

WRAP Exams · wrapexams.com

Prelims PYQ, Mains model answers, and copy evaluation. Write to the desk for this paper, a doubt, or the AI waitlist.

ask@wrapexams.com · +91 85951 84903 · wrapexams.com

Q73

Pradhan Mantri MUDRA Yojana is aimed at (a) Bringing the small entrepreneurs into formal financial system (b) Providing loans to poor farmers for cultivating particular crops (c) Providing pensions to old and destitute persons (d) Funding the voluntary organizations involved in the promotion of skill development and employment generation Official key: A.

UPSC Civil Services Prelims 2016 · General Studies · 2 marks · Current Affairs and GK
Current events, government schemes, miscellaneous GK - Prelims GS Paper I.

Explanation**(a) Official key**

Pradhan Mantri MUDRA Yojana (2015) refinances and originates collateral-light loans to non-corporate, non-farm micro and small enterprises through last-mile lenders, so that small entrepreneurs enter the formal credit system (Shishu, Kishore, Tarun). That is the official key.

(b)

Loans to poor farmers for particular crops are the domain of crop loans, Kisan Credit Card and interest-subsidy, not **MUDRA**'s core design. This option is not the key.

(c)

Pensions for the old and destitute are NSAP, APY or old-age pension schemes, not **MUDRA**. This option is wrong.

(d)

Funding voluntary organisations for skill and employment is closer to NSDC/NGO grants, not the **MUDRA** loan product. This option is not the key.

Summary

Official key is (a) bringing the small entrepreneurs into the formal financial system. **MUDRA** Ltd. refinances banks, NBFCs and MFIs that lend under PMMY to micro units. The three products are defined by loan size, not by crop or pension. Farmers' crop credit and social pensions are different Union schemes. Only (a) states the aim correctly.

Related possible facts

These can be asked in a future Prelims paper.

Launch

April 2015

Shishu / Kishore / Tarun

Loans up to ₹50,000; ₹50,000-₹5 lakh; ₹5-₹10 lakh (original slabs)

MUDRA

Micro Units Development and Refinance Agency

SIDBI

MUDRA was set up as a SIDBI subsidiary

Non-farm micro units

Target borrowers are mostly proprietary small businesses

WRAP Exams · Write. Read. Analyse. Practice. ·

<https://wrapexams.com/upsc/prelims/gs/2016/pradhan-mantri-mudra-yojana-is-aimed-at/> · ask@wrapexams.com · wrapexams.com