

## **Pradhan Mantri Mudra Yojana**

### **Details**

Pradhan Mantri Mudra Yojana (PMMY) is a flagship scheme of Government of India. The scheme facilitates micro credit/Loan up to Rs. 20 lakhs to income generating micro enterprises engaged in the non farm sector in manufacturing, trading or service sectors including activities allied to agriculture such as poultry, dairy, beekeeping, etc. The Scheme provides financial assistance extended by Member Lending Institutions to the non-corporate, non-farm sector income generating activities of micro and small entities.

These micro and small entities comprise of millions of proprietorship / partnership firms running as small manufacturing units, service sector units, shopkeepers, fruits / vegetable vendors, truck operators, food-service units, repair shops, machine operators, small industries, artisans, food processors and others.

The loans under Pradhan Mantri Mudra Yojana can be availed through eligible Member Lending Institutions (MLIs), which include:

- Public Sector Banks
- Private Sector Banks
- State operated cooperative banks
- Rural banks from regional sector
- Micro Finance Institution (MFI)
- Non-Banking Finance Company (NBFC)
- Small Finance Banks (SFBs)
- Other financial intermediary approved by Mudra Ltd. as member financial institutions

### **Interest rate**

The interest rates are declared by Member Lending Institutions from time to time as per Reserve Bank of India guidelines based on which applicable interest rate is determined.

### **Upfront fee/Processing charges**

Banks may consider charging of upfront fee as per their internal guidelines. The upfront fee/processing charges for Shishu loans (Covering loans upto Rs. 50,000/-) are waived by most Banks.

### **Note :**

***There are no agents or middleman engaged by MUDRA for availing of Mudra Loans. The borrowers are advised to keep away from persons posing as Agents/facilitators of MUDRA/PMMY.***

### **Benefits**

The scheme has been classified under four categories as 'SHISHU', 'KISHORE' , 'TARUN' and 'TARUN PLUS' to signify the stage of growth / development and funding needs of the beneficiary micro unit/ entrepreneur.

- Shishu: Covering loans upto Rs.50,000/-.
- Kishore: Covering loans above Rs.50,000/- and upto Rs. 5 lakhs.
- Tarun: Covering loans above Rs. 5 lakhs and upto Rs. 10 lakhs.
- Tarun Plus : Loans up to Rs. 20 lakh for entrepreneurs who have successfully repaid previous loans under the 'Tarun' category.

### **Eligibility**

#### **Eligible borrowers**

- Individuals
- Proprietary concern.
- Partnership Firm.
- Private Ltd. Company.
- Public Company.
- Any other legal forms.

**Note 01:**The applicant should not be a defaulter to any bank or financial institution and should have a satisfactory credit track record.

**Note 02:** The individual borrowers may be required to possess the necessary skills/experience/ knowledge to undertake the proposed activity.

**Note 03:** The need for educational qualification, if any, is assessed based on the nature of the proposed activity and its requirement.

## **Application Process**

### **Online**

The following are the pre-requisites for the enrolment process:

- ID Proof
- Address Proof
- Passport size photograph
- Applicant Signature
- Proof of Identity / Address of Business Enterprises

**Step 01:** Go to PM MUDRA [official website](#) and  
after that select the [Udyamimitra portal](#)

**Step 02:** Click on Mudra loan "Apply Now"

**Step 03:** Select one of the following : New entrepreneur/ Existing Entrepreneur/Self-employed professional

**Step 04:** Then fill in the name of the applicant, email and Mobile number and Generate OTP

### **After Successful Registration**

**Step 01:** Fill in Personal Details and Professional Details.

**Step 02:** Select hand-holding agencies if any help is required for preparing project proposals etc., otherwise click "Loan Application Center" and apply.

**Step 03:** Select the category of loan required - Mudra Shishu / Mudra Kishore/ Mudra Tarun.

**Step 04:** The applicant then needs to fill in the Business Information like business name, business activity, etc. and select industry type like Manufacturing, Service, Trading or activities allied to agriculture.

**Step 05:** Fill in other information like owner details, existing Banking/ Credit facilities, proposed credit facilities, future estimates and preferred lender.

**Step 06:** Attach all required Documents i.e. ID proof, Address proof, Applicant photo, Applicant Signature, Proof of Identity/ Address of Business Enterprise, etc.

**Step 07:** Once the application is submitted, an Application Number gets generated which needs to be kept for future reference.

### **Documents Required**

#### **For Shishu Loan**

1. Proof of Identity – Self- attested copy of Voter's ID Card / Driving Licence / PAN Card / Aadhaar Card / Passport / Photo IDs issued by Govt. authority etc.
2. Proof of Residence: Recent telephone bill / electricity bill / property tax receipt (not older than 2 months) / Voter's ID Card / Aadhar Card / Passport of Individual / Proprietor / Partners Bank passbook or latest account statement duly attested by Bank Officials / Domicile Certificate / Certificate issued by Govt. Authority / Local Panchayat / Municipality etc.
3. Applicant's recent coloured Photograph (2 copies) not older than 6 months.
4. Quotation of Machinery / other items to be purchased.
5. Name of supplier / details of machinery / price of machinery and / or items to be purchased.
6. Proof of Identity / Address of the Business Enterprise – Copies of relevant Licences / Registration Certificates / Other Documents pertaining to the ownership, identity of address of business unit, if any.

#### **For Kishore, Tarun and Tarun Plus Loan**

1. Proof of Identity - Self attested copy of Voter's ID card / Driving License / PAN Card / Aadhar Card/Passport.
2. Proof of Residence - Recent telephone bill, electricity bill, property tax receipt (not older than 2 months), Voter's ID card, Aadhar Card & Passport of Proprietor/Partners/Directors.
3. Applicant's recent coloured Photograph (2 copies) not older than 6 months.
4. Proof of Identity/Address of the Business Enterprise -Copies of relevant licenses/registration certificates/other documents pertaining to the ownership, identity and address of business unit.
5. Applicant should not be defaulter in any Bank/Financial institution.
6. Statement of accounts (for the last six months), from the existing banker, if any.
7. Last two years balance sheets of the units along with income tax/sales tax return etc. (Applicable for all cases from Rs.2 Lacs and above).

8. Projected balance sheets for one year in case of working capital limits and for the period of the loan in case of term loan (Applicable for all cases from Rs.2 Lacs and above).
9. Sales achieved during the current financial year up to the date of submission of application.
10. Project report (for the proposed project) containing details of technical & economic viability.
11. Memorandum and Articles of Association of the company/Partnership Deed of Partners etc.
12. In absence of third party guarantee, Asset & Liability statement from the borrower including Directors & Partners may be sought to know the net-worth.