

ASSESSING THE AWARENESS AND ACCESSIBILITY LEVELS OF THE PRADHAN MANTRI MUDRA YOJANA (PMMY) AMONG RESIDENTS OF MUMBAI REGION

Priyank Kumar Brahmadev Dubey¹, Dr. Vijay G. Chawale²

¹Research Scholar, Ph. D. Research Centre Sydenham College of Commerce and Economics, Churchgate, Mumbai-20

²Assistant Professor, Research Guide, Ph. D. Research Centre, Sydenham College of Commerce and Economics, Churchgate, Mumbai-20
priyank.pd1997@gmail.com

Abstract

Micro-enterprises play a vital role in India's economy, however many struggle to access the financial support they require. In an effort to help small firms and entrepreneurs overcome this obstacle, the government launched the Pradhan Mantri Mudra Yojana (PMMY), which aims to provide entrepreneurs with greater financial independence. But the effectiveness of PMMY relies on the accessibility and awareness of its services. This research study is intended to evaluate Mumbai region citizens' knowledge of and accessibility to PMMY. In order to provide comprehensive insights, this research employs a mixed-methods strategy that integrates quantitative and qualitative techniques. Apart from numerical statistics, surveys offer important insights into the challenges encountered by possible recipients in moving through the application procedure, obtaining essential details, and capitalizing on the program's advantages. In addition, a critical analysis is conducted about the perspectives of stakeholders concerning PMMY's efficacy in advancing financial inclusion and entrepreneurship. This research can guide policymakers in improving awareness and accessibility of PMMY in Mumbai, leading to targeted strategies that enhance outreach, streamline processes, and promote inclusive growth through entrepreneurship. The findings of the study will contribute to the growing body of knowledge and ongoing discussion on financial inclusion and socio-economic empowerment in India by providing empirical insights into the implementation challenges and opportunities associated with the Pradhan Mantri Mudra Yojana. It highlights the importance of tailored interventions to bridge the awareness-accessibility gap and enhance PMMY's impact on promoting entrepreneurship and inclusive growth, particularly in urban areas like Mumbai.

Keywords: Awareness, Accessibility, PMMY, Financial Inclusion, Micro Enterprises.

INTRODUCTION

The Indian government has launched numerous programs to support micro and small businesses throughout the nation over the past ten years. The Pradhan Mantri Mudra Yojana is one such flagship programme (PMMY). Launched on April 8, 2015, PMMY aims to support micro and small enterprises financially through a network of financial institutions. Under PMMY, enterprises can get microfinance up to Rs. 10 lakh; these loans are referred to as Mudra loans. Mudra loans are divided into three distinct categories: Shishu, Kishore, and Tarun. These kinds of products are meant to reflect the recipient entrepreneur's stage of development and finance requirements, as well as to serve as a benchmark for subsequent stages of growth. The primary objective of the government with PMMY initiative is Funding the unfunded, Promoting financial inclusion, Integration of Informal economy into Formal sector. PMMY has been a powerful tool in empowering aspiring entrepreneurs by providing financial support for starting up a new business or for expansion of existing business.

Mumbai is also known as the financial capital of the country. It is a hub for various small and micro businesses ranging from small traditional businesses to modern innovative startups. Mumbai is not only the hub for existing micro businesses but also the house of millions of young aspiring entrepreneurs. Despite the city's potential to catalyze Economic growth and job creation, many micro entrepreneurs & aspiring young entrepreneurs in Mumbai still face significant barriers in accessing finance through formal channels. This underscores the need for a comprehensive analysis of the level of awareness and accessibility of PMMY within this populous city.

No matter how strong the program or initiative is, its success depends on the level of clarity in knowledge its beneficiaries have. While PMMY looks very promising for empowering micro-entrepreneurs, there is limited research that studies the level of awareness and accessibility towards PMMY in the Mumbai region. Understanding these factors is crucial for policymakers, financial institutions and other stakeholders to improve their strategies and ensure that PMMY reaches its intended beneficiaries effectively. By conducting a systematic

inquiry into the Awareness and Accessibility levels of PMMY among the residents of Mumbai region, this study focuses on filling the knowledge gap and providing actionable insights which will help in enhancing the program's impact.

OBJECTIVES

1. To assess residents' awareness of the Pradhan Mantri Mudra Yojana.
2. To investigate information accessibility about PMMY to residents.
3. To evaluate the effectiveness of government initiatives in PMMY dissemination.
4. To determine residents' future intention to apply for a Mudra loan.

REVIEW OF LITERATURE

Agarwal and Dwivedi (2017), examined how well the MUDRA plan worked, specifically with regard to caste and category. A SWOT analysis was utilized by the research to assess the advantages, disadvantages, possibilities, and potential risks of the plan. The substantial advantages that the MUDRA plan offers to female entrepreneurs—women making up the majority of beneficiaries—were one of the paper's noteworthy findings. The distributional share of women rose from 46 percent in 2015–16 to 46.2 percent in 2016–17, according to the data. According to the report, policies should also focus on minorities and include the private sector in addition to more conventional industries like farming and industry.

G. Lakshmi Priya and S. Smilee Bose (2021), In their study, the researchers aimed to gauge the level of awareness among women entrepreneurs regarding government schemes in India designed specifically for them. They also proposed strategies to enhance this awareness. Findings indicated that women entrepreneurs in Chennai district exhibited low awareness levels towards most schemes, except for the Stree Shakti Package scheme. The primary source of awareness was identified as social media networking. However, a significant portion of potential women entrepreneurs remained unaware due to this lack of information. The study underscores the necessity for government intervention to ensure the dissemination of information about various schemes and assistance programs to women entrepreneurs. Additionally, it suggests the importance of monitoring the effectiveness of these initiatives to maximize their impact.

H L, Anjesh and Rathod, Veershetty G (2021), have investigated the citizens of Shivamogga district, Karnataka, with respect to their knowledge, awareness, and sources of awareness on the PMMY plan. The results of the research demonstrated that the respondents' degree of PMMY knowledge was quite low. The majority of people also looked to their relatives and close friends for information regarding the program.

Juliana Sairah John, Nikita Kabra, Sanchia Maria Jos (2018), study's main focus was on how MSME in the state of Karnataka exploited PMMY to their advantage. The study emphasized that every class of entrepreneur in society can readily access and utilize the program. The reason for the lower loan disbursement in the Shishu and Tarun category was a lack of awareness. Researchers say that diverse approaches should be taken while doing awareness campaigns. Researchers came to the conclusion that small and non-corporate businesses have benefited from assistance from the Indian government in the form of MUDRA.

Singh (2020), conducted a study focusing on financial inclusion through the Pradhan Mantri Mudra Yojana (PMMY) in Himachal Pradesh. The research identified several obstacles hindering the implementation of financial inclusion initiatives in the state. These barriers encompassed geographical challenges, health-related issues, educational disparities, gender inequality, caste and religious factors, family discouragement, and a notable gender gap in enrollment under the PMMY schemes favoring males over females. Despite efforts, ground realities indicate an existing gap in achieving the anticipated rural development. To address this gap, Singh emphasized the necessity for banks to offer affordable and simplified financial products, aiming to integrate rural populations' savings into the formal economic system. Furthermore, Singh recommended enhanced coordination between bank officials and both state and central government authorities to ensure the effective implementation of the PMMY.

RESEARCH METHODOLOGY

With the goal to assess awareness and accessibility levels, this study employed a mixed-method approach that incorporated primary and secondary data collection methods. Primary data was gathered using structured questionnaires that were circulated using Google Forms. The surveys included both open-ended questions for suggestions for improvement and Likert scale questions. To ensure a diverse sample, respondents were selected by a combination of snowball and random convenience sampling approaches. Secondary data has been collected via the MUDRA Portal and by examining the literature on the findings of other research studies. The information

collected were analyzed using descriptive data analysis approaches, that involved thematic analysis of the qualitative replies and quantitative measurements including mean, median, mode, and standard deviation. The generalizability of the results is impacted by limitations, which include probable sample and response biases, regardless of measures to mitigate bias. As it sums up, this methodology recognised and addressed methodological and ethical limitations while allowing for the systematic investigation of accessibility and awareness. It also provided insights into quantitative metrics and qualitative feedback.

HYPOTHESIS

Hypothesis 1

H0: There is no significant difference in the mean awareness level of the Pradhan Mantri Mudra Yojana between males and females.

H1: There is a significant difference in the mean awareness level of the Pradhan Mantri Mudra Yojana between males and females.

DATA ANALYSIS & INTERPRETATION

Demographic Analysis of Respondents

Demographic Variables	Levels	Counts	% of Total	Cumulative %
Age	18-25	52	52	52
	26-35	33	33	85
	36-45	09	09	94
	46-55	05	05	99
	56 & Above	01	01	100
Gender	Male	60	60	60
	Female	40	40	100
Education	HSC	20	20	20
	Graduate	27	27	47
	Postgraduate	37	37	84
	Professional Degree (e.g., MBA, PhD, CA, CS)	16	16	100
Current Employment Status	Student	41	41	41
	Employed	43	43	84
	Self Employed	13	13	97
	Homemaker	01	01	98
	Unemployed	02	02	100
Location	Mumbai	77	77	77
	Navi Mumbai	23	23	100

For research purposes a comprehensive demographic analysis of 100 respondents was conducted, the sample was categorized based on different demographic categories. In terms of age, 52% were in the 18-25 age range, while 33% belonged to 26-35 age group, 9% belonged to the 46-55 age group and 5% belonged to 46-55 age group and 1% respondents were above age 55. Out of total respondents 60% of respondents were male and 40% were female, according to the gender breakdown. Regarding education 37% of respondents are postgraduate, 27% had graduate degrees, while 20% are HSC passed out and the other 16% hold professional degrees. 43% of respondents are employed, 41% belong to the student's category, 13% of respondents are self employed, and Homemaker & Unemployed accounted for 1% & 2% respectively. 60% of respondents are situated in Mumbai region while other 40% of respondents are residents of Navi Mumbai.

Descriptive Analysis & Interpretation

1. Awareness of Pradhan Mantri Mudra Yojana among Respondents

Mean	2.62
Standard Error	0.151610879
Median	2
Mode	1
Standard Deviation	1.516108789
Sample Variance	2.298585859
Kurtosis	-1.285813453
Skewness	0.38717371
Range	4
Minimum	1
Maximum	5
Sum	262
Count	100

The awareness level of respondents about PMMY (Pradhan Mantri Mudra Yojana) indicates a moderate awareness, with a mean score of 2.62 and a median of 2. The majority of respondents reported an awareness level around 1, which is also the mode. However, the data exhibits variability, as evidenced by a standard deviation of 1.52 and a range of 4, suggesting a range of awareness levels among respondents. The distribution is slightly negatively skewed (skewness = 0.39) with a relatively low kurtosis (-1.29), indicating a slightly flatter distribution compared to a normal distribution. Overall, while there is some awareness of PMMY among respondents, there is room for improvement in disseminating information about the scheme.

2. Accessibility of Information about Pradhan Mantri Mudra yojana

Mean	2.69
Standard Error	0.122015896
Median	3
Mode	3
Standard Deviation	1.220158956
Sample Variance	1.488787879
Kurtosis	-0.595047455
Skewness	0.278320017
Range	4
Minimum	1
Maximum	5
Sum	269
Count	100

When respondents were asked about the accessibility of information regarding the Pradhan Mantri Mudra Yojana (PMMY), the data indicates a moderate level of accessibility. The mean score of 2.69, along with both the median and mode at 3, suggests that a significant portion of respondents perceive the information to be moderately accessible. The standard deviation of 1.22 and a range of 4 further highlight variability in perceptions, with some respondents indicating lower accessibility while others report higher. Despite this moderate perception, the distribution, with a slightly positive skewness of 0.28 and a kurtosis of -0.60, suggests room for improvement in ensuring broader awareness and understanding of PMMY among the population.

3. The role of the government in spreading information about PMMY

Mean	2.95
Standard Error	0.127425954
Median	3
Mode	3
Standard Deviation	1.274259539
Sample Variance	1.623737374
Kurtosis	-0.824915878
Skewness	0.065382927
Range	4
Minimum	1
Maximum	5
Sum	295
Count	100

The data on perceptions of the government's role in providing information about the Pradhan Mantri Mudra Yojana (PMMY), collected through a Likert scale, indicates a generally positive outlook among respondents. With a mean score of 2.95 and both the median and mode at 3, respondents tend to agree with the government's role. However, variability exists (standard deviation = 1.27), suggesting differing opinions. The distribution, with a slightly positive skewness of 0.07 and a kurtosis of -0.82, suggests a relatively balanced spread of responses, albeit leaning slightly towards agreement.

4. Intention to apply for Mudra loan in future

Mean	2.8
Standard Error	0.12792043
Median	3
Mode	3
Standard Deviation	1.279204298
Sample Variance	1.636363636
Kurtosis	-0.814305282
Skewness	0.206808455
Range	4
Minimum	1
Maximum	5
Sum	280
Count	100

The data regarding respondents' inclination to apply for a Mudra loan in the future, collected through a Likert scale where 1 indicates strongly agree and 5 indicates strongly disagree, suggests a generally positive outlook among respondents. With a mean score of 2.8 and both the median and mode at 3, respondents tend to lean towards agreement in considering applying for a Mudra loan. However, variability exists (standard deviation = 1.28), indicating differing degrees of inclination among respondents. The distribution, with a slightly positively skewed (skewness = 0.21) and a kurtosis of -0.81, suggests a relatively balanced spread of responses, leaning slightly towards agreement. Overall, while there's a generally positive inclination towards applying for a Mudra loan, further exploration may be needed to understand factors influencing respondents' decisions.

HYPOTHESIS TESTING

1. Hypothesis : 01

H0: There is no significant difference in the mean awareness level of the Pradhan Mantri Mudra Yojana between males and females..

H1: There is a significant difference in the mean awareness level of the Pradhan Mantri Mudra Yojana between males and females.

Hypothesis: 01 - Two sample t-test		
	Male	Female
Mean	2.616666667	2.625
Variance	2.274293785	2.394230769
Observations	60	40
Hypothesized Mean Difference		0
df		82
t Stat		-0.026652422
P(T<=t) one-tail		0.489400859
t Critical one-tail		1.663649185
P(T<=t) two-tail		0.978801718
t Critical two-tail		1.989318521

The p-value for the two-tailed test is greater than 0.05 (p-value = 0.979), suggesting that there is insufficient evidence to reject the null hypothesis. Similarly, the absolute value of the calculated t-statistic (0.027) is less than the critical t-value for both one-tailed and two-tailed tests, indicating that we fail to reject the null hypothesis. Therefore, based on this analysis, we conclude that there is no significant difference in the mean awareness level of the Pradhan Mantri Mudra Yojana between males and females at the 0.05 significance level.

QUALITATIVE FINDINGS

The qualitative findings from respondents regarding suggestions for promoting awareness about the Pradhan Mantri Mudra Yojana (PMMY) reveal several key themes.

Firstly, there is widespread acknowledgment of the lack of awareness surrounding PMMY, with recommendations for advertisements on various platforms to disseminate information effectively. Secondly, respondents stress the importance of education and access to market information, suggesting the inclusion of PMMY in school and college syllabi, alongside organizing sessions, seminars, and campaigns in educational institutions. Additionally, concerns about the complexity of bank formalities and procedures underline the need for simplifying the application process and providing clearer guidance about the scheme. Moreover, respondents advocate for leveraging social media platforms and digital marketing for promoting PMMY, emphasizing the significance of increased advertisements and campaigns to reach a broader audience. Some respondents express optimism about PMMY as a positive government initiative to support small businesses and promote self-reliance, while others highlight challenges posed by a male-dominated society, suggesting targeted efforts to empower women. Concerns regarding interest rates and repayment terms also emerge, suggesting potential improvements to enhance the scheme's effectiveness. Lastly, there is a consensus on the need for continuous promotion and updating of information about PMMY through government-run commercials and awareness campaigns to ensure sustained public awareness about its benefits and procedures. Overall, addressing these multifaceted issues could significantly improve the accessibility and effectiveness of PMMY for aspiring entrepreneurs and small business owners.

SUGGESTIONS FOR ACTION

- To effectively spread awareness about PMMY across a broad demographic, undertake targeted advertising campaigns on a variety of channels, including print, social media, online streaming services, and television.
- Reduce paperwork and improve online application tools to streamline the PMMY loan application process and make it simpler for prospective recipients to understand.
- Conduct focused awareness efforts that stress the needs of underprivileged communities, people with disabilities, and minorities with the goal to ensure equal and equitable access to PMMY benefits.
- Provide training programs and capacity-building initiatives to equip aspiring entrepreneurs with the necessary skills and knowledge to benefit from PMMY effectively.
- Establish feedback mechanisms to gather insights from beneficiaries and stakeholders, allowing for continuous improvement and adaptation of PMMY initiatives based on real-time feedback.

LIMITATIONS OF THE STUDY

The study has notable limitations. Firstly, it is confined to Mumbai and Navi Mumbai, limiting the generalizability of findings beyond this region. Secondly, random convenience sampling and a small sample size of 100 may introduce bias and restrict representativeness. Thirdly, the questionnaire's reliance on closed-ended questions may have limited the depth of insights gathered. Additionally, descriptive statistics and two-sample t-tests may oversimplify data analysis, overlooking nuanced relationships. Lastly, resource and time constraints likely influenced the study's scope and methodology. These limitations underscore the need for cautious interpretation of findings and highlight areas for improvement in future research endeavors.

Future research on the Pradhan Mantri Mudra Yojana (PMMY) should prioritize inclusive outreach strategies tailored to marginalized groups and conduct rigorous impact evaluations to assess its effects on entrepreneurship and financial inclusion, providing valuable insights for policy refinement and program optimization.

CONCLUSION

The purpose of our study was to determine how well-informed Mumbai citizens were about the Pradhan Mantri Mudra Yojana (PMMY) and how easily accessible information was about it. After undertaking a comprehensive analysis, we observed that even though respondents had differing opinions, they showed a moderate level of awareness about PMMY. Similarly, respondents' opinions of the accessibility of PMMY information varied, with some believing it to be moderate. Despite this variation, most respondents indicated that they would be inclined to apply for a Mudra loan in the future, underlining the potential contribution made by PMMY to the promotion of financial inclusion and empowerment. Our findings have significant implications. Improving PMMY's visibility and accessibility becomes important in order to ensure its efficient implementation and optimize its impact on economic growth. In addition, by being aware of residents' opinions and preferences, tailored interventions can be made to encourage the scheme's uptake among those who are supposed to benefit.

It's crucial to acknowledge the limitations that our study encountered however. Our study was limited to the Mumbai region due to geographical limitations, which may have affected the overall generalizability of our results. Furthermore, biases may have been introduced into our sample due to the method of convenience sampling, and the extent of our study could have been affected by time and resource constraints. Researchers in the future should think about expanding their geographical concentration in order to provide a broader overview of PMMY awareness and accessibility in a variety of scenarios. Additionally, implementing more stringent sample strategies and providing adequate funding can improve the resilience of subsequent research in this field.

To conclude, our research adds significant understanding to the expanding body of studies on PMMY by enlightening Mumbai residents' knowledge and information accessibility. In order to promote informed decision-making and ultimately contribute to helping PMMY succeed in fostering financial inclusion and economic empowerment, we want to address existing shortcomings and provide recommendations for improvement.

REFERENCES

- [1] Priya, G. L., & Bose, S. S. (2021). A STUDY ON WOMEN ENTREPRENEUR'S AWARENESS ABOUT GOVERNMENT SCHEMES-SPECIAL REFERENCE TO CHENNAI DISTRICT, TAMIL NADU. *International Journal of Management (IJM)*, 12(9).
- [2] Singh, Vijay Pal, (2020, December). Financial Inclusion Through Pradhan Mantri Mudra Yojana (PMMY) in Rural Development of Himachal Pradesh. In *Perspectives on Business Management & Economics (Vol. III, pp. 153-160)*.
- [3] Agarwal, M., & Dwived, R. (2017). Pradhan Mantri Mudra Yojna: a Critical Review. *Parikalpana: KIIT Journal of Management*, 13(2), 97-106.
- [4] HL, A. a. (2021). A Study on Awareness Level of Pradhan Mantri Mudra Yojana in Shivamogga Dist. Karnataka. *PIMT Journal of Research* .
- [5] Juliana Sairah John, N. K. (2018). MUDRA Performance in Karnataka. *International Journal of Research and Analytical Reviews (IJRAR)* , 278-287.
- [6] <https://www.mudra.org.in/>