

# Mudra Bank Launch Today, to Benefit 5.77 cr Small Biz

**ENS Economic Bureau**

**New Delhi:** Prime Minister Narendra Modi will launch Micro Units Development Refinance Agency (Mudra) Bank on Wednesday that will provide financial assistance to around 5.77 crore small business units.

“Providing access to institutional finance to such micro/small business units/enterprises will not only help in improving the quality of life of these entrepreneurs but also turn them into strong instruments of GDP growth and employment generation,” the Finance Ministry statement said.

In his Budget speech, Finance Minister Arun Jaitley had proposed the Mudra Bank

with a corpus of ₹20,000 crore, and credit guarantee corpus of ₹3,000 crore.

“The initial products and schemes under this umbrella have already been created and the interventions have been named ‘Shishu’, ‘Kishor’ and ‘Tarun’ to signify the stage of growth/development and funding needs of the beneficiary micro unit/entrepreneur,” the ministry said.

Shishu would cover loans up to ₹50,000 while Kishor above ₹50,000 and up to ₹5 lakh. Tarun will cover loans of above ₹5 lakh and up to ₹10 lakh. “Further, the approach goes beyond credit only approach and offers a credit - plus solution for these enterprises spread across the country.”