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Harvesting Opportunities through PMMY in Agribusiness A Study of Pradhan Mantri Mudra Yojana's Contribution to Agricultural Development in Jalgaon Jamod

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ABSTRACT: This study evaluates how the Pradhan Mantri Mudra Yojna (PMMY) has affected related agricultural activities in Jalgaon Jamod. Employing a mixed-methods approach that incorporates both quantitative analysis and qualitative interviews, the study highlights the important role that PMMY plays in empowering small farmers and encouraging entrepreneurship in the agribusiness sector. The identification of challenges such as bureaucratic obstacles and gaps in awareness implies the necessity of focused interventions aimed at optimising the effectiveness of the scheme. All things considered, the study offers guidance to policymakers on how to improve PMMY's ability to support inclusive growth in rural areas.

I. INTRODUCTION

The Indian government's flagship programme, the Pradhan Mantri Mudra Yojna (PMMY), has drawn a lot of attention lately for encouraging entrepreneurship and making it easier for micro, small, and medium-sized businesses (MSMEs) to obtain credit. PMMY, with its emphasis on promoting inclusive growth, has the capacity to have a substantial effect on a number of economic sectors, including agriculture and its related industries. Much of the population in India depends on agriculture for their livelihoods, making it the backbone of the country's rural economy. However, small farmers and business owners involved in related agricultural activities have frequently found it difficult to obtain financing, which has limited their capacity to make investments in infrastructure, value addition, and contemporary technology.

In light of this, the present study explores the precise effects of PMMY on related agricultural activities in the Jalgaon Jamod area. Jalgaon Jamod, in Maharashtra, is an example of a typical rural agrarian environment where the socio-economic development can be significantly impacted by the success of programmes such as PMMY. This study intends to shed light on the efficacy of PMMY in empowering small farmers, encouraging entrepreneurship, and spurring economic growth in the agriculture sector by assessing its implementation and results in this particular context.

In order to provide a thorough understanding of PMMY's impact on agriculture-related activities in Jalgaon Jamod, this study combines quantitative analysis of pertinent data with qualitative interviews with stakeholders. The results of this study aim to educate policymakers, financial institutions, and other stakeholders about ways to optimise the advantages of PMMY and cater to the particular requirements of small farmers and rural entrepreneurs by highlighting the scheme's main obstacles, achievements, and opportunities. In the end, this study adds to the current conversation in India about rural development and inclusive growth by analysing PMMY's function as a change agent in agriculture-related industries.

II. LITERATURE REVIEW

Tarak Nath Sahu 2021

This study examines how well the PMMY microcredit programme works to improve the lives of tribal women entrepreneurs and generate job opportunities. The research produces insightful findings through empirical analysis using methods like Ordered Logistic Regression, Wilcoxon Sign Test, and Effect Size Test.



Microcredit programmes have received recognition for their critical role in promoting entrepreneurship and empowering people at the grassroots level, especially women. Policies and governments have supported these efforts to help those living at the socioeconomic "bottom of the pyramid." The microcredit initiative known as Pradhan Mantri Mudra Yojana (PMMY) is an example of the Indian government's dedication to improving these people's lives and fostering employment.

Anita Bindal & Dr. Rupesh Roshan Singh 2022

India is declared a nation with large population. The hardest thing the Indian government has to do is create jobs. Without small, medium, and micro enterprises to generate employment for Indians, India cannot continue. More than 20% of the population can find work at small, micro, and medium-sized businesses. Thus, the government ought to assist small businesses by offering financing options, educational opportunities, marketing resources, and exposure to them. Small and micro businesses find it extremely difficult to survive in the current business environment because of factors like high establishment costs, a lack of infrastructure, financial illiteracy, and a lack of information. In order to assist these businesses, the Indian government launched MUDRA loans in 2015 and offered loans without collateral. This plan works really well for distributing.

Rupesh Roshan Singh

For many people in India, small businesses are their primary source of income. Both the organised and unorganised sectors provide loans to people, but the majority of businesses rely on loans from the unorganised sector. Unplanned loans from the unorganised sector make it difficult for the impoverished to avoid debt. In developing nations such as India, the unorganised sector is critical to the growth of businesses. The Indian government introduced the Pradhan Mantri Mudra Yojna, or Mudra, in 2015 with the goal of fostering the growth of micro and small businesses. The Pradhan Mantri Mudra Yojna offers significant financial inclusion schemes and financial support. One may borrow up to Rs. 10 lakh under this all-inclusive scheme in order to launch their business.

Shailendra Kumar Gupta

The government of India's flagship programme, Pradhan Mantri Mudra Yojana (PMMY), aims to "fund the unfunded" by integrating these businesses into the formal financial system and providing them with credit at a reasonable rate. It allows a small borrower to obtain loans up to Rs 10 lakhs for non-farm income generating activities from all Public Sector Banks, including PSU Banks, Regional Rural Banks, and Cooperative Banks; Private Sector Banks; Foreign Banks; Micro Finance Institutions (MFI); and Non Banking Finance Companies (NBFC). The Hon. Prime Minister unveiled the plan on April 8, 2015. In India, a lot of things are based only on perceptions; however, when more information is provided, the picture is frequently altered. People frequently mistakenly believe that large industries generate more jobs.

Charulata Umesh Londhe:March 2023

The Hon'ble Finance Minister announced "MUDRA," or "Micro Units Development & Refinance Agency Ltd," a financial institution being established by the Government of India for the development and refinancing of micro unit enterprises, during the presentation of the Union Budget for FY 2016. The institution's goal is to provide funding to the non-corporate small business sector. The project's goal is to investigate, assess, and determine whether the "Pradhan Mantri Mudra Yojana" (PMMY) can support and enable the targeted Bottom of Pyramid to achieve sustainable development through fostering an entrepreneurial culture that is inclusive, sustainable, and values-based in order to achieve financial security and prosperity. Project Goals: 1. To identify the "Bottom of Pyramid" who have benefited from PMMY as holders of "Mudra loans" from Pune Division of Maharashtra State is the project's main goal. 2. To research the elements that contribute to the growth of women's and general entrepreneurship among Mudra loan holders who are PMMY recipients. 3. To assess the growth of women's and general entrepreneurship among Mudra loan holders who are PMMY recipients. Coverage: The study's target population consists of Indian entrepreneurs who have benefited from the Non-Corporate Small Business Segment (NCSB) and have taken out loans under PMMY.

III. RESEARCH METHODOLOGY

a) Objectives:

1. Use qualitative interviews to gauge stakeholder perceptions.
2. Examine numerical information regarding PMMY loan disbursement and repayment in related agricultural sectors.
3. Analyse the expansion and viability of microenterprises in agriculture-related fields that are supported by PMMY.
4. Determine the obstacles and chances to improve PMMY's efficacy in advancing related agricultural activities.



b) Data Analysis:

1. primary data collection method

The Primary data is collected by circulating a questionnaire to farmers in the age group of between 18 to 56 years using Google Forms, which are distributed using social media and based on their input, the analysis was done.

2. Secondary Data Collection Method

- a) The secondary data will be collected through the literature from books, journals and the various paper presented by authors
- b) From Internet/websites
 - Research Type: Descriptive type of research
 - Sample Size: 100 respondents
 - Sampling Technique: The sampling technique would be Convenience Sampling Technique.
 - Collection of Data: Through online questionnaires by using Google form platform.
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3. Limitations:

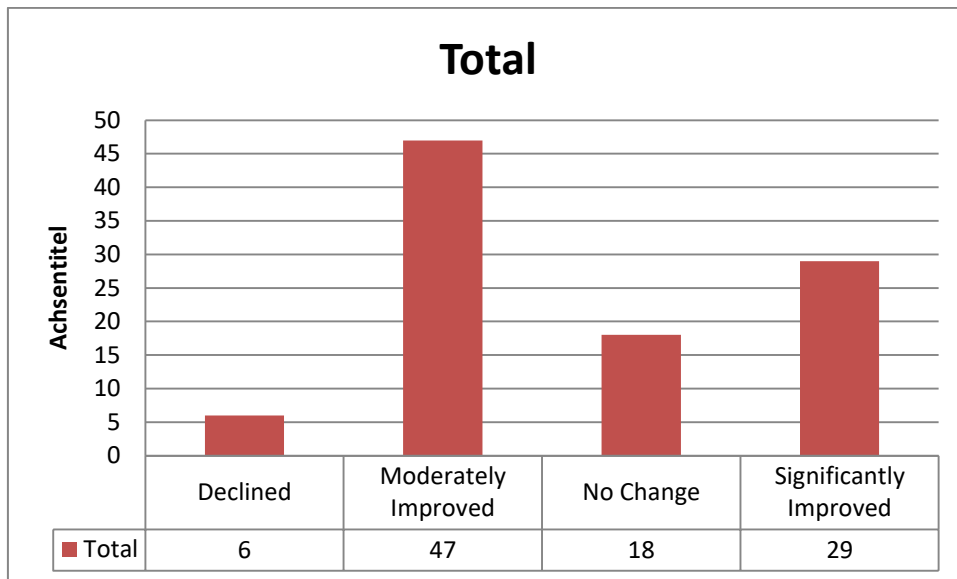
- The study totally depends on the responses of the respondents.
- The sample may not totally represent the whole population because of different backgrounds.
- It is limited to 100 respondents at Jalgaon Jamod.
- Despite using stratified random sampling, the sample may not fully represent the diversity within the population.
- The study's cross-sectional design provides a snapshot of the impact Pradhan antri mudra yojna in agriculture allied activities, limiting the ability to establish causation over time.

IV. ANALYSIS AND INTERPRETATION

Based on the survey responses, here are ten key questions that represent the research on Study of the impact of Pradhan Mantri Mudra Yojna in agriculture allied activities in Jalgaon Jamod region, along with a brief qualitative and quantitative analysis:

- **Improved access to formal credit for agriculture-allied activities through Mudra Yojana:**

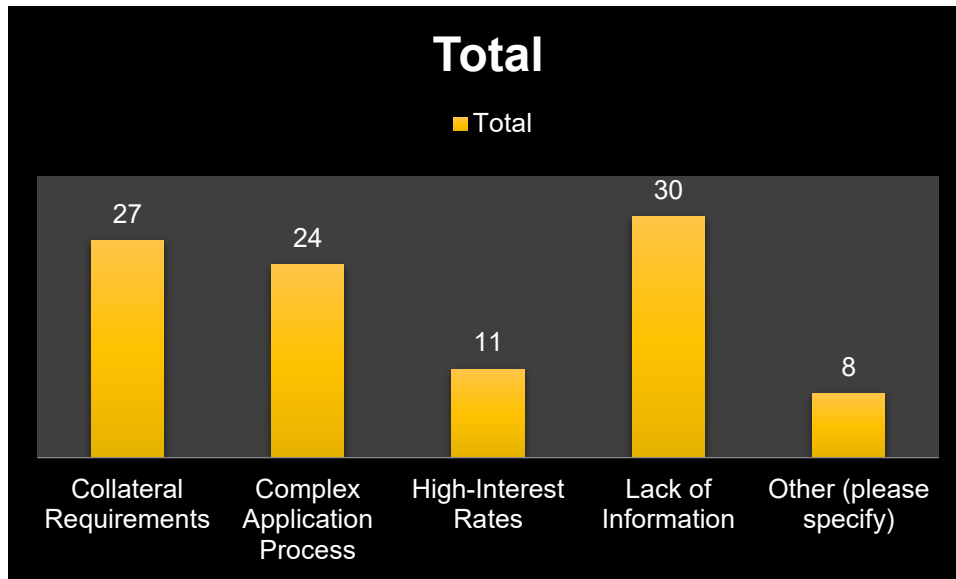
Sr.no.	Mudra Yojna improves access to loans	No. of respondents	% age of respondents
1	Declined	6	6%
2	Moderately Improved	47	47%
3	No Change	18	18%
4	Significantly Improved	29	29%
	Declined	6	6%
	Grand total	100	



➤ According to the data, a considerable number of participants believe that the Mudra Yojana has improved their ability to obtain financial services. A considerable improvement was reported by nearly one-third (29%) of the respondents, compared to nearly half (47%) who reported a moderate improvement. It's important to note, though, that 6% of respondents said they had experienced a decrease in access, suggesting that there might be obstacles or restrictions affecting the scheme's efficacy or implementation for particular people or industries. Overall, the data shows that opinions about how the Mudra Yojana has improved access to financial services are mixed but generally favourable.

• **Challenges faced in accessing mudra loans:**

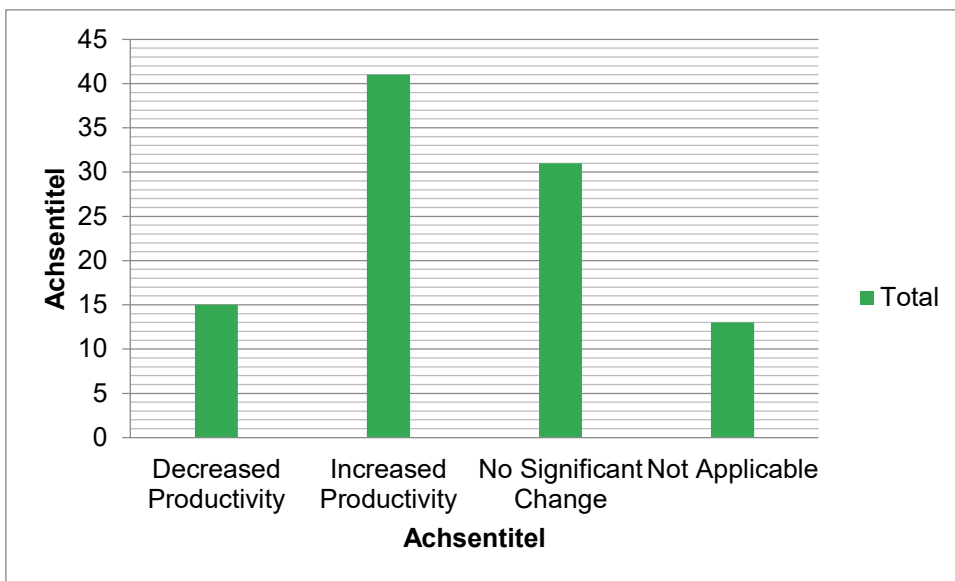
Sr. no.	Challenges faced in accessing mudra loans	No. of respondents	% age of respondents
1	Collateral Requirements	27	27%
2	Complex Application Process	24	24%
3	High-Interest Rates	11	11%
4	Lack of Information	30	30%
5	Other (please specify)	8	8%
Grand Total		100	



➤ According to the survey, there are several obstacles in the way of obtaining Mudra loans: 27% are hampered by collateral requirements, 24% are discouraged by complicated applications, 11% are worried about high interest rates, and 30% are impacted by a lack of information. This emphasises how Mudra's usability and efficacy can be increased by streamlining procedures, lowering obstacles, and enhancing communication.

- **Contribution of Mudra Yojana in agricultural productivity:**

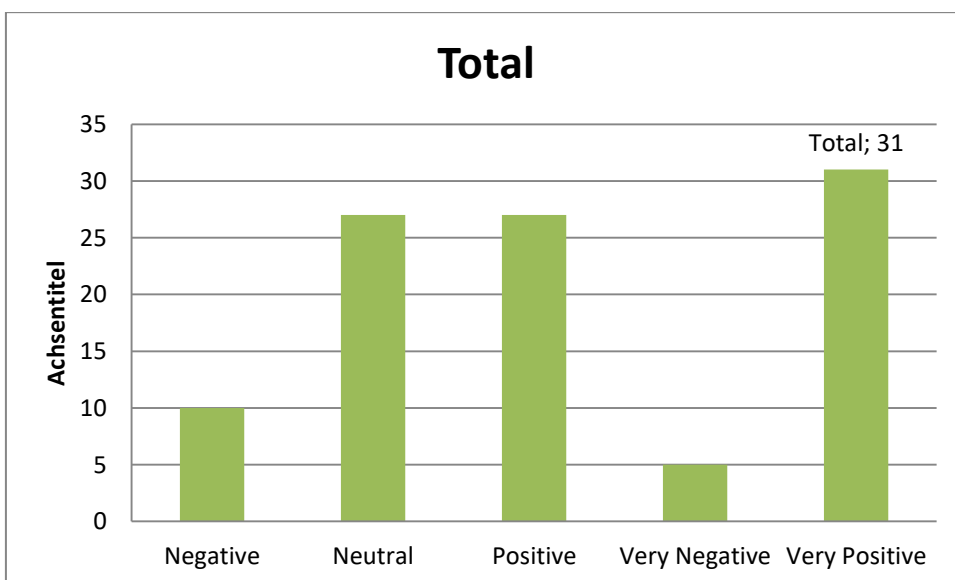
Sr.no.	Mudra Yojana's contribution to agricultural productivity	No. of respondents	% age of respondents
1	Decreased Productivity	15	15%
2	Increased Productivity	41	41%
3	No Significant Change	31	31%
4	Not Applicable	13	13%
	Grand total	100	



➤ The Mudra Yojana's effects on agricultural productivity are shown in the survey results: 41 respondents said their productivity went up, 15 said it went down, 31 said there was no discernible change, and 13 said the question wasn't relevant. These results point to a mixed picture and highlight the need for focused interventions to improve the program's ability to assist farming endeavours.

• Overall impact of Mudra Yojna on agriculture-allied activities:

Sr.no.	Overall impact of Mudra Yojana	No. of respondents	% age of respondents
1	Negative	10	10%
2	Neutral	20	27%
3	Positive	27	27%
4	Very Negative	5	5%
5	Very Positive	31	31%
Grand total		100	

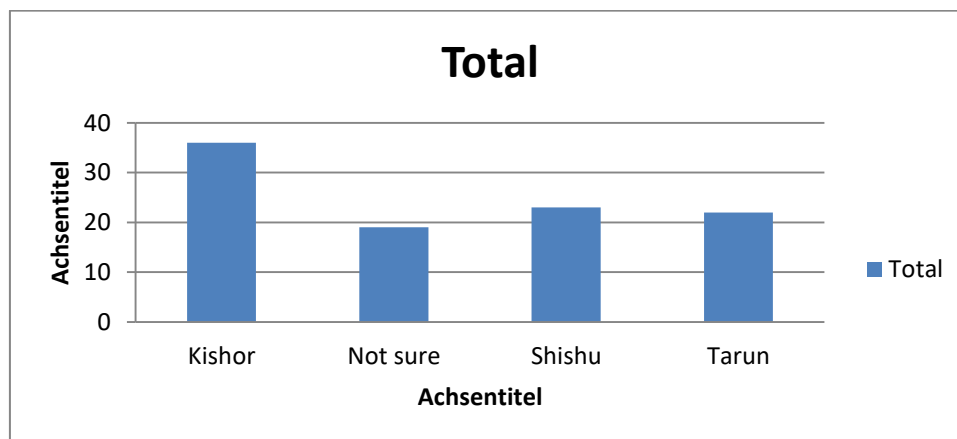




➤ The survey's findings show that people's opinions of the Mudra Yojana's overall impact are largely favourable. Thirteen respondents—a significant majority—described the impact as "Very Positive," and another twenty-seven reported a "Positive" impact. This implies that a significant percentage of the beneficiaries have benefited from the programme. It is noteworthy, nevertheless, that fewer respondents—10—described the impact as "Negative," and five said it was "Very Negative." Furthermore, twenty participants expressed a "Neutral" perspective, suggesting a more nuanced assessment of the program's efficacy. Although most people have a positive opinion of the Mudra Yojana, some people have a negative opinion of it or are unsure.

• **Category of Mudra Yojna applied for by respondents:**

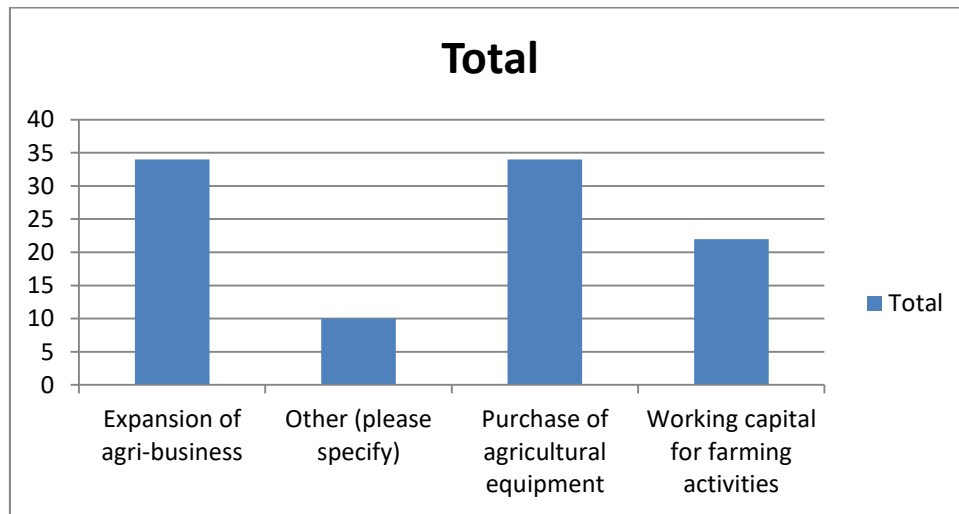
Sr.no.	Category of the Mudra Yojana applied for	No. of respondents	%age of respondents
1	Kishor	36	36%
2	Not sure	19	19%
3	Shishu	23	23%
4	Tarun	22	22%
	Grand total	100	



➤ Based on the analysis of survey responses, it can be inferred that 36 participants applied under the Kishor category for the Mudra Yojna, suggesting a notable inclination towards this tier. Furthermore, 22 applicants applied under the Tarun category and 23 under the Shishu category. Still, a significant number of respondents—19—were unclear which category they had applied for. This implies that prospective applicants need to be better informed about the various Mudra Yojna categories.

• **Purpose of utilizing Mudra Yojna funds in agriculture allied activities:**

Sr.no.	Purpose of utilizing Mudra Yojna funds	No. of respondents	%age of respondents
1	Expansion of agri-business	34	34%
2	Other (please specify)	10	10%
3	Purchase of agricultural equipment	34	34%
4	Working capital for farming activities	22	22%
	Grand total	100	



➤ The purpose of using Mudra Yojna funds is primarily focused on agricultural activities, according to survey data. Thirty-four respondents said they used the money to buy agricultural equipment and to grow their agribusiness. 22 responders also utilised the money as working capital for their farming operations. Ten respondents, or a smaller percentage, stated additional goals not addressed by the available choices. Overall, the results show a strong correlation between the distribution of Mudra Yojna funds and farming endeavours, suggesting a purposeful use to bolster and improve farming operations.

V. CONCLUSIONS

Important information about the Pradhan Mantri Mudra Yojna's (PMMY) efficacy can be gained from the study looking at how the programme has affected related agricultural activities in the Jalgaon Jamod area. The results show that the PMMY has a favourable impact on related agricultural ventures in the region. Farmers and business owners have had access to Mudra loans, which have allowed them to invest in a range of agricultural projects, such as expanding their agribusinesses, buying equipment, and getting working capital for their operations. The beneficiaries of this financial infusion now have higher income levels in addition to increased productivity. Through adopting new tools, technology, and better farming techniques, people have been able to increase agricultural productivity, which has increased their income. Additionally, the PMMY has had a crucial function in aiding small-scale business owners by giving them the financial resources they need to launch or grow their enterprises in the agricultural industry. Notwithstanding these favourable results, the study also identifies a number of obstacles that beneficiaries must overcome, including complicated application procedures, high interest rates, and collateral requirements. Enhancing financial literacy initiatives, lowering barriers, and streamlining procedures are some ways to address these issues and maximise the impact of the scheme in the Jalgaon Jamod area. Overall, the study emphasises the need of targeted policy interventions to address current issues and optimise the program's benefits for regional farmers and business owners, as well as the necessity of continuing support and investment in agriculture-related activities through programmes like the PMMY.

VI. SUGGESTIONS

- Customised Loan Products: Within the PMMY, create specialised loan products that are especially designed to meet the requirements of related agricultural activities. Because agricultural income is a seasonal source, these products may provide longer grace periods, lower interest rates, and flexible repayment terms.
- Programmes for Capacity Building: Implement capacity-building initiatives aimed at improving farmers' and entrepreneurs' business management and financial literacy. Beneficiaries of these programmes may be better equipped to decide how best to use loans, manage risk, and choose investments.
- Adoption of Technology: Via the PMMY, promote the adoption of contemporary agricultural technologies and methods. Provide incentives or subsidies to encourage the acquisition of cutting-edge machinery, equipment, and inputs to raise the sustainability, productivity, and efficiency of related agricultural activities.



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