



## "Strengthening Rural Entrepreneurship: The Socio-Economic Impact of PMMY In Telangana"

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### Abstract

An important governmental programme in India that aims to promote freelance work and entrepreneurship, especially among underprivileged rural populations, is the Pradhan Mantri Mudra Yojana (PMMY). This study examines the socioeconomic effects of PMMY on rural entrepreneurship in Telangana, focusing on evaluating the scheme's facilitation of both social empowerment and economic growth. The study uses the one-sample Wilcoxon signed rank test, the Friedman test, and the Kruskal-Wallis test to analyse data from a group of rural entrepreneurs who have benefited from PMMY. The goal is to add to what is known about the effects of microfinance by showing how PMMY can help with economic and social empowerment, which in turn helps to strengthen rural entrepreneurship in Telangana.

**Keywords:** "Socio-economic impact", "Microfinance", "Self-employment", "Social inclusion", "Sustainable development", "Policy implications."

**INTRODUCTION:** The Telangana government's proactive approach to implementing supportive measures and initiatives proves its commitment to strengthening rural entrepreneurship through PMMY. According to a report by The Times of India, published on February 14, 2019, the Telangana State Industrial Infrastructure Corporation (TSIIC) launched the "Telangana State GlobalLinker" platform to facilitate networking and business opportunities for micro, small, and medium enterprises (MSMEs), including those in rural areas (The Times of India, 2019)

In addition to facilitating access to finance and easing regulatory hurdles, the Telangana government has emphasised skill development and capacity-building initiatives for rural entrepreneurs. As highlighted in a press release by the Government of Telangana on June 19, 2020, the "Telangana Academy for Skill and Knowledge" (TASK) has been actively involved in providing skill enhancement training programmes tailored to the needs of rural youth and aspiring entrepreneurs (Government of Telangana, 2020).

### MSME and Overview

Even though we got independence in 1947, the governments were not very serious about supporting small-scale industries due to the insignificant value they contribute to GDP individually, their lack of collectiveness, their Un Organization, and spread throughout India, and hence they were neglected by the Central Government and various State Governments. Another reason for ignoring and not getting proper care was that it was called "Small Scale Industries" and virtually got ignored. After five decades, viz. on 18.01.2006, the Govt. of India enacted in Parliament the MSMED Act, 2006, to enable the MSMEs Sector for vibrant growth and installed a separate Ministry of Micro, Small & Medium Enterprises, with Independent Minister in charge created The significance and contribution of the Micro, Small and Medium Enterprises Development Act, 2006 for facilitating the promotion, development and enhancing the competitiveness of MSME resulted in providing various types of assistance by the governments.

As per MSMED Act 2006, the definition of MSME, confines with reference to the value of investment made in plant and machinery with regard to production, purchasing or presentation of goods.

For Manufacturing Sector: i). Micro Enterprises ... Investment in Plant & Machinery not over Rs. 25.00 lakhs.

A Small Enterprises ... Investment in Plant & Machinery over Rs.25.00 lakhs but upto Rs. 5.00 crores.

A Medium Enterprise. Investment in Plant & Machinery over 5.00 crores but less than Rs. 10.00 crores

### Recent amendment to MSME Act, 2006:

Section-7 of the MSMED Act 2006 accordingly is amended to define units producing goods and rendering



services in terms of annual turnover as follows:

A Micro Enterprises will be defined as a Unit Value the annual Turnover does not exceed Rs.5 crores.

A Small Enterprises will be defined as a unit where the annual Turnover is more than Rs. 5crores but does not exceed Rs.75 crores

A Medium Enterprises will be defined as a unit where the annual Turnover is more than Rs.75 crores but less than Rs.250 crores. Thus, over Rs.250 Crores Turnover it will not be under MSMED Act, 2006. "To be an integrated financial and support services provider par excellence, benchmarked with global best practices and standards, for the bottom of the pyramid universe for their comprehensive economic and social development".

Shishu : shell loans up to Rs 50,000/-

Kishore: shell loans above Rs 50,000/- and up to Rs 5 lakh

Tarun : shell loans above Rs 5 lakh and up to Rs 10 lakh

Rs. 1 lakhs financed by MFIs under the schemes of Micro credit system.

Refinanced by commercial banks, regional Rural Banks small Finance banks, Non-Banking financial companies in order to provide the debts.

**Research Design:** This study is analytical and exploratory in nature, with a mixed-methods approach. While quantitative data on current use, attitudes, and acceptance were required, qualitative data also aided in triangulating data to provide a deeper understanding of the themes investigated. The study will be conducted on

The survey method will be used in the second half to obtain quantitative data for hypothesis validation. The survey's quantitative data will be examined and statistical tools are used

### THE NEED OF THE STUDY

Entrepreneurs may require additional support services beyond financial assistance, such as marketing guidance, technical expertise, and mentorship. Financial literacy and accountability so how mudra yojana is becoming an aid to Entrepreneurs

### NATURE AND SCOPE OF THE STUDY

1. It will focus on the program's effectiveness in reaching its target audience, the efficiency of the loan distribution process, and the adequacy of the loan amounts in meeting the needs of rural entrepreneurs.

2. The study will analyse the impact of financial inclusion initiatives, particularly PMMY, on the livelihoods of rural entrepreneurs. It includes assessing changes in income levels, business growth, and employment generation as a result of access to finance

3 Assessment of Financial Literacy and Education Programs. It will assess existing financial education programs and their effectiveness in helping rural entrepreneurs understand and utilize financial products and services.

4. Barriers to Financial Inclusion and Entrepreneurial Growth focusing on challenges such as documentation needs, limited awareness, and cultural or social influences.

### REVIEW OF LITERATURE:

1) **Vevek, M. S., & Sivaprakash, S. (2019).** Under the Pradhan Mantri Mudra Yojana (PMMY), MSMEs in India are receiving support and financial inclusion through the MUDRA Scheme. The Indian states were grouped into four areas as follows in order to examine the growth rate of loans approved at the regional, state, and category levels. West, South, East, and North. Information obtained from MUDRA, Hand Book Statistics, and the RBI.

The expanding economy presents challenges such as joblessness, unstable finances for business owners, and difficulties in launching new projects. PMMY Schemes only serves to inspire entrepreneurs by offering loan help. During the study period, Shishu has the record for the most loans approved and loan account openings. The PMMY program lessens the financial strain on low-income and novice business owners while simultaneously fostering the growth of current business owners through the schemes of Shishu, Kishor and Tarun.



2) **Shankar Kumar, S., & Jeyaprabha, B. (2022)** This study uses a survey of 480 residents utilizing judgmental sampling and Likert scale questionnaires to assess the effectiveness of financial inclusion programs in Tamil Nadu and analyze their effects on rural upliftment. The results show that financial inclusion has gradually improved throughout Tamil Nadu, even if most regions only have moderate inclusion levels. The report emphasizes how financial inclusion has raised living standards and promoted economic growth, indicating tremendous transformative potential for the area. Despite these developments, there is still room for more study on the various aspects of financial inclusion, such as citizen perception, involvement, and empowerment, as well as comparative evaluations of different programs in various geographical areas. This could offer a greater in-depth understanding of how financial inclusion can more broadly help those less fortunate in society..

3) **Remyakrishnan, R. (2023)** The Pradhan Mantri MUDRA Yojana (PMMY), which was introduced in 2015 to improve microbusinesses' formal access to financing in India, is assessed in this study as being essential to the country's post-pandemic economic recovery. As the Asian Development Bank Institute reminds out, there is a significant reliance on unregistered funding sources; nevertheless, PMMY seeks to offer organized financial assistance. A five-year analysis of the scheme's effectiveness reveals notable advancements, mostly in the Southern area, with efficient loan disbursement across the Tarun, Kishore, and Shishu categories. Furthermore, the program has demonstrated better financial access for female entrepreneurs and made significant progress in closing the gender gap within the MSME sector.

4) **Kesavan, V. (2015)** The development of the nation's economy and society both depend on the financial sector of the economy. For this reason, robust financial systems are necessary for sustained growth in both rich and developing nations, as well as in underdeveloped nations. By Means of Funds Through inclusion, we may accomplish inclusive and equitable national growth. Financial inclusion refers to providing suitable financial services, on time and at a reasonable cost, to vulnerable populations, such as low-income groups and marginalized groups who do not have access to even the most basic banking services. The researcher aims to comprehend financial inclusion and its significance for the nation's economic and overall societal development in this study. This study focuses on strategies used by different Indian

5) **Jajodia, A., & Jain, R. (2022).** This study looks at the Pradhan Mantri Mudra Yojana (PMMY), a government of India flagship program that integrates underfunded micro firms into the formal financial system in an effort to empower them. The study primarily focuses on how the program encourages female entrepreneurs and assesses public opinion of these financial programs. The study uses Exploratory Data Analysis (EDA) to evaluate how PMMY affects women's financial literacy and supports women living in rural regions using data from 2015 to 2022. Furthermore, sentiment analysis using Natural Language Processing (NLP) is used to ascertain the target beneficiaries' thoughts and emotions toward the program. This method offers a dual viewpoint on the qualitative revelations and quantitative results of PMMY's influence on female entrepreneurs in India.

6) **Verma S. (2015)** has explained that the design of MUDRA scheme will not only caters to the financial problems of MSMEs but also give moral support to a lot of young population to become an entrepreneur.

7) **Dr. J. Venkatesh and MS. R. Lavanya Kumari (2017)** has showed that besides the schemes that are being introduced for the overall growth and development of the MSME sector, initiatives have been launched which focus solely on entrepreneurs. The schemes will contribute to the well-being of the individuals engaged in small scale industries which will positively affect the progress of the whole economy.

8) **Rudrawar, M. A. A. & Uttarwar, V. R. (2016)** has explained that PMMY can bring desired transformation. If it will be applied properly at the bottom level, it may act as a game changing idea and boost the Indian economy. It should include less documentation and easily accessible. In coming few years, MUDRA will play a crucial role for the development of entrepreneurship, increase in GDP and development of employment. Study reveals that for any countries growth is measured by its GDP, NNP, Fiscal policies, employment, and standard of living of the people. The financial system of any country act as the backbone. PMMY brought tremendous changes to our country. To reach the beneficiaries and meet the requirements it has focused on many different segments. They focused on pre-approved mudra cards to get the working



capital. Employment generation was done nearly 12 crores people got the jobs. women got the loan from mudra banks on the skills. MUDRA loan was helping hand to our economy in a short tenure.

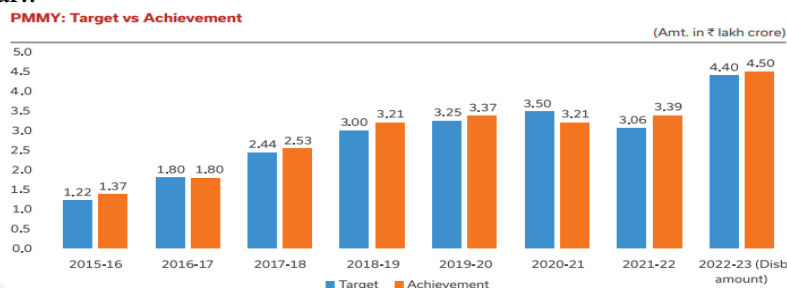
9) **Anup Kumar Ray (2016)** identified MUDRA Yojana as a strategic tool for small business financing. He has highlighted the importance of MUDRA banks in the upliftment of the small business enterprises. By analyzing the data on the amount of loans sanctioned under the scheme, he has stated that MUDRA has been found very effective in its early stages across the country and has contributed to the wellbeing of the small-scale entrepreneurs.

10) **Vijai, (2018)** concluded in studies that PMMY is a remarkable factor for entrepreneurs to get the loan under this scheme entrepreneurs can get the loan from 5000 to 10 lakhs as per the business requirement. this paper shows the benefits and opportunities of mudra yojana of different states. PMMY is an add on to small-scale industries which leads to absolute shape and the progress of as a whole to the economy. MUDRA as a financial tool as a sword with two edges it does not only help the new startups but also the existing one. This will make a penetrating change and will help in making a developed India.

11) **Bindal, A., & Singh, R. R. (2022)**. the crucial role of small, medium, and micro enterprises (MSMEs) in providing employment opportunities in India, particularly for a significant portion of the population. It emphasizes the challenges faced by these enterprises, including financial illiteracy, lack of information, and inadequate infrastructure, which hinder their growth and sustainability. The introduction of the MUDRA (Micro Units Development and Refinance Agency) scheme by the Indian Government in 2015 is highlighted as a significant initiative aimed at supporting small businesses through collateral-free loans. The review underscores the importance of government support, such as access to loans, training, marketing facilities, and exposure, in nurturing and sustaining MSMEs, thereby contributing to employment generation and economic growth in India.

**Hypothesis:** The social empowerment of the rural entrepreneurs through PMMY in Telangana is higher than their economic empowerment.

The Prime Minister's most significant initiative, Pradhan Mantri Mudra Yojana (PMMY), which funds underfunded small businesses and micro enterprises, has completed eight years of operation. It has extended a total of approximately 22.89 lakh crore in loan accounts to 41.16 crore, mainly benefiting borrowers from weaker community sections. Collectively, the financing institutions—which comprise all Public Sector Banks, Private Sector Banks, Small Finance Banks, Micro-Finance Institutions (MFIs), and Non-Banking Financial Companies (NBFCs)—have surpassed the yearly goals established by the Indian government under PMMY each year..



### Secondary data Annual-Report-2022-23.pdf mudra yojana

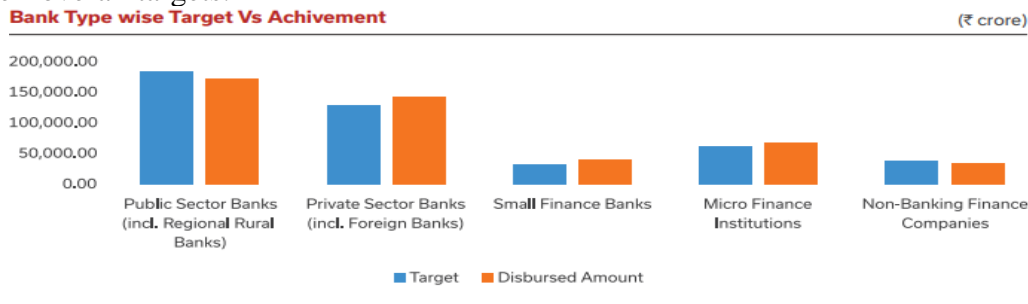
Analyse the table. For the last eight years, Micro Units Development & Refinancing Agency Ltd. (MUDRA), a support organization, has fulfilled two roles: it has provided refinance support to different lending institutions. It has kept a close eye on the implementation of PMMY through a dedicated portal that gathers aggregated data related to the scheme PMMY by Indian government standards.

### PMMY in 2022–2023: Agency-wise Outcome

The Government of India put aside around 4.40 lakh crore for PMMY disbursements for the year 2022–2023, which was then divided among banks, MFIs, and NBFCs according to their reach and presence



throughout the nation. The following is the category-by-category performance for the year 2022–2023 in relation to their overall targets:



### Secondary data Annual-Report-2022-23.pdf mudra yojana

The achievement data shows that the total success of the initiative, which is run by all the lending institutions, has increased by 36% over the previous year. This is mostly because of the higher number of payments made by the NBFC-MFI, SFBs, and Private Sector Banks in FY 2022–2023.

Regarding the payments made by Public Sector Banks and NBFCs, there has been a noticeable increase. State Bank of India (SBI), the largest Public Sector Bank, topped the list with loan account payouts of around Rs 35,601.64 crore to 15.40 lakh. Punjab National Bank and Canara Bank, with respective disbursement figures of 19,47.82 crore and 20,370.70 crore, trailed SBI.

The performance of the Private Sector Banks improved during the year, showing a 20% increase in disbursements of Rs1,41,116 crore over the previous year. With payments of ~ 40,543 crore and 40,386 crore, respectively, IndusInd Bank and Bandhan Bank were the top contributors in the category of private sector banks.

A total of ~ 66,830.62 crore in loans were given by MFIs to 155.81 lakh loan accounts. Grameen Koota Financial Services Private Limited emerged as the top microfinance institution, disbursing over ~11,123.89 crore across over 22.62 lakh loan accounts.

With a total payout of around 33,061.27 crore, NBFCs have also been identified as contributors to the PMMY.

The largest donor in this category is Shri Ram Transport Finance Company Limited, with a total of Amount sanctioned: ~14,500 crore.

Financial Year :	: 2022-2023
No. Of PMMY Loans Sanctioned :	: 62310598
Amount Sanctioned :	: ₹ 456537.98 CRORE
Amount Disbursed :	: ₹ 450423.66 CRORE

Last Updated on: 31/03/2023

In the financial year 2022-2023, the Pradhan Mantri Mudra Yojana (PMMY) has played a significant role in providing financial support to aspiring entrepreneurs across India. A staggering total of 62,310,598 PMMY loans were sanctioned during this period, amounting to ₹4,565.37 billion. This substantial amount demonstrates the government's commitment to fostering entrepreneurship and economic growth. Moreover, the amount disbursed under PMMY during the same period reached ₹4,504.24 billion, indicating efficient implementation and utilization of funds. These figures underscore the vital role of PMMY in empowering individuals, particularly those from marginalized communities, by providing them with access to capital to start or expand their businesses. As PMMY continues to facilitate financial inclusion and promote entrepreneurship, it is poised to drive sustained economic development and empower millions of individuals across the country.

### Gender wise distribution of Respondents

The respondents are classified based on their gender as male and female. The result of the analysis is discussed in the table below.

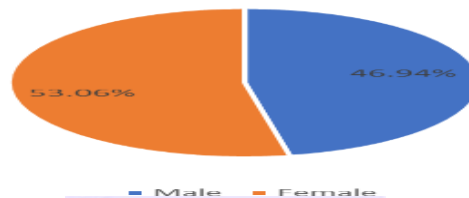


Gender	Respondents	Percentage
Male	253	46.94%
Female	286	53.06%
<b>Total</b>	<b>539</b>	<b>100%</b>

**Gender wise distribution of Respondent Source: Primary Data**

Table above. Shows that more than half of the respondents belongs to female category and it is striking to notice that a majority number of women entrepreneurs are successfully running rural enterprises. The most important finding related to the gender classification is that women entrepreneurs constitute about 53 per cent among the respondents which is the most encouraging initiative from the part of the women in Telangana who are ready to come to the equal status of men in the field of business

Genderwise Sample Distribution



**Age distribution of Respondent**

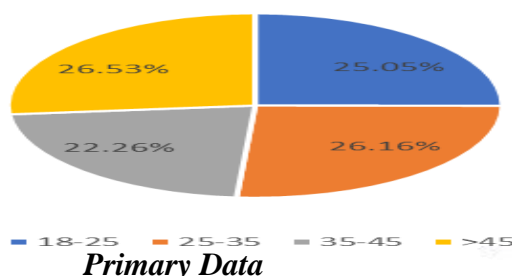
The respondents are categorised based on their age. The classification is based on different age groups such as 18-25 years, 25-35 years, 35-45 years, >45 years. The result of the analysis is depicted in the table below

Age	Respondents	Percentage
18-25	135	25.05%
25-35	141	26.16%
35-45	120	22.26%
>45	143	26.53%
<b>Total</b>	<b>539</b>	<b>100.00%</b>

**Age wise distribution of respondents Source: Primary Data**

Respondents belongs to the age group of 26-45 years which is the most enterprising years in the human life. This age group have the personal characteristics of maturity from experience and physical and mental fitness to face the challenges of the enterprises. It is also striking to note that about 22 per cent of the rural entrepreneurs belong to the younger age group of 25-35 years. This group can be considered as the future leaders in the field of entrepreneurship and business, especially the contributors for development in the rural sector. While 26.53 percent of the respondents belongs to

Age wise Sample Distribution



Primary Data



From the above graph, It is clearly evident that the sample so considered is balanced among the respondents in terms of Age. The lowest percentage of respondents are 35-45(22.26%) and others are moderately equal.

### Type of the organization

The entrepreneurs from Telangana state who are beneficiary of PMMY and had participated in the survey was categorized in four different types of organizations Sole proprietorship, Partnership Firms, Self-help group and others

Organisation wise distribution of respondents

Source: Primary Data

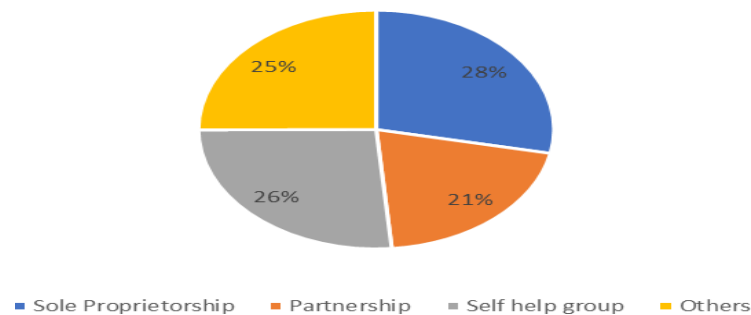
Type of organization	Respondents	Percentage
Sole Proprietorship	152	28.20%
Partnership	110	20.41%
Self help group	142	26.35%
Others	135	25.05%

Source: Primary Data

The Highest percentage of organization in the survey is 28.20% and is of Sole Proprietorship, and the lowest one among them is of Partnership Firms (20.41%). Self-help groups (SHG) in Telangana have been very successful in enabling women to be financially independent, Nearly 10 Lakh women from across state have become part of SHG and are improving their skills and life<sup>5</sup>. In Our survey almost 26.35% of proprietorship are from SHG's.

Figure 4- 5: Type of Organizations

Type of Organizations



### Annual Turnover

Annualized turnover is a future projection based on one month—or another shorter period of time—of investment turnover. For example, suppose that an ETF has a 5% turnover rate for the month of February. Using that figure, an investor may estimate annual turnover for the coming year by multiplying the one-month turnover by 12. This calculation provides an annualized holdings turnover rate of 60%. Since the study focuses

Majorly on rural area, the researcher urges to know the turnover for short amount, hence the response were categorized as "< 5 Lakh", "5-10 Lakh" and ">10 Lakh". The results so obtained are mentioned in the below

Type of Enterprise	Respondents	Percentage
< 5 Lakh	184	34.14%
5-10 Lakh	177	32.84%
>10 Lakh	178	33.02%
<b>Total</b>	<b>539</b>	<b>100.00%</b>

Type of Enterprise, Turnover wise Source: Primary Data

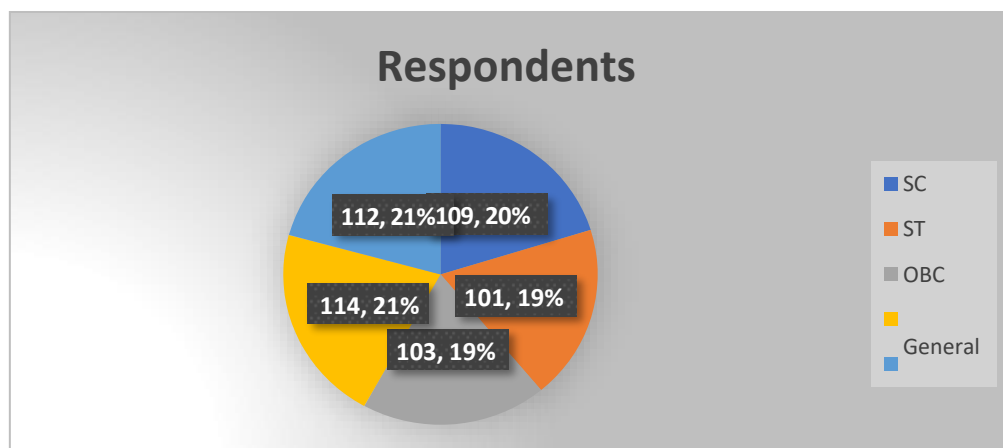


As per National Sample Survey Office (NSSO) survey (2013) there are around 5.77 crore small/micro units in the country. Over 60% of units are owned by persons belonging to Schedule Caste, Schedule Tribe or Other Backward Classes.

The respondents were asked to mark their category and the responses so received are mentioned in the table below, to our surprise almost 20.77% respondents were women respondents, it sounds great that Telangana state is giving equal opportunities for inclusion of women entrepreneur and strengthening them through PMMY.

**Table 4- 11: Category of the respondents Source: Primary Data**

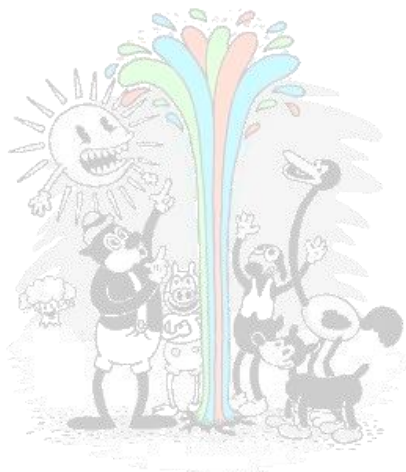
Category of Applicant	Respondents
SC	109
ST	101
OBC	103
General	114
Women	112



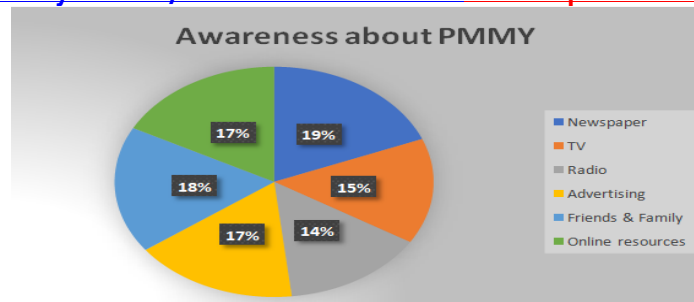
### Awareness about PMMY

The success of any scheme depends upon the awareness, adoption and facilitating stakeholders. Researcher dealt with the awareness quotient by asking them to mention the channel, through which they come to know about the PMMY, the findings in following table indicates that the most common source of knowing is Newspaper (102 Responses) and the least one is Radio (78 Responses).

Known From	Respondents
Newspaper	102
TV	80
Radio	78
Advertising	90
Friends & Family	96
Online resources	93



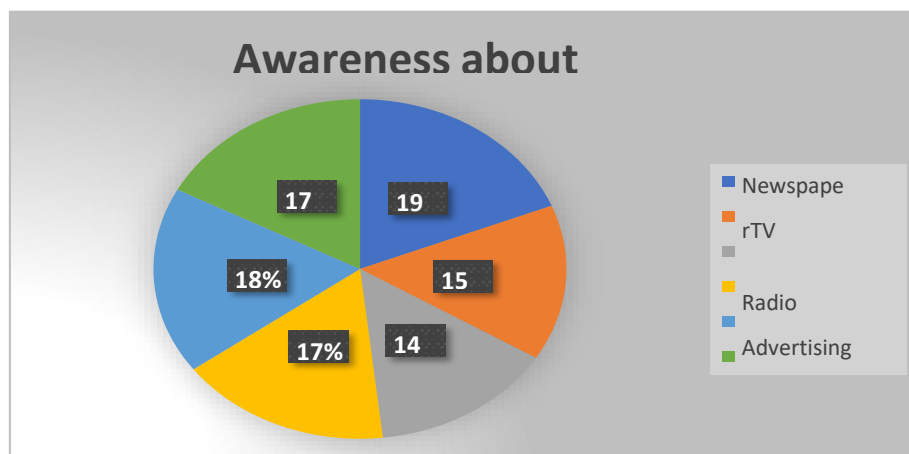




### Details About Mudra Loan given by respondent

Once an applicant apply for a MUDRA loan, this will be updated in their credit report. And if they apply for another MUDRA loan under another lender, they would know that you had already applied for a MUDRA loan elsewhere. Though government authorities not advised to take two loans at a time because it would become hard to pay interest and EMIs, but they don't even discourage it, for some good cases they reward it by giving loan.

But for applicants, applying for multiple loans should be avoided because it would cause too many hard inquiries. When you apply for credit, your lender will check your credit report to make sure you are credit



responsible. Each time you apply for credit, your creditscore will go down by a few points. So if you apply for loans unnecessarily, your credit score will go down. If you want extra cash on your existing loans you can always go for a top up loan. You would have to talk to your lender on needing extra funds. The following table is a result of cross sectional study of loan applied vs. loan granted.

		Loan Granted		
		ONCE	TWICE	THRICE
Loan Applied	ONCE	172	0	0
	TWICE	82	92	0
	THRICE	96	97	0

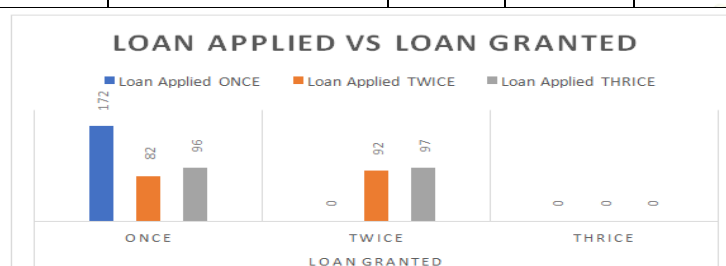


Figure 4- 11: Cross section study of Loan Applied Vs Loan Granted



**Did you always receive the full amount of the MUDRA loan that you applied for?**

After applying for MUDRA loan, it may be a case that the applicant may not receive the complete loan amount, it depends on a lot of parameters. In the study conducted researcher found that almost 47.86% applicants have received the complete loan amount.

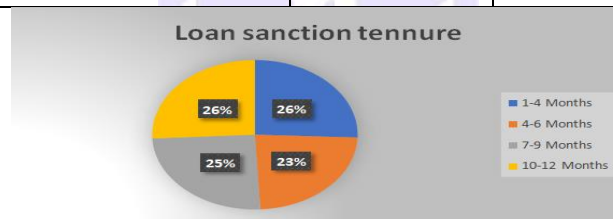
Response	Respondents	Percentage
Yes	258	47.86%
No	281	52.13%
<b>Total</b>	<b>539</b>	<b>100%</b>

*Receiving full amount through PMMY Source: Primary Data*

**How much time did it take for your MUDRA loan to be sanctioned? (In months)** Once the application is approved, the disbursal is expected to take place within 2 days after the acknowledgement. Overall, the loan process may take up to a week or 10 days, depending on the person's credit profile and documents submitted. The turnaround time for MUDRA Loans is around 7-10 business days. In the study it was observed that A MUDRA loan is treated just like any other business loan; hence the processing time is the same as other loans. The recorded responses are mentioned in the following table *Loan Sanction Period*

*Source: Primary Data*

Loan Sanctioned in	Respondents	Percentage
1-4 Months	138	25.60%
4-6 Months	127	23.56%
7-9 Months	135	25.05%
10-12 Months	139	25.79%
<b>Total</b>	<b>539</b>	<b>100%</b>



*Loan Sanction Tennure Source: Primary Data*

*Approach for Loaner Financial Institutions Source: Primary Data*

	SA	A	N	D	SD
Easy approachability	104 19.29%	112 20.78%	106 19.67%	103 19.11%	114 21.15%
Supportive attitude of employees	110 20.41%	103 19.11%	110 20.41%	116 21.52%	100 18.55%
Transparency	98 18.18%	112 20.78%	116 21.52%	110 20.41%	103 19.11%
Simple procedure	113 20.96%	107 19.85%	107 19.85%	112 20.78%	100 18.55%
Speedy disposal of loan amount	124 23.01%	92 17.07%	103 19.11%	115 21.34%	105 19.48%



Speedy settlement of operational issues	99 18.37%	114 21.15%	108 20.04%	116 21.52%	102 18.92%
Better treatment as an entrepreneur	105 19.48%	120 22.26%	95 17.63%	109 20.22%	110 20.41%
Sufficient help to clarify doubts regarding procedures	107 19.85%	99 18.37%	106 19.67%	119 22.08%	108 20.04%

The p-value for these parameters are coming out to be less than the significance value (0.05), hence they are all found to be significant.

Sr.No.	Dimensions of Entrepreneurial Competence	Mean	SD	Skewness	Kurtosis	Median	N	Cronbach's Alpha	Problem Intensity Index (%)	One Sample Wilcoxon Signed Rank Test Results	
										Z-Stat	P-Value
1	Factors compelled to obtain Mudra loan	4.51	0.67	2.59	9.35	4.86	450	0.82	90.3	17.51	<.001
2	Factors influencing participation in Mudra scheme	4.7	0.58	4.38	23.45	5	450	0.847	94	18.06	<.001
3	Awareness about PMMY	4.65	0.6	3.87	19.22	4.75	450	0.871	93	17.9	<.001
4	Operational details of PMMY	3.83	0.83	-0.2	0.26	3.63	450	0.929	76.6	15.29	<.001
5	Approach of Loaner Financial Institutions	3.65	0.58	-1.2	4.39	3.75	450	0.744	73.1	15	<.001
6	Monitory mechanism to ensure the utilization and repayment of Loan fund	3.16	0.41	2.67	10.04	3.25	450	0.519	63.2	11.66	<.001
	<b>Financial Empowerment</b>	4.08	0.48	4.29	24.19	4.11	450	0.941	81.5	17.25	<.001

The exploratory data analysis results for the financial empowerment constructs and its six constructs listed in Table above showed non-normality in the distribution of all the seven constructs, therefore, a non-parametric approach was followed for the analysis of these constructs. The sample data analysis showed that median of the financial empowerment construct and all its components were higher than 3. A one-sample Wilcoxon signed rank test was performed to test whether the population median of these variables was significantly different from 3, the value at the center point of the scale. The test results reported in Table above clearly show that the population median value was significantly different from 3, therefore, it can be inferred that the financial empowerment of the rural entrepreneurs in Telangana was significantly higher than the moderate level. It lends empirical support to our hypothesis that PMMY imparts financial empowerment to the rural



entrepreneurs in Telangana

**The social empowerment of the rural entrepreneurs through PMMY in Telangana is higher than their economic empowerment.**

Wilcoxon Signed Ranks Test Results for Testing the Difference in the Social and Economic Empowerment of the Rural Entrepreneurs of PMMY

Sr. No.	Type of Empowerment	Z	p-value
1	Economic Empowerment Before Starting Enterprise -Social Empowerment Before Starting Enterprise	-12.987 <sup>b</sup>	<0.001
2	Economic Empowerment After Starting Enterprise Social Empowerment After Starting Enterprise	-3.698 <sup>b</sup>	<0.001

Based on positive ranks Source: Primary Survey Data

The Wilcoxon-signed rank test was performed again to test the relative intensity of the social and economic empowerment during both the periods, i.e., before starting enterprise and after starting enterprise. The results presented in Table above show that the economic empowerment of the rural entrepreneurs in Telangana was significantly lower than their social empowerment during both the periods, i.e., before starting enterprise as well as after the starting enterprise. So, it can be concluded that Social empowerment of Rural entrepreneurs through PMMY is higher than their economic empowerment.

*Gender wise Overall Empowerment after starting the enterprise*

Sr.No.	Sector	Mean	SD	Skewness	Kurtosis	Median	N	Whitney U Test	
								Mean Rank	Test Statistics
1	Male	3.81	0.69	0.509	-0.719	4	253	233.55	J=24352
2	Female	3.59	0.58	0.365	-0.753	4	286	223.56	P<0.770
	Total	3.69	0.62	0.288	-0.722	4	539		

The Mann-Whitney Test results reported in Table above shows that there was no statistically significant difference in the Overall empowerment of rural entrepreneurs in Telangana after Starting their enterprises based on gender,  $U = 24532.0$ ,  $p = 0.770$ . It shows that gender did not influence the overall empowerment of rural entrepreneurs of PMMY scheme. In recent times the gender gap has not seen in terms of entrepreneurial development as compared to past. Nowadays, woman entrepreneurs become more inclined to entrepreneurship because entrepreneurship gives them financial independence and empowers them socially and economically. Therefore, they sincerely strive to become entrepreneurs. At the same time, the government has implemented several supporting schemes to promote their entrepreneurial skills and provide them with financial empowerment. For these reasons, the gender gap in entrepreneurial empowerment has been declining in recent times.

a significant difference. It is clear that that the economic empowerment of the rural entrepreneurs in Telangana was significantly lower than their social empowerment during both the periods. So, it can be concluded that Social empowerment of Rural entrepreneurs through PMMY is higher than their economic empowerment.

### RECOMMEDATION

Socio-economic Empowerment of Rural Entrepreneurs before and after the establishment of enterprises

1. More than half of the sample respondents rated a high score on social factors after establishing their enterprises. Still, they rated a low score before the commencement of the enterprise. Concerning the mean and median values obtained, it is established that the social empowerment indicators were significantly higher after commencing the business than the pre-business median score. It clearly shows that the social empowerment of rural entrepreneurs has significantly enhanced after establishing business enterprises. So, it



can be concluded that the PMMY scheme was effective in bringing social empowerment to the rural entrepreneurs in Telangana

2. Most respondents rated a high score on the economic factors after their enterprises' establishment but a low score before the commencement of the enterprise. In terms of the mean and median values derived, all the economic empowerment indicators were significantly higher after starting the enterprise than the pre-business median score. So, it is clear that the economic empowerment of rural entrepreneurs has been substantially enhanced after the establishment of the business enterprises. So, the PMMY scheme effectively brought economic empowerment to Telangana's rural entrepreneurs.

3. It is also evident that the relative intensity of social and economic empowerment during both periods, i.e., before and after, shows a significant difference. Clearly, the economic empowerment of the rural entrepreneurs in Telangana was significantly lower than their social empowerment during both periods. So, the Social empowerment of rural entrepreneurs through PMMY is higher than their economic empowerment.

It is also evident that there exists no significant difference in the socio-economic empowerment of rural entrepreneurs supported by PMMY based on gender and age of enterprise.

**CONCLUSION:** Nowadays, women entrepreneurs are more inclined to entrepreneurship because it gives them financial independence and empowers them socially and economically. Therefore, they sincerely strive to become entrepreneurs. At the same time, the government has implemented several supporting schemes to promote their entrepreneurial skills and provide them with financial empowerment.

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