Ministry of Finance

Pradhan Mantri Mudra Yojana (PMMY) — completes 11 Years of empowering Small and Micro Entrepreneurs

PMMY instrumental in reshaping the credit landscape for MSMEs and countless individual entrepreneurs in the country: Union Finance Minister Smt. Nirmala Sitharaman

PMMY provides a platform for small entrepreneurs to access loan support from banks, NBFCs, and MFIs as it drives credit inclusion: MoS Sh. Pankaj Chaudhary

Mudra Yojana facilitates seamless access to collateral-free institutional credit up to ₹20 lakh for non-corporate and non-farm income-generating activities

PMMY has disbursed over ₹40.07 lakh crore through 57.79 crore loans, strengthening the credit ecosystem for small and micro enterprises

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The Pradhan Mantri MUDRA Yojana (PMMY) launched by Prime Minister Shri Narendra Modi on April 8, 2015, is marking 11 years of success in strengthening India's grassroots entrepreneurs. This initiative has been designed to bridge the gap in financial accessibility, offering streamlined, easy collateral-free loans up to ₹20 lakh to support small-scale business ventures for non-corporate and non-farm income-generating activities.

Micro, Small, and Medium Enterprises (MSMEs) serve as the backbone of the industrial ecosystem, acting as essential partners to major corporations and driving balanced economic development. By diversifying their reach into new industries and refining their output, these enterprises are effectively addressing the needs of both local consumers and global markets.

The landscape of business financing has evolved rapidly, with digital innovations and data analytics making it easier for smaller firms to secure capital. A cornerstone of this progress is PMMY, a strategic government initiative famously characterized by its mission to "Fund the Unfunded," ensuring that credit reaches those traditionally overlooked by formal banking systems.

On the occasion of the 11th successful year of PMMY, Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman said, “In the last decade, India witnessed a silent transformation where crores of ordinary citizens stepped into entrepreneurship with newfound confidence and agency. At its heart lies an initiative launched on April 08, 2015, by the Prime Minister, the Pradhan Mantri MUDRA Yojana (PMMY), which, by design, focused on "funding the unfunded".

“Eleven years later, the scheme has been instrumental in reshaping the credit landscape for MSMEs and countless individual entrepreneurs in the country. These were those entrepreneurs who were hitherto excluded from the formal banking system. With this initiative, entrepreneurship has become truly democratised by removing the entry barriers to credit”, Smt. Nirmala Sitharaman added.

Highlighting PMMY’s role in Empowering Millions and Fulfilling the Vision of Inclusive Growth, Union Minister of Finance remarked, “Cumulatively, more than 57.79 crore loans have been sanctioned, amounting to ₹40.07 lakh crore of disbursement. Two-thirds of the loans have been sanctioned to women entrepreneurs. Approximately one-fifth of all the loans were extended to first-time entrepreneurs. In sheer magnitude, this translates to 12.15 crore loans with an amount of 12 lakh crores extended to new entrepreneurs.”

The Union Finance Minister also appreciated the Banks, various Financial Institutions, and stakeholders for bringing the scheme to the common man and making it a resounding success.

“PM MUDRA Yojana will continue to empower entrepreneurs to become active participants in our nation's journey to become Viksit Bharat by 2047”, Smt. Nirmala Sitharaman said.

On the occasion, Union Minister of State (MoS) for Finance, Shri Pankaj Chaudhary said, “The Pradhan Mantri MUDRA Yojana (PMMY) is one of the most significant initiatives, aimed at promoting micro-entrepreneurship. Financial inclusion is one of the top priorities of the government, as it plays a vital role in achieving inclusive growth. PMMY provides a platform for small entrepreneurs to access loan support from banks, NBFCs, and MFIs as it drives credit inclusion.”

“The MUDRA Yojana was launched by the Prime Minister Shri Narendra Modi on April 8, 2015. While launching the scheme, the Prime Minister stated that supporting India's small entrepreneurs is one of the most effective ways to help the Indian economy grow and prosper. The scheme has provided crucial financial assistance to a vast number of entrepreneurs, helping them set up and operate their businesses and instilling a sense of financial security in them.”, MoS said.

The MoS also added, “It has created self-employment opportunities across the country, especially for marginalized sections of society, including Scheduled Castes/Scheduled Tribes, Other Backward Classes (51% of loan beneficiaries), and women (67% of loan beneficiaries).”

Stressing on Mudra’s impact the MoS said **“**The core objective of the MUDRA Yojana is "Funding the Unfunded." The scheme has successfully ended the exploitation of India's small entrepreneurs by informal lenders. In the past 11 years, it has extended over 40 lakh crore through 57.7 crore loans, instilling a new sense of confidence among borrowers. This clearly reflects the government's firm commitment to support their efforts and its accelerated journey toward making India a developed nation by 2047 through inclusive growth enabled by financial inclusion.”

As we commemorate eleven years of advancing financial inclusion through the core tenets of the MUDRA scheme, let us glance through some of the primary characteristics and significant milestones of the scheme:

The implementation of financial inclusion programme in the country is based on three pillars, namely,

1. *Banking the Unbanked*
2. *Securing the Unsecured and*

3. *Funding the Unfunded*

These aforesaid three objectives are being achieved through leveraging technology and adopting multi-stakeholders' collaborative approach, while serving the unserved and underserved as well.

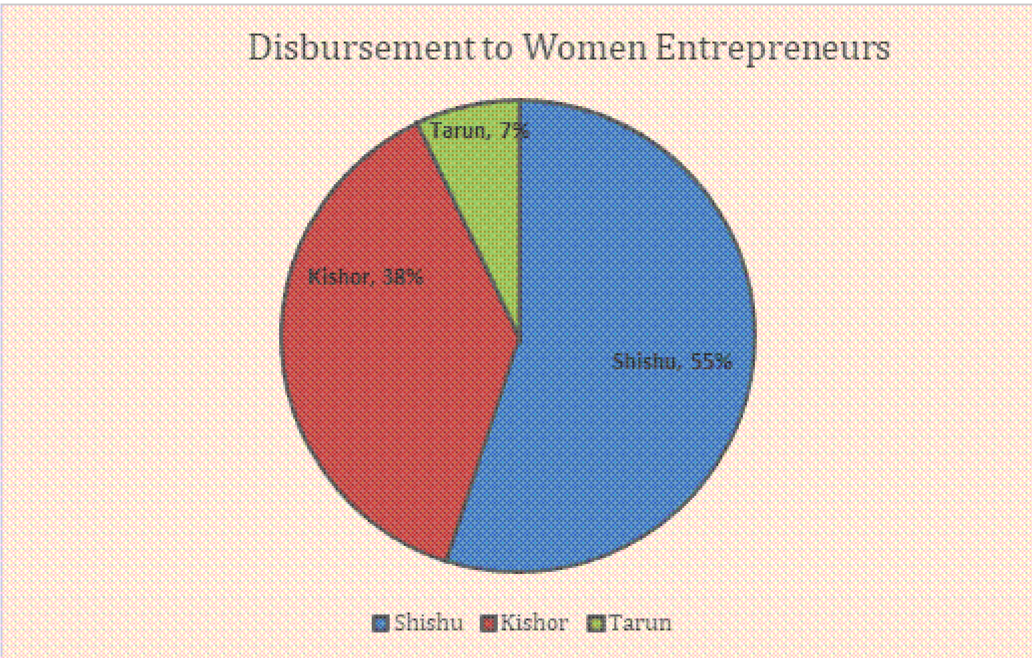
One of the three pillars of FI - *Funding the Unfunded*, is reflected in the Financial Inclusion ecosystem through PMMY, which is being implemented with the objective to provide collateral free access to credit for small/ micro entrepreneurs.

Key Features of PMMY:

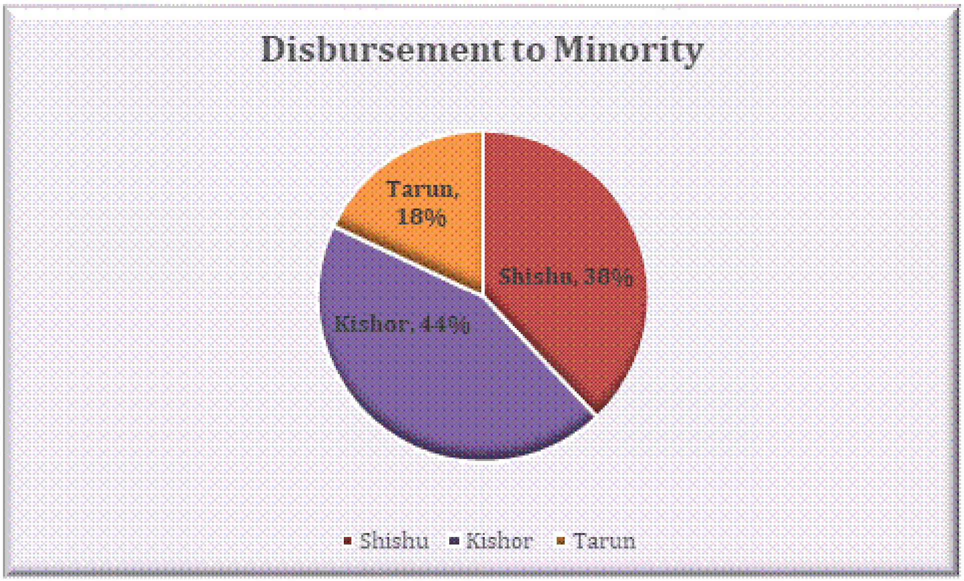
1. MUDRA loans are being offered in four categories namely, 'Shishu', 'Kishor', 'Tarun' and 'TarunPlus' which signifies the stage of growth or development and funding needs of the borrowers: -
   - Shishu: covering loans upto Rs. 50,000/-
   - Kishor: covering loans above Rs. 50,000/- and up to Rs. 5 lakhs
   - Tarun: covering loans above Rs.5 lakh and upto Rs.10 lakhs
   - TarunPlus: covering loans above Rs.10lakh and upto Rs.20 lakhs
2. Loans cover term financing and working capital needs across manufacturing, trading and service sectors, including activities allied to agriculture like poultry, dairy, and beekeeping, etc.
3. The interest rate is governed by RBI guidelines, with flexible repayment terms.

Achievements under Pradhan Mantri Mudra Yojana (PMMY) as on 27.03.2026

Women Borrowers: A total of ₹9.02 lakh crore was disbursed under the Shishu category, ₹ 6.22 lakh crore under Kishor, and ₹ 1.09 lakh crore under the Tarun category.



Minority Borrowers: The disbursements amounted to ₹1.33 lakh crore under Shishu, ₹1.54 lakh crore under Kishor, and ₹ 0.62 lakh crore under Tarun.

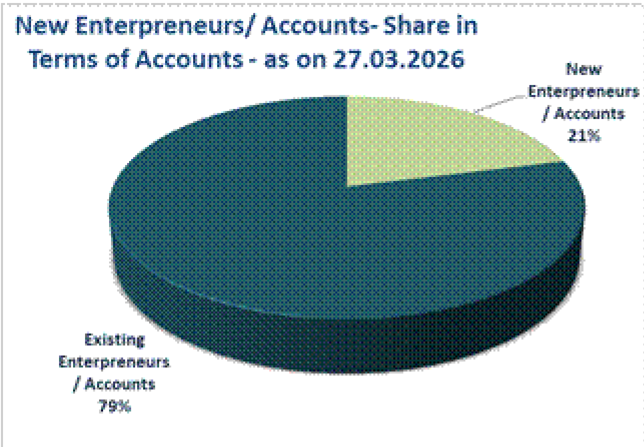


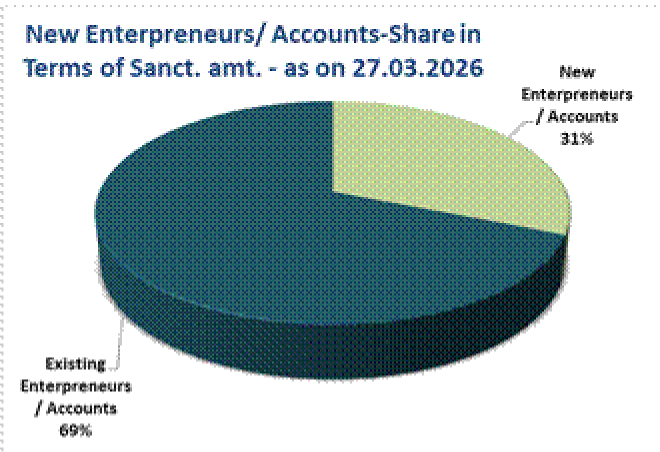
New Entrepreneurs/Accounts:

Shishu category: 8.80 crore accounts with a sanctioned amount of ₹2.47 lakh crore and disbursed amount of ₹ 2.42 lakh crore.

Kishor category: 2.79 crore accounts with ₹5.09 lakh crore sanctioned and ₹4.87 lakh crore disbursed.

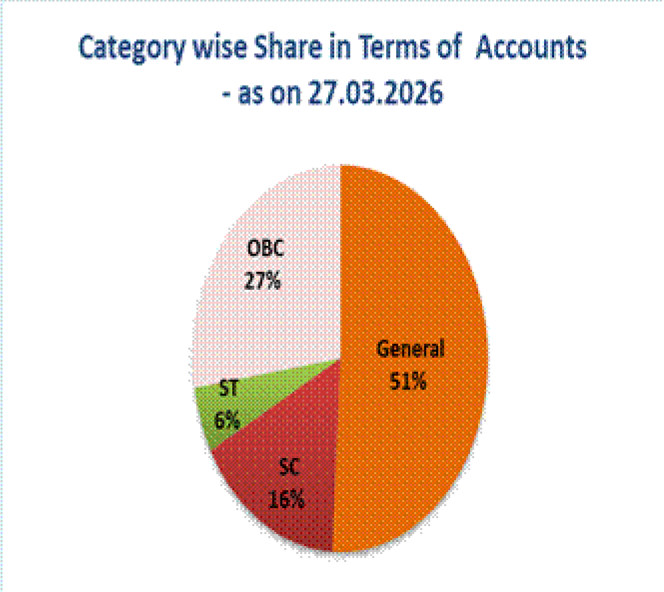
Tarun category: 55 lakh accounts with a sanctioned amount of ₹4.82 lakh crore and ₹4.67 lakh crore disbursed.

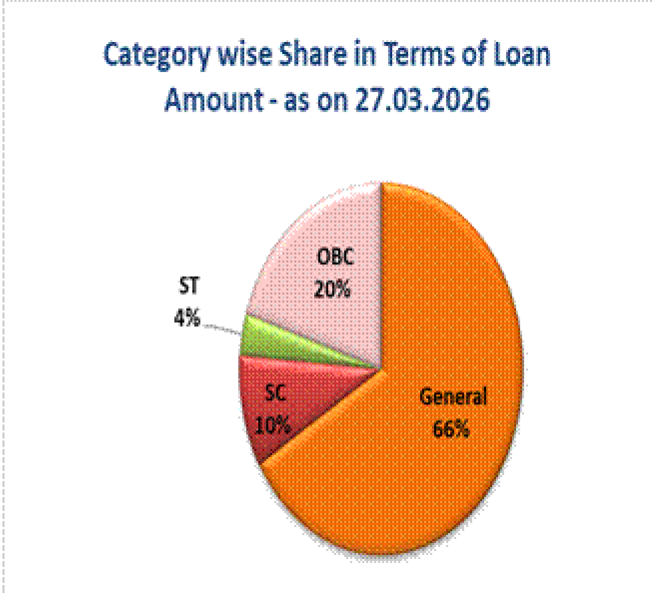




Category-wise breakup:-(Number of loans and amount sanctioned)

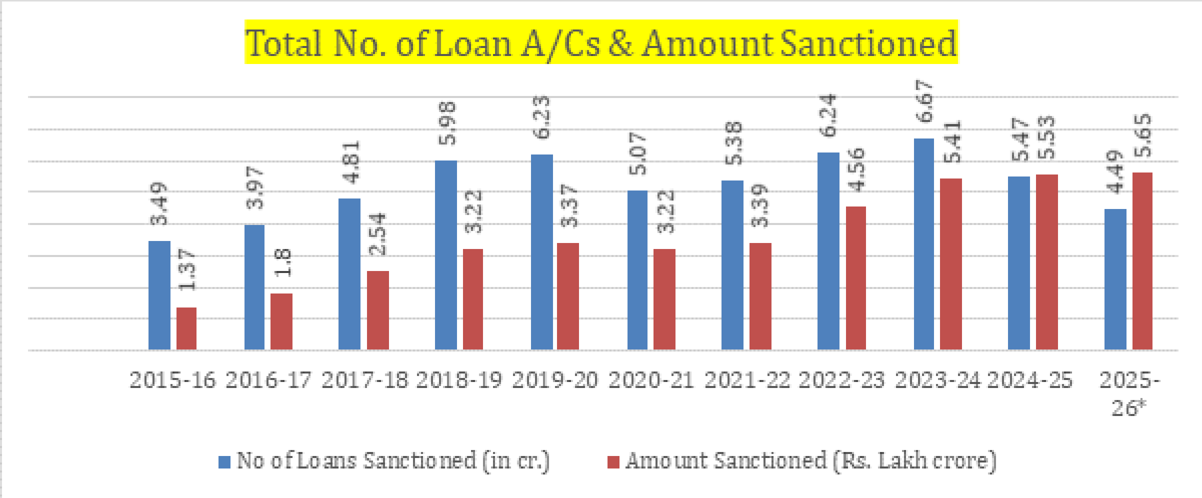
Category	Percentage as per No. of Loans	Percentage as per Amount Sanctioned
Shishu	74%	32%
Kishor	24%	43%
Tarun	2%	25%
TarunPlus	0.004%	0.095%
Total	100%	100%





Year-wise sanction amount is as under:-

Financial Year	No. of Loans Sanctioned (in Crore)	Amount Sanctioned (Rs. in Lakh Crore)
2015-16	3.49	1.37
2016-17	3.97	1.80
2017-18	4.81	2.54
2018-19	5.98	3.22
2019-20	6.23	3.37
2020-21	5.07	3.22
2021-22	5.38	3.39
2022-23	6.24	4.56
2023-24	6.67	5.41
2024-25	5.47	5.53
2025-26 (as on 27.03.2026) *	4.49	5.65
Total	57.79	40.07



Marking over a decade of the PMMY, India underscores its dedicated mission to integrate the marginalized into the formal economy. By focusing on the core principles of "Banking the Unbanked," "Securing the Unsecured," and "Funding the Unfunded," the Government continues to bridge financial gaps and turn the aspirations of aspiring business owners into reality.

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NB/AD