17	49158	99.35	41978	112.39	55693	135.15	46058	127.1	64163	143.87	49714	148.3
Jammu and Kashmir	19057	62.32	23589	72.14	19532	67.74	30982	60.9	43862	83.21	94698	257.47	69650	222.44

Jharkhand	828785	1515.15	969948	2129.45	1118607	2498.51	1305620	3412.09	1563096	4380.98	1391806	3634.6	1437542	4057.73
Karnataka	4153714	9071.71	3546071	8166.92	4065431	10351.83	4913740	13428.73	4738832	14019.42	3466071	9998.03	3312243	9676.81
Kerala	707492	1414.08	775022	1782.74	2035426	3167.46	1834120	5163.23	1788708	5603.75	1158550	3189.14	1242138	4148.07
Lakshadweep	551	1.04	311	0.8	612	1.62	422	0.86	527	1.15	1096	2.49	238	0.78
Madhya Pradesh	2406310	4610.76	2532101	5433.54	2648183	7011.07	2812855	7725.3	3063437	9130.35	2693204	7260.72	2568102	7297.49
Maharashtra	3337382	6616.11	3054130	6909.4	3145685	7980.26	3750570	10052.07	4132679	12114.28	2912303	7665.66	3306200	9312.02
Manipur	20943	35.41	19099	58.22	27973	80.88	77581	170.3	81858	200.56	56050	132.67	60528	136.77
Meghalaya	15451	40.24	20357	60.04	23858	70.48	27558	87.68	38751	93.76	26513	68.17	10146	30.7
Mizoram	5473	19.44	3408	15.46	6474	25.64	6828	26.19	13784	62.83	3849	11.54	3485	11.87
Nagaland	3247	10.32	8723	25.08	11069	38.57	11940	37.2	11360	41.19	9000	22.85	5412	19.37
Odisha	2281495	3753.86	2525473	5187.48	3322007	7278.07	3910051	10304.72	3410033	9998.52	3193856	8365.76	3151533	8835.22
Pondicherry	74516	145.52	121567	303.97	130970	370.04	143035	436.57	113306	379.6	88226	272.9	99495	355.66
Punjab	594025	1231.47	618286	1492.23	669630	1880.28	986106	2708.64	1083174	3319.21	903435	2430.85	856183	2634.63
Rajasthan	1068001	2004.32	1015448	2380.44	1430399	3629.75	2274699	6104.65	2598195	8155.91	1876486	5458	2029272	6131.34
Sikkim	5491	12.1	18466	51.66	18878	41.99	19726	61.96	14587	36.67	7437	19.4	5176	15.18
Tamil Nadu	4506237	8231.68	5000285	10897.54	5366167	13237.23	6528577	18597.62	6405139	21216.35	4150574	13455.17	4667349	16613.04
Telangana	286985	588.37	379247	867.42	637258	1523.82	786781	2231.33	1213412	3707.55	443057	696.04	356919	953
Tripura	59298	136.83	243249	719.12	366127	1046.92	381981	1210.69	371417	1151.37	233223	667.03	208833	643.51
Uttar Pradesh	3149078	5849.68	3076798	6756.77	3963399	8396.56	4441760	9954.05	5222319	13802.3	615	1.7	356	1.27
Uttarakhand	326802	688.99	246341	622.27	188604	559.58	223768	618.09	236572	740.77	3898753	10016.97	4592780	12615.74
West Bengal	2487603	4086.8	4415268	10912.17	4497279	11909.15	5000300	14441.19	5719620	17357.91	213968	630.76	239968	787.25
Total	32401046	62027.69	36497813	83891.88	42669795	104228.05	51507438	139651.55	54490617	162813.21	4145668	9323.34	3872638	10555.12

Table 4.32 shows the state-wise performance of Shishu schemes under PMMY from FY 2015-2016 to FY 2021-2022. In these from FY 2015-2016 Tamilnadu state maximum number of accounts opened 4506237 and amount sanctioned 8231.68 crore and FY 2019-2020 increased upto 6405139 and 21216.35 crore. After this it is followed by Karnataka state, Uttar Pradesh and other states also. In Haryana state FY 2015-2016, 2016-2017, 2017-2018, 2018-2019 and 2019-2020 number of accounts opened 693408, 652844, 660709, 916742, 983706 and amount sanctioned 1371.96, 1460.35, 1757.46, 2552.51, 2964.97 crore. It is concluded that from FY 2015-2016 to 2019-2020 all state number of accounts opened and amount sanctioned increasing year to year. But after this in FY 2020-21 and 2021-22 decreased in number of accounts opened 4150574, 4667349 and also decreased in amount sanctioned 13455.17, 16613.04 crore.

Table: 4.33 PMMY – State-wise Performance KISHORE (Amount Rs. in Crore)

YEAR	2015-	-2016	2016-	-2017	2017-	-2018	2018-	-2019	2019-	-2020	2020-	-2021	2021-	-2022
State Name	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount
Andaman and Nicobar Islands	8275	100.65	1149	30.76	1363	36.73	974	28.47	839	25.26	2321	54.74	959	27.43
Andhra Pradesh	165306	3151.6	202197	3314.29	413415	6566.76	358494	6283.82	253887	4333.55	266191	4983.51	298242	4728.07
Arunachal Pradesh	977	27.44	1003	28.12	1236	32.91	1415	28.77	2435	35.02	2094	52.77	1063	25.03
Assam	32121	614.57	34363	725.46	145421	1583.47	281581	2550.2	138233	1766.81	306802	3822.95	174191	2087.01
Bihar	129001	2227.77	116492	1944.19	224316	3690.52	437355	5855.55	503389	5159.17	772612	8156.55	1201505	10463.52
Chandigarh	3238	74.89	3400	80.56	6786	219.72	8797	170.36	6924	153.17	7259	165.91	4287	89.14
Chhattisgarh	28559	512.08	34915	714.85	73732	1316.49	104111	1545.02	120936	1676.15	180074	2360.22	177627	2141.34
Dadra and Nagar Haveli	254	7.24	255	4.4	768	13.41	1161	17.05	570	14.24	1504	23.27	1616	21.88
Daman and Diu	189	4.54	212	4.22	470	10.15	266	6.43	253	6.05	326	7.37	291	6.47
Delhi	36077	1002.95	52485	1550.65	65530	1684.47	79797	1672.33	74283	1364.85	77223	1603.06	54559	863.67
Goa	7441	155.73	7166	156.33	10028	209.43	9270	183.87	9646	185.98	15391	254.26	14465	240.36
Gujarat	85245	1851.5	124658	2727.28	224098	4336.13	309687	4764.7	263099	4096.8	265308	4370.74	352426	4637.9
Haryana	39525	847.43	47513	992.33	98920	2023.27	133072	2388.31	139504	2352.87	188173	2798.04	254764	3054.69
Himachal Pradesh	21122	492.6	27283	599.24	40262	939.15	50476	1057.23	47346	1011.68	53224	1051.71	45752	944.45
Jammu and Kashmir	34388	738.18	59232	1114.22	73095	1678.84	86485	2118.37	94874	2183.48	175326	3396.58	165386	3489.5
Jharkhand	36637	780.69	43689	1006.65	78942	1598	112743	1911.7	136218	1836.38	251914	2869.52	320255	3081.6

Karnataka	264744	4744.94	332182	5402.85	434785	7177.23	722789	9764.81	861216	9850.88	1091077	12878.14	898314	12768.9
Kerala	107975	2194.29	189329	3007.96	225274	3971.94	251903	4176.7	353002	4640.97	389831	4933.52	339964	4084.73
Lakshadweep	170	3.06	144	2.51	400	7.72	184	3.54	250	3.68	631	14.51	419	10.11
Madhya Pradesh	84343	1653.63	120581	2543.23	204239	4130.88	325953	4967.13	391333	5173.28	495472	6494.94	606752	7006.54
Maharashtra	154441	3461.97	220662	4947.01	354818	7343.4	510249	8287.28	505154	7268.66	736733	9565.76	756828	9048.63
Manipur	2679	58.66	2233	47.18	4507	71.47	7616	106.46	7074	104.74	12312	168.16	12296	153.35
Meghalaya	3051	74.2	2793	68.52	4143	80.55	5597	91.82	4330	77.6	11744	180.1	5630	90.14
Mizoram	1993	35.24	3278	53.16	5536	97.23	8434	144.46	5514	109.67	8011	136.68	7031	116.82
Nagaland	1418	36.75	1726	39.26	2461	44.25	4822	65.84	2749	59.4	9529	132.98	8740	118.86
Odisha	51401	977.75	67611	1376.17	126864	2302.14	218809	2974.14	279463	3211.33	411288	4543.71	486979	4849.16
Pondicherry	7482	121.58	7985	118.85	16982	311.1	24375	427.73	19247	234.45	19082	232.03	30501	332.19
Punjab	43347	994.68	65920	1370.16	119363	2325.78	161685	2703.52	163447	2543.24	161127	2523.74	226522	3146.85
Rajasthan	68468	1504.66	148125	3291.1	254867	5350.55	306144	5578.5	295387	5339.93	535265	7833.83	575773	7916.64
Sikkim	1145	24.82	1143	24.91	2315	40.29	4119	64.99	4297	64.76	7067	113.28	5130	85.46
Tamil Nadu	234824	4282.07	275564	4258.53	431666	7176.1	601720	8710.56	574390	7771.78	721372	9789.17	894274	10467.36
Telangana	98675	2014.98	86416	1651.17	121014	2668.37	161329	2969.32	176702	2693.94	150057	3010.97	139872	2435.63
Tripura	7967	141.05	9425	166.65	32049	330.41	57623	508.63	24072	292.44	6593	131.31	6449	128.62
Uttar Pradesh	160502	3325.18	213841	4388.28	362732	7171.13	445656	8318.56	54224	8806.14	737244	10461.37	1098459	12523.61
Uttarakhand	27554	632.07	33075	735.81	55269	1101.81	65839	1213.62	52104	1062.47	74072	1302.91	82509	1250.44
West Bengal	118927	2201.84	125457	2576.24	436208	5555.31	745479	8208.19	413590	5824.6	1251084	15636.53	1692375	19313.74
Total	2069461	41073.28	2663502	51063.12	4653874	83197.09	6606009	99868	6471873	91427.07	9486160	127239.57	11088206	133389.24

Table 4.33 shows the state-wise performance of Kishore schemes under PMMY from FY 2015-2016 to FY 2021-2022. In these from FY 2015-2016 Karnataka state maximum number of accounts opened 264744 and amount sanctioned 4744.94 crore and FY 2019-2020 increased upto 861216 and 9850.88 crore. After this it is followed by Tamilnadu, Uttar Pradesh and other states also. In Haryana state FY 2015-2016, 2016-2017, 2017-2018, 2018-2019 and 2019-2020 number of accounts opened 39525, 47513, 98920, 133072, 139504 and amount sanctioned 847.43, 992.33, 2023.27, 2388.31, 2352.87 crore. It is concluded that from FY 2015-2016 to 2019-2020 all state number of accounts opened and amount sanctioned increasing year to year. But after this in FY 2020-21 and 2021-22 decreased in number of accounts opened 721372, 894274 and also decreased in amount sanctioned 9789.17, 10467.36 crore.

Table: 4.34 PMMY – State-wise Performance TARUN (Amount Rs. in Crore)

YEAR	2015-	-2016	2016-	-2017	2017-	-2018	2018-	-2019	2019-	-2020	2020-	-2021	2021-	-2022
State Name	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount
Andaman and Nicobar Islands	720	47.59	570	44.98	756	58.38	701	55.1	598	46.73	771	59.06	594	48.35
Andhra Pradesh	18070	1327.07	19050	1452.82	34551	2459.67	57996	3402.31	61613	4379.39	74549	5157.18	67229	5121.64
Arunachal Pradesh	454	36	461	37.4	631	47.22	564	43.11	765	58.51	1559	115.7	674	51.61
Assam	4831	354.67	6889	505.91	9248	675.7	29189	916.86	14064	1006.94	20183	1360.89	17005	1161.09
Bihar	12326	924.44	17559	1415.55	27011	2059.46	54928	2840.06	43022	3112.9	46092	3143.13	43189	3206.94
Chandigarh	1285	97.22	1488	116.05	2080	160.35	2535	192.83	2599	195.52	3472	242.82	2044	158.37
Chhattisgarh	6101	465.28	9546	745.24	16892	1246.59	18799	1351.79	24520	1867.44	25769	1777.95	20618	1492.56
Dadra and Nagar Haveli	167	12.38	136	10.8	203	15.21	298	21.76	299	22.02	330	22.67	296	22.61
Daman and Diu	85	6.32	91	7.34	154	11.63	135	10.09	205	15.69	228	11.01	153	11.94
Delhi	16378	1162.12	23749	1742.9	30288	2222.8	29997	2196.22	30343	2526.54	25597	1883.84	17571	1362.77
Goa	1783	130.48	1950	144.45	2603	190.6	2800	200.87	3050	217.22	2963	192.03	2328	174.14
Gujarat	25842	1886.65	34151	2538.27	46673	3359.99	210512	4407.84	94369	4071.28	51571	3589.84	45914	3686.38
Haryana	12602	933.23	16265	1244.91	26699	1964.31	32158	2340.71	32707	2305.4	31340	2201.13	27135	1995.61
Himachal Pradesh	4685	369.93	6410	515.43	9752	749.9	13426	999.82	14461	1087.55	13107	968.26	12090	934.69
Jammu and Kashmir	4529	351.65	6891	477.15	10498	768.26	15611	1141.69	16417	1203.81	24477	1747.89	27609	1984.59
Jharkhand	7446	549.82	9956	772.9	15122	1136.54	18605	1376.44	21171	1549.73	24561	1673.62	20085	1476
Karnataka	41151	2652.78	55325	3720.93	68277	4971.61	170407	6151.9	13362	5834.4	88048	6909.13	87924	5929.2

Kerala	14944	1119.01	17909	1349.75	29105	2143.16	35296	2627.18	36163	2679.4	37877	3115.9	38066	3316.78
Lakshadweep	19	1.25	18	1.2	32	2.2	20	1.26	19	1.33	72	5.95	68	5.58
Madhya Pradesh	20538	1504.9	30370	2215.14	46701	3215.57	143915	4099.9	103178	4274.41	60482	4067.18	56950	3914.4
Maharashtra	43242	3294.34	69362	5120.34	96117	6942.55	125162	7402.64	133199	8015.16	105127	7392.64	95024	7055.82
Manipur	399	25.96	533	37.07	706	48.33	942	67.45	1243	88.13	1544	105.85	1314	89.08
Meghalaya	649	47.97	765	57.17	845	61.01	2419	83.85	1335	95.09	2221	154.16	1116	83.16
Mizoram	306	23.1	287	21.7	390	30.02	596	45.21	1137	63.59	856	62.94	880	63.61
Nagaland	469	29.47	602	39.49	611	41.79	686	48.54	973	69.25	1258	88.65	1039	71.25
Odisha	10365	704.65	13685	1037.03	21441	1535.67	35572	2005.77	27080	1948.37	29854	2009.56	32395	2872.89
Pondicherry	868	64.81	808	62.66	2525	200.63	10362	358.29	6969	142.78	1467	101.98	1529	107.45
Punjab	16601	1258.34	21363	1649.88	30843	2318.06	35145	2563.38	34686	2743.29	69545	4931.56	62953	4680.96
Rajasthan	23350	1739.3	41264	3151.76	61482	4523.46	146736	5324.21	100952	5870.25	852	60.41	753	56.25
Sikkim	253	17.69	256	19.97	395	30.37	2843	75.42	978	70.24	75786	5290.21	63523	5182.54
Tamil Nadu	40506	2983.11	34008	2600.32	62332	4567.59	310365	6499.7	141463	5637.89	43105	3058.02	36754	2621.84
Telangana	15101	1090.99	17031	1261.9	31043	2238.61	34094	2460.24	45512	2585.34	2805	188.6	2470	162.84
Tripura	881	59.38	1133	82.78	1123	83.27	1510	107.16	1605	111.5	1269	90.74	1371	101.66
Uttar Pradesh	35802	2706.07	46908	3608.53	75086	5606.77	88545	6616.31	96858	7192.93	102455	7396.79	96743	7711.45
Uttarakhand	5651	424.02	7163	555.79	10910	818.69	13733	1013.03	13320	1027.17	13830	1019.91	11437	902.23
West Bengal	22018	1451.77	25780	1991.62	33799	2506.3	110269	3242.91	43460	3275.71	54168	3569.99	62218	4080.95
Total	410417	29853.76	539732	40357.13	806924	59012.25	1756871	72291.84	1285116	75474.75	1068771	75877.66	986166	74043.91

Table 4.34 shows the state-wise performance of Tarun schemes under PMMY from FY 2015-2016 to FY 2021-2022. In these from FY2015-2016 Maharashtra state maximum number of accounts opened 43242 and amount sanctioned 3294.34 crore and FY2019-2020 increased up-to 133199 and 8015.16 crore. After this it is followed by Tamilnadu, Uttar Pradesh and other states also. In Haryana state FY 2015-2016, 2016-2017, 2017-2018, 2018-2019 and 2019-2020 number of accounts opened 12602, 16265, 26699, 32158, 32707 and amount sanctioned 933.23, 1244.91, 1964.31, 2340.71, 2305.4 crore. It is concluded that from FY 2015-2016 to 2019-2020 all state number of accounts opened and amount sanctioned increasing year to year. But after this in FY 2020-21 and 2021-22 decreased in number of accounts opened 75786, 63523 and also decreased in amount sanctioned 5290.21, 5182.54 crore.

Table: 4.35 PMMY – State-wise Performance TOTAL (Amount Rs. in Crore)

YEAR	2015-	-2016	2016-	-2017	2017-	-2018	2018-	-2019	2019-	-2020	2020-	-2021	2021-	-2022
State Name	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount	No. of A/Cs	Amount
Andaman and Nicobar Islands	24719	212.78	3353	78.34	3829	100.26	3722	89.76	1733	73.12	5468	119.32	1901	76.53
Andhra Pradesh	795688	5790.79	587569	5731.8	801845	10214.1	782707	10669.25	844501	10090.71	1152152	11564.66	1117922	11445.42
Arunachal Pradesh	4625	71.6	6109	78.67	11004	103.27	14455	114.16	23288	150.56	6159	172.12	5705	86.51
Assam	427272	1728.46	1255754	4824.54	1713004	6570.32	2422968	9798.33	1668347	7571.6	1189829	7399.66	682889	4577.28
Bihar	2451439	7265.91	3756716	11585.63	4314861	15396.75	5999640	23068.32	6714655	26346.98	5306694	24019.78	6678155	30725.07
Chandigarh	22605	204.52	19039	221.26	18257	409.15	30015	412.43	24313	390.16	20295	432.22	14926	273.03
Chhattisgarh	639711	2156.14	884941	3209.86	962079	4501.48	1201572	5567.35	1261018	6691.69	1027266	6423.07	970396	5797.46
Dadra and Nagar Haveli	1236	21.27	2587	22.61	3408	36.3	2900	43.91	2899	42.78	3787	51.09	3691	49.34
Daman and Diu	1109	12.02	774	12.08	1086	22.56	681	17.09	766	22.37	1140	19.11	706	18.91
Delhi	394388	2857.97	224975	3700.51	241797	4357.35	737717	5633.83	568596	5069.32	330497	4003.83	194835	2559.59
Goa	45471	376.04	31289	372.78	39397	484.45	44781	477.24	39040	480.46	37520	501.47	35950	472.87
Gujarat	1086407	5910.02	1103453	7692.07	1501226	11202.52	1826207	12983.56	2096393	13529.7	1430956	11313.24	1590960	11990.0
Haryana	745535	3152.62	716622	3697.59	786328	5745.03	1081972	7281.53	1155917	7623.25	1005453	7303.11	1057963	7574.18
Himachal Pradesh	85564	965.7	82851	1214.02	91992	1801.44	119595	2192.2	107865	2226.32	130494	2163.83	107556	2027.43
Jammu and Kashmir	57974	1152.15	89712	1663.51	103125	2514.84	133078	3320.97	155153	3470.5	294501	5401.94	262645	5696.54
Jharkhand	872868	2845.66	1023593	3908.99	1212671	5233.05	1436968	6700.23	1720485	7767.09	1668281	8177.78	1777882	8615.43
Karnataka	4459609	16469.43	3933578	17290.7	4568493	22500.67	5806936	29345.44	5733677	29704.7	4645196	29785.29	4298481	28374.92
Kerala	830411	4727.38	982260	6140.44	2289805	9282.57	2121319	11967.11	2177873	12924.12	1586258	11238.55	1620168	11549.58
Lakshadweep	740	5.35	473	4.51	1044	11.53	626	5.66	796	6.1	1799	22.94	725	16.47
Madhya Pradesh	2511191	7769.29	2683052	10191.91	2899123	14357.52	3282723	16792.33	3557948	18578.04	3249158	17822.84	3231804	18218.44
Maharashtra	3535065	13372.42	3344154	16976.76	3596620	22266.2	4385981	25741.99	4771032	27398.1	3754163	24624.06	4158052	25416.48
Manipur	24021	120.03	21865	142.47	33186	200.68	86139	344.22	90175	393.43	69906	406.68	74138	379.2
Meghalaya	19151	162.41	23915	185.74	28846	212.04	35574	263.36	44416	266.4	40478	402.43	16892	204.01
Mizoram	7772	77.78	6973	90.31	12400	152.9	15858	215.86	20435	236.09	12716	211.15	11396	192.3

Nagaland	5134	76.54	11051	103.83	14141	124.61	17448	151.57	15082	169.8	19787	244.48	15191	209.49
Odisha	2343261	5436.26	2606769	7600.68	3470312	11115.88	4164432	15284.62	3716576	15158.22	3634998	14919.04	3670907	16557.27
Pondicherry	82866	331.91	130360	485.49	150477	881.77	177772	1222.59	139522	756.84	108775	606.91	131525	795.3
Punjab	653973	3484.49	705569	4512.28	819836	6524.12	1182936	7975.54	1281307	8605.75	1094143	7065.11	1109810	7926.06
Rajasthan	1159819	5248.28	1204837	8823.3	1746748	13503.76	2727579	17007.35	2994534	19366.09	2481296	18223.39	2667998	18728.94
Sikkim	6889	54.61	19865	96.54	21588	112.65	26688	202.38	19862	171.67	15356	193.09	11059	156.8
Tamil Nadu	4781567	15496.86	5309857	17756.39	5860165	24980.92	7440662	33807.87	7120992	34626.02	4947732	28534.56	5625146	32262.94
Telangana	400761	3694.34	482694	3780.49	789315	6430.81	982204	7660.88	1435626	8986.82	636219	6765.03	533545	6010.47
Tripura	68146	337.26	253807	968.55	399299	1460.6	441114	1826.48	397094	1555.3	326855	2040.35	357304	2445.73
Uttar Pradesh	3345382	11880.93	3337547	14753.59	4401217	21174.46	4975961	24888.92	5861422	29801.37	4738452	27875.1	5787982	32850.8
Uttarakhand	360007	1745.08	286579	1913.88	254783	2480.09	303340	2844.74	301996	2830.41	301870	2953.57	333914	2939.91
Union Territory of Ladakh											8477	223.75	8176	231.55
West Bengal	2628548	7740.41	4566505	15480.03	4967286	19970.76	5856048	25892.29	6176670	26458.31	5450920	28529.86	5627231	33949.81
Total	34880924	132954.73	39701047	175312.13	48130593	246437.4	59870318	311811.38	62247606	329715.03	50735046	311754.47	53795526	331402.2

Table 4.35 shows the state-wise performance of Total of all schemes under PMMY from FY 2015-2016 to FY 2021-2022. In these from FY 2015-2016 Tamilnadu state maximum number of accounts opened 4781567 and amount sanctioned 15496.86 crore and FY 2019-2020 increased upto 7120992 and 34626.02 crore. After this it is followed by Karnataka, Maharashtra and other states also. In Haryana state FY 2015-2016, 2016-2017, 2017-2018, 2018-2019 and 2019-2020 number of accounts opened 745535, 716622, 786328, 1081972, 1155917 and amount sanctioned 3152.62, 3697.59, 5745.03, 7281.53,7623.25 crore. It is concluded that from FY 2015-2016 to 2019-2020 all state number of accounts opened and amount sanctioned increasing year to year. But after this in FY 2020-21 and 2021-22 decreased in number of accounts opened 4947732, 5625146 and also decreased in amount sanctioned 28534.56, 32262.94 crore.

It is concluded from above analysis that all three categories of schemes like Shishu, Kishore, and Tarun. Tamilnadu state is on top one position in opening the accounts and loan sanctioning under PMMY from starting when it was lunched till today. After this second position got by Karnataka and third position got by Maharashtra and Uttar Pradesh and followed by other states. Till present Haryana position is not coming in top 10 states by performance in all three schemes. There is need of constant training and awareness program regarding PMMY in Haryana state.

Objective 2: To analyze the awareness level of Pradhan Mantri Mudra Yojana on promotion of financial inclusion in Haryana.

Table 4.36 Descriptive Statistics for Banking Professional

Descriptive Statistics				
	N	Sum	Mean	Std. Deviation
AV1	352	1263.00	3.5881	1.41146
AV2	352	1282.00	3.6420	1.33429
AV3	352	1261.00	3.5824	1.29387
Total		**3806**	**3.604**	
AF1	352	1285.00	3.6506	1.28770
AF2	352	1238.00	3.5170	1.36907
AF3	352	1287.00	3.6563	1.31332

Total		**3810**	**3.608**	
AC1	352	1233.00	3.5028	1.47534
AC2	352	1282.00	3.6420	1.36803
AC3	352	1259.00	3.5767	1.30300
Total		**3774**	**3.574**	
AW1	352	1299.00	3.6903	1.36422
AW2	352	1280.00	3.6364	1.34552
AW3	352	1281.00	3.6392	1.33459
AW4	352	1262.00	3.5852	1.37275
Total		**5122**	**3.638**	
AD1	352	1273.00	3.6165	1.34527
AD2	352	1267.00	3.5994	1.31018
AD3	352	1273.00	3.6165	1.34739
AD4	352	1279.00	3.6335	1.32446
Total		**5092**	**3.616**	
Valid N (list wise)	352			

In order to deduce the awareness level Pradhan Mantri Mudra Yojana on promotion of financial inclusion in Haryana author has used first questionnaire and collected the data of banking professionals and was found that Financial Inclusion is dependent upon Availability, Affordability, Accessibility, Awareness and Adequacy.

Means was collected for all the above-mentioned parameters of Financial Inclusion and were obtained as mentioned in the table above. The net mean for availability of financial inclusion was found out to be 3.604, net mean for affordability of financial inclusion was found out to be 3.608, net mean for accessibility of financial inclusion was found out to be 3.574, net mean for awareness of financial inclusion was found out to be 3.638 and the net mean for adequacy of financial inclusion was found out to be 3.616 on a five-point Likert's scale.

Hence it can be deduced that (3.604/5) *100=72.08% is the availability of Pradhan Mantri Mudra Yojana to build Financial Inclusions.

(3.608/5) *100=72.16% is the affordability of Pradhan Mantri Mudra Yojana to build Financial Inclusions.

(3.574/5) *100=71.48% is the accessibility of Pradhan Mantri Mudra Yojana to build Financial Inclusions.

(3.638/5) *100=72.76% is the awareness of Pradhan Mantri Mudra Yojana to build Financial Inclusions.

(3.616/5) *100=72.32% is the adequacy of Pradhan Mantri Mudra Yojana to build Financial Inclusions depending upon the responses collected from banking professionals.

Hence it concluded that there is moderate level of availability, moderate level of affordability, moderate level of accessibility, moderate level of awareness and moderate level of adequacy all ranging within the range of 72.08% to 72.76%.

Hence, we reject the null hypothesis and concludes that there is a significant difference in awareness level of PMMY in promotion of financial inclusion in Haryana.

Objective 3: To analyze how the Pradhan Mantri Mudra Yojana has helped its target audience—small company owners and the self-employed—by increasing employment generation and income generation.

The author has utilized data gathered from a second questionnaire tailored to the Pradhan Mantri Mudra Yojana's target audience in order to achieve this goal.

The follow-up survey has two distinct sections. Part-A contributed to determining the Benefits of Pradhan Mantri Mudra yojana, whereas Part-B assisted in determining the Importance of PMMY in Terms of Creating Jobs and Generating Income (PMMY).

The author employs multiple regression analysis to examine the effect of the Pradhan Mantri Mudra Yojana on the income and employment generation of its beneficiaries—small business owners and self-employed people. The independent variables in this analysis are the Significance of PMMY on Employment Generation and the Significance of PMMY on Income Generation, and the dependent variable is the Benefits of the PMMY.

Moreover, in order to apply Multiple regression analysis there are some assumptions that should be met-:

1. Data should be linear in nature.
2. Constant variation of the error term.
3. Independence of error term.
4. Data should be normally distributed.

Table 4.37 Descriptive Statistics for Beneficiaries

Descriptive Statistics			
	Mean	Std. Deviation	N
Mean of Benefits	**3.6057**	.88577	664
EG1	3.5512	1.37213	664
EG2	3.5813	1.40437	664
EG3	3.6657	1.30192	664
EG4	3.6506	1.32668	664
EG5	3.6431	1.29065	664
Overall Mean of Employment Generation	**3.61838**		
IG1	3.5633	1.35503	664
IG2	3.6581	1.35506	664
IG3	3.5798	1.33509	664
IG4	3.5151	1.35197	664
Overall Mean of Income Generation	**3.579075**		

Descriptive Statistics shows the mean of all independent and dependent variables participating in Multiple Regression Analysis. Moreover, the value of mean of benefits derived from PMMY is 3.6057 on a five-point Likert's scale. This states that percentage of benefits derived from PMMY is 72.11%. Moreover, it is also evident from the table mentioned above that the total mean of Employment generation through Pradhan Mantri Mudra Yojana is 3.61838 means that there is 72.36% chance of employment generation through PMMY and the total mean of Income Generation through Pradhan Mantri Mudra Yojana is 3.579075 means that there is 71.58% chance of income generation through PMMY.

The chart also shows that the Pradhan Mantri Mudra Yojana had a minor effect on the establishment of policy guidelines for micro enterprise funding. The number of MFIs enrolling as a result of Pradhan Mantri Mudra Yojana has not drastically altered. The Pradhan Mantri Mudra Yojana oversees MFIs to a reasonable degree. Employment chances for all participants of Pradhan Mantri Mudra Yojana are considerably aided by the sector's growth and promotion operations.

The value of N for all independent and dependent variable shows that there is no missing data and higher the value of standard deviation the better is our data.

Table 4.38 Correlation of Beneficiaries

Correlations						
		Mean of Benefits	EG1	EG2	EG3	EG4
Pearson Correlation	Mean of Benefits	1.000	.459	.451	.417	.466
	EG1	.459	1.000	.339	.243	.317
	EG2	.451	.339	1.000	.239	.260
	EG3	.417	.243	.239	1.000	.244
	EG4	.466	.317	.260	.244	1.000
	EG5	.421	.287	.326	.268	.287
	IG1	.438	.316	.308	.278	.270
	IG2	.446	.370	.254	.354	.262
	IG3	.440	.271	.319	.281	.261
	IG4	.471	.346	.319	.295	.236
Sig. (1-tailed)	Mean of Benefits	.	.000	.000	.000	.000
	EG1	.000	.	.000	.000	.000
	EG2	.000	.000	.	.000	.000
	EG3	.000	.000	.000	.	.000
	EG4	.000	.000	.000	.000	.
	EG5	.000	.000	.000	.000	.000
	IG1	.000	.000	.000	.000	.000
	IG2	.000	.000	.000	.000	.000
	IG3	.000	.000	.000	.000	.000
	IG4	.000	.000	.000	.000	.000
N	Mean of Benefits	664	664	664	664	664
	EG1	664	664	664	664	664
	EG2	664	664	664	664	664
	EG3	664	664	664	664	664
	EG4	664	664	664	664	664
	EG5	664	664	664	664	664
	IG1	664	664	664	664	664
	IG2	664	664	664	664	664
	IG3	664	664	664	664	664
	IG4	664	664	664	664	664

Correlations						
		EG5	IG1	IG2	IG3	IG4
Pearson Correlation	Mean of Benefits	.421	.438	.446	.440	.471
	EG1	.287	.316	.370	.271	.346
	EG2	.326	.308	.254	.319	.319
	EG3	.268	.278	.354	.281	.295
	EG4	.287	.270	.262	.261	.236
	EG5	1.000	.240	.273	.268	.260
	IG1	.240	1.000	.319	.290	.279
	IG2	.273	.319	1.000	.273	.305
	IG3	.268	.290	.273	1.000	.272
	IG4	.260	.279	.305	.272	1.000
Sig. (1-tailed)	Mean of Benefits	.000	.000	.000	.000	.000
	EG1	.000	.000	.000	.000	.000
	EG2	.000	.000	.000	.000	.000
	EG3	.000	.000	.000	.000	.000
	EG4	.000	.000	.000	.000	.000
	EG5	.	.000	.000	.000	.000
	IG1	.000	.	.000	.000	.000
	IG2	.000	.000	.	.000	.000
	IG3	.000	.000	.000	.	.000
	IG4	.000	.000	.000	.000	.
N	Mean of Benefits	664	664	664	664	664
	EG1	664	664	664	664	664
	EG2	664	664	664	664	664
	EG3	664	664	664	664	664
	EG4	664	664	664	664	664
	EG5	664	664	664	664	664
	IG1	664	664	664	664	664
	IG2	664	664	664	664	664
	IG3	664	664	664	664	664
	IG4	664	664	664	664	664

All the Independent variables are having a positive correlation with the dependent variable. Hence it can be concluded that Employment Generation and Income Generation are having small positive correlation with the benefits gained from PMMY.

Table 4.39 Variable entered/removed for Beneficiaries

Variables Entered/Removed[a]			
Model	Variables Entered	Variables Removed	Method
1	IG4	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).
2	EG4	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).
3	IG3	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).
4	IG2	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).
5	EG2	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).
6	IG1	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).
7	EG5	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).
8	EG3	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).
9	EG1	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).

The table mentioned above depicts that there are 9 independent variables included along with one dependent variable. The criteria used to incorporate an independent variable was stepwise method.

Hence the final regression equation would run into

$Y=a+b_1x_1+b_2x_2+b_3x_3+b_4x_4+b_5x_5+b_6x_6+b_7x_7+b_8x_8+b_9x_9$

Table 4.40 Model Summary of 9 variables

Model Summary							
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.471	.221	.220	.78214	.221	188.319	1
2	.596	.355	.353	.71257	.133	136.575	1
3	.647	.419	.416	.67698	.064	72.336	1
4	.679	.462	.458	.65189	.043	52.785	1
5	.702	.493	.489	.63301	.031	40.880	1
6	.715	.512	.507	.62165	.019	25.265	1
7	.726	.527	.522	.61270	.015	20.345	1
8	.733	.537	.531	.60651	.010	14.467	1
9	.739	.546	.540	.60105	.009	12.937	1

Table 4.41 Model Summary of 9 variables change statistics- Durbin Watson

Model Summary			
	Change Statistics		
Model	df2	Sig. F Change	Durbin-Watson
1	662	.000	1.963
2	661	.000	
3	660	.000	
4	659	.000	
5	658	.000	
6	657	.000	
7	656	.000	
8	655	.000	
9	654	.000	

All independent variables have a strong positive correlation with the dependent variable, as indicated in R, and there are nine distinct models being created, as shown in the model summary beneath the column model. R squared is calculated by taking the square root of the correlation, and Adjusted R squared reveals the fraction of the variation in the dependent variable that can be attributed to the independent variable. The given model allows for the explanation of 54.60 percent of the dependent variable. With an F-value of less than 0.05 for each of the nine generated models, we know that the results are statistically significant. Additionally, a Durbin-Watson test score of less than 3 is considered satisfactory, and anything below 2 is excellent. Here, the Durbin-Watson test score is less than 2, indicating that the error term is independent, a crucial tenet of multiple regression.

Table 4.42 Anova of 9 variables

ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	115.203	1	115.203	188.319	.000
	Residual	404.975	662	.612		
	Total	520.178	663			
2	Regression	184.550	2	92.275	181.731	.000
	Residual	335.628	661	.508		
	Total	520.178	663			
3	Regression	217.702	3	72.567	158.341	.000
	Residual	302.476	660	.458		
	Total	520.178	663			
4	Regression	240.133	4	60.033	141.270	.000
	Residual	280.045	659	.425		
	Total	520.178	663			
5	Regression	256.514	5	51.303	128.031	.000
	Residual	263.664	658	.401		
	Total	520.178	663			
6	Regression	266.278	6	44.380	114.838	.000
	Residual	253.900	657	.386		
	Total	520.178	663			
7	Regression	273.915	7	39.131	104.237	.000
	Residual	246.263	656	.375		
	Total	520.178	663			
8	Regression	279.237	8	34.905	94.888	.000
	Residual	240.941	655	.368		
	Total	520.178	663			
9	Regression	283.911	9	31.546	87.320	.000

	Residual	236.268	654	.361		
	Total	520.178	663			

ANNOVA or analysis of variance shows that all 9 models are statistically significant as the significant value is less than 0.05 for all 9 models. Moreover, as we go down the model the explained part or the regression values should keep on increasing as we go down the models and the residual value should keep on decreasing down the column. Hence the further increment of one additional variable in the model is significant and all in all we will have nine independent variables explaining the dependent variable.

Table 4.43 Coefficient Correlations of 9 variables

Coefficients									
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
1	(Constant)	2.522	.085		29.807	.000			
	IG4	.308	.022	.471	13.723	.000	.471	.471	.471
2	(Constant)	1.810	.098		18.428	.000			
	IG4	.250	.021	.382	11.881	.000	.471	.419	.371
	EG4	.251	.021	.376	11.687	.000	.466	.414	.365
3	(Constant)	1.447	.103		14.099	.000			
	IG4	.211	.021	.322	10.277	.000	.471	.371	.305
	EG4	.214	.021	.320	10.235	.000	.466	.370	.304
	IG3	.178	.021	.268	8.505	.000	.440	.314	.252
4	(Constant)	1.203	.104		11.529	.000			
	IG4	.178	.020	.272	8.800	.000	.471	.324	.252
	EG4	.189	.020	.282	9.253	.000	.466	.339	.264
	IG3	.153	.020	.230	7.454	.000	.440	.279	.213
	IG2	.148	.020	.226	7.265	.000	.446	.272	.208
5	(Constant)	1.056	.104		10.161	.000			
	IG4	.152	.020	.233	7.575	.000	.471	.283	.210
	EG4	.171	.020	.256	8.565	.000	.466	.317	.238
	IG3	.126	.020	.190	6.221	.000	.440	.236	.173
	IG2	.135	.020	.206	6.779	.000	.446	.256	.188

	EG2	.124	.019	.197	6.394	.000	.451	.242	.177
6	(Constant)	.950	.104		9.115	.000			
	IG4	.141	.020	.215	7.100	.000	.471	.267	.194
	EG4	.158	.020	.237	8.012	.000	.466	.298	.218
	IG3	.113	.020	.170	5.620	.000	.440	.214	.153
	IG2	.117	.020	.179	5.884	.000	.446	.224	.160
	EG2	.109	.019	.173	5.662	.000	.451	.216	.154
	IG1	.101	.020	.154	5.026	.000	.438	.192	.137
7	(Constant)	.831	.106		7.831	.000			
	IG4	.133	.020	.203	6.771	.000	.471	.256	.182
	EG4	.145	.020	.217	7.358	.000	.466	.276	.198
	IG3	.104	.020	.157	5.222	.000	.440	.200	.140
	IG2	.106	.020	.163	5.403	.000	.446	.206	.145
	EG2	.094	.019	.149	4.856	.000	.451	.186	.130
	IG1	.096	.020	.147	4.856	.000	.438	.186	.130
	EG5	.093	.021	.135	4.511	.000	.421	.173	.121
8	(Constant)	.745	.107		6.933	.000			
	IG4	.124	.020	.189	6.312	.000	.471	.239	.168
	EG4	.140	.020	.209	7.136	.000	.466	.269	.190
	IG3	.096	.020	.144	4.827	.000	.440	.185	.128
	IG2	.091	.020	.140	4.588	.000	.446	.176	.122
	EG2	.091	.019	.145	4.773	.000	.451	.183	.127
	IG1	.089	.020	.136	4.527	.000	.438	.174	.120
	EG5	.085	.020	.124	4.163	.000	.421	.161	.111
	EG3	.078	.020	.114	3.803	.000	.417	.147	.101
9	(Constant)	.710	.107		6.644	.000			
	IG4	.113	.020	.172	5.731	.000	.471	.219	.151
	EG4	.130	.020	.194	6.617	.000	.466	.250	.174
	IG3	.092	.020	.139	4.680	.000	.440	.180	.123
	IG2	.078	.020	.119	3.872	.000	.446	.150	.102
	EG2	.082	.019	.130	4.271	.000	.451	.165	.113
	IG1	.081	.020	.124	4.158	.000	.438	.160	.110
	EG5	.079	.020	.116	3.908	.000	.421	.151	.103
	EG3	.077	.020	.114	3.817	.000	.417	.148	.101

	EG1	.072	.020	.112	3.597	.000	.459	.139	.095

The table of coefficients explains all 9 regression equations for the dependent variable on the basis of independent variable.

For example, the equation obtained for the first model would be-:

Y=2.522 + 0.308 (IG4)

The equation obtained for the second model would be-:

Y=1.810+0.250 (IG4) + 0.251 (EG4)

The equation obtained for the third model would be-:

Y=1.447 + 0.211 (IG4) + 0.214 (EG4) + 0.178 (IG3)

The equation obtained for the fourth model would be-:

Y=1.203 + 0.178 (IG4) + 0.189 (EG4) + 0.153 (IG3) + 0.148 (IG2)

The equation obtained for the fifth model would be-:

Y=1.056 + 0.152 (IG4) + 0.171 (EG4) + 0.126 (IG3) + 0.135 (IG2) + 0.124 (EG2)

The equation obtained for the sixth model would be-:

Y=0.950 + 0.141 (IG4) + 0.158 (EG4) + 0.113 (IG3) + 0.117 (IG2) + 0.109 (EG2) + 0.101 (IG1)

The equation obtained for the seventh model would be-:

Y=0.831 + 0.133 (IG4) + 0.145 (EG4) + 0.104 (IG3) + 0.106 (IG2) + 0.094 (EG2) + 0.096 (IG1) + 0.093 (EG5)

The equation obtained for the eight model would be-:

Y=0.745 + 0.124 (IG4) + 0.140 (EG4) + 0.096 (IG3) + 0.091 (IG2) + 0.091 (EG2) + 0.089 (IG1) + 0.085 (EG5) +0.078 (EG3)

And finally, the equation obtained for the ninth model would be-:

Y=0.710 + 0.113 (IG4) + 0.130 (EG4) + 0.092 (IG3) + 0.078 (IG2) + 0.082 (EG2) + 0.081 (IG1) + 0.079 (EG5) +0.077 (EG3) + 0.072 (EG1)

Table 4.44 Excluded Variables -Collinearity Statistics

Excluded Variables						
Model		Beta In	T	Sig.	Partial Correlation	Collinearity Statistics
						Tolerance
1	EG1	.336	9.834	.000	.357	.880
	EG2	.335	9.900	.000	.359	.898
	EG3	.304	8.978	.000	.330	.913
	EG4	.376	11.687	.000	.414	.944
	EG5	.320	9.612	.000	.350	.932

	IG1	.332	9.974	.000	.362	.922
	IG2	.333	9.913	.000	.360	.907
	IG3	.336	10.137	.000	.367	.926
2	EG1	.252	7.627	.000	.285	.822
	EG2	.268	8.376	.000	.310	.862
	EG3	.241	7.544	.000	.282	.881
	EG5	.243	7.597	.000	.284	.878
	IG1	.262	8.236	.000	.305	.878
	IG2	.266	8.336	.000	.309	.869
	IG3	.268	8.505	.000	.314	.885
3	EG1	.215	6.718	.000	.253	.803
	EG2	.219	6.903	.000	.260	.820
	EG3	.198	6.329	.000	.239	.850
	EG5	.203	6.511	.000	.246	.853
	IG1	.217	6.972	.000	.262	.845
	IG2	.226	7.265	.000	.272	.843
4	EG1	.170	5.282	.000	.202	.758
	EG2	.197	6.394	.000	.242	.811
	EG3	.153	4.882	.000	.187	.802
	EG5	.174	5.695	.000	.217	.835
	IG1	.180	5.830	.000	.222	.813
5	EG1	.139	4.355	.000	.167	.735
	EG3	.140	4.589	.000	.176	.799
	EG5	.143	4.692	.000	.180	.806
	IG1	.154	5.026	.000	.192	.794
6	EG1	.123	3.879	.000	.150	.726
	EG3	.127	4.179	.000	.161	.791
	EG5	.135	4.511	.000	.173	.804
7	EG1	.112	3.582	.000	.139	.722
	EG3	.114	3.803	.000	.147	.783
8	EG1	.112	3.597	.000	.139	.722

In the above table we need to check for the problem of multi-collinearity between dependent and independent variable. Hence, we need to check for the value of tolerance which should be less than 0.1. From the above-mentioned table, it is evident that the problem of multi-collinearity does not exist between dependent and independent variables.

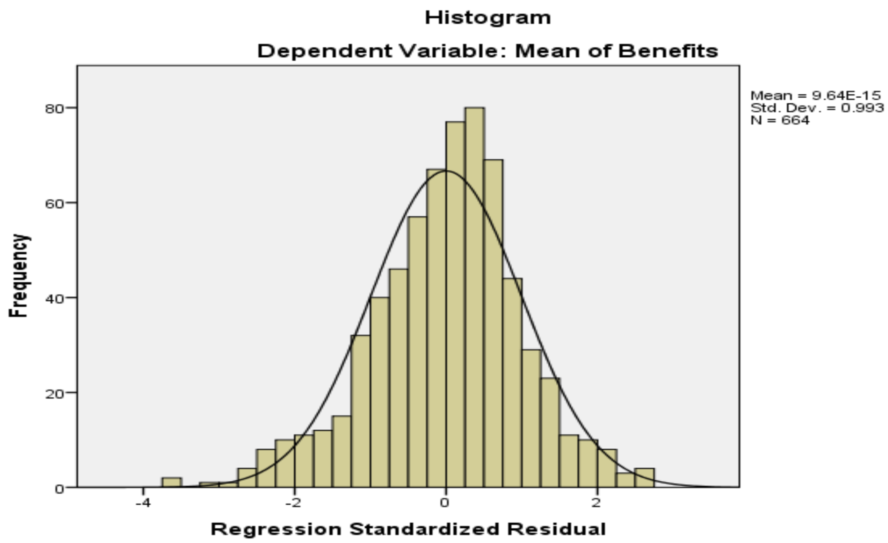
Table 4.45 Residuals Statistics

Residuals Statistics					
	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.1013	4.6503	3.6057	.65439	664
Residual	-2.15220	1.63818	.00000	.59696	664
Std. Predicted Value	-2.299	1.596	.000	1.000	664
Std. Residual	-3.581	2.726	.000	.993	664

Residual statistics has nothing to do with multiple regression analysis it only talks about the maximum and minimum value of predicted value and residual value or the error term.

Charts

Figure 4.35 Normal Distribution



The above mention chart shows normal distribution of data so it is evident that the data is normally distributed. This is another assumption of Multiple Regression Analysis.

Figure 4.36 Normal P-P plot Regression standard residual

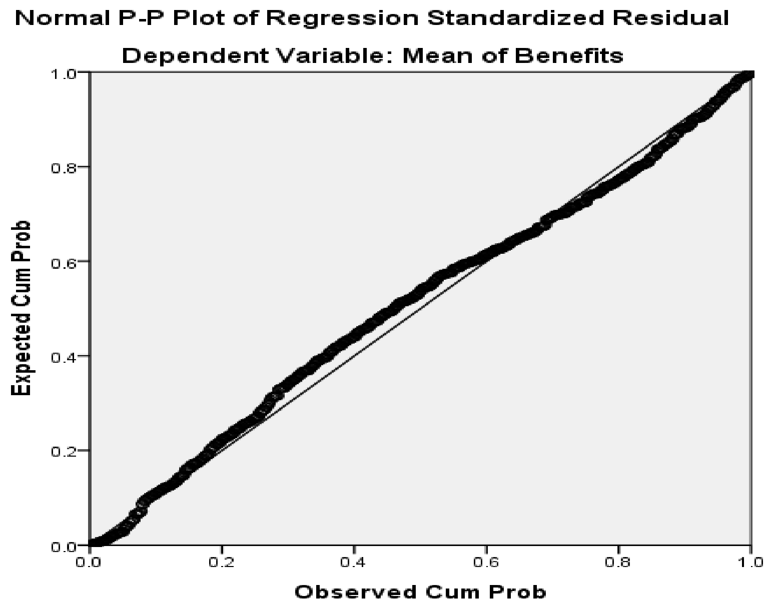
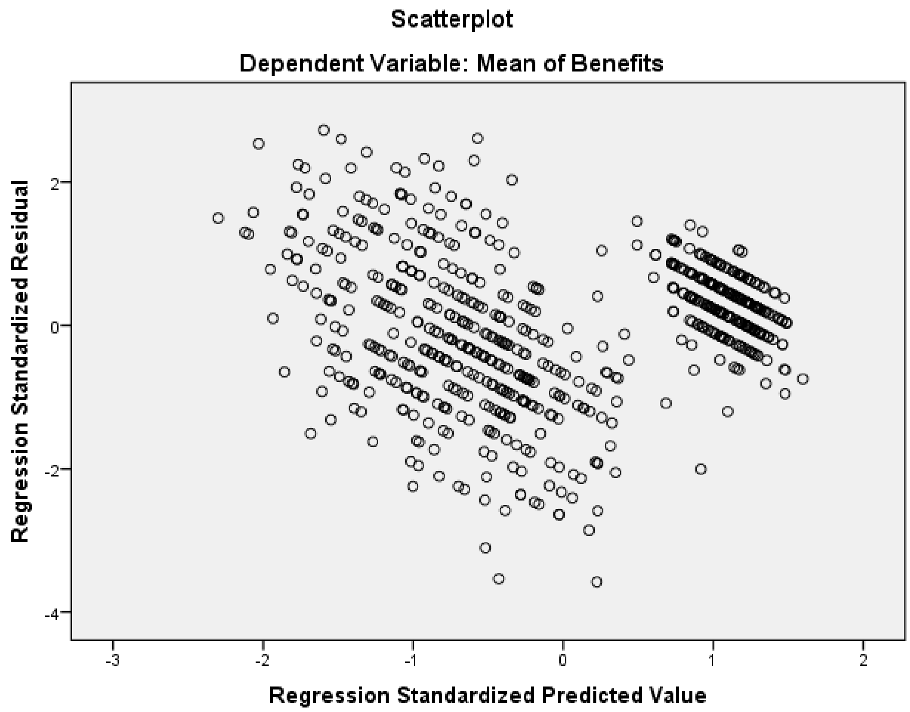


Figure 4.37 Scatter Diagram



The above-mentioned chart shows that there is constant variation of the error term.

Figure 4.38 Partial Regression plots- linear relationship between the independent and dependent variable

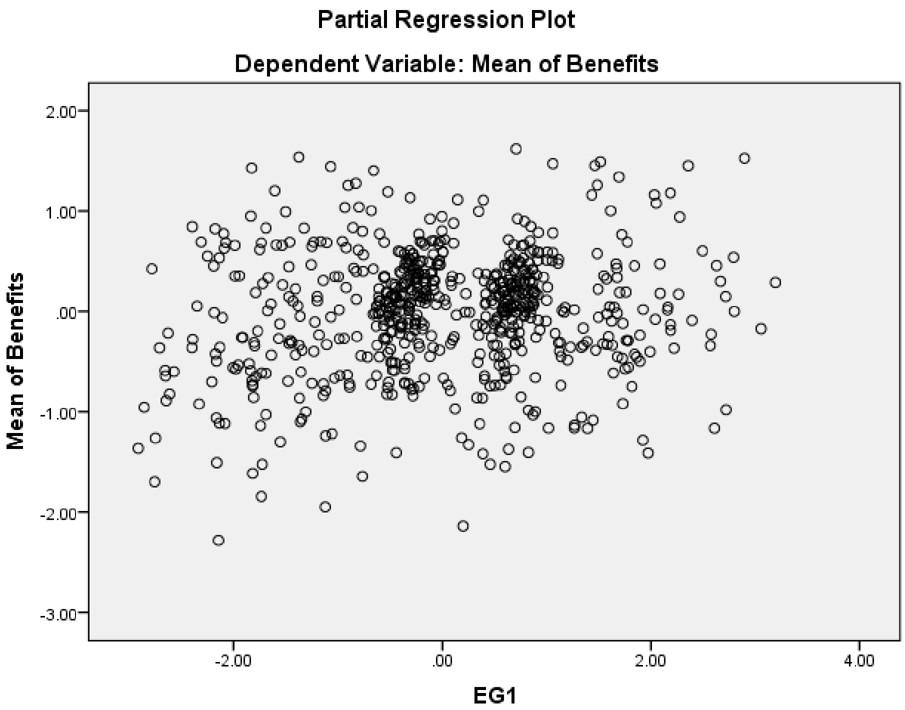


Chart - 1

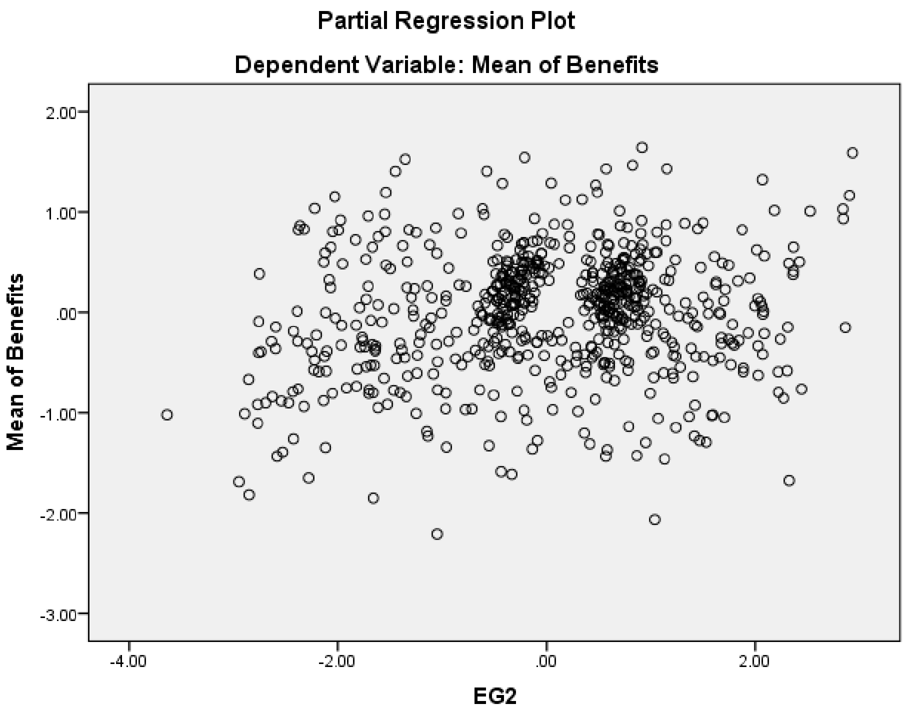


Chart - 2

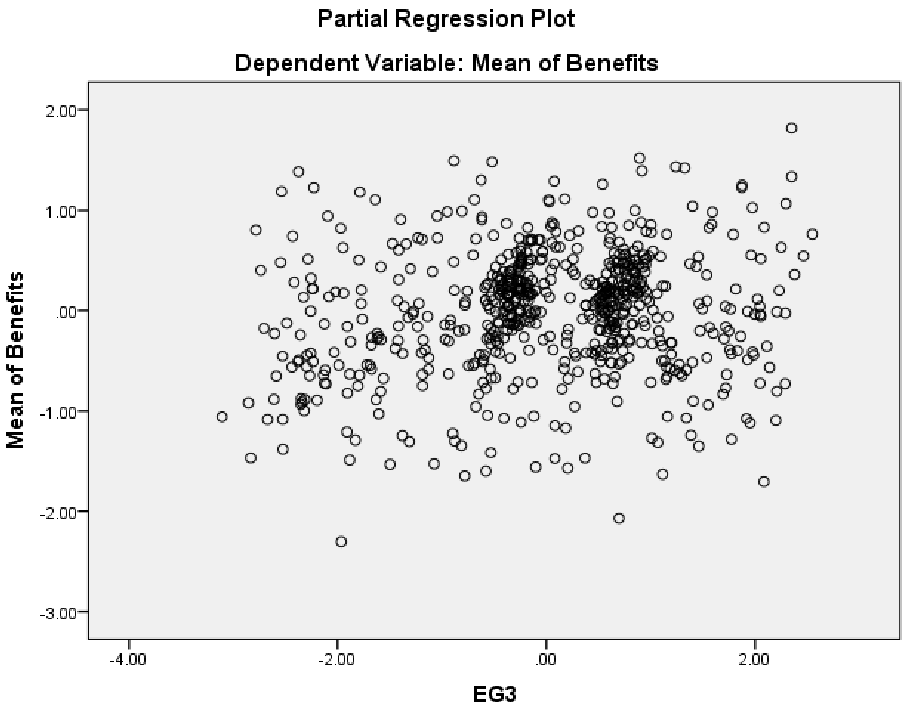


Chart -3

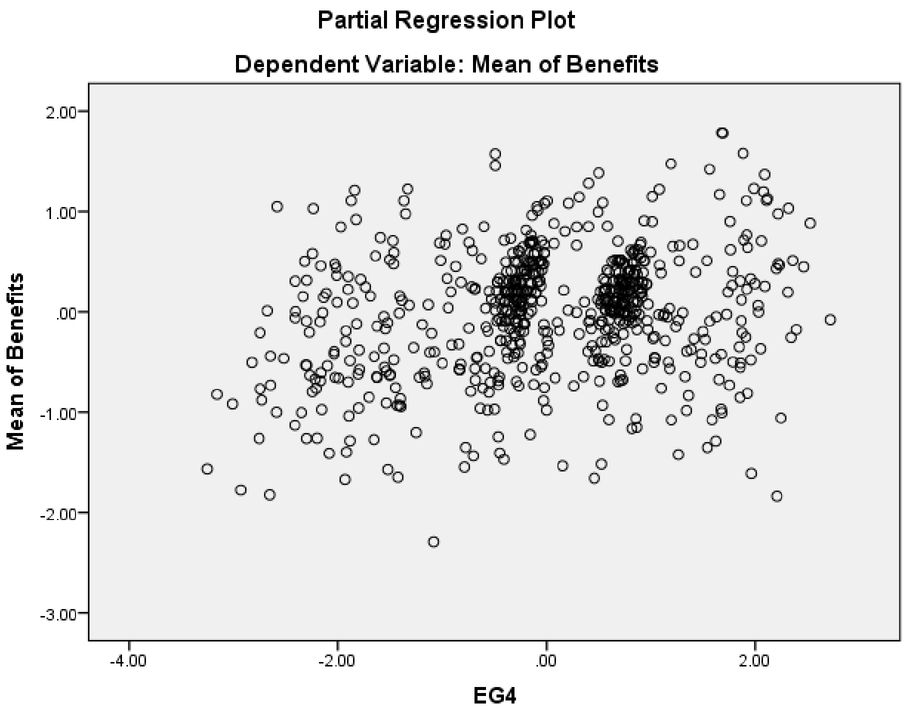


Chart - 4

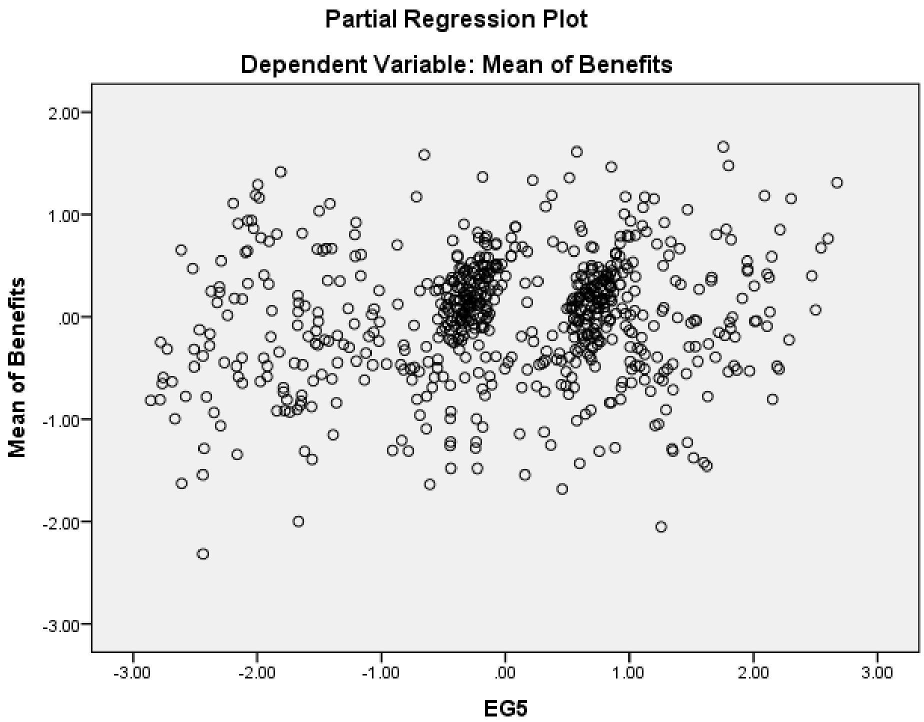


Chart - 5

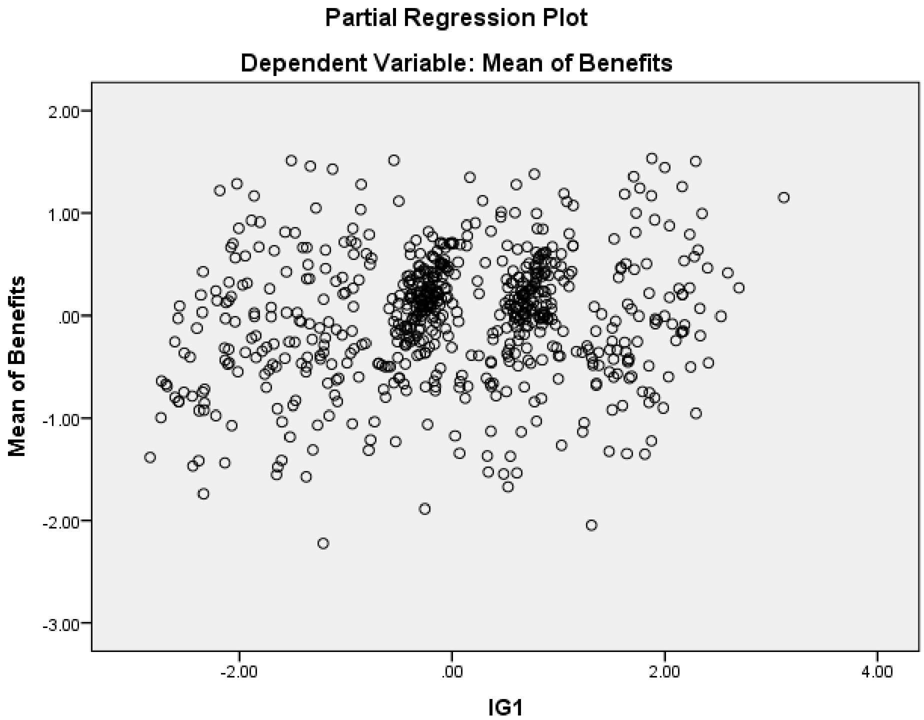


Chart - 6

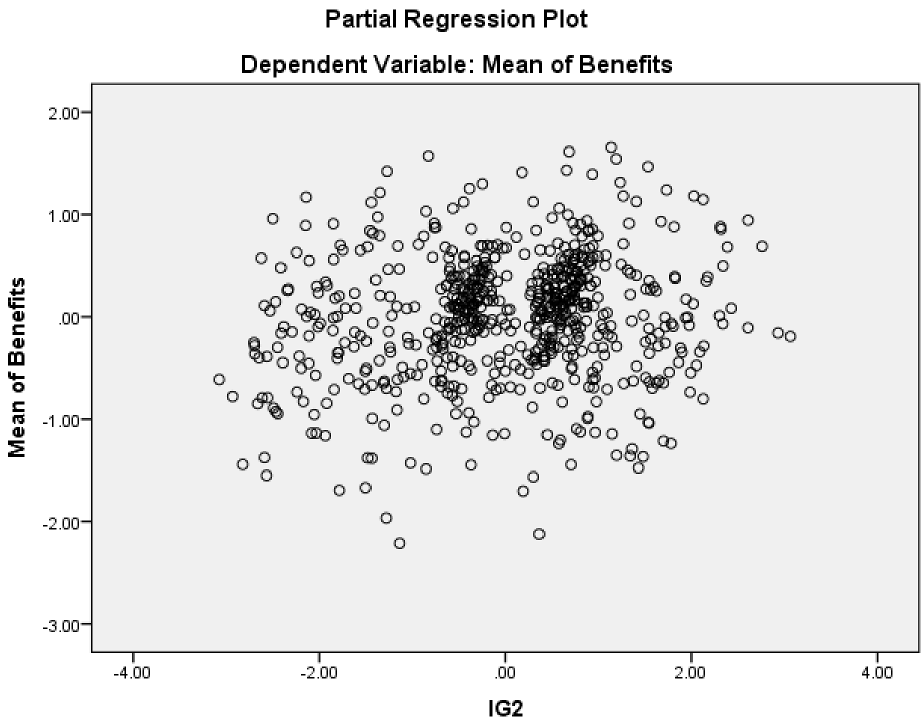


Chart - 7

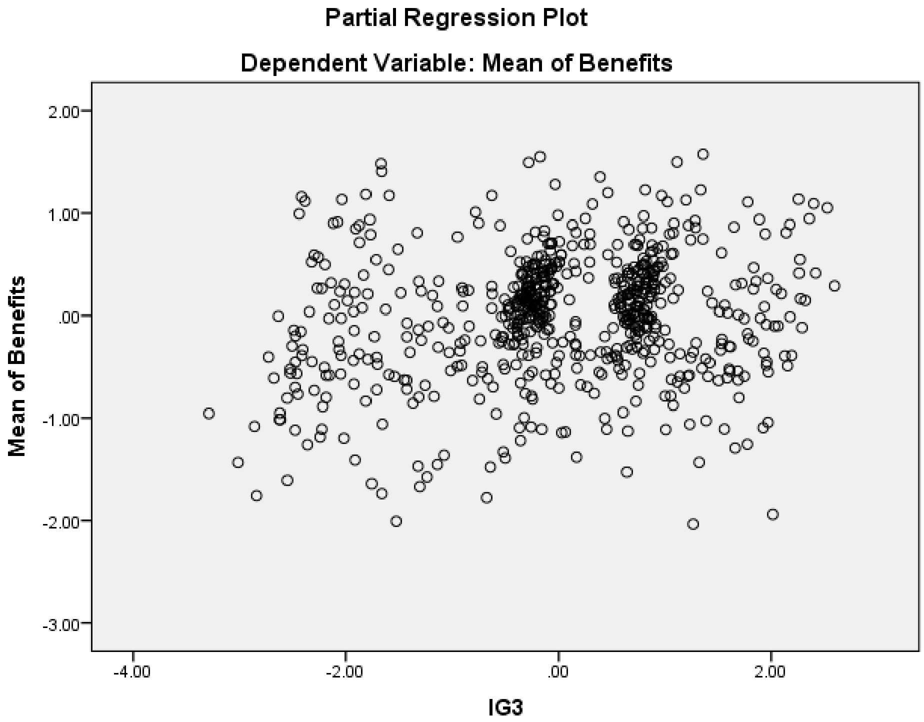
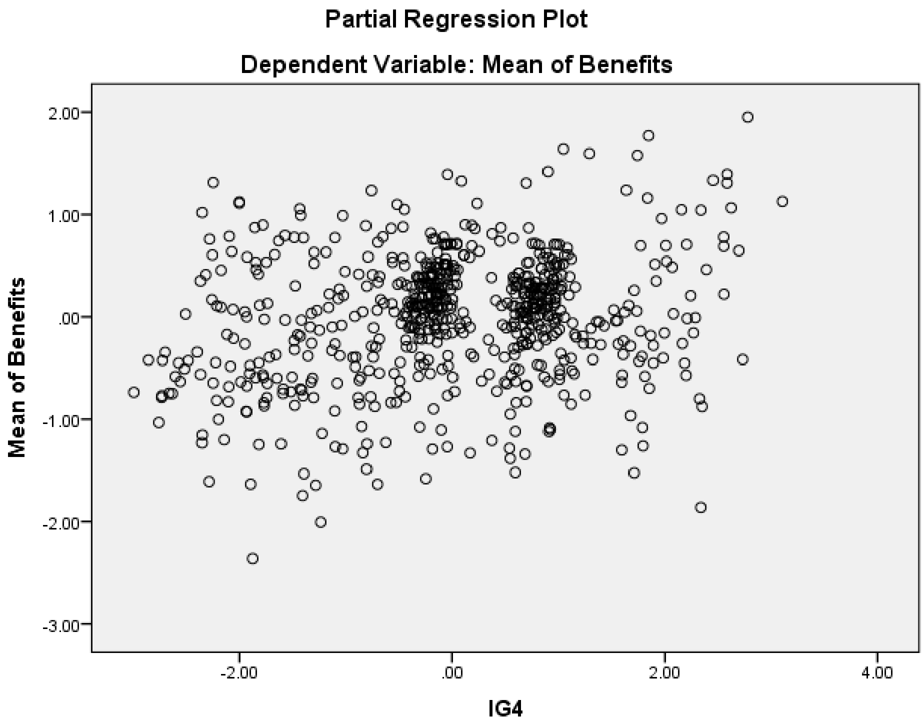


Chart - 8



A linear connection between an independent and a dependent variable may be seen in all charts related to Partial regression plots. Moreover, it is evident from the above-mentioned charts of partial regression plots that there is no curve in the partial regression plot. This is another assumption of Multiple Regression Analysis.

Hence form the entire analysis of Multiple Regression Analysis author was able to find out that the regression equation of the model as the equation obtained for the ninth model of Multiple Regression Analysis i.e.,

Y=0.710 + 0.113 (IG4) + 0.130 (EG4) + 0.092 (IG3) + 0.078 (IG2) + 0.082 (EG2) + 0.081 (IG1) + 0.079 (EG5) +0.077 (EG3) + 0.072 (EG1)

Where Y=Benefits of Pradhan Mantri Mudra Yojana

IG4= Pradhan Mantri Mudra yojana helps in creating a sustainable source of income to all the beneficiaries.

EG4= Pradhan Mantri Mudra yojana helps in supporting development & promotional activities in the sector.

IG3= With the assistance of Pradhan Mantri Mudra Yojana, a reliable framework for providing PM Mudra Loans to small enterprises in their last mile of operation has been established.

IG2= The Pradhan Mantri Mudra yojana supports the development and administration of a Credit Guarantee plan to back credit and portfolios issued to micro-enterprises by banks, non-bank financial institutions (MFIs), and other financial institutions.

EG2= Registration as an MFI is facilitated by the Pradhan Mantri Mudra Yojana.IG1= Pradhan The Mantri Mudra yojana contributes to the creation of a uniformed set of covenants regulating "last mile" financing to micro and small businesses.

EG5= Pradhan Mantri Mudra yojana helps in creating employment opportunities for all the beneficiaries.

EG3= Pradhan Mantri Mudra yojana helps in supervision of MFI entities.

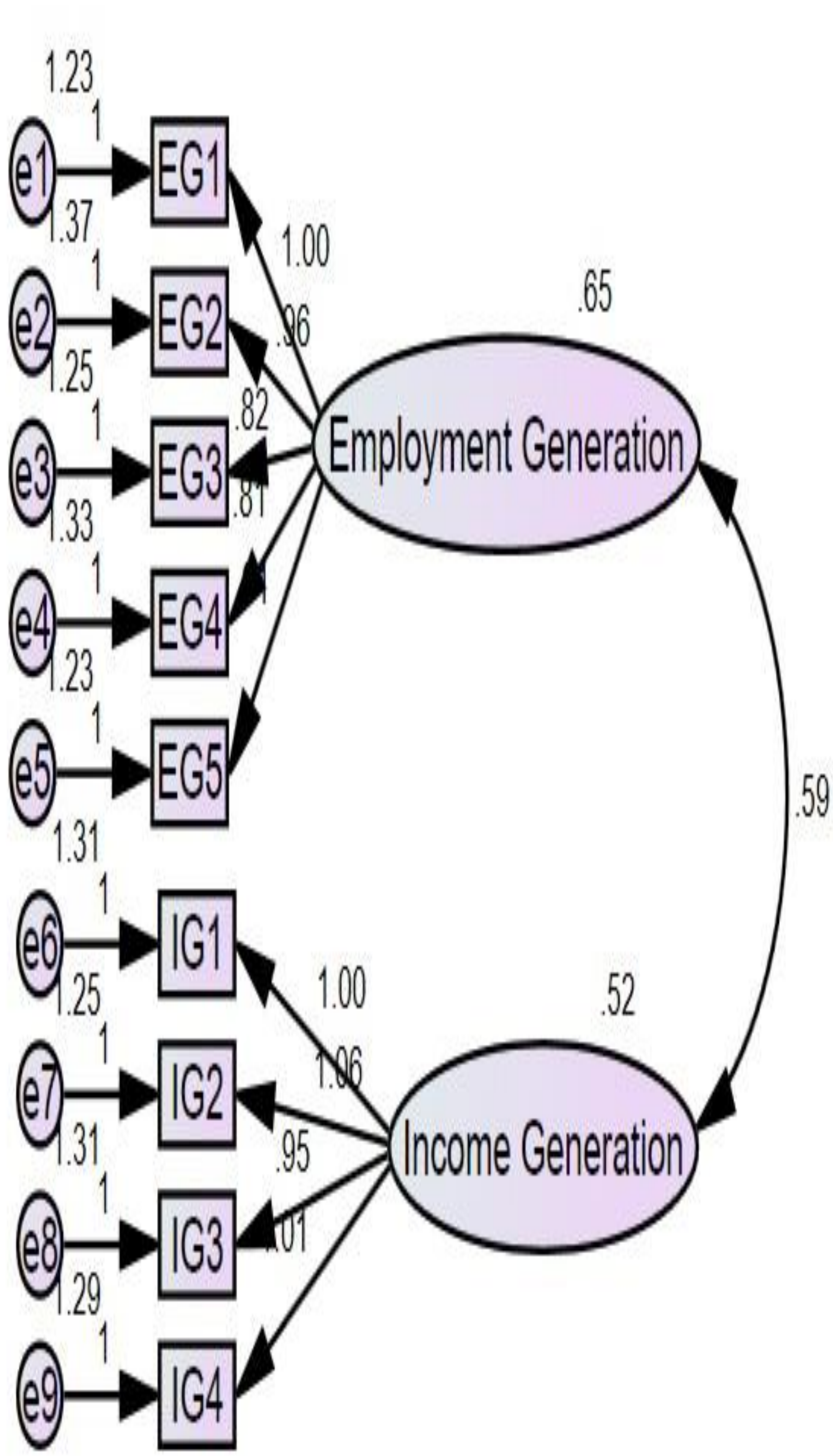
EG1= Pradhan Mantri Mudra yojana helps in laying down policy guidelines for micro enterprise financing business.

Hence it can be presumed form the above linear equation that 4 variables from Income Generation and 5 variables from Employment Generation impacts benefits derived from Pradhan Mantri Mudra Yojana.

As a result, we conclude that the PMMY has a positive effect on the income and number of jobs created for its target group (i.e., small company owners and self-employed persons), and therefore reject the null hypothesis.

Confirmatory factor analysis (CFA) with Analysis of Moment Structures will be used to verify the factors (AMOS).

Figure 4.39 Confirmatory Factor Analysis



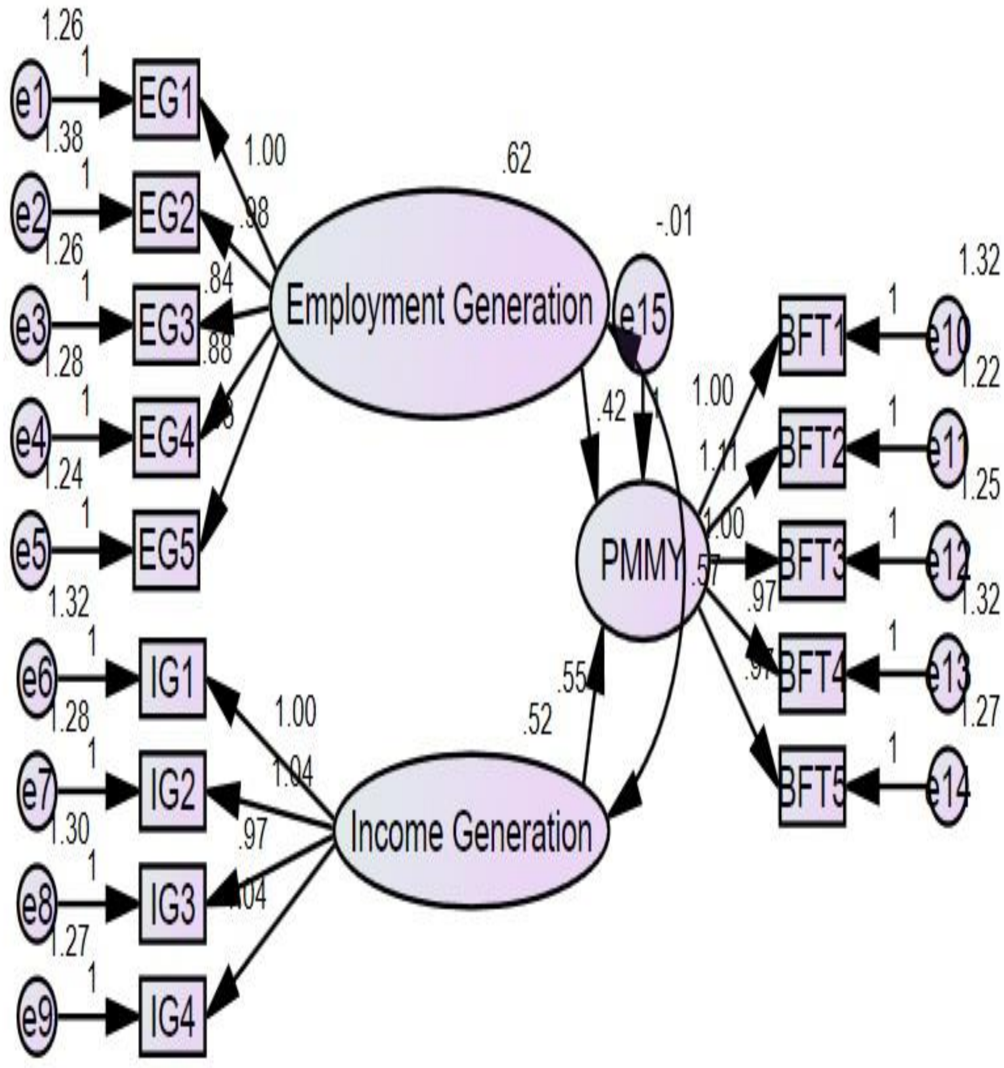
For CFA components to be considered valid, the Goodness-of-Fit Index (GFI), Adjusted Goodness-of-Fit Index (AGFI), Net Fit Index (NFI), and Comparative Fit Index (CFI) must all be more than 0.9, and the RMR and RMSEA must both be less than 0.05 (Carmines and Maclver, 1981). (Bagozzi and Yi, 1988).

Table 4.46 Model fit for Confirmatory factor Analysis returned the following values

Model fit for Confirmatory Factor Analysis	
Particulars	Values
CMIN/DF	1.605
GFI	0.949
AGFI	0.930
NFI	0.948
RMSEA	0.043

The above-mentioned table represents that the factors are valid to develop a model and the Confirmatory Factor Analysis follows the best fit.

Figure 4.40 Structure Equation Model



It is recommended that the ratio of goodness of fit to degrees of freedom not exceed 3 (Carmines and Maclver, 1981), and that the values of RMR and RMSEA be less than 0.05, with the GFI, AGFI, NFI, and CFI all being more than 0.9. (Bagozzi and Yi, 1988).

Analysis returned the following values:
Chi-square (X^2/degrees of freedom) value of 1.619
GFI (Goodness of fit index) =0.900
AFGI (Adjusted Goodness of Fit Index) =0.973
NFI (Normed Fit Index) =0.940
RFI (relative fit index) =0.927
CFI (confirmatory fit index) =0.976
RMSEA (root mean square error of approximation) =0.033 and
RMR (root mean square residual) =0.0120
The fit achieved is the best fit and was within the acceptable level. Therefore, construct validity and measurement efficiency were assured.

Objective 4: To study the key challenges to implement the Mudra Yojana in Haryana and offer the possible suggestion for its improvement.

In order to achieve this objective author has tries to use Pareto Analysis wherein we take the responses from baking professionals and from beneficiaries of PMMY related to the most important barriers for implementation of Pradhan Mantri Mudra Yojana and draw a Pareto chart.

Table 4.47 The responses derived from banking professionals is as follows

S.No.	Reasons	Responses
1	Lack of Government support	23
2	Failure of past such projects	27
3	Poor implementation	31
4	Financial benefits not recognized	24
5	Does not practice what is preached	30
6	Lack of time to implement	32
7	Lack of knowledge how to implement	35
8	National culture	25
9	Budget constraints	17
10	Buyer’s resistance	31
11	Backsliding to the old ways of working	22

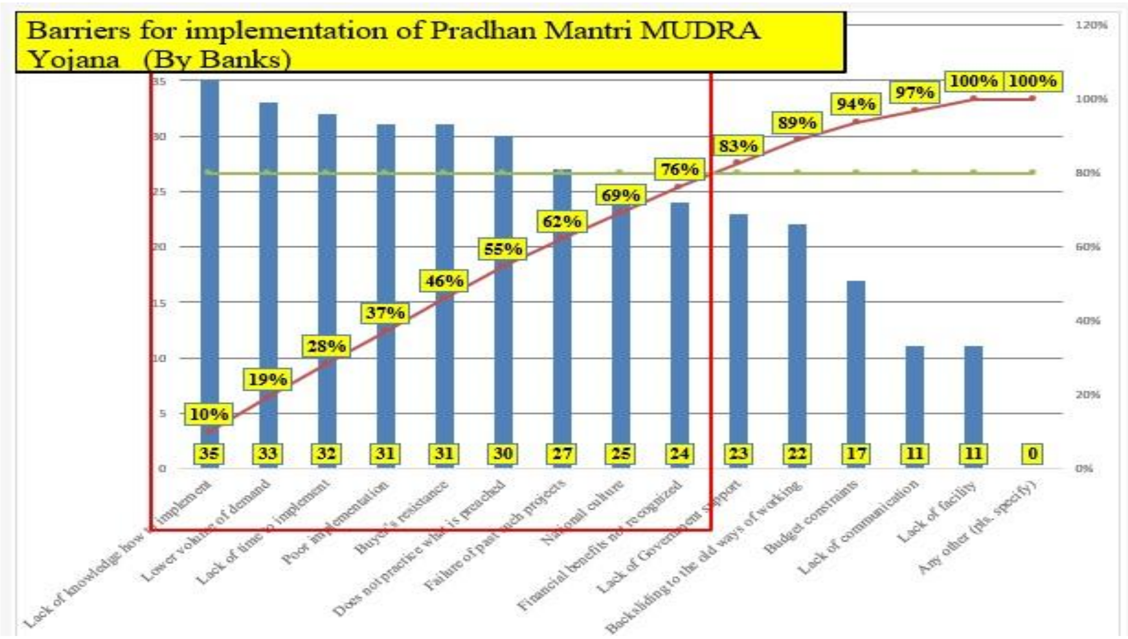
12	Lack of communication	11
13	Lack of facility	11
14	Lower volume of demand	33
15	Any other (pls. specify)	0
	Total	352

Table 4.48 Arranging the responses derived from banking professionals in decreasing order and calculating cumulative frequencies, percentage of cumulative frequencies and 80% of total.

S.No.	Reasons	Responses	Cumulative Frequencies	Percentage	80% Line
7	Lack of knowledge how to implement	35	35	10%	80%
14	Lower volume of demand	33	68	19%	80%
6	Lack of time to implement	32	100	28%	80%
3	Poor implementation	31	131	37%	80%
10	Buyer’s resistance	31	162	46%	80%
5	Does not practice what is preached	30	192	55%	80%
2	Failure of past such projects	27	219	62%	80%
8	National culture	25	244	69%	80%
4	Financial benefits not recognized	24	268	76%	80%
1	Lack of Government support	23	291	83%	80%
11	Backsliding to the old ways of working	22	313	89%	80%
9	Budget constraints	17	330	94%	80%
12	Lack of communication	11	341	97%	80%
13	Lack of facility	11	352	100%	80%
15	Any other (pls. specify)	0	352	100%	80%
	Total	352			

Now plotting the graph in such a way that cumulative percentage and 80% of total are plotted as secondary axis in a line chart with markers whereas cumulative frequencies are plotted as column chart.

Figure 4.41 Paetro analysis Cumulative Percentage and 80% of total are plotted barriers as per banking Professionals



Hence the most important barriers as per banking professionals are -:

1. Lack of knowledge how to implement
2. Lower volume of demand
3. Lack of time to implement
4. Poor implementation
5. Buyer’s resistance
6. Does not practice what is preached
7. Failure of past such projects
8. National culture
9. Financial benefits not recognized

Table 4.49 The responses derived from beneficiaries is as follows

S.No.	Reasons	Responses
1	Lack of Government support	17
2	Failure of past such projects	26
3	Poor implementation	26
4	Financial benefits not recognized	24
5	Does not practice what is preached	24
6	Lack of time to implement	25

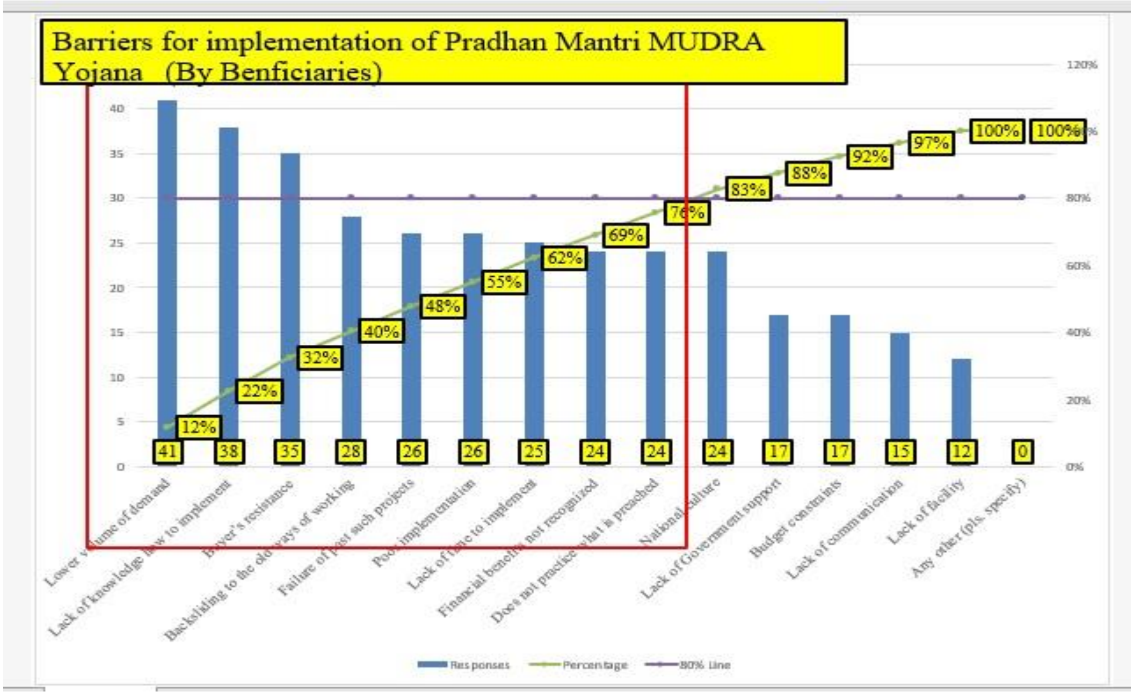
7	Lack of knowledge how to implement	38
8	National culture	24
9	Budget constraints	17
10	Buyer's resistance	35
11	Backsliding to the old ways of working	28
12	Lack of communication	15
13	Lack of facility	12
14	Lower volume of demand	41
15	Any other (pls. specify)	0
	Total	352

Table 4.50 Arranging the responses derived from beneficiaries in decreasing order and calculating cumulative frequencies, percentage of cumulative frequencies and 80% of total.

S.No.	Reasons	Responses	Cumulative Frequencies	Percentage	80% Line
14	Lower volume of demand	41	41	12%	80%
7	Lack of knowledge how to implement	38	79	22%	80%
10	Buyer's resistance	35	114	32%	80%
11	Backsliding to the old ways of working	28	142	40%	80%
2	Failure of past such projects	26	168	48%	80%
3	Poor implementation	26	194	55%	80%
6	Lack of time to implement	25	219	62%	80%
4	Financial benefits not recognized	24	243	69%	80%
5	Does not practice what is preached	24	267	76%	80%
8	National culture	24	291	83%	80%
1	Lack of Government support	17	308	88%	80%
9	Budget constraints	17	325	92%	80%
12	Lack of communication	15	340	97%	80%
13	Lack of facility	12	352	100%	80%
15	Any other (pls. specify)	0	352	100%	80%
	Total	352			

Now plotting the graph in such a way that cumulative percentage and 80% of total are plotted as secondary axis in a line chart with markers whereas cumulative frequencies are plotted as column chart.

Figure 4.42 Paetro analysis Cumulative Percentage and 80% of total are plotted barriers as per Beneficiaries



Hence the most important barriers as per beneficiaries are -:

1. Lower volume of demand
2. Lack of knowledge how to implement
3. Buyer's resistance
4. Backsliding to the old ways of working
5. Failure of past such projects
6. Poor implementation
7. Lack of time to implement
8. Financial benefits not recognized
9. Does not practice what is preached

Hence, we reject the null hypothesis, there are few key challenges to implement the Mudra Yojana.

CHAPTER 5

RESULTS AND CONCLUSION

In this chapter, we will go through the conclusions that may be drawn from the data analyzed with the help of SPSS and other econometric software. We looked into and studied the data to decipher how it should be used to learn about the efficacy of Haryana's Mudra Yojana. A discussion of how to improve the effect of government programs on financial inclusion in the Indian state of Haryana is the focus of this chapter. After the analysis, the analysis will be concluded which can be used by the policymakers to enhance the effectiveness of the various financial inclusion schemes.

This chapter highlights the findings of the study and discusses the results of previous studies. This chapter is divided into different sections. It describes the major findings and concludes the research findings. This study depicts that employment generation and income generation interlinked concepts which together contribute to economic development of a country like India. But these concepts require government support and PMMY does the same the only concern is that people are still not 100% aware about these concepts. Government has realised the need for developing entrepreneurship in rural areas. So, a bunch of entrepreneurship development schemes have been introduced in our country to support entrepreneurs and develop entrepreneurship. One of the recent among them is Pradhan Mantri Mudra Yojana introduced in 2015 to support the unfunded segments of micro-entrepreneurs. The present study is aimed to examine the influence of PMMY on the employment generation and income generation of rural beneficiaries in Haryana.

Financial inclusion is the concept which has been developed for the study by generating five constructs such as availability, affordability, accessibility, awareness and adequacy by taking cues from the related literature reviews. The study also covers the profile of respondents and most important barriers for implementation of Pradhan Mantri Mudra Yojana (from viewpoint of both banking professionals and beneficiaries).

The scope of the study is limited to Haryana state only. The objectives of the study are:
Objective 1. To study the scheme offered and contribution by Mudra Bank under Pradhan Mantri Mudra Yojana in India.

Objective 2. To analyse the awareness level of Pradhan Mantri Mudra Yojana on promotion of financial inclusion in Haryana.

Objective 3. To study the impact of Pradhan Mantri Mudra Yojana on income and employment generation on beneficiaries i.e., small business owner & self-employed people.

Objective 4. To study the key challenges to implement the Mudra Yojana in Haryana and offer the possible suggestion for its improvement.

A self-designed questionnaire through extensive literature review has been used to collect data from the banking professionals of Haryana and the beneficiaries of PMMY in Haryana. simple random sampling has been used for the collection of primary data. Haryana banking industry experts and those who have benefited from the Pradhan Mantri Mudra Yojana in Haryana are the subjects of the research. A total of 1016 participants, including 352 banking professionals and 664 PMMY recipients, were included in the research. Ambala, Faridabad, Gurugram, Hisar, Rohtak, and Karnal are the six districts that make up the state of Haryana that are used for sample generation. In this case, the district of Ambala includes the adjacent districts of Kurukshetra, Panchkula, and Yamuna Nagar; the district of Faridabad includes Faridabad, Palwal, and Nuh; the district of Gurugram includes Gurugram, Mahendragarh, and Rewari; the district of Hisar includes Fatehabad, Jind, Hisar, and Sirsa; the district of Rohtak includes Jhajjar, Charkhi Dadri, Roh All six departments provided samples for the investigation. Mean scores, Multiple Regression analysis, Confirmatory Factor Analyses, Structural Equation modeling, and Pareto Analysis were only few of the statistical methods used to dissect the data. The data analysis is conducted by using statistical software such as SPSS, AMOS and Excel. Apart from this, the findings help in depicting key challenges to implement the Mudra Yojana in Haryana and offer the possible suggestion for its improvement.

In the final part of this chapter conclusions are reached and finally, the suggestions/recommendations for prosperity of small business owner & self-employed people, research limitations and scope of future research are addressed.

Table 5.1 Hypothesis rejected of failed to rejected are as follows

Hypothesis	Hypothesis Testing
H01: There is no significant difference in awareness level of PMMY in promotion of financial inclusion in Haryana.	We reject the null hypothesis.
Ha1: There is a significant difference in awareness level of PMMY in promotion of financial inclusion in Haryana.	Accepted
H02: There is no significant impact of PMMY on income and employment generation of beneficiary i.e., small business owner & self-employed people.	We reject the null hypothesis.
Ha2: There is a significant impact of PMMY on income and employment generation of beneficiary i.e., small business owner & self-employed people.	Accepted
H03: There are no key challenges to implement the MUDRA Yojana.	We reject the null hypothesis.
Ha3: There are few key challenges to implement the Mudra Yojana.	Accepted

- There is a positive level awareness level of PMMY in promotion of financial inclusion in Haryana.
- There is a significant positive impact of PMMY on income and employment generation of beneficiary i.e., small business owner & self-employed people.
- There are few key challenges to implement the Mudra Yojana.

5.1 Results

Objective 1. To study the scheme offered and contribution by Mudra Bank under Pradhan Mantri Mudra Yojana in India.

As of now 3 schemes of Mudra bank are operating in India

Shishu providing loan up to 50,000

Kishore providing loan from 50,001 to 5 lakhs and

Tarun providing loan from 5,00,001 to 10 lakhs

Much of the emphasis is given to Shishu.

The Micro Units Development Refinancing Agency (MUDRA) has served as a support organization for the past six years, performing a dual role in providing renegotiate support to various loaning foundations and closely monitoring the PMMY execution process via a specific entry that gathers various collected information pertinent to the PMMY plot in accordance with the needs of the Public authority of India.

Table 5.2 In different FY Number of PMMY Loan sanctioned, amount sanctioned and amount disbursed in percentage

FINANCIAL YEAR	NO. OF PMMY LOANS SANCTIONED	AMOUNT SANCTIONED (in Crores)	AMOUNT DISBURSED (in Crores)	INCREMENT OF AMT Disbursed	INCREMENT IN %
2021-2022	53795526	339110.35	331402.2	19647.73	5.93%
2020-2021	50735046	321759.25	311754.47	-17960.56	-5.76%
2019-2020	62247606	337495.53	329715.03	17903.65	5.43%
2018-2019	59870318	321722.79	311811.38	65373.98	20.97%
2017-2018	48130593	253677.1	246437.4	71125.27	22.81%
2016-2017	39701047	180528.54	175312.13	42357.4	24.16%
2015-2016	34880924	187449.27	132954.73	---	
Total	349361060	1941742.83	1839387.34		

Figure 5.1 In different FY Number of PMMY Loan sanctioned, amount sanctioned and amount disbursed

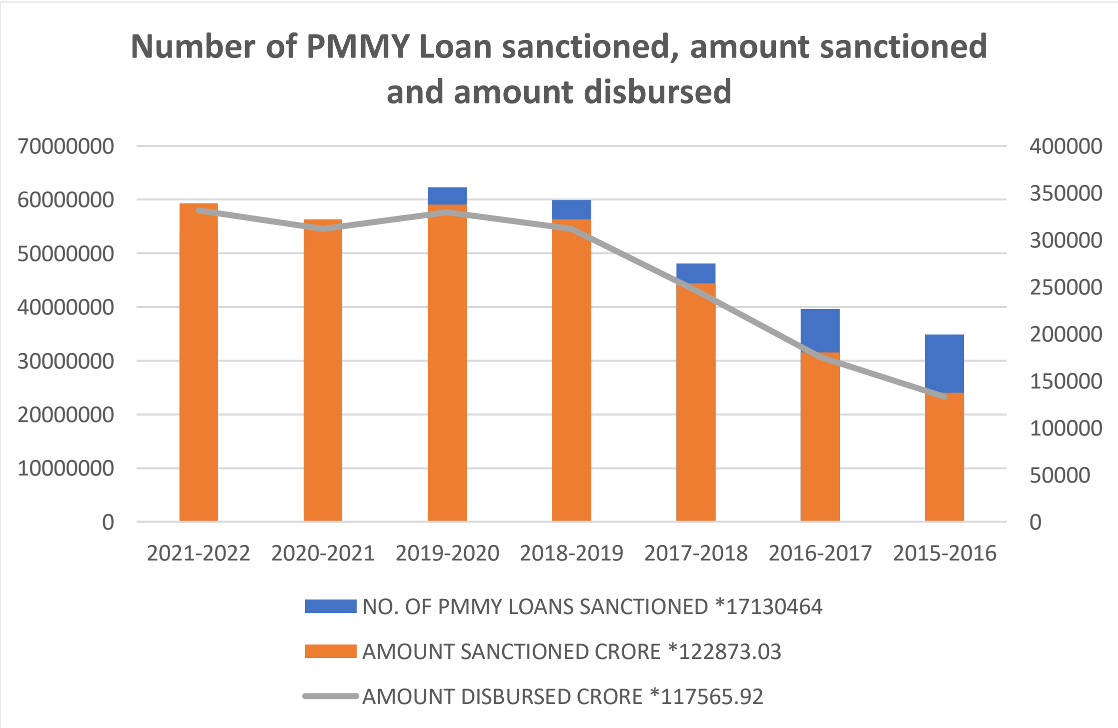
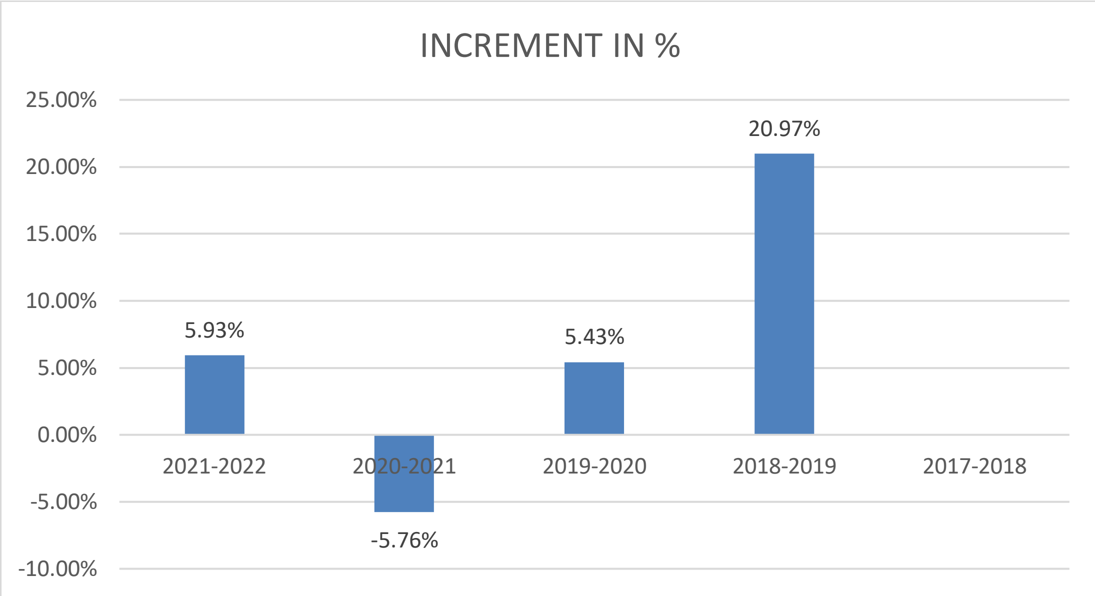


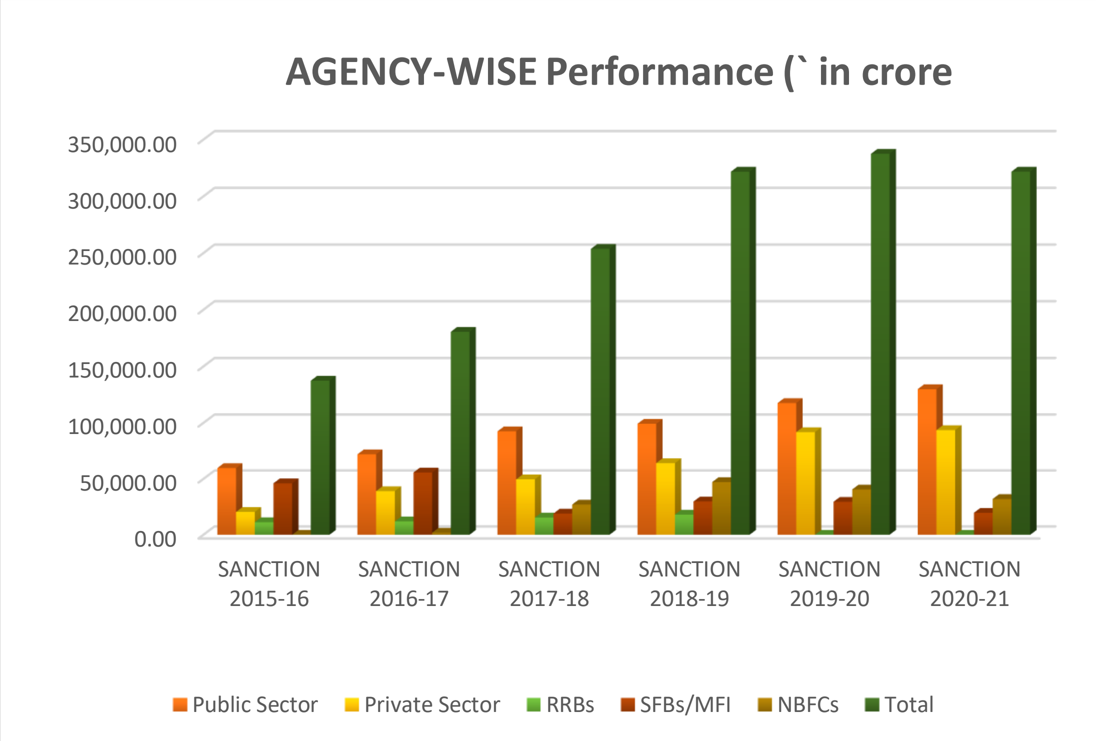
Figure 5.2 In different FY increment % in number of PMMY loan sanctioned and amount disbursed



From Table 5.1 found that because of financial inclusion through PMMY done by banks No. of PMMY loan sanctioned, Amount sanctioned and Amount disbursed in crore has been increasing year to year (from FY 2015-16 to 2022-23). But in the year of 20220-21 decrease in No. of PMMY loan sanctioned, Amount sanctioned and amount disbursed in crore due to covid in comparison to other years. It is clear from above figure 5.1 & 5.2 increasing trend of PMMY from FY 2015-16 to 2021-22 and percentage increment in amount disbursed.

Micro and small companies in the manufacturing, trade, and service sectors are eligible for Mudra loans of up to 10 lakh from banks, NBFCs, and MFIs under the Pradhan Mantri Mudra Yojana (PMMY).

Figure 5.3 Agency-wise Performance



The figure 5.3 depicts the agency wise performance of public sector bank, private sector bank, regional rural bank, small finance banks/ micro finance institutions and non-banking financial companies no. of loan sanctioned from FY 2015-16 to 2020-21. All agency has the increasing trends but public sector bank is best performer in every financial year.

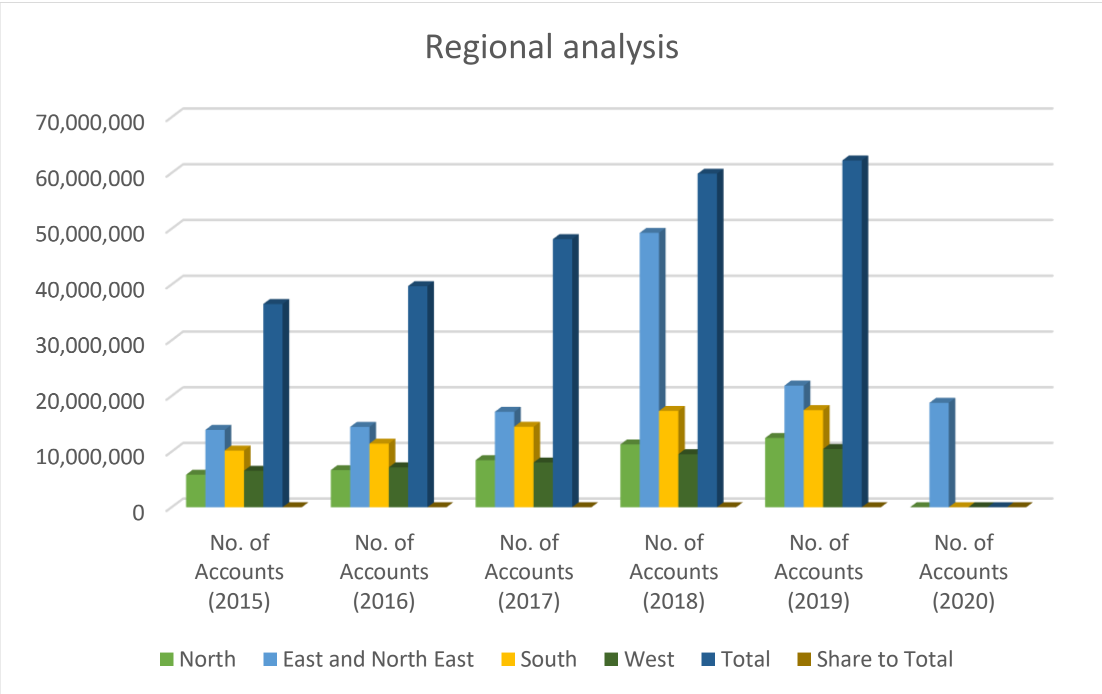
The achievement data shows a 5% decline in the overall performance of the programme carried loans given out by all financial institutions throughout the last 12 months. This is largely due to the fact that during FY 2020-2021, NBFCs and SFBs made insufficient contributions to the national COVID position. The trend toward increased lending by banks, both public and private, is continuing to rise. The biggest of India's PSU banks, State Bank of India (SBI), topped the list with a total of '37,973.30 crore sanctioned to 14.85 lakh customers. Canara Bank and Punjab National Bank followed SBI in terms of sanction amounts, with 13,210 crore and 11,187 crore, respectively. Private Sector Banks had a somewhat better year than the previous one, with a total sanction of 93,613 crore (a 2% increase from the previous year). Bandhan Bank and IndusInd Bank led the private sector banks in terms of sanctions, contributing Rs. 32,559 crore and Rs. 32,335 crore, respectively.

A total of 1.40 crore borrowers were given loans by MFIs, amounting to 46,601.40 crore. Credit Access Grameen Limited, the largest microfinance institution, approved loans of $7,906,48 crore for over 18 million borrowers. NBFCs have been sanctioned a total of $31,983.17 billion and have become a major player in the PMMY. Shri Ram Transport Finance Company Limited has made the largest contribution in this area, with a total sanction amount of $12,000,000.00.

There was a 66% success rate for small finance banks. Throughout the year, the 9 SFBs disbursed a combined 19,646.68 crore in loans to 43,89,890 customer loan accounts. Ujjivan Small Finance Bank topped all SFBs with a sanction value of $6,442.73 crore distributed over 14.89 lakh loan accounts.

The allocation of PMMY loans approved throughout the year, which were classified into five zones according to geography, and the performance of Targets vs. Achievements by region have been analysed and are provided below:

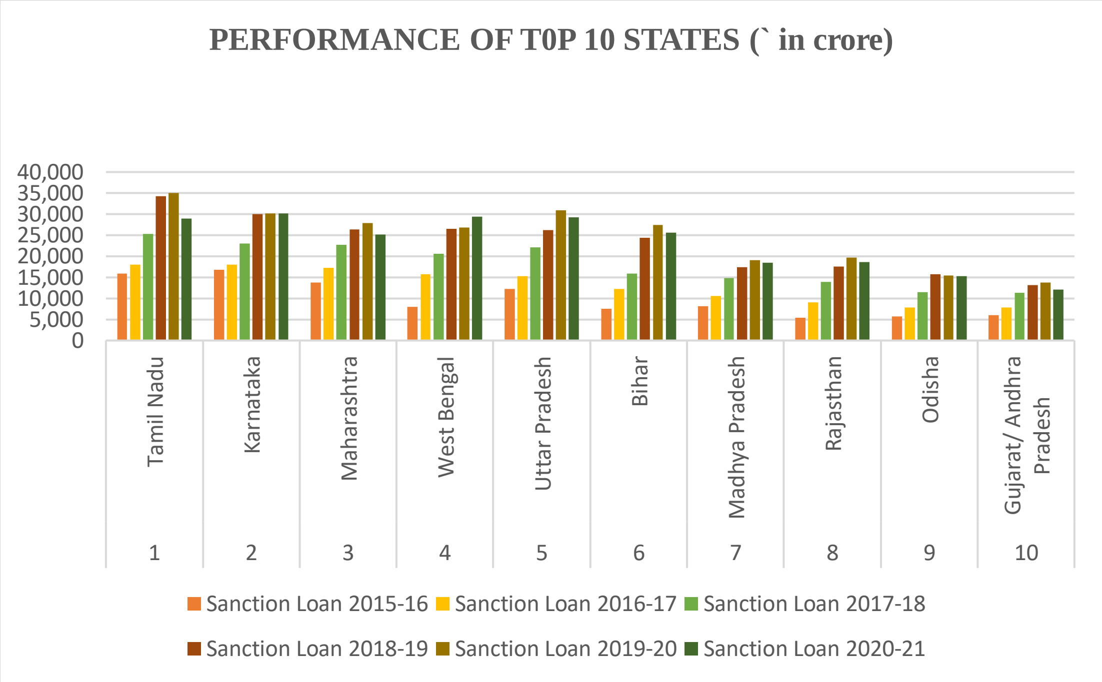
Figure 5.4 Regional analysis



The figure 5.4 represents that south region has done the best results in opening the no. of account under PMMY. In south region – Tamilnadhu, Karnataka,and Andhra Pradesh comes under top three position from FY 2015-16 to 2020-21. In north region -Uttar Pradesh, Rajasthan comes under top ten states in loan sanctioned. In west region

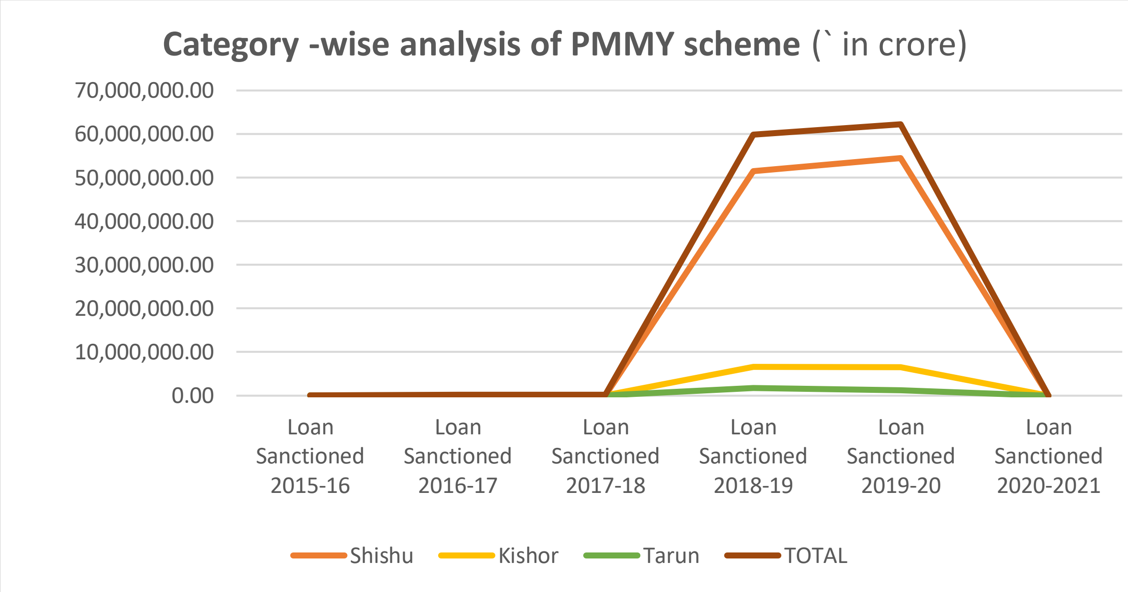
Maharashtra, Madhya Pradesh and Gujrat also comes under top ten states. In east region – West Bengal, Bihar, Odisha also comes under top ten states in loan sanctioned.

Figure 5.5 Performance of top 10 states



The respective SLBCs of the states keep an eye on the performance at the state level. Karnataka received the highest amount of funding out of all the states, totaling '30,199.18 crore. In the 2020-21 fiscal year, Uttar Pradesh finished in third with a total of 29,231.25 billion, behind West Bengal's 29,335.98 billion in second place. Haryana is not coming under top fifteen states.

Figure 5.6 Scheme wise - analysis of PMMY scheme (` in crore)



The scheme-wise performance analysis reveals that the Mudra scheme reached people with more Shishu schemes compared to Kishore and Tarun. There is no difference between Shishu, Kishore, and Tarun in respect of Sanctioning loan amount and loan disbursement. Whereas there is a difference with the opening of loan account between Shishu and Tarun whereas no difference between Shishu and Kishore.

Sub-categories of borrowers:

Assistance to the underprivileged

Since its launch, PMMY has concentrated on giving the most vulnerable groups in society increasing financial help. The following is a breakdown of the proportion of PMMY loan recipients who identify as members of underrepresented groups (including but not limited to SC/ST/OBC/women/minorities) in India.

Figure 5.7 Sub-categories of borrowers: Sanctions in SHISHU PRODUCT (in crore)

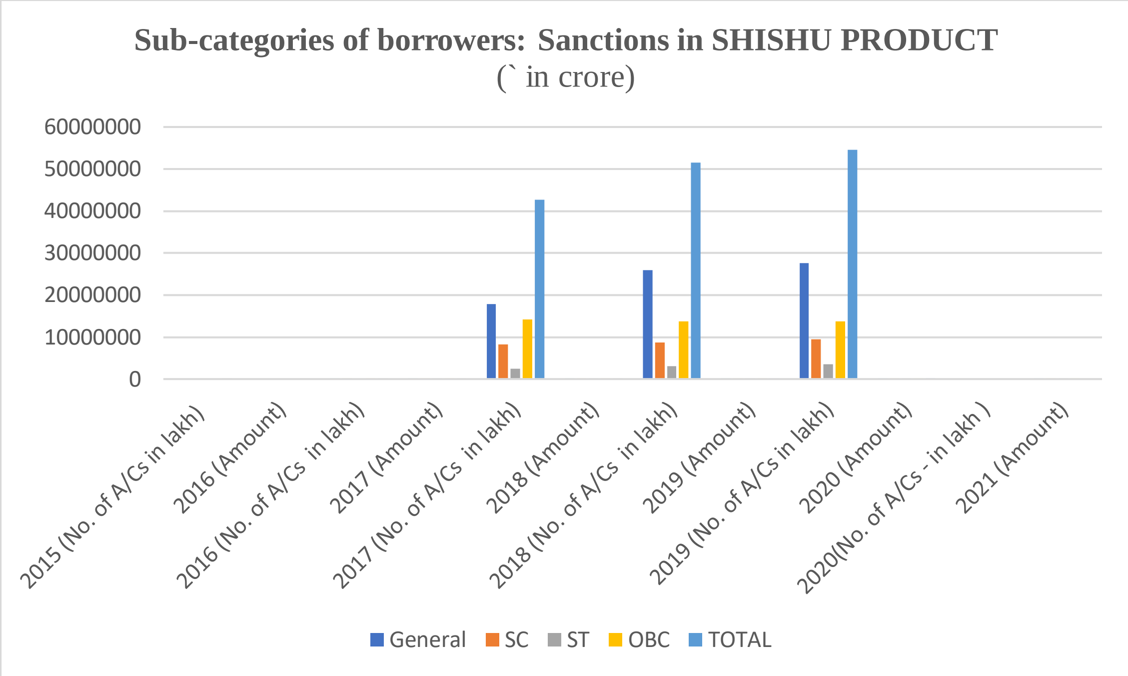


Figure 5.8 Sub-categories of borrowers: Sanctions in KISHORE PRODUCT (` in crore)

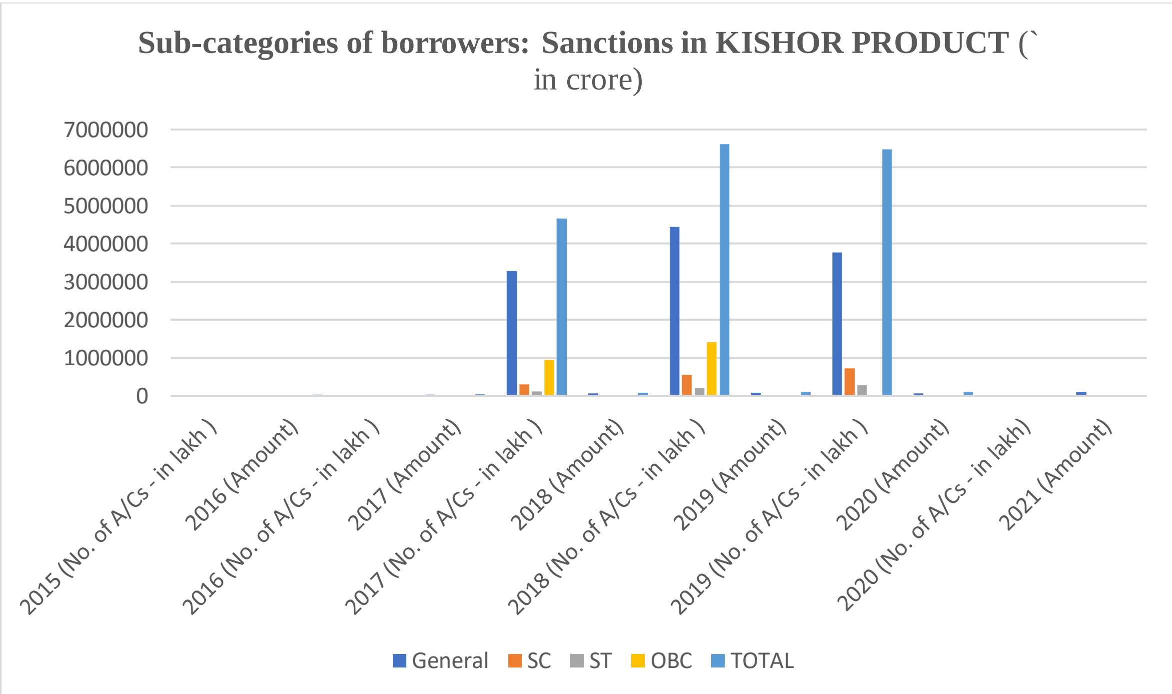
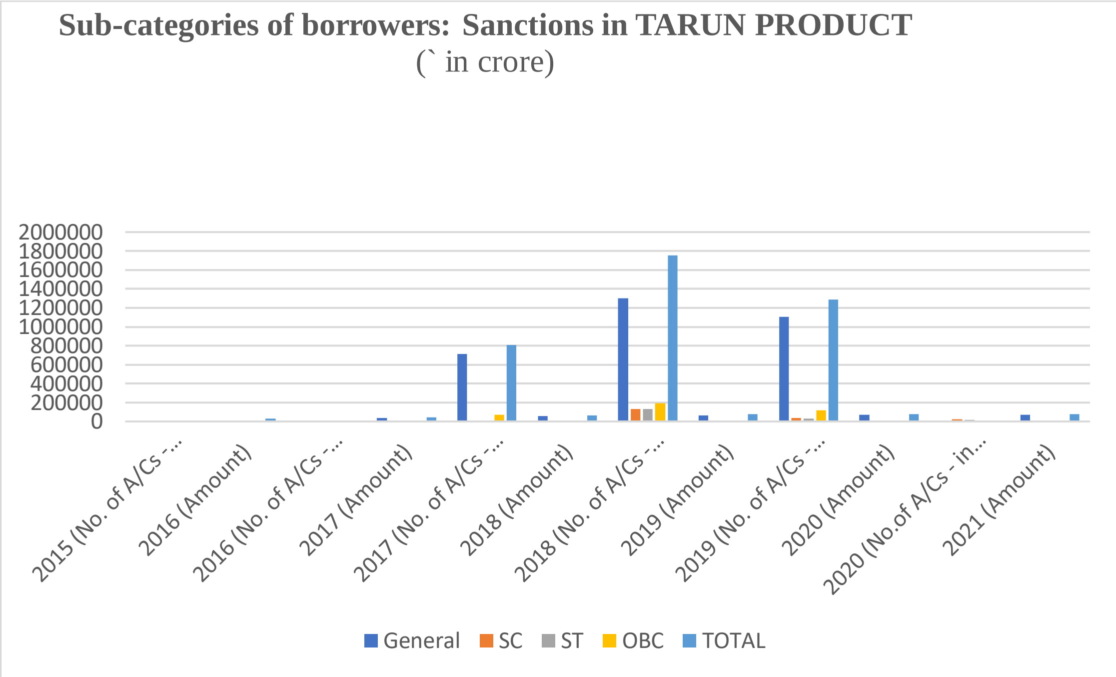
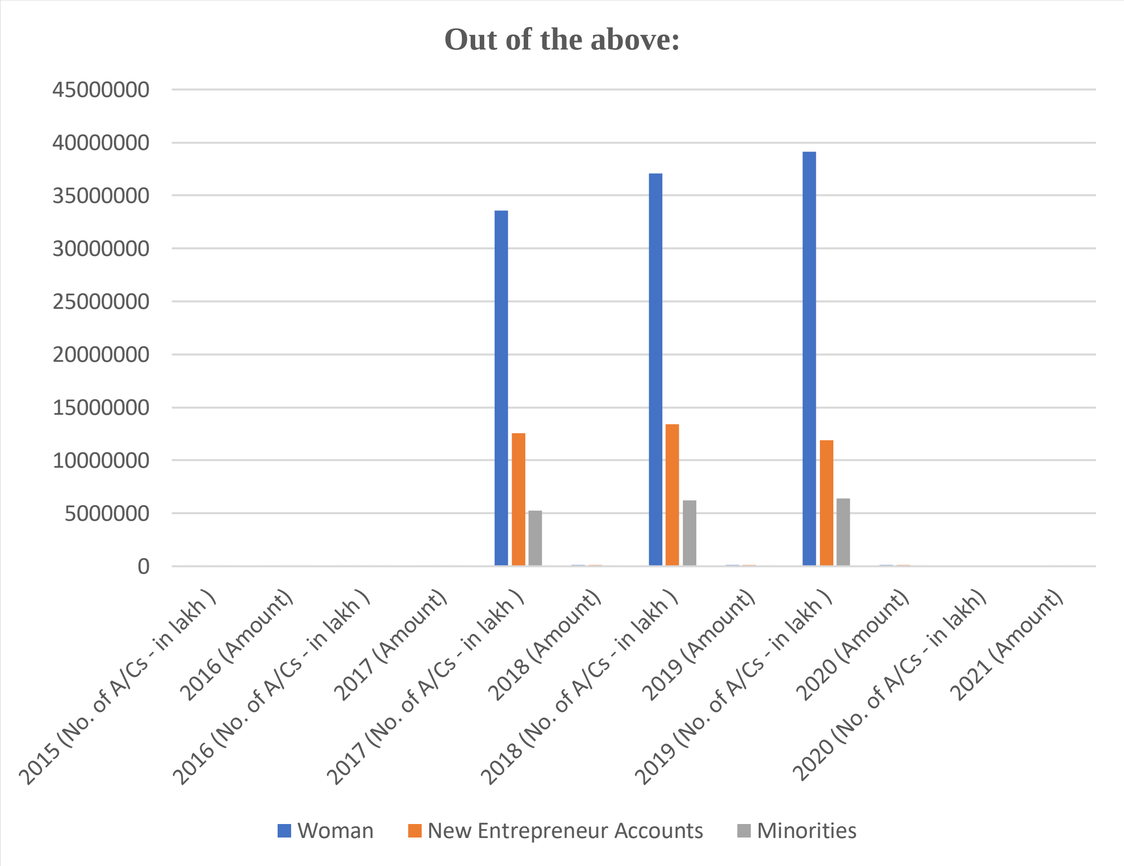


Figure 5.9 Sub-categories of borrowers: Sanctions in TARUN PRODUCT (` in crore)



Category-wise performance of the Mudra scheme was done and the study finds that there is a significant difference between the category of borrowers (i.e., General, SC, ST, and OBC) and the performance of the Mudra scheme. And the study reveals that the Mudra scheme reached more on the General and OBC category beneficiaries compared to the SC and ST category beneficiaries. The indicators such as the number of loan accounts, Amount sanctioned and Amount disbursed were considered for category-wise performance analysis.

Figure 5.10 Out of the above: women, new entrepreneurs and minority accounts



Women borrowers received 41% of the total amount sanctioned. Women held 66% of the accounts in the Shishu category, and they received 69% of the sanctioned amount. Due to the MFIs' preference for extending microloans to women, there are a lot of women in the Shishu group. The PMMY programme included 49% of loan accounts and 33% of authorized loan amounts from borrowers from the most disadvantaged segments of society (SC, ST, and OBCs). The percentages of borrowers who identified as belonging to the SC, ST, and OBC categories, with regard to the total amount of loans approved, were 17%, 6%, and 26%, respectively. The Mudra Yojana is mostly focusing on the problem of "financing the unfunded" and has so continuing to assist in realising the dreams of several MSE businesses who had previously been beyond the scope of the traditional banking system.

Figure 5.11 PMMY – State-wise Performance SHISHU (Amount Rs. in Crore)

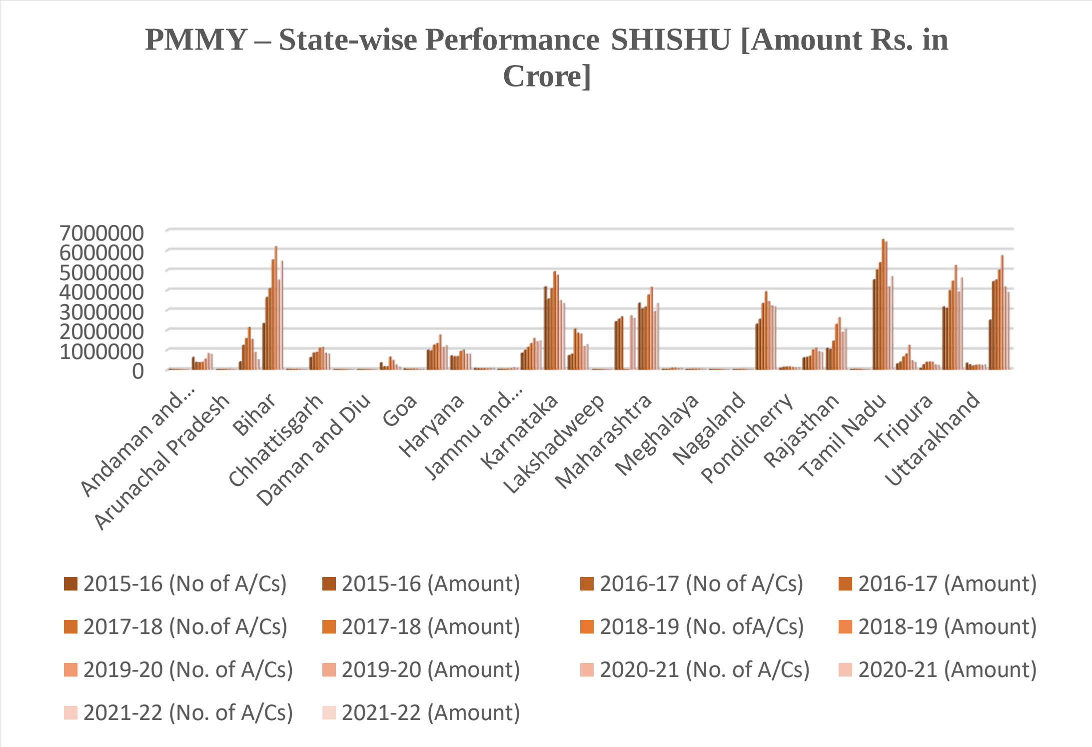


Figure 5.12 PMMY – State-wise Performance KISHORE (Amount Rs. in Crore)

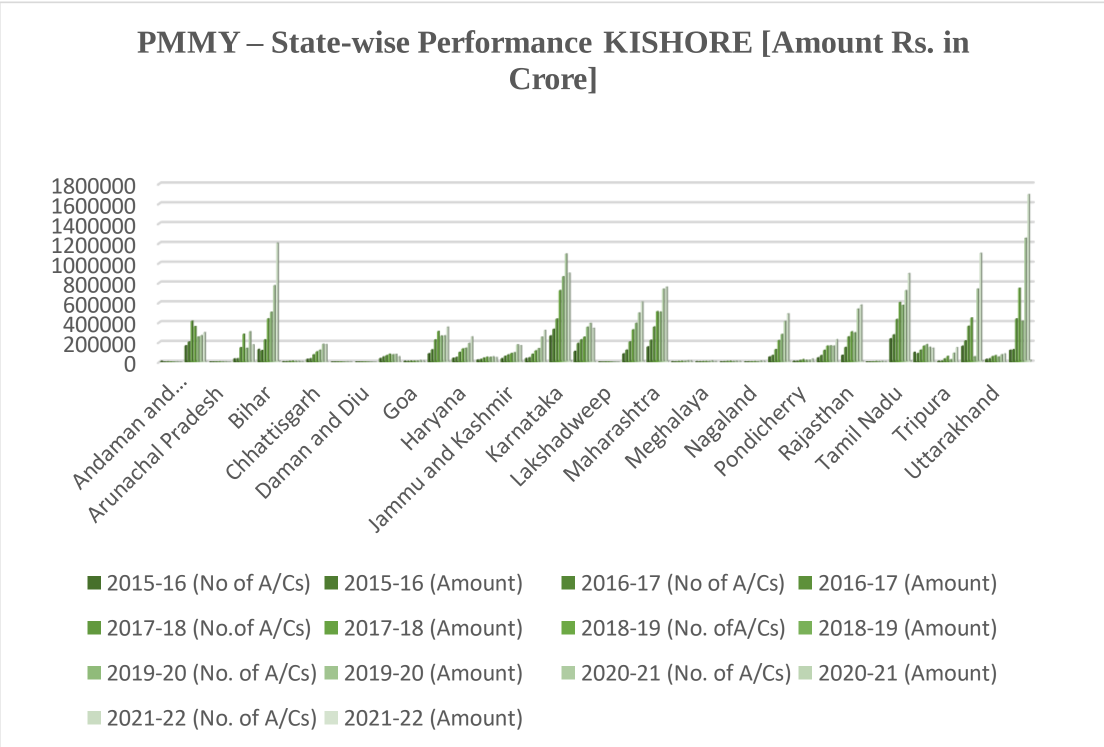


Figure 5.13 PMMY – State-wise Performance TARUN (Amount Rs. in Crore)

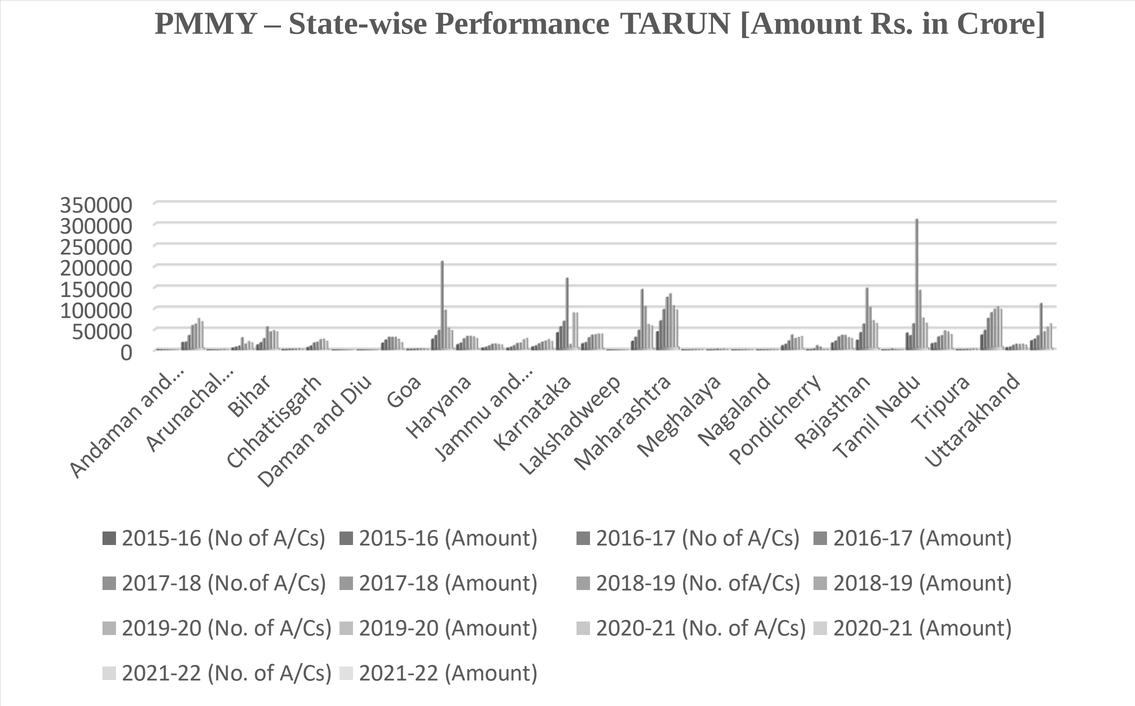
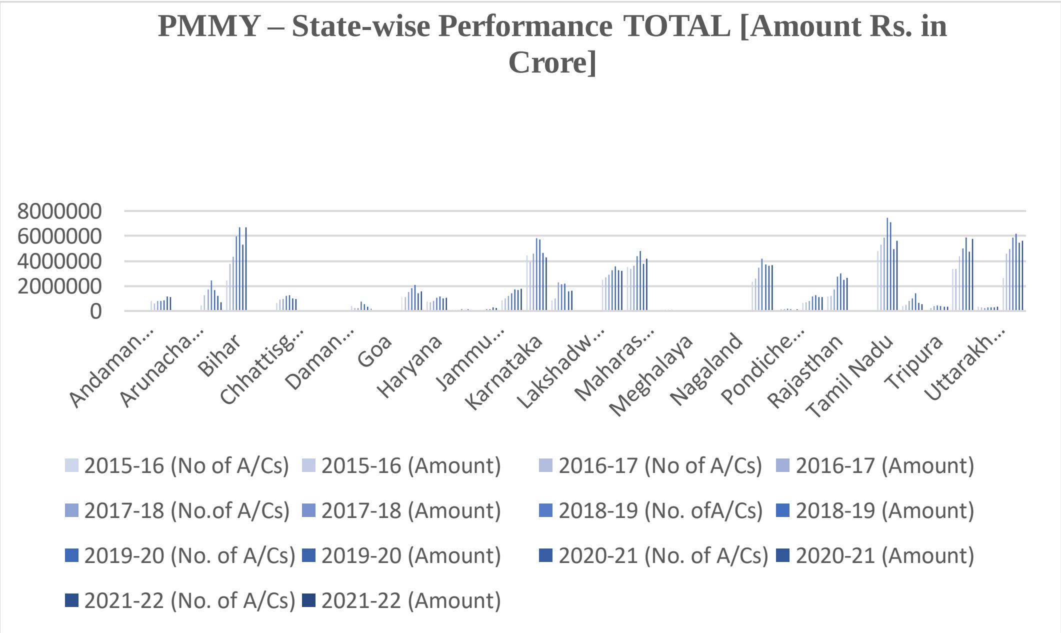


Figure 5.14 PMMY – State-wise Performance TOTAL (Amount Rs. in Crore)



According to the data, there are no differences in opinions regarding the effectiveness of the Mudra system among those who have accessed different loans under the Mudra plan, such as Shishu, Kishore, and Tarun. That indicates that the Mudra plan, with its three distinct loan schemes, performed very well. According to the examination of performance by scheme, Mudra touched greater Shishu people than Kishore and Tarun.

The Mudra scheme's effectiveness was examined category by category, and the study discovered a substantial correlation between the performance of the Mudra scheme and the borrower categories (i.e., General, SC, ST, and OBC). Furthermore, the analysis shows that the Mudra plan had a greater impact on beneficiaries in the General and OBC categories than on those in the SC and ST categories. For the examination of performance by category, indicators such the number of loan accounts, the sanctioned amount, and the disbursed amount were taken into account.

As part of the Pradhan Mantri Mudra Yojana, there is an interest subsidy programme for shishu loans. The Government of India, under the Aatamanirbhar Bharat Bundle, proposed a "Interest Assistance Plan for Mudra-Shishu Advances," with SIDBI serving as the program's implementing agency, to provide interest aid of 2% to all Mudra-Shishu credit payees in an effort to mitigate the effects of the Coronavirus. As of August 10, 2021, this has led to the sanctioning of claims totaling'495.29 crores over 98 MLIs.

Millions of underserved borrowers throughout the country have benefited from the Pradhan Mantri Mudra Yojana (PMMY), which has made it possible for them to start businesses and increase their incomes. It is estimated that 29.55 crore loan accounts have benefitted from the PMMY project with a sanction of "15.52 lakh crore" during the previous six years, helping the rural economy to contribute more substantially to the overall economic growth of the nation.

Objective 2. To analyse the awareness level of Pradhan Mantri Mudra Yojana on promotion of financial inclusion in Haryana.

It is found that banker has done the promotion program regarding awareness of PMMY to build financial inclusion in Haryana. It is found through survey of different banker like public, private, RRB’s, MFI’s and NBFC banking professional implemented PMMY to facilitate sustainable development for micro finance institution. To build the financial inclusion PMMY can be available through various channels and provided to all micro entities with equitable condition. Through Researcher’s Data Analysis it is evident that there is 72.08% availability of Pradhan Mantri Mudra Yojana to build Financial Inclusions.

Affordability PMMY to every beneficiaries bankers required huge finance with easy term & condition. There is need for quality services for properly implementing the

PMMY. Researcher's Data Analysis it is evident that there is 72.16% affordability of Pradhan Mantri Mudra Yojana to build Financial Inclusions.

Response given by banking professional regarding accessibility that all MFI'S are getting benefitted by PMMY because controlling on equitable distribution is done by Govt. Through govt support it can be accessible to micro unit. It is evident through data analysis that 71.48% accessibility of Pradhan Mantri Mudra Yojana to build Financial Inclusions.

Awareness regarding PMMY as social investment done by banker. It is clear that PMMY has done better work financially as well as socially. Govt of India choose PMMY is good initiatives of all other program if is implemented properly. Researcher's Data Analysis it is evident that there is 72.76% awareness of Pradhan Mantri Mudra Yojana to build Financial Inclusions.

Adequacy of PMMY to build financial inclusion are based on the outcome and achievement of financial goal. It helps in rating of MFI's entities. It also helps in financial practices toward indebtedness and proper client protection principle & method of recovery. PMMY helps in promoting right technology solutions for financial delivery to the last mile. It is clear that 72.32% adequacy of Pradhan Mantri Mudra Yojana to build Financial Inclusions.

Hence, it was detected that there is a significant difference in awareness level of PMMY in promotion of financial inclusion in Haryana.

Objective 3. To study the impact of Pradhan Mantri Mudra Yojana on income and employment generation on beneficiaries i.e., small business owner & self-employed people.

Form Researcher's Data Analysis author was able to find out the regression equation of the model as the equation obtained was-:

Y=0.710 + 0.113 (IG4) + 0.130 (EG4) + 0.092 (IG3) + 0.078 (IG2) + 0.082 (EG2) + 0.081 (IG1) + 0.079 (EG5) +0.077 (EG3) + 0.072 (EG1)

Where Y=Benefits of Pradhan Mantri Mudra Yojana

IG4= Pradhan Mantri Mudra yojana helps in creating a sustainable source of income to all the beneficiaries.

EG4= Pradhan Mantri Mudra yojana helps in supporting development & promotional activities in the sector.

IG3= With the assistance of Pradhan Mantri Mudra Yojana, a reliable framework for providing PM Mudra Loans to small enterprises in their last mile of operation has been established.

IG2= The Pradhan Mantri Mudra yojana supports the development and administration of a Credit Guarantee plan to back credit and portfolios issued to micro-enterprises by banks, non-bank financial institutions (MFIs), and other financial institutions.

EG2= Pradhan Mantri Mudra yojana helps in registration of MFI entities.

IG1= Pradhan Mantri Mudra yojana facilitates the creation of a uniformed set of covenants for last-mile financing to micro and small businesses.

EG5= Pradhan Mantri Mudra yojana helps in creating employment opportunities for all the beneficiaries.

EG3= Pradhan Mantri Mudra yojana helps in supervision of MFI entities.

EG1= Pradhan Mantri Mudra yojana contributes to the formulation of policy standards for the microfinancing sector.

Hence it can be presumed form the above linear equation that 4 variables from Income Generation and 5 variables from Employment Generation impacts benefits derived from Pradhan Mantri Mudra Yojana.

It is found that PMMY provide policy guideline for micro enterprise financing business. PMMY helps in registration and supervision of MFI entities. Pradhan Mantri Mudra yojana helps in supporting development & promotional activities in the sector. It also helps in creating employment opportunities for all beneficiaries. Pradhan Mantri Mudra yojana facilitates the creation of a uniformed set of covenants for last-mile financing to micro and small businesses. It supports the development and administration of a Credit Guarantee plan to back credit and portfolios issued to micro-enterprises by banks, non-bank financial institutions (MFIs), and other financial institutions. reliable framework for providing PM Mudra Loans to small enterprises in their last mile of operation has been established. It helps in creating a sustainable source of income to all the beneficiaries.

It is found that beneficiaries are completely aware about the PMMY. They are agreed PMMY is beneficial for society because it provide employment opportunity. Through employment beneficiary earn income and it will uplift the std of living. It is benefitted to those micro and small business unit which has the finance problem. It removed the financial difficulties faced by micro and small business units. It is found that it provides all benefits to micro and small units.

It is also found that all micro and small unit whose fulfill their finance requirement are not given any bribe for getting benefitted from this scheme. No one can asked for some money to get registered under this scheme by any govt employee.

So there is a significant impact of PMMY on income and employment generation of beneficiary i.e., small business owner & self-employed people.

Objective 4. To study the key challenges to implement the Mudra Yojana in Haryana and offer the possible suggestion for its improvement.

Hence the most important barriers as per banking professionals are -:

10. Lack of knowledge how to implement
11. Lower volume of demand
12. Lack of time to implement
13. Poor implementation
14. Buyer's resistance
15. Does not practice what is preached
16. Failure of past such projects
17. National culture
18. Financial benefits not recognized

Moreover, the most important barriers as per beneficiaries are -:

10. Lower volume of demand
11. Lack of knowledge how to implement
12. Buyer's resistance
13. Backsliding to the old ways of working

14. Failure of past such projects
15. Poor implementation
16. Lack of time to implement
17. Financial benefits not recognized
18. Does not practice what is preached

After combining the responses derived from Researcher's Data Analysis of the responses given by banking professionals and beneficiaries the most prominent barriers in implementing PMMY are-:

1. Lower volume of demand
2. Lack of knowledge how to implement
3. Buyer's resistance
4. Failure of past such projects
5. Poor implementation
6. Lack of time to implement
7. Financial benefits not recognized
8. Does not practice what is preached

Hence, there are 8 prominent challenges to implement the Mudra Yojana.

To analyze the problems and challenges faced by Beneficiaries while applying for Mudra loan, the following problems and challenges were considered in questionnaire and asked opinion from the beneficiaries they are, Delay in loan process, more documentation, Less amount loan amount, Bank officials were not supportive, Lack of Eligibility, Insufficient information, Details of the schemes were not briefed, Mudra Scheme guidelines were not explained, Repayment options were not explained, Repayment options are difficult to follow, Loan was not processed on time, Loan holiday was not briefed and Rate of interest was too high.

It is found that banking professional lack of knowledge how to implement PMMY. Due to this lack of knowledge both respondents are not able to increase the volume of the demand. The study result states that the Mudra scheme beneficiaries have not faced any major problems in the process of availing loans for their business needs. Except for the problems such as bank officials not provided proper information on different loan schemes also regarding loan holiday was not briefed, financial benefit not recognized, failure of past projects, buyer's resistance, lack of communication by the bank officials.

The development of the new framework should be proposed to tackle the barriers or to irradicated the challenges in implementation of Pradhan Mantri Mudra Yojana. This study will also help the banking officials to understand how much additional work is required to done in enhancing the awareness related to Pradhan Mantri Mudra Yojana. Moreover, this study will help the government to achieve sustainable income and to generate more employment opportunities.

CHAPTER 6

FINDINGS, RECOMMENDATIONS, LIMITATION, FUTURE SCOPE

AND CONCLUSIONS

This section presents the study's findings; subsequent sections provide a conclusion; recommendations and ideas; and the thesis concludes with a discussion of its limits and potential for future research in the field of green finance. The recommendations provided will be helpful in the identification of the gaps which inhibits the process of financial inclusion.

6.1 Findings

- ✓ The study states that opinion on the performance of the PMMY scheme based on their access to different Mudra scheme loans like Shishu, Kishore, and Tarun (table no. 4.23). That means the performance of the Mudra scheme with its all three different loan schemes were very good. The biggest of India's Public Sector banks like SBI, BOB, Canara bank, private sector, NBFC, RRB's well perform. In Haryana Punjab National Bank (PSU), Sarva Haryana Gramin Bank (RRB's) has done best performance in PMMY.
- ✓ Category-wise performance of the Mudra scheme was done and the study finds that there is a difference between the category of borrowers (i.e., General, SC, ST, and OBC) and the performance of the Mudra scheme. And the study reveals that the Mudra scheme reached more on the General and OBC category beneficiaries compared to the SC and ST category beneficiaries. The indicators such as the number of loan accounts, Amount sanctioned and Amount disbursed were considered for category-wise performance analysis.
- ✓ The scheme-wise performance analysis reveals that the Mudra scheme reached people with more Shishu schemes compared to Kishore and Tarun. The study reveals that there is no difference between Shishu, Kishore, and Tarun in respect of Sanctioning loan amount and loan disbursement. Whereas there is difference with the opening of loan account between Shishu and Tarun whereas no difference between Shishu and Kishore.
- ✓ The sector-wise performance evaluation reveals that the Mudra scheme is doing better in the Service sector for the past 3 years in terms of opening loan accounts

whereas the Mudra is performing well in terms of loan disbursement in the manufacturing sector compared to the service and retail sector.

- ✓ After analyzing the data based on division wise Mudra scheme borrowers, it is found that most of the Mudra scheme beneficiaries are from the Hisar districts (179) followed by the Gurugram districts (144), Ambala district (102), Rohatak district (92), Panipat district (84) and Faridabad district (63). That means, Respondents belong to Hisar, Gurugram, and Ambala district have accessed more Mudra scheme loans compared to other districts in the state.
- ✓ It is found that the respondents aged above 31 years accessed Mudra scheme benefits more when compared to respondents below 30 years of age category.
- ✓ The access to the Mudra loan scheme is more by the male group as compare to female group.
- ✓ The study found that majority of the General Category People access Government Schemes like Mudra scheme loans. The OBC and SC/ST category of respondents showed were comparatively lesser.
- ✓ Respondents with No education or up to SSLC borrowed more from Mudra schemes. they mentioned the scheme disbursement amount was very less [Rs 50,000].
- ✓ It is found that Majority of respondents are aware about the Mudra scheme. 11% were Neutral and 38% respondents were not aware about Mudra scheme in spite of availing the benefits from Mudra scheme.
- ✓ It is found that Majority of respondents are strongly agree that there is no corruption involved in PMMY. They agree that for getting the benefit from this scheme or registered under this scheme not give any bribe to any govt employee.
- ✓ Respondents are aware that loan amount disbursed under the Mudra scheme is based on the business proposal whereas some of respondents were less aware about the loan disbursement is based on the business proposal.
- ✓ Respondents said that they were not aware of the different categories of loans under the Mudra scheme, aware of the procedure and Mudra scheme was launched by the Government of India under PMMY scheme.
- ✓ Respondents are aware about the basic criteria to avail of Mudra scheme loans while the some were not aware of the basic criteria to avail the Mudra scheme loans. And also, Majority of respondents were not aware about the additional

assistance like Vendor management, EDP training, and Mudra card for their customers.

- ✓ It is found that the respondent disagreed that loan process under the Mudra scheme was delayed and some of the them disagree that they had to go through more documentation for loans under Mudra scheme.
- ✓ This study finds that bank officials were not supportive of the access of the Mudra loan schemes.
- ✓ Majority of respondents said that they do not have an idea about the loan holiday. So, most of the respondents were neutral about the bank officials briefing the loan holiday while borrowing loans under the Mudra scheme.
- ✓ The study finds that respondents agreed that the loan was processed on time but they have the lack of knowledge to implement it.
- ✓ Respondents agree that Mudra scheme has delivered what was promised by schemes such as Shishu, Kishore and Tarun.
- ✓ Mudra schemes are for the promotion of small businesses in India. The study found that Mudra schemes are effective in promoting small business units. The respondents agreed that Mudra loan schemes are effective in creating small and medium entrepreneurs and respondents also agreed that the Mudra loan scheme is very useful for expansion and diversification of business.
- ✓ The study also found that Business owners have a keen evaluation of Mudra loan scheme benefits and what are the needs of borrowing loans under the Mudra scheme for the business. They agreed that Mudra loan schemes were evaluating the benefits.
- ✓ The majority of the respondents agreed that the Mudra loan scheme has fulfilled their requirements and the Mudra scheme is effective in achieving its objectives to reach the small and medium scale entrepreneurs. It is found that Mudra has created a better ecosystem for business financing.
- ✓ The study found that banks are effective in extending their lending and other services to establish and sustain the business in the market. When the researcher asked about the benefits availed respondents agreed that they were benefited after availing Mudra scheme loan from the banks. Respondents said that they are very much satisfied with the Mudra scheme.

- ✓ Most of the borrowers were from Shishu category of Mudra scheme and most of beneficiaries are satisfied with loan amount sanction by banks under the Mudra loan scheme.
- ✓ The study found that there is a significant difference between the gender group of respondents and their awareness level on the Mudra loan scheme. That means, both male and female Mudra scheme beneficiaries having the same awareness on Mudra loan scheme.
- ✓ The study found that there is a difference between the income level of respondents and awareness of the Mudra loan scheme. That means different income category respondents have alike level of awareness about the Mudra loan scheme.
- ✓ The present study found that there is no difference between districts wise respondents and awareness of the Mudra loan scheme. When compared awareness level on the Mudra loan scheme and district wise respondents, it is clear that there is a difference of opinion on the awareness level on the Mudra scheme from respondents.
- ✓ It is found that banking professional lack of knowledge how to implement PMMY. Due to this lack of knowledge both respondents are not able to increase the volume of the demand. The study result states that the Mudra scheme beneficiaries have not faced any major problems in the process of availing loans for their business needs. Except for the problems such as bank officials not provided proper information on different loan schemes also regarding loan holiday was not briefed, financial benefit not recognized, failure of past projects, buyer's resistance, lack of communication by the bank officials.

6.2 Suggestions/Recommendations

It is evident from the study that government and banks should work upon the following:

- ➢ The study shows that most of the Mudra scheme beneficiaries are above 31 years of age. Awareness should be created among the young generation about access to government facilities such as Mudra loans and motivate them to start their own business at the early age. In order to motivate the young entrepreneurs, the higher education department or universities should update the entrepreneurial schemes of the government in the academics and create skill and business Centre opportunities to their students.

- The Study shows that most of the beneficiaries of the Mudra loan scheme were people who have more than 6 lakh rupees of income. This shows that poor income groups were not focused or entertained by banks. So, banks should give importance to all categories of people. Mudra scheme should aim at fulfilling the Desire of underprivileged group who are having income level below 1 lakh. Market segmentation for Mudra beneficiaries needs to be reframed or looked into in order to fulfil the unbanked population needs, where there is a huge opportunity available for the beneficiaries.
- Special training programme needs to be designed or provided to the existing Mudra beneficiaries by banks through SLBC, one way it gives additional awareness about the various benefits sought through the Mudra scheme in the other hand Mudra beneficiaries would be able to utilize the other offerings offered through Mudra in most effective and efficient way.
- People access loans under the Mudra scheme without proper knowledge of the Mudra scheme. Banks/Government must create awareness on eligibility criteria to avail loan amount, complete information on the interest rate, loan holiday, loan period, repayment option, processing time, and also other facilities available under the Mudra scheme to its customers.
- Most of the customers who access the Mudra loan scheme may fail to get because of their poor business plan. So, there is a need for proper training of customers before they approach banks. A separate counseling cell should be designed where customers who approach for loans under the Mudra loan scheme will be counseled and guided properly to access the loan.
- India is known for high youth populated country, when it comes to access of the government benefits, findings from our study indicate that the youth population is not much influenced to access government facilities like Mudra scheme loans.
- Majority of respondents said that they were not aware of the different categories of loans under the Mudra scheme. As majority of the respondents felt that the repayment options are easy to follow, bank officials can think of using existing beneficiaries can be used to create awareness in turn regarding other Schemes of Mudra like Kishore and Tarun.

- The statement was put forth in front of the customers to identify if the customers are getting any support from the bank officials while getting the loans under Mudra scheme. So, government can provide the better procedures to the bank officials to communicate the guidelines of schemes to the intended beneficiaries in simplified manner by involving themselves.
- Lot of work needs to be done in the area of promotion of Pradhan Mantri Mudra Yojana. With the help of State Government entrepreneurial agencies and Local Self Government, awareness campaigns should be developed, taking into consideration the specific requirements of the affected regions. The PMMY system should be discussed in a variety of seminars, exhibitions, conferences, and awareness gatherings that should be held in various areas, notably in the area's most prominent locations.
- People of India should be taught to establish SME's. To grow their businesses, micro and business changes units must employ the proper marketing methods to increase the sales of their goods and services. As a result, it is advised that each district construct a common structured market place where different products from micro and small business units can be shown and sold.
- People should change their mindset from one of job seekers to employment providers. With the aid of nodal organizations or micro enterprise associations, micro-entrepreneurs should be provided with Micro Enterprise Consultant service, Mentorship, and other innovation training centers through this system to increase their competency.
- It is essential to motivate Indians to use the Pradhan Mantri Mudra Yojana for borrowing instead of going to banks and putting down security. It is advised that more financial assistance be provided to entrepreneurs under the program in the form of loan extensions or a rise in the maximum limit that could be borrowed under several categories of program, including Shishu, Kishore, and Tarun.
- The purpose of presenting the information in front of the people was to determine whether they were receiving any assistance from bank employees when applying for loans under the Mudra scheme. As a result, the government can give bank employees clearer instructions on how to involve themselves in simply communicating the rules of schemes to the intended beneficiaries.
- According to the survey results, banks do not inform borrowers about loan holidays at the time of loan application. Therefore, a periodic review with the

beneficiaries of the scheme is possible to address the information that was overlooked during the processing of the loan. To guarantee that more recipients will receive the best use out of the program, the government's current monitoring system must be upgraded even more.

- The majority of respondents were unaware of the extra support available to their clients, such as vendor management, EDP training, and Mudra cards, therefore the bank can try to raise knowledge of this by using any available technical means, including applications, in-person campaigns, and other means.
- Since many respondents stated that bank representatives were not helpful when they inquired about Mudra loan plans, there must be a gentle approach by the bank. There must be detailed discussion about loan holidays, various lending program, and other topics.
- Advertising on television highlighting the benefits of Mudra Loans should be used to break down buyer opposition. To enhance the performance of businesses, it is advised that this plan include the implementation of an IT-enabled micro enterprise performance tracking system.

6.3 Limitations of Research

- Area Constraints-: The study's findings might be affected by a shift in focus.
- Budget Constraints-: The researcher was given a little budget with which to do the study.
- Time Constraints-: The research was conducted over the course of a year and a half, which may introduce some error when compared to real findings.
- Sample Size Constraints-: It is possible that the study's findings might vary if the sample size was altered.

6.4 Conclusion

The foundation of the country is small enterprise. They require support and reinforcement. Since the last few decades, the government has done a substantial variety of things. The most recent initiative to help small and micro businesses in India is called Mudra Yojana. The goal of this project is to focus only on business owners. This project will improve the lives of a lot of individuals who work in small enterprises, which will benefit the expansion of the overall economy. Mudra was a very efficient fiscal mechanism in the nation during its early phases. This will transform India tremendously and contribute to its development. The creation of Mudra wouldn't just aid in boosting unbanked people's financial access, but it would also lower the expenses that last-mile finance providers place on micro-small firms, particularly those operating in the unorganized sector.

The Mudra Bank program intends to build a solid basis through the application of banking services to foster independent entrepreneurial skills, consequently speeding the creation of substantial job opportunities and GDP growth. Finance is the primary determinant of whether a firm will be large or small. Before their business activity stabilizes, the majority of entrepreneurs have limitations related to infrastructure, operating space, access to technology, networks, and business solutions in incubators. Financing through the Mudra Bank program to increase options for those who do not have bank balances.

Thus, it can be said that the ecosystem built by the Mudra plan has increased the number of formal businesses in Haryana and provided all of them the chance to succeed using the government's current program. By becoming an MSME, additional Mudra recipients can develop and grow their companies.

6.5 Future Scope of Research-:

In future this study will help the government to promote the establishment of small and medium scale enterprises thereby enhancing scope of income generation and developing employment generating opportunities. Moreover, this would help the government to tackle the protest and problems related to employment generation and would help the economy of our country to run on the mode of employment giver rather than running on the track of employment seeker thereby making this place happier for the coming generation to live in.

- Research could be done to compare the non-corporate, small business sector's situation both before and after the Mudra introduction.
- Within the framework of Mudra schemes like Shishu, Kishore, and Tarun, comparative studies might be conducted.
- The performance of the Mudra scheme in relation to the various industry sectors could be compared in studies.

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APPENDIX

QUESTIONNAIRE FOR RESPONDENTS

A Study on Performance of Pradhan Mantri MUDRA Yojana in Haryana

This questionnaire seeks your perceptions on assessment of Pradhan Mantri MUDRA Yojana in Haryana. Thank you for your assistance as this survey will allow us to understand your needs and improving the delivery to your satisfaction. Your participation in this study is entirely voluntary and all replies are confidential and anonymous.

On a scale of 1 to 5, please indicate your response by circling the appropriate level of satisfaction for the factors mentioned below.

SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree

	SD (1)	D (2)	N (3)	A (4)	SA (5)
QUESTIONNAIRE FOR BANKS					
FINANCIAL INCLUSION					
Availability-:					
1. Pradhan Mantri MUDRA yojana is actually implemented to facilitate sustainable development for Micro Finance Institution (MFI).					
2. There are varieties of channels for distribution of Pradhan Mantri MUDRA yojana.					
3. Pradhan Mantri MUDRA yojana is available to all micro entities with equitable conditions.					
Affordability-:					
1. Pradhan Mantri MUDRA yojana requires huge finance.					
2. Pradhan Mantri MUDRA yojana is available on easy terms and conditions.					
3. There are quality services provided for implementing Pradhan Mantri MUDRA yojana.					
Accessibility-:					
1. All MFI are getting benefitted by Pradhan Mantri MUDRA yojana.					
2. Government is controlling equitable distribution of Pradhan Mantri MUDRA yojana.					
3. Government is supporting micro units by implementing Pradhan Mantri MUDRA yojana.					
Awareness-:					
1. Pradhan Mantri MUDRA yojana is a social investment by nature					
2. There exists a trade-off between financial and social performance in Pradhan Mantri MUDRA yojana implemented by GOI.					
3. GOI chooses Pradhan Mantri					

MUDRA yojana and its Initiatives after a good study of all programs available and their implications.					
4. GOI has a good understanding of all schemes of Pradhan Mantri MUDRA yojana and their implications.					
Adequacy-:					
1. Outcomes of Pradhan Mantri Mudra yojana are based on the achievement of broad financial goals.					
2. Pradhan Mantri Mudra yojana helps in accreditation or rating of MFI entities.					
3. Pradhan Mantri Mudra yojana helps in laying down responsible financing practices to ward-off-over indebtedness and ensure proper client protection principles and methods of recovery.					
4. Pradhan Mantri Mudra yojana helps in promoting right technology solutions for financial delivery to the last mile.					

Obstacles

Please tick one of the most important barriers for implementation of Pradhan Mantri MUDRA Yojana (Tick only 1)-:

1	Lack of Government support	
2	Failure of past such projects	
3	Poor implementation	
4	Financial benefits not recognized	
5	Does not practice what is preached	
6	Lack of time to implement	
7	Lack of knowledge how to implement	
8	National culture	
9	Budget constraints	
10	Buyer's resistance	
11	Backsliding to the old ways of working	
12	Lack of communication	
13	Lack of facility	
14	Lower volume of demand	
15	Any other (pls. specify)	

QUESTIONNAIRE FOR BENEFICIARIES (Part-A)					
Significance of PMMY on Employment Generation-:					
1. Pradhan Mantri Mudra yojana helps in laying down policy guidelines for micro enterprise financing business.					
2. Pradhan Mantri Mudra yojana helps in registration of MFI entities.					
3. Pradhan Mantri Mudra yojana helps in supervision of MFI entities.					
4. Pradhan Mantri Mudra yojana helps in supporting development & promotional activities in the sector.					
5. Pradhan Mantri Mudra yojana helps in creating employment opportunities for all the beneficiaries.					
Significance of PMMY on Income Generation-:					
1. Pradhan Mantri Mudra yojana helps in development of standardized set of covenants governing last mile lending to micro / small enterprises.					
2. Pradhan Mantri Mudra yojana helps in formulating and running a Credit Guarantee scheme for providing guarantees to the loans / portfolios which are being extended to micro-enterprises by Banks, NBFC and MFI					
3. Pradhan Mantri Mudra Yojana helps in creating a good architecture of Last Mile Credit Delivery to micro businesses under the scheme of PM MUDRA Loan.					
4. Pradhan Mantri Mudra yojana helps in creating a sustainable source of income to all the beneficiaries.					

QUESTIONNAIRE FOR BENEFICIARIES (Part-B)					
Benefits of Pradhan Mantri Mudra yojana (PMMY)-:					
	1	2	3	4	5
1. You are completely aware about PMMY?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
2. Do you think PMMY is beneficial for society?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
3. PMMY capable of elevating standard of living of beneficiaries?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
4. Do you agree that PMMY provides benefits to micro and small business units?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
5. Do you agree that PMMY helps to remove the financial difficulties faced by micro and small business units?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Corruption involved in Pradhan Mantri Mudra yojana (PMMY)-:					
1. Did you bribed anyone for getting benefitted from this scheme?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
2. Were you asked for some money to get registered for this scheme by any government employee?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
3. What is your opinion getting benefitted from such schemes requires bribe?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

From Beneficiary point of view

Obstacles		
Please tick one of the most important barriers for implementation of Pradhan Mantri MUDRAYojana (Tick only 1)-:		
1	Lack of Government support	
2	Failure of past such projects	
3	Poor implementation	
4	Financial benefits not recognized	
5	Does not practice what is preached	
6	Lack of time to implement	
7	Lack of knowledge how to implement	
8	National culture	
9	Budget constraints	
10	Buyer’s resistance	
11	Backsliding to the old ways of working	
12	Lack of communication	
13	Lack of facility	
14	Lower volume of demand	

15	Any other (pls. specify)	

Personal Details of the Beneficiaries-:

A. Name-:

B. Age-:

1) 0-15

2) 15-30

3) 30-45

4) 45-60

C. Gender-:

1) Male

2) Female

D. Annual Income-:

1) less than 5000

2) 5000-10000

3) 10000-15000

4) 15000-20000

5) 20000 and above

E. Type of Enterprise-:

1) Manufacturing

2) Trading

3) Services

F. Name of the scheme registered for-:

1) Micro Credit Scheme

2) Micro Enterprises Loan Schemes

3) Mahila Udyami Scheme

4) Refinance Schemes for Commercial and RRB / Scheduled Co-operative Banks

5) MUDRA Card

G. Name of the bank providing the scheme-:

1) Public Sector Bank

2) Private Sector Bank

3) Regional Rural Bank (RRB)

4) Co-Operative Bank

5) MFI-NBFC

6) Micro Finance Institution (MFI)

7) Main-Line NBFC

N Bank's Logo

प्रधानमंत्री mudra योजना

LOAN APPLICATION FORMPRADHAN MANTRI MUDRE YOJANA
(To be submitted along with documents as per the check list)

A. For office Use:

EnterpriseName	Application Sl. No.	Name of the Branch	Category
			Shishu/Kishor/Tarun

B.Business Information:

Name of the Enterprise											
Constitution	√	Proprietary	Partnership	Pvt. Ltd.	Ltd. Company	Any Others (specify)					
Current Business Address											
	State		PIN Code								
	Business Premises		√	Rented	Owned						
Telephone No.		Mobile No.	91								
E-mail:											
Business Activity	Existing										
	Proposed										
Date of Commencement(DD/MM/YYYY)											
Whether the Unit is Registered	√	Yes		No							
If Registered (Please mention:Registration no. And the Act under which registered)											
Registered office Address											
Social Category	√	SC	ST	OBC	Minority Community						
If Minority Community	√	Buddhists	Muslims	Christians	Sikhs	Jains	Zoroastrians				

C.Background Information of Proprietor/ Partners/ Directors:

S.No	Name	Date of Birth	Sex	Residential Address with Mobile No.	Academic Qualification	Experience in the line of activity (Years)
1.						
2.						

S.No	Id proof	Id proof no.	Address proof	Address proof no.	PAN Card/DIN No.	Relationship with the officials/ Director of the bank if any
1.						
2.						

D. Names of Associate Concerns and Nature of Association:

Names of Associate Concern	Address of Associate Concern	Presently Banking with	Nature of Association Concern	Extent of Interest as a Prop./Partner/ Director or Just Investor in Associate Concern

E. Banking/Credit Facilities Existing: (In Rs.)

Type of Facilities	Presently Banking with	Limit Availed	Outstanding As on ……	Security lodged	Asset classification status
Savings Account		N. A.		N. A.	
Current Account		N. A.		N. A.	
Cash Credit					
Term Loan					
LC/BG					
If banking with this bank, customer ID to be given here:					
It is certified that our unit has not availed any loan from any other Bank / Financial Institution in the past and I/we am/are not indebted to any other Bank / Financial Institution other than those mentioned in column no. E above.					

F. Credit Facilities Proposed:(In Rs.)

Type of Facilities	Amount	Purpose for which Required	Details of Primary Security Offered (with approx. value to be mentioned)
Cash Credit			
Term Loan			
LC/BG			
Total			

G.In case of Working Capital: Basis of CashCredit Limit applied:(In Rs.)

Actual Sales		Projected						
FY-	FY-	Sales	Working Cycle in Months	Inventory	Debtors	Creditors	Promoter's Contribution	Limits

H. In case of Term loan requirements, the details of machinery/equipment may be given as under:

Type of machine / Equipment	Purpose for which required	Name of Supplier	Total Cost of Machine	Contribution being made by the promoters(Rs.)	Loan Required (Rs.)
		Total			

Repayment period with Moratorium period requested for	

I. Past Performance / Future Estimates: (In Rs.)

Past Performance / Future Estimates (Actual performance for two previous years, estimates for current year and projections for next year to be provided for working capital facilities. However for term loan facilities projections to be provided till the proposed year of repayment of loan)				
	Past Year-II (Actual)	Past Year-I (Actual)	Present Year (Estimate)	Next Year (Projection)
Net Sales				
Net Profit				
Capital (Net Worth in case of Companies)				

J. Status Regarding Statutory Obligations:

Statutory Obligations	Whether Complied with (select Yes/No) If not applicable then select N. A.	Remarks (Any details in connection withthe relevant obligation to be given)
1. Registration under Shops and Establishment Act		
2. Registration under MSME (Provisional /Final)		
3. Drug License		
4. Latest Sales Tax Return Filed		
5.Latest Income Tax Returns Filed		
6.Any other Statutory dues remaining outstanding		

K. Declaration:

I/We hereby certify that all information furnished by me/us is true, correct and complete. I/We have no borrowing arrangements for the unit except as indicated in the application form. There is/are no overdue / statutory dueowed by me/us. I/We shall furnish all other information that may be required by Bank in connection with my/our application. The information may also be exchanged by you with any agency you may deem fit. You, your representatives or Reserve Bank of India or Mudra Ltd., or any other agency as authorised by you, may at any time, inspect/ verify my/our assets, books of accounts etc. in our factory/business premises as given above. You may take appropriate safeguards/action for recovery of bank's dues.

Space for Photo	**Space for Photo**	**Space for Photo**
(Signatures of Proprietor/partner/ director whose photo is affixed above)		

Date:___________________

Place:___________________

CHECK LIST: (The check list is only indicative and not exhaustive and depending upon the local requirements at different places addition could be made as per necessity)

1) Proof of identity - Self certified copy of Voter's ID card / Driving License / PAN Card / Aadhar Card/Passport.
2) Proof of Residence - Recent telephone bill, electricity bill, property tax receipt (not older than 2 months), Voter's ID card, Aadhar Card & Passport of Proprietor/Partners/Directors.
3) Proof of SC/ST/OBC/Minority.
4) Proof of Identity/Address of the Business Enterprise -Copies of relevant licenses/registration certificates/other documents pertaining to the ownership, identity and address of business unit.
5) Applicant should not be defaulter in any Bank/Financial institution.
6) Statement of accounts (for the last six months), from the existing banker, if any.
7) Last two years balance sheets of the units along with income tax/sales tax return etc. (Applicable for all cases from Rs.2 Lacs and above).
8) Projected balance sheets for one year in case of working capital limits and for the period of the loan in case of term loan (Applicable for all cases from Rs.2 Lacs and above).
9) Sales achieved during the current financial year up to the date of submission of application.
10) Project report (for the proposed project) containing details of technical & economic viability.
11) Memorandum and articles of association of the company/Partnership Deed of Partners etc.
12) In absence of third party guarantee, Asset & Liability statement from the borrower including Directors& Partners may be sought to know the net-worth.
13) Photos (two copies) of Proprietor/ Partners/ Directors.

Acknowledgement Slip for loan Application under Pradhan Mantri MUDRA Yojana

Office Copy:

Application (system generated/manual) Number		Date of Application	
Name of the Applicant(s)		Loan Amt. Requested for	
Signature of Applicant(s)		Signature of Branch official	

प्रधानमंत्री mudra योजना

Acknowledgement Slip for loan Application under Pradhan Mantri MUDRA Yojana

Applicants Copy:

Application (system generated/manual) Number		Date of Application	
Name of the Applicant(s)		Loan Amt. Requested for	
Signature of Applicant(s)		Signature of Branch official	