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AN EMPIRICAL ANALYSIS OF AWARENESS REGARDING MUDRA LOAN SCHEME FOR ENTREPRENEURIAL DEVELOPMENT

Ms. P. SARANYA,
Research Scholar, Department of Commerce, Dr. MGR Educational and Research Institute, Maduravoyal, Chennai-600095, saranyasanthi0609@gmail.com

Dr. M. SENTHILMATHI,
Assistant Professor, Department of Commerce, Dr. MGR Educational and Research Institute, Maduravoyal, Chennai-600095, senthilmathi.comm@drmgrdu.ac.in

ABSTRACT

This research explored the extent of awareness among the entrepreneurs concerning the Micro Units Development and Refinance Agency (MUDRA) loan schemes aimed at nurturing the micro-level and small enterprises in India. The purpose is to evaluate how potential users of the loan categories Shishu, Kishore, Tarun and Tarun Plus, understand them, and the possibility of entrepreneurial activity which they could stimulate. Through the use of structured questionnaires, the data was collected from entrepreneurs in Chennai. The results show that while many of the respondents were willing to start or expand a business, the level of awareness of the government provided financial services like the MUDRA loan was deficient. The lack of readily available information, inadequate financial literacy, and lack of advertisement of such schemes were the major challenges. This study recommends that financial literacy and campaign awareness aimed at the use of MUDRA loans can aid in addressing the information gap. Information and confidence-building programs aimed at the entrepreneurs would be very vital. There is a need to strengthen the interface between financial institutions and development agencies relating to entrepreneurship training by including scheme materials.

Key Words: MUDRA, Entrepreneur, Finance, Entrepreneurship, Pradhan Mantri Mudra Yojana, Awareness, Micro enterprise.

Introduction

The **Pradhan Mantri Mudra Yojana (PMMY)** plays a vital role in advancing financial inclusion by offering collateral free loans of up to ₹ 20 lakhs through different categories Shishu, Kishore, Tarun Plus, enabling Micro, Small and Medium entrepreneurs to establish or expand their ventures through a simplified, accessible and tailored financing framework. This scheme launched in April 2015, the scheme is based on the idea that timely and affordable financing is crucial for small businesses and entrepreneurship, which ultimately boosts economic development. The aim is to remove financial barriers that often slow the growth of startups and small ventures. The scheme operates under a three-level framework until the declaration of the 2025 budget. Under PMMY, Financial assistant is structured in progressive stages. The Shishu level supports very small needs (up to ₹ 50,000), Kishor (₹ 50,001 to₹ 5 lakh), and Tarun (₹ 5 lakh to ₹ 10 lakh). In 2025 it included Tarun Plus (₹ 10 lakhs to ₹ 20 lakhs), this scheme provides customized support based on the needs of recipients' different



demands. The main aim of MUDRA Scheme is to help those who have had trouble getting loans from traditional banks. Moreover, This scheme emphasises the need for diversity and gender equality. It provides loans for business growth, buying equipment, working capital, and starting new projects. Special policies and benefits have been created to support women entrepreneurs and acknowledge their role in economic development. Ultimately, PMMY has emerged as a key driver of financial inclusion and empowerment in India, providing opportunities for economic independence for many individuals and small-micro businesses. Through Its comprehensive action to ease financial challenges and promote entrepreneurship it contributes significantly to creating a more inclusive and thriving economy.

Table 1: Mudra Loan: Comprehensive Details

Type	Loan Amount	Interest Rate	Details
Shishu	Up to Rs.50,000	**7% to 9%**	This phase caters to the entrepreneurs who have recently launched their businesses are navigating the early stages of development.
Kishore	Rs.50,001 – Rs.5,00,000	**9% to 11%**	This phase supports entrepreneurs who have launched their business, but need additional capital to sustain operations in the market. It also serves those who fund need exit the limit of the Shishu category.
Tarun	Rs.5,00,001 – Rs.10,00,000	**11% to 12%**	This phase level of the Program, intended for entrepreneurs seeking substantial capital to either launch a large scale business or expand an existing one.
Tarun Plus	Rs.10,00,001- Rs20,00,000	**11% to 14%**	This phase specifically designed for entrepreneur who have successfully repaid loans previously taken under the "Tarun" Category

Source Secondary Data

Interest Rate: The approximate interest rate for MUDAR loans under the Pradhan Mandir MUDAR Yojana (PMMY) typically ranges from 7 % to 14 % per annum depends on the bank or financial institution, loan category, Applicant's credit profiles and business type.

Mudra Offerings

1. **Re Financial Assistance through Refinance for Micro Enterprises**

MUDRA extends refinance support to Banks, Microfinance Institutions (MFIs), and Non-Banking Financial Companies (NBFCs) to enable them to provide loans to micro and small enterprises. These loans are categorised into four segments based on the stage of business growth and financial requirements of the beneficiary.



The **Shishu** category covers loans up to ₹50,000 and is targeted at entrepreneurs in the early stages of their business journey. This segment is specially created for the benefit of startups and newly established micro-enterprises. The application procedure involves minimal documentation and simplified eligibility criteria to ensure easy access to credit.

The **Kishore** segment includes loans ranging from ₹50,001 to ₹5,00,000 and is designed for businesses that are in a growth phase and require additional funds for expansion. This category is more suitable for enterprises seeking financial support for purchasing equipment, working capital, or scaling operations.

The **Tarun** category provides loans between ₹5,00,001 and ₹10,00,000 for well-established businesses that are ready to expand further. This level of financial assistance is aimed at strengthening business operations and promoting the formalization of enterprises.

In addition, the **Tarun Plus** segment has been created for businesses that have a strong track record and need more than ₹10,00,000 in capital. This segment aims to support these businesses as they grow. It assists enterprises moving from micro to small sizes, helping them achieve ongoing growth and stay competitive. MUDRA loans are provided without the need for collateral and are available through banks, NBFCs, and MFIs

2. Credit Access through Overdraft Facility under PMJDY

Individuals with an account under the PMJDY can access an overdraft (OD) facility, which is now part of the MUDRA loan offerings. This facility provides immediate financial help to underserved individuals by allowing them to withdraw funds even with a low account balance. It meets short-term liquidity needs or urgent business costs. Based on credit history and repayment behaviour, the overdraft limit is set to ₹5000 and may go higher in certain situations.

The individual must possess a PMJDY account and regular transactions to meet the eligibility criteria. The eligible age limit is 18 to 65 years, and in some cases, a clean credit record could be a necessity for the entrepreneurs. The intent is to extend a quicker method to access credit in a streamlined way to those individuals who do not qualify for traditional loans, thus enhancing credit access for underrepresented entrepreneurs.

3. Credit Support through Micro Credit Scheme (MCS)

The Micro Credit Scheme (MCS) aims to provide financial assistance to micro-enterprises via Micro finance Institution (MFIs). Usually, individual borrowers can obtain loans, like in the case of Self Help Groups (SHGs) and Joint Liability Groups (JLGs), up to ₹1,00,000. This scheme is most suitable for small scale service providers, artisans, home-based enterprises, and even small traders to expand their income-generating activities as well as street vendors.

4. MUDRA Card for Convenient Access to Working Capital

The MUDRA Card, a RuPay debit card, is issued to individuals who have secured loans via the MUDRA scheme and directly associated with the borrower's MUDRA loan account and serves as a credit instrument that provides easy and adaptable access to working capital. Similar to an ATM card, it allows borrowers to withdraw funds as needed, enabling them to



exercise better control over their cash flow while reducing interest costs, since fees are only incurred on the amounts withdrawn. This is designed to promote cashless transactions. These cards promote the adoption of digital financial solutions among borrowers, enhancing the efficiency and transparency of their financial operations. By minimizing unutilized funds and supporting the responsible use of the loan amount, it assists borrowers in managing their finances more effectively. It is crucial to understand that MUDRA does not provide loans directly to individuals. Rather, the loans are approved through Banks, Micro Finance Institutions (MFIs), and Non-Banking Financial Companies (NBFCs). Borrowers are required to contact these financial institutions to apply for the appropriate loan category; Shishu, Kishore, Tarun, or Tarun Plus. MUDRA loans do not require collateral and are specifically intended for income generating activities in sectors including manufacturing, processing, trading, and services.

Review of Literature

Suprina Sharma (2023), a passionate advocate for small businesses and the economic systems that support them, pinpoints that the Mudra Yojana stands out as an initiative that effectively delivers critical micro-financing opportunities to develop entrepreneurship. The author points out its importance as an enabler of self-employment opportunities and an important financial resource for micro and small-scale businesses and the scheme helps bridge the financial gap and promotes inclusive economic growth. The author also underlines the need for greater awareness and accessibility of MUDRA loans, especially in rural and underrepresented regions. Overall, the author regards MUDRA as a game changing policy with long term benefits for India's MSME Sector.

Gangadhar (2022), discusses the key components and regional performance of the Pradhan Mantri Mudra Yojana. The author explains its structure through three categories; Shishu, Kishore and Tarun. The study looks at regional performance by comparing targets and achievements across five geographical areas. The paper shows that Karnataka leads in loan sanctions, showing the differences in implementation across regions. The paper highlighting the important role of women, especially in the Shishu Category, supported by micro financing institutions. overall the study shows how PMMY affects financial inclusion and entrepreneurial growth in India.

Jilu Antony (2021) highlights the important role of the MUDRA Yojana in helping self-employed individuals, especially women, by providing easy access to microfinance. The study points out that shishu loan scheme are the most popular among beneficiaries, allowing for low cost entrepreneurship. It also noted that MUDRA loans have helped create jobs and improve financial independence. The author observed that although many beneficiaries are content with self-employment, low income remains an issue. Ultimately the scheme is seen as a drive of inclusive economic development in area like Ernakulam.



Bharamappa Padimani (2025), highlights that the Pradhan Mantri Mudra Yojana is an effective tool for financial inclusion and entrepreneurship development in India. This program divides loans into four segments: Shishu, Kishore, Tarun, and Tarun Plus. This structure effectively meets various business needs. The study underscores Karnataka's strong performance, especially during and after the COVID-19 pandemic. It also highlights the important role of PMMY in supporting first-time entrepreneurs and encouraging growth in MSMEs. Overall, the scheme acts as an instrument for inclusive economic empowerment, particularly for unrepresented communities.

Vijai (2025), states that the most significant factor contributing to the sustainable development of small and micro business units is the growth of entrepreneurs supported by the MUDRA Yojana in India. While the scheme recorded increases in sanctioned accounts and disbursed amounts under Shishu and Kishore between 2015-16 and 2016-17, the author notes that Tarun showed a decline in Tamil Nadu. In general, the accompanying charts indicate a trend toward larger loan amounts rather than smaller ones. The author adds that such financial assistance has improved the prospects of small-scale industrialists and strengthened the economic well-being of entrepreneurs. The author concludes that MUDRA is a successful financial tool with a tremendous role in India’s economic development.

Suresh (2025) highlights that the Pradhan Mantri MUDRA Yojana have been important contribution to financial inclusion for women and other citizen. The scheme has stimulate entrepreneurship and driven the growth of Micro, small, medium enterprise leading to significant employment generation. The author observes that MUDRA has played a critical role in improving social economic conditions, especially in rural and semi urban areas, by enhancing revenue and forecasting entrepreneurial sprit. However, challenges persist in the form of mounting non-performing asset, religion imbalance, and deficiencies in entrepreneurship training. The author recommended targeted interventions such as financial literacy program and improved market Linkage to strengthen the long term impact of PMMY.

3. Objectives of Study

1. To assess the overall level of knowledge and awareness regarding the Pradhan Mantri MUDRA Yojana (PMMY) among the beneficiaries in Chennai District.
2. To examine whether the level of knowledge and awareness regarding PMMY differs significantly across the demographic characteristics of the respondents, namely gender, age group, and educational qualification.

4. Hypothesis

H_{01}: The overall level of knowledge and awareness regarding the Pradhan Mantri MUDRA Yojana (PMMY) among the beneficiaries in Chennai District does not differ significantly from the hypothesized moderate level.

H_{02}: The overall level of knowledge and awareness regarding the Pradhan Mantri MUDRA Yojana (PMMY) among the beneficiaries in Chennai District differs significantly from the hypothesized moderate level.



H_{03}: There is no significant difference in the level of knowledge and awareness regarding PMMY across the different gender groups of the respondents.
H_{04}: There is a significant difference in the level of knowledge and awareness regarding PMMY across the different gender groups of the respondents.
H_{05} : There is no significant difference in the level of knowledge and awareness regarding PMMY across the different age groups of the respondents.
H_{06}: There is a significant difference in the level of knowledge and awareness regarding PMMY across the different age groups of the respondents.
H_{07}: There is no significant difference in the level of knowledge and awareness regarding PMMY across the different educational qualification groups of the respondents.
H_{08}: There is a significant difference in the level of knowledge and awareness regarding PMMY across the different educational qualification groups of the respondents.

5. Research Methodology

Sources of Data

This study focuses on entrepreneurial awareness regarding the Pradhan Mantri MUDRA Yojana (PMMY) in Chennai District by utilising both primary and secondary sources of data to obtain a comprehensive understanding. Beneficiaries of the PMMY scheme provided primary data by completing a structured questionnaire and participating in face-to-face interviews. Respondents' perceptions and levels of awareness regarding the scheme's dimensions were measured using a five-point Likert scale. For this study, the population of PMMY beneficiaries in Chennai District was narrowed down using a simple random sampling technique. From this population, 248 respondents were chosen, and each participant was ensured an equal and unbiased probability of inclusion into the sample. A range of secondary data that is credible and authoritative was gathered from government publications and bulletins, MUDRA organization's publications, scholarly journals, newspapers, magazines, and the MUDRA webpage. The secondary data was utilized in the study to complement the primary findings, provide contextual background and strengthen the reliability and validity of the study.

Statistical tools and techniques

The analyses of Survey data is with the help of Microsoft Excel and SPSS. The statistical analysis used includes frequencies, percentages, and t-test is used to test the hypothesis. Reliability Analysis The Reliability test was conducted to ensure the validity of the instrument. The reliability analysis shows Cronbach's Alpha is 0.823 and Number of items 10 which was considered as good enough. The α' score indicates that the tool is reliable.

6. RESULTS AND DATA ANALYSIS

Table 2: Demographic and Business Profile of the Respondents (n = 248)

S. No.	Variable	Category	Frequency (n)	Percentage (%)
1	Gender	Male	203	82
		Female	45	18



		Total	248	100
2	Age Group	18–30 years	137	55
		31–40 years	70	29
		41–50 years	31	13
		51–60 years	6	2
		60 years & above	4	1
		Total	248	100
3	Educational Qualification	Illiterate	31	12
		Primary	56	22
		High School	43	16
		PUC / ITI	28	12
		Graduate	44	18
		Post-Graduate	46	20
		Total	248	100
4	Social Group	SC	30	12
		ST	35	14
		OBC	139	56
		Minority	21	8
		Others	23	10
		Total	248	100
5	Nature of Business	Proprietorship	169	68
		Partnership	14	6
		Private Ltd. Company	30	12
		Self-Help Groups	15	6
		Others	20	8
		Total	248	100
6	Business Activity	Manufacturing	30	12
		Services	84	34
		Allied Agriculture	44	18
		Trading	90	36
		Total	248	100

Source: Survey Data

The Demographic details of beneficiaries 82% of respondents were Male and 18% of respondents are female were aware of Mudra Scheme. Majority 54% of the respondents were 18 to 30 years age group and 28% of the beneficiaries were 31to 40 years age group are aware about Mudra Scheme.22% of respondents were primary education and 20 % of respondents were post graduate holders it indicates that young entrepreneurs are aware about Mudra scheme. 56% were OBC beneficiaries and remaining 26% were SC/STs. Majority 68% were Proprietorship these indicates that Own account Enterprises are more in the



study.36% of respondents were trading background and 34% of respondents were services activity.

Table 3: Knowledge and Awareness level about PMMY scheme

S.No	Factors		Not at all aware	Slightly aware	Somewhat aware	Moderately aware	Extremely aware	Total
1	The concept of Mudra Scheme	N	35	94	74	35	10	248
		%	14	38	30	14	4	100
2	Objectives of Mudra scheme	N	20	64	84	50	30	248
		%	8	26	34	20	12	100
3	Products available in Mudra Scheme	N	40	55	60	60	35	248
		%	16	22	24	24	14	100
4	Interest rates	N	15	60	45	94	35	248
		%	6	24	18	38	14	100
5	Website of Mudra scheme	N	20	79	45	64	40	248
		%	8	32	18	26	16	100
6	Mudra Over draft Facility	N	55	45	40	64	45	248
		%	22	18	16	26	18	100
7	Mudra Debit cum – ATM card	N	35	84	30	50	50	248
		%	14	34	12	20	20	100
8	Documents Procedure for availing Mudra Loan	N	50	45	55	69	30	248
		%	20	18	22	28	12	100
9	udyamimitra.org.in to avail loans from the online website	N	25	16	50	60	45	248
		%	10	28	20	24	18	100
10	Repayment procedure of Mudra Scheme	N	15	45	75	12	60	248
		%	6	18	30	24	22	100

Source: Survey data



Data Interpretation of Knowledge and Awareness about PMMY Scheme

1. **Overall Awareness Pattern**

Awareness about PMMY varies across different factors, and in most cases, the majority of respondents fall under the categories of being "slightly aware" or "moderately aware," which indicates that knowledge about the scheme is only partial and not comprehensive. Moreover, very few respondents are "extremely aware," highlighting a noticeable gap between basic exposure to the scheme and a deeper understanding of its details.

2. **Factor-wise Interpretation**

1. **Concept of MUDRA Scheme**

About 14% respondent are not at all aware, 38% of respondents are slightly aware of the scheme, while 30% are moderately aware, and only 4% are extremely aware, which indicates that the scheme is known at a surface level but a detailed understanding among respondents is lacking.

2. **Objectives of MUDRA Scheme**

Around 8% are not at all aware, 34% of respondents are slightly aware of the objectives of the scheme, 20% are moderately aware, and only 12% are extremely aware, while 26% remain slightly aware; this shows that respondents possess basic awareness of the objectives, but only a small proportion fully understands these aspects.

3. **Products Available**

The distribution of awareness about the products under the scheme is more balanced, with 16% are not aware, 24% moderately aware, 24% slightly aware, and 14% extremely aware, indicating that product knowledge is comparatively better than awareness of the objectives and concept, though it still remains fragmented.

4. **Interest Rates**

Among all factors, while 14% are extremely aware and 38% are moderately aware, only 6% are not aware it indicating that knowledge of interest rates is relatively strong, likely because it has a direct impact on borrowers.

5. **Official Website**

Around 8% are not aware, 32% of respondents are slightly aware of the website of the scheme, 26% are moderately aware, and 16% are extremely aware, which shows that awareness about digital and online resources is improving but has not yet become widespread.

6. **Overdraft Facility**

About 22% of respondents are not aware, 18% are slightly aware of the overdraft facility, 26% are moderately aware, and 18% of the respondents are extremely aware, indicating the overdraft feature is one of the least understood components of the MUDRA scheme.

7. **MUDRA Debit cum ATM Card**

Awareness about the MUDRA Debit cum ATM card is fairly divided, with 20% of respondents being extremely aware, which is comparatively higher than other factors,



indicating that this physical product enjoys greater recognition than the conceptual elements of the scheme.

8. **Documentation Procedure**

The above Table shows 28% of respondents are moderately aware of the documentation procedure, 22% are slightly aware, 12% are extremely aware, and 20% are not aware at all, that indicating procedural clarity is lacking and this may create barriers for loan applicants.

9. **udyamimitra.org (Online Portal)**

Around 28% of respondents are slightly aware of the digital platform, 24% are moderately aware, and 18% are extremely aware, indicating that awareness of the platform is still weak, although a reasonable share of respondents demonstrate moderate to high awareness.

10. **Repayment Procedure**

About 30% of respondents are slightly aware of the repayment procedure, 24% are moderately aware, and 22% are extremely aware, indicating that repayment knowledge is comparatively better than awareness of documentation and overdraft, as people are more familiar with repayment obligations.

Table 4: Source of awareness about Mudra Scheme

Source	Frequency (248)	Percentage (%)
Newspaper	45	18%
Banks correspondents/ Banks	65	26%
Relatives & Friends	88	36%
Television/ Media	10	4%
Self-help groups	5	2%
Grampanchayats	5	2%
NGOs	5	2%
Municipality	25	10%
Total	**248**	**100%**

Source: Survey data

The analysis of Table-3 shows that the major source of awareness about the Mudra Scheme among respondents is **Relatives and Friends (36%)**, followed by **Banks and Bank Correspondents (26%)** and **Newspapers (18%)**, indicating that both interpersonal communication and formal financial institutions play a crucial role in disseminating information about the scheme. Municipalities account for **10%** of awareness, while other sources such as **Television/Media (4%)**, **Self-help Groups (2%)**, **Grampanchayats (2%)**, and **NGOs (2%)** contribute only marginally. This highlights that while personal networks and banks are the dominant channels of information, mass media, local bodies, and community organizations remain underutilized in spreading awareness about the Mudra Scheme.

Table 5: Type of loan taken

Type of Loan	Frequency	Percentage



Shishu – Less than 50,000	79	32%
Kishore – 50,000 to 5,00,000	119	48%
Tarun – 5,00,000 to 10,00,000	40	16%
Tarun Plus 10,00,000-20,00,000	10	4%
Total	**248**	**100%**

Source: Survey data

From the survey of 248 respondents, it is observed that the majority of borrowers (119 respondents, that is 48%) have availed loan under the Kishore category (Rs. 50,000 to Rs. 5 Lakhs), Indicating that medium sized credit requirement from the largest share of borrowing. This is followed by Shishu loans (less than Rs. 50,000) taken by 70 Respondents; it is 32%, reflecting the demand for smaller loans to meet immediate business requirements or for the establishment of new business. About 40 respondents nearly 16 % have availed Tarun loans (Rs 5 Lakhs to Rs. 1O Lakhs) while only ten respondents have accessed Tarun Plus Loans (Rs.10 Lakhs to Rs. 20 Lakhs), suggesting that comparatively fewer borrowers seek higher credit amount. In conclusion the most respondents prefer loan in small to medium range, with very limited demand for higher-value credit.

Table 6: which Bank / Micro finance institutions/ NBFCs you taken loan

Source	Frequency	Percentage
Public sector banks (Excluding RRBs & SBI)	133	54%
Private sector banks	15	6%
Micro finance institutions	5	2%
Regional Rural Banks	60	24%
S B I & Associates	20	8%
Co-operative Banks	15	6%
Total	**248**	**100%**

Source: Survey data

For the survey of 248 respondents, it is evident that majority of the borrowers was nearly 133 respondents that is 54 percentage is depend upon public sector banks (excluding RRB & SBI) making them the dominant source of credit, followed by regional bank with 60 respondents, nearly 24 % while SBI and its association serve 20 respondents 8%. Private sector bank and cooperative bank each cater to 15 respondents six percentages whereas microfinance institution plays only a marginal role with five respondents, with 2%. Overall, the findings highlight that public sector banks continue to be the most trusted and accessible source of loans, while private banks, co-operatives, and MFIs together account for only a small share of the credit needs of borrowers.

Hypothesis Testing (H_1-H_2)

Table 7(a): One-Sample Statistics

Overall Knowledge and Awareness Level about Mudra Scheme



Variable	N	Mean	Test Value	Std. Deviation	Std. Error Mean
Overall awareness level	248	3.03	3.00	1.266	0.080

Table-7(b): One-Sample Test Results

Overall Knowledge and Awareness Level about Mudra Scheme

Variable	Mean Difference	Test Statistic (t)	df	p-valu (2-tailed)	95% CI of Difference (Lower–Upper)	Cohen's d	Decision Made (Null)
Overall awareness Level	0.032	0.401	247	0.689	-0.13 – 0.19	0.025	Null hypothesis accepted

The one-sample statistics in Table-6(a) show that the mean score of overall awareness level about the Mudra Scheme is **3.03**, which is almost equal to the test value of **3.00** (representing "moderately aware"). The standard deviation of **1.266** indicates some variability in responses, while the standard error of mean (**0.080**) suggests that the sample mean is a reliable estimate of the population mean. As shown in Table-6(b), the mean difference is only **0.032**, with a **t-value of 0.401** and a **p-value of 0.689 (p > 0.05)**, indicating that the difference between the observed mean and the test value is **not statistically significant**. The 95% confidence interval ranges from **-0.13 to 0.19**, which includes zero, further confirming that there is no significant deviation from the hypothesized mean. The effect size (**Cohen's d = 0.025**) is negligible, suggesting that the practical difference is minimal. Therefore, the null hypothesis is **accepted**, and it can be concluded that the overall awareness level of respondents about the MUDRA Scheme is **moderate**.

Hypothesis Testing (H_3-H_8)

Table-8(a): Effect Sizes of ANOVA

Factor	Source of Variation	Sum of Squares	Df	Mean Square	F-value	Sig. (p-value)	Hypothesis **accepted**
Gender	Between Groups	2.244	4	0.561	3.940	0.004 (**Significant**)	H_{04} Accepted
	Within Groups	34.591	243	0.142			
	Total	36.835	247				
Age Group	Between Groups	4.725	4	1.181	1.454	0.217 (Not Significant)	H_{05} Accepted
	Within Groups	197.468	243	0.813			



	Total	202.194	247				
Education	Between Groups	291.615	4	72.904	130.403	0.000 (**Highly Significant**)	H_{08} Accepted
	Within Groups	135.853	243	0.559			
	Total	427.468	247				

Interpretation of ANOVA Results

The ANOVA result indicate a statistically significant difference in awareness levels across gender group (F (4243)-3.940, p=0.004), with an effect size (Eta- squared=0.61) showing that 6.1% of the variance in awareness can be explained by gender difference. Both Epsilon squared (0.045) and Omega squared (0.045) further confirm a small effect size, suggesting that gender has a significant but relatively minor influence on the overall awareness of the MUDRA Scheme

1. Gender

The ANOVA result indicate a statistically significant difference in awareness levels across gender group (F (4,243)-3.940, p=0.004), with an effect size (Eta- squared=0.61) showing that 6.1% of the variance in awareness can be explained by gender difference. Both Epsilon squared (0.045) and Omega squared (0.045) further confirm a small effect size, suggesting that gender has a significant but relatively minor influence on the overall awareness of the MUDRA Scheme. The ANOVA results demonstrate a highly significant difference in awareness across education levels (F (4,243) =130.403. p<0.001), with a very large effect size (Eta-squared=0.682) indicating that 68.2 of the variance in awareness is explained by education level while Epsilon-squared (0.677) and Omega- squared (0.676) further confirm a consistently strong effect, showing that education level has a strong and significant impact

2. Age Group

The effect sizes are very small, with Eta- squared at 0.023 indicating only 2.3% of variance is explained Epsilon-squared and Omega-Squared (Fixed) are 0.007, showing an almost negligible effect, while Omega squared (Random) is 0.002 suggesting minimal contribution when considering random effects. The 95% confidence intervals all include zero, indicating the effect may not be statistically meaningful. Overall, age group has a very weak influence on the outcomes, these results suggest that difference between age group do not substantially impact the measured variable.

3. Education

The ANOVA results demonstrate a highly significant difference in awareness across education levels (F (4,243) =130.403. p<0.001), with a very large effect size(Eta-squared=0.682) indicating that 68.2 of the variance in awareness is explained by education level while Epsilon-squared (0.677) and Omega- squared (0.676) further confirm a consistently strong effect, showing that education level has a strong and significant impact a



consistently strong effect, showing that education level has a stong and significant impact on awareness of the MUDRA Scheme, making it the most influential demographic factor.

Overall Interpretation

The ANOVA results reveal that gender and education significantly influence overall awareness of the Mudra Scheme, but the impact of education is far stronger than that of gender. In contrast, age group does not significantly affect awareness levels. Education explains the largest share of variance (over two-thirds), highlighting its dominant role in shaping awareness.

Findings and Discussion

The finding reveals that the overall awareness level about the MUDRA scheme is moderate, with a mean score of 3.03, which is nearly equal to the test value of 3, and the one-sample t-test result is (t=0.401, p=0.689) respectively, which confirm that the difference is not statistically significant, thereby supporting the null hypothesis. ANOVA result indicates that gender has a significant effect on awareness level (F=3.940,p=0.004) with a small effect size (η^2 =0.061), while age group does not show a significant difference (F=3.940,p=0.217, η^2=0.023).Education level, However, shows a highly significant influence (F=13.403, p =0.000) with a very large effects size (η^2 =0.682),indicating that awareness about the MUDRA Scheme varies substantially across different education levels. Overall, while awareness is moderate across respondents, education emerges as the most critical factor influencing awareness, followed by gender, whereas age has little impact. The results of the study indicates that awareness programs about the MUDRA Scheme should be more strongly targeted towards less educated group, as education shows the most significant impact on awareness levels. Simplified communication method such as vernacular-language brochures, visual aids, short videos and grassroots campaigns could be effective in bridging this gap. Since gender differences also play a role, woman- focused financial literacy initiative and entrepreneurship workshops may help improve inclusivity and equal participation. Although age was not found to be a significant factor, customized awareness drives across different age brackets can still ensure better outreach, Overall, policymakers and financial institution should adopt differentiated strategies, leveraging local community organization, self-help groups and digital platforms to enhance understanding and accessibility of the MUDRA Scheme.

Conclusion

The Study concludes that the overall awareness level regarding the Pradhan Mantri Mudra Yojana (PMMY) among entrepreneurs in Chennai is moderate, with no significant deviation from the hypothesized mean of “moderately aware.” While the scheme has been widely acknowledged as an important driver of financial inclusion and entrepreneurial growth, gaps remain in the depth of Knowledge about its objectives, procedures, and specific offerings. The analysis reveals that education is the most critical factor influencing awareness, followed by gender, whereas age has a moderate effect. The study suggests that better-educated respondents are more likely to have greater exposure to and understanding of the scheme. Moreover, the study highlights that friends, relatives and banks are the dominant sources of



information, while the mass media. NGOs and community organizations remain underutilized.

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