



AN EMPIRICAL STUDY ON SATISFACTION LEVEL OF BENEFICIARIES TOWARDS PRADHAN MANTRI MUDRA YOJANA (PMMY)

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ABSTRACT Pradhan Mantri mudra Yojana (PMMY) was launched on April 8 2015 by the Hon'ble Prime Minister Narendra Modi to provide funding to the non-corporate small business sector through various financial institutions like banks, non-banking financial companies and Micro finance Institutions. The present research has been taken to study the Satisfaction level of beneficiaries towards PMMY scheme. The study is based on both primary and secondary sources; the primary data were collected from beneficiaries of Pradhan Mantri Mudra scheme through interview schedule in Shivamogga district and secondary source from Website of Mudra. The data was analyzed through Microsoft excel, SPSS by using statistical tools like frequency, percentage and to test the hypothesis t-test and Paired sample t-test is used. The result shows that "The beneficiaries of PMMY scheme are satisfied with the services provided by banks, Microfinance institutions and Non-banking financial companies".

KEYWORDS : Satisfaction Level, Impact, PMMY, Beneficiaries.

1. INTRODUCTION

Financial Inclusion is very much essential for sustainable and Inclusive growth. The aim behind the financial inclusion is to cover all sections of people under financial and banking services. Government of India has introduced some major steps to funding the unfunded micro enterprises segment through a new financial inclusion initiative like Pradhan mantri mudra Yojana

Micro Units Development and Refinance Agency Ltd. is a non-banking finance institution supporting development of the Micro enterprises sector in the country. Mudra providing refinance support to banks/MFIs for lending to micro and small units having loan requirements upto Rupees ten lakhs. Mudra loans are extended in three categories based on the size of the loans. They are Shishu (upto 50,000), Kishore (above 50,000 and upto 5 lakh) and Tarun (Above 5 lakh and upto 10 lakh).

2. Review of Literature

Dr. J Mary (2014) the objective of the study is to analyze the impact of Institutional Finance on entrepreneurial activity before getting and after getting institutional support. In order to achieve the objectives primary data is collected from the entrepreneurs or owners with the help of well-structured interview schedule in theni district of tamilnadu. To test the hypothesis the following variables is used such as value of machinery, value of building, value of vehicle, value of raw materials, value of finished goods, production, sales, capacity utilization, working capital and profit.

Dr. Anurodh and Deepti (2017) The study concluded that PMMY made bigger change in the area of micro finance and financial inclusion. The scheme will promote competition to give credit support to weaker sections, low income groups and the unfunded population. Financial inclusion through Mudra increases the opportunities for credit requirements and refinance. This type of scheme may help our nation forward to the future and make India as sustainable developed country. Due to launch of the PMMY scheme financial inclusion of SMEs entrepreneurs has increased towards positive direction.

A. Abdul and Rahim (2018) The study reveals the challenge faced by micro enterprises among that biggest bottleneck is lack of formal financial support. The study suggests there is a provision for upgrading of loans from Kishore to next step in order to meet the working capital of Mudra loan borrowers. The study concluded that Mudra Yojana is the most recent Yojana to boost up the micro and small business units in India and it will add well-being of the individuals if implemented in the right direction in future.

Greeshma K S (2019) The findings shows that IDBI bank has fully utilized the sanctioned amount of Mudra loan, majority of the public sector banks disbursing more than 80% of Mudra loan and public sector banks using 91% of the total loan amount sanctioned. Finally concluded that the scheme will contribute the welfare of the entrepreneurs who are intended in micro and small units which will turn positively affect the progress of the economy as a whole and also for rural development of the India.

3. Objectives

- To know the about PMMY scheme.
- To explore the Satisfaction level about PMMY scheme among its beneficiaries.

4. Hypothesis

"The beneficiaries of PMMY scheme are not satisfied with the services provided by banks, Microfinance institutions and Non-banking financial companies".

5. Research Methodology:

Source of Data:

The study is based on both primary and secondary data; the primary data is collected through questionnaire/ Interviews with beneficiaries of Pradhan Mantri Mudra Scheme with field visit. And secondary sources were collected from journals, newspapers, magazines, Mudra websites, reports and bulletins, etc.

Sampling

A simple random sampling method was employed for selecting a representative sample from beneficiaries of Mudra Scheme in Shivamogga District, Karnataka. A total 72 respondents were taken for the study.

Statistical Tools and Techniques:

The analyses of Survey data is with the help of Microsoft Excel software and Statistical Package for the Social Sciences.

Reliability Analysis

The Reliability test was conducted to ensure the validity of the instrument. The reliability analysis shows Cronbach's Alpha is 0.734 and Number of items 06 which was considered as good enough. The 'α' score indicates that the tool is reliable.

Scope of the Study:

The scope of the present study is primarily limited to the satisfaction level of PMMY scheme among its beneficiaries in Shivamogga District.

6. Data analysis, Interpretation and Results.

Table 1: Demographic Details of PMMY Beneficiaries.

Variable		Frequency	Percentages
Gender	Male	52	72.%
	Female	20	28.%
	Total	72	100.%
Age	18-30 Years	44	61%
	31-40 Years	19	26%
	41-50 Years	6	8.%
	51-60 Years	1	1%
	60 & above	2	3%
	Total	72	100%
Education	Illiterate	6	8%

	Primary	21	29%
	High School	10	14%
	PUC/ ITI	12	17%
	Graduate	13	18%
	Post-Graduate	10	14%
	Total	72	100%
Social Group			
	SC	6	8.%
	ST	13	18.%
	OBC	44	61.%
	Minorities	4	6%
	Others	5	7%
	Total	72	100%
Marital Status			
	Married	48	67%
	Unmarried	23	32%
	Widowed	1	1%
	Total	72	100%
Family background			
	Agriculture	24	33.3
	Industry	3	4.2
	Business	38	52.8
	Profession	7	9.7
	Total	72	100%
Broad Economic Activity			
	Manufacturing	6	8%
	Services	24	33%
	Allied agriculture	14	20%
	Trading	28	39%
	Total	72	100%

Source: Primary data.

Table one reveals the demographic details of PMMY Beneficiaries. Out of the total number of mudra beneficiaries, 72% are male. The remaining 28% are female beneficiaries, the Majority, 61% of Beneficiaries are in the age group of 18 -30 years, and 29% of respondents' educational qualification is primary school, whereas 8% of respondents are illiterates, Majority of 61% respondents are from the social group of Other backward classes, almost 67% of respondents are married. The Majority, 53% of the Mudra beneficiaries' family background is business. The Majority of 39% of respondents' broad economic activity is trading, 33% of respondents' is Services, 20% of respondents' is allied agriculture like poultry farming, dairy farming, etc., and 8% of respondents' is manufacturing.

Table-2: Satisfitication Level of Mudra Scheme Among Beneficiaries

Sl.No	Factors	N	HD	D	N	S	HS	Total
1	Banks intervention towards the scheme	N	5	13	39	14	1	72
		%	7	18	54	19	2	100
2	MFI/ NBFCs intervention towards the scheme	N	1	10	16	40	5	72
		%	1.4	14	22	55.6	7	100
3	Awareness methods of the Mudra scheme	N	5	6	12	32	17	72
		%	7	8	17	44	24	100
4	Bank officials provide adequate information about the mudra scheme	N	4	8	14	28	18	72
		%	6	11	19	39	25	100
5	Accessibility of the scheme.	N	3	7	17	33	12	72
		%	4	10	24	46	17	100
6	Information provided in the website about the mudra scheme is adequate	N	0	9	10	23	30	72
		%	0	12.5	14	32	42	100

HD-Highly dissatisfied, D –Dissatisfied, N-Neutral, S-Satisfied, and H S- Highly satisfied.

Source: Primary Data.

The above table three analyzes the Satisfitication level of mudra

scheme among beneficiaries about various factors. 54% of beneficiaries neutral and 19% of beneficiaries Satisfied for the factor Banks intervention towards the scheme. More than 50% of beneficiaries satisfied with the services provided by Micro finance institutions and Non-banking financial companies. Only 12% of beneficiaries are not satisfied with the awareness methods of Mudra scheme, therefore more awareness should be created by conducting awareness camps in public/private sector banks campuses and through newspaper. Almost 65% of beneficiaries were Accessibility of Mudra scheme. Majority 74% of beneficiaries were satisfied with Information provided in the website of the mudra scheme.

Hypothesis Testing :

Table-3: One Sample T –test Results

Overall Satisfitication level of mudra scheme among beneficiaries							
Variable	Mean	Mean diffe-rence	Std. Deviation	Std. Error Mean	t	Sig.(2 -tailed)	Decision Made (Null)
Overall Satisfitication level	3.5718	0.57176	0.66303	0.07814	7.317	0.000	Rejected

Test value 3, at 95 % confidence interval, n= 72 and df = 71

Source: SPSS out put

The above table five explores the one sample t-test results of Overall Satisfitication level of mudra scheme among beneficiaries, mean= 3.57, standard deviation = 0.66, t= 7.31, with 72(n-1) degrees of freedom 71 and p value is 0.000. As a result p value is less than 0.05, so it is consider statistically significant. Hence null hypothesis is rejected and alternative hypothesis is accepted. Thus the result shows that “The beneficiaries of PMMY scheme are satisfied with the services provided by banks, Microfinance institutions and Non-banking financial companies”.

7. Findings of the Study:

1. The result shows that a more than 50 % are Male entrepreneurs.
2. The study reveals that majority 61% of Beneficiaries are in the age group of 18 -30 years.
3. Majority 50% of Beneficiaries were from public sector banks, thus public sector banks performing well in loan disbursement in the study area.
4. Shishu product is performing well compared to other products.
5. The study reveals that 28% of respondent's broad economic activity is trading.
6. Thus the results show that “The beneficiaries of PMMY scheme are satisfied with the services provided by banks, Microfinance institutions and Non-banking financial companies”.

8. CONCLUSION

Pradhan Mantri Mudra Yojana provide loans to unfunded micro-enterprises in the country with much needed for their business activities resulting in developing of their lives. Therefore financial inclusion of MSMEs through this scheme acts as a game changer in financial market and will boost the Indian Economy in Future. Finally the study concluded that the beneficiaries of Mudra scheme are satisfied with the services provided by banks, Microfinance institutions and Non-banking financial companies.

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