

Pradhan Mantri Mudra Yojana

Purpose: Mudra loan is extended for a variety of purposes which result in income generation and employment creation. The loans are extended mainly for:

- Business loan for Vendors, Traders, Shopkeepers and other Service Sector activities
- Working capital loan.
- Equipment Finance for Micro Units
- Transport Vehicle loans for commercial use only
- Loans for agri-allied non-farm income generating activities, e.g. pisciculture, bee keeping, poultry farming, etc.
- Tractors, tillers as well as two wheelers used for commercial purposes only.

Eligibility:

- i. Individual, Proprietorship, Partnership firms, Limited Liability Partnerships (LLPs), Private / Public Ltd. Cos. Or any other legal entity.
- ii. MUDRA loans may be extended on cluster basis also subject to maximum ceiling.

Loan limit: Up to Rs. 20.00 Lakh (The maximum quantum of exposure from all Banks /Financial Institutions shall be Rs.20 Lakh per enterprise / borrower).

The Scheme is classified into four categories:

- Shishu: Loans up to Rs. 50,000/-
- Kishor: Loans above Rs. 50,000/- and up to Rs 5 Lakh
- Tarun: Loans above Rs. 5 Lakh and up to Rs 10 Lakh
- Tarun Plus: **covering loans above 10 lakh and upto 20 lakh for those entrepreneurs who have availed and successfully repaid previous loans under the 'Tarun' category.**

Type of Facility:

- Term Loan
- Working Capital (Fund/ Non-Fund)
- Composite Loan (TL+WC)

Margin for Term Loan:

Aggregate Loan Amount Margin

Up to Rs. 50,000/- (Shishu Loans) Nil

Above Rs. 50,000/- to Rs. 2 Lakh Nil

Above Rs. 2.00 Lakh to Rs. 5.00 Lakh 15%

Above Rs. 5.00 Lakh to Rs. 20.00 Lakh 20%

Margin for Cash Credit:

For loans below Rs 2.00 lakh: Nil

For loans above Rs2.00 lakh :5%

Tenure of loan: 7 years including maximum moratorium period of maximum 3 months.

Primary Security: Hypothecation of assets created out of Bank's Finance

Collateral Security: Collateral free loans upto 10 Lacs. Guarantee Coverage under CGTMSE shall be obtained for loans upto Rs. 10 lakh.

Digital processing of MUDRA loans: The eligible customer can avail MUDRA loans digitally by visiting the PNB website www.pnb.bank.in and select “DIGI MSME” under the online services tab, or PNBONE app or PNB net Banking.

Rate of Interest:

Exposure	Digital Loans to MSMEs	Other than Digital Loans to MSMEs
Upto ₹50,000/-	RLLR+BSP+1.65%	RLLR+BSP+1.90%
Above ₹0.50 lakh upto ₹ 25.00 lakh	RLLR+BSP+2.15%	RLLR+BSP+2.40%