

Pradhan Mantri Mudra Yojana, What is Mudra Loan.

Description:

Pradhan Mantri Mudra Yojana, What is Mudra Loan? How to Apply for Bank Loan, Offerings, Eligibility, Loan Procedure, Interest Rates.

The biggest bottleneck to the growth of entrepreneurship in the Non-corporate Small Business sector is the lack of financial support to this sector. Most individuals, especially those living in rural and interior parts of India, have till recently been excluded from the benefits of formal banking system. They never had access to insurance, credit, loans and other financial instruments to help them establish and grow their micro businesses. So, the individuals turn to local money lenders for credit. The loan comes at high interest and often with unbearable conditions, which make these poor unsuspecting people fall in a debt-trap for generations. When businesses fail, the borrowers become vulnerable to the lender's strong-arm tactics and other forms of humiliation. As per NSSO Survey of 2013, there are close to 5.77 crore small-scale business units, mostly sole proprietorships, which undertake trading, manufacturing, retail and other small-scale activities. Compare this with the organised sector and larger companies that employ 1.25 crore individuals. Clearly, the potential to harness and nurture these micro businesses is vast and the government recognises this. Today, this segment is unregulated and without financial support or cover from the organised financial banking system. The Hon'ble Prime Minister launched the Pradhan Mantri Mudra Yojana on 8th April, 2015. The scheme is aimed at "funding the unfunded". It is intended to attain development in an inclusive and sustainable manner by supporting and promoting partner institutions and creating an ecosystem of growth for micro enterprises sector. The MUDRA Bank provides for policy guidelines for micro enterprise financing business. It aims at responsible financing practices to ward off over indebtedness and re-finance to Banks/NBFCs/MFIs. It also provides for formulation/facilitation of Credit Guarantee Scheme for providing guarantees to PMMY loans. A common notion about this sector is that extending financial support to this sector may not be sound practice on account of fears of default. This is not correct. At the time of inauguration of the scheme in April this year, our H'ble Prime Minister had mentioned about women's self-help groups. The Prime Minister had said that the kind of honesty showed by these loan takers is seldom seen in any other sector.

For more details download PDF file.

Keywords: Pradhan Mantri MUDRA Yojana, MUDRA Loan, PM Launches Pradhan Mantri MUDRA Yojana, Pradhan Mantri MUDRA Bank Loan Yojana, How to Take Loan Under Pradhan Mantri MUDRA Yojana? How to get MUDRA Loan under the Pradhan Mantri MUDRA Yojana, What is Pradhan Mantri MUDRA Yojana (Pmmy)? Bank Mudra Loan, Pradhan Mantri Mudra Yojana Scheme, Pmmy, Mudra - Micro Units Development & Refinance Agency, Mudra Loan Interest Rates in India, Loan Under Pradhan Mantri MUDRA Yojana (Pmmy), Micro Units Development and

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