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A Geographical Study of Regional Disparities in Distribution of Mudra Loans in India

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ABSTRACT

Financial inclusion plays a pivotal role in driving inclusive and sustainable economic growth, particularly in a diverse country like India. The Pradhan Mantri Mudra Yojana (PMMY), launched in 2015, was designed to provide collateral-free credit to micro and small enterprises through three categories—Shishu, Kishor, and Tarun—targeting the informal and underserved sectors of the economy. Despite the impressive nationwide disbursement figures, this study identifies and analyzes significant regional disparities in the distribution of Mudra loans across Indian states and union territories from 2022-23 to 2024-25. Employing a quantitative methodology and statistical tools such as Pearson's Coefficient of Skewness, the research reveals a consistent right-skewed distribution, indicating that a few economically dominant states like Uttar Pradesh, Bihar, Maharashtra, and Tamil Nadu account for the majority of disbursed amounts, while smaller and northeastern states continue to receive disproportionately lower allocations. Even with slight improvements in 2023-24, the 2024-25 data confirms the persistence of structural imbalances. The findings underscore the need for region-specific policy interventions to ensure more equitable financial inclusion. Targeted outreach, increased awareness, and transparent monitoring are essential to align the scheme's outcomes with its inclusive intent.

***Keywords**: Mudra Loans, Regional Disparities, Financial Inclusion, Pradhan Mantri Mudra Yojana, Skewness Analysis and Microfinance.*

Introduction

Financial inclusion has long been recognized as a cornerstone of sustainable economic development, particularly in diverse and vast economies like India. Access to timely and adequate credit empowers individuals and small businesses, fostering entrepreneurship, generating employment, and ultimately contributing to poverty alleviation. In this context, the Pradhan Mantri Mudra Yojana (PMMY), launched in 2015, stands as a landmark initiative by the Government of India, aimed at providing collateral-free loans up to ₹10 lakh to non-corporate, non-farm small/micro enterprises. Categorized into 'Shishu' (loans up to ₹50,000), 'Kishore' (loans above ₹50,000 and up to ₹5 lakh), and 'Tarun' (loans above ₹5 lakh and up to ₹10 lakh), Mudra loans are designed to cater to the varied financial needs of the burgeoning informal sector, often excluded from formal credit channels.

While the PMMY has disbursed an impressive volume of loans across the nation, anecdotal evidence and preliminary data suggest significant spatial variations in its reach and impact. The efficacy of such a large-scale financial intervention is not merely in its aggregated numbers but also in its equitable distribution across different regions, reflecting the diverse socio-economic landscapes of India's states and union territories. Understanding these variations is crucial for evaluating the scheme's true penetration and for identifying areas where policy recalibration or more targeted interventions might be necessary.

This research paper, "A Geographical Study of Regional Disparities in Distribution of Mudra Loans in India," seeks to undertake a comprehensive spatial analysis of Mudra loan disbursements. By examining state-wise and union territory-wise data on the number of accounts and disbursed amounts across the 'Shishu', 'Kishore', and 'Tarun' categories, this study aims to uncover the geographical patterns and regional disparities in the scheme's implementation.

Research Methodology

This research adopts a quantitative research approach to systematically analyze and understand regional disparities in the distribution of MUDRA loans across India, explaining the spatial patterns of loan disbursement. The study employs a descriptive and analytical research design, which will first describe the existing patterns of MUDRA loan distribution across Indian states and union territories, and subsequently analyze the underlying factors contributing to the observed disparities using statistical methods. The research is primarily based on secondary data, sourced from publicly available official datasets published on the Pradhan Mantri MUDRA Yojana (PMMY) portal and relevant government reports by the Ministry of Finance, Government of India. These datasets include the total number of loan accounts and disbursed amounts (categorized under Shishu, Kishor, and Tarun segments) under the MUDRA scheme from 2022-23 to 2024-25.To determine the existing skewness in MUDRA loan distribution across Indian states and union territories, the researcher has employed the statistical method of 'Pearson’s Coefficient of Skewness', as follows:

$$Skewness = \frac{Mean - Median}{Standard\ Deviation}$$

- IfMean >Median →Positive Skewness (Right-Tailed Distribution).
- If Mean <Median →Negative Skewness (Left-Tailed Distribution).

Result & Discussion

The table-1 presents the disbursement of Mudra loans under the Shishu category across Indian states and UTs from 2022-23 to 2024-25. The data shows significant variations in both loan accounts and amounts disbursed. Larger states like Uttar Pradesh, Bihar, Maharashtra, and Tamil Nadu consistently received the highest amounts, with Uttar Pradesh peaking at ₹18,695.62 crore in 2023-24. Southern states like Karnataka and Andhra Pradesh also saw substantial disbursements. In contrast, smaller UTs like Andaman & Nicobar Islands and Lakshadweep received minimal amounts (under ₹2 crore annually). Nationally, total disbursements grew from ₹1,41,609.9 crore in 2022-23 to ₹1,47,784.6 crore in 2023-24 before sharply declining to ₹80,614.21 crore in 2024-25. Northeastern states showed volatility, with Manipur's disbursements dropping sharply from ₹77.06 crore to just ₹7.62 crore. The data reveals persistent regional disparities, with economically stronger states absorbing most funds while smaller regions lagged behind, highlighting the need for more balanced financial inclusion efforts.

Table 1: Disbursement of Mudra Loans Under Shishu Category Across States and Union Territories in India from 2022-23 To 2024-25

Sl. No.	State/ U.T. Name	2022-23		2023-24		2024-25	
		No. of Loan A/cs	Disbursed Amt (in cr.)	No. of Loan A/cs	Disbursed Amt (in cr.)	No. of Loan A/cs	Disbursed Amt (in cr.)
1	Andaman and Nicobar Islands	626	1.73	494	1.25	332	1.01
2	Andhra Pradesh	823368	2121.55	864770	2536.92	541089	1792.42
3	Arunachal Pradesh	11483	32.15	15611	49.83	10048	34.2
4	Assam	347744	1083.2	419740	1301.31	401474	1389.34
5	Bihar	6154319	21365.47	6085909	22748.87	3083102	11955.68

6	Chandigarh	9856	35.09	7492	24.23	7148	27.29
7	Chhattisgarh	762293	2416.51	634021	2203.42	433264	1502.89
8	Dadra and Nagar Haveli & Daman and Diu	2132	6.52	2197	6.07	1481	5.39
9	Delhi	240360	616.21	192634	412.43	66887	177.31
10	Goa	20748	70.52	19872	71.97	8018	29.48
11	Gujarat	1101028	3749.03	1180042	4056.78	601353	2180.49
12	Haryana	801299	2861.42	598180	2113.83	265212	996.37
13	Himachal Pradesh	60427	232.71	47671	146.86	23632	83.78
14	Jharkhand	1617031	5008.07	1514475	5223.99	851555	3065.36
15	Karnataka	3846632	12692.75	4119316	14781.01	2205917	8037.07
16	Kerala	1012563	3595.96	1096793	3895.83	957625	3797.5
17	Lakshadweep	624	1.21	703	2.23	578	2.09
18	Madhya Pradesh	2697276	8710.71	2334289	7914.6	1369591	4966.23
19	Maharashtra	3856944	11600.63	3525632	11684.55	2013881	7126.64
20	Manipur	23445	77.06	5301	14.66	2487	7.62
21	Meghalaya	14212	48.61	18367	61.39	12428	43.41
22	Mizoram	12492	59.97	15148	61.85	10670	38.59
23	Nagaland	5450	19.09	9216	28.21	11584	45.61
24	Odisha	3052350	9721.4	2712948	9800.47	1407704	5153.52
25	Pondicherry	57267	216.87	68.038	275.9	21673	85.88
26	Punjab	894914	3122.35	625978	2044.27	211858	756.5
27	Rajasthan	2013516	6893.82	1565150	5786.47	735728	2729.51
28	Sikkim	5517	19.16	8.586	32.1	5852	22.41
29	Tamil Nadu	3906300	13769.27	3887620	15245.47	1277979	4923.83
30	Telangana	420855	1270.96	606920	1940.02	528243	1904.58
31	Tripura	226255	767.51	175883	636.43	118322	433.1
32	Union Territory of Jammu and Kashmir	87186	288.87	81075	263.26	67670	235.71
33	Union Territory of Ladakh	544	1.72	1292	2.7	839	2.36
34	Uttar Pradesh	5042608	16291.05	5326621	18695.62	2445904	9220.32
35	Uttarakhand	299539	1028.68	262226	961.59	108992	414.08
36	West Bengal	3648648	11812.03	3598099	12758.25	2046703	7426.64
	Total	43077851	141609.9	41628309	147784.6	21856823	80614.21

Source: Annexure I for Part (a) of Rajya Sabha Unstarred Question No. 2780 regarding "Disparity in Mudra loan disbursement" for 25.03.2025

The table-2 provides a detailed breakdown of Mudra loan disbursements under the Kishor category across Indian states and union territories from 2022-23 to 2024-25, revealing notable patterns in both loan account numbers and disbursed amounts. Over the three-year period, larger states like Uttar Pradesh, Bihar, Maharashtra, and West Bengal continued to dominate in loan volumes, with Uttar Pradesh peaking at ₹24,129.88 crore in 2023-24 before declining to ₹20,297.93 crore in 2024-25. Bihar showed consistent growth, reaching ₹28,473.02 crore in 2023-24, while Maharashtra maintained strong disbursements, exceeding ₹18,000 crore annually. Southern states like Tamil Nadu and Karnataka also featured prominently, with Tamil Nadu disbursing ₹32,192.01 crore in 2023-24. In contrast, smaller states and union territories such as Andaman and Nicobar Islands, Lakshadweep, and Dadra and Nagar Haveli & Daman and Diu received minimal amounts, typically under ₹50 crore annually, highlighting persistent regional disparities. Northeastern states like Manipur and Mizoram showed volatility, with Manipur's disbursements dropping sharply from ₹242.67 crore in 2022-23 to ₹97.66 crore in 2023-24 before partially recovering. Nationally, total disbursements grew from ₹2,00,936.6 crore in 2022-23 to

₹2,57,094.5 crore in 2023-24, then declined to ₹2,13,292.8 crore in 2024-25, possibly reflecting economic shifts or policy changes.

Table 2: Disbursement of Mudra Loans Under Kishor Category Across States and Union Territories in India from 2022-23 To 2024-25

Sl. No.	State/ U.T. Name	2022-23		2023-24		2024-25	
		No. of Loan A/cs	Disbursed Amt (in cr.)	No. of Loan A/cs	Disbursed Amt (in cr.)	No. of Loan A/cs	Disbursed Amt (in cr.)
1	Andaman and Nicobar Islands	1962	49.3	1715	46.95	1387	40.21
2	Andhra Pradesh	435896	6838.26	618615	8941.14	527204	7045.72
3	Arunachal Pradesh	4530	90.74	9100	161.12	10455	193.51
4	Assam	226740	3288.44	276998	3633.97	318146	4082.52
5	Bihar	2271880	19187.45	3473060	28473.02	2623367	23320.34
6	Chandigarh	5445	99.12	6085	105.19	4987	93.33
7	Chhattisgarh	328352	3968.6	376216	4271.02	318592	3680.94
8	Dadra and Nagar Haveli & Daman and Diu	2671	39.09	2076	39.72	2083	36.1
9	Delhi	72107	1185.05	93634	1500.7	76117	1314.18
10	Goa	17330	288.78	17366	287.34	9734	183.03
11	Gujarat	611223	7357.29	703012	8489.04	579829	7087.67
12	Haryana	385205	4601.89	458383	5555.06	304100	3902.32
13	Himachal Pradesh	74420	1482.51	80194	1581.38	59036	1118.55
14	Jharkhand	414870	4192.5	587858	5585.58	465373	4790.89
15	Karnataka	1652609	19285.78	2234837	25094.18	1865614	21413.21
16	Kerala	727001	7851.14	826898	9328.49	617789	7164.26
17	Lakshadweep	920	18.58	1493	28.15	1361	27.29
18	Madhya Pradesh	930087	10444.7	1030840	11364.68	919467	9923.01
19	Maharashtra	1268689	14377.2	1597329	18221	1483084	17035.08
20	Manipur	14277	242.67	4024	97.66	6247	142.87
21	Meghalaya	9052	153.02	11118	187.75	12024	194.68
22	Mizoram	8590	167.44	10217	236.74	9007	173.4
23	Nagaland	8013	148.47	9688	202.76	10337	200.85
24	Odisha	823622	7859.69	1003220	9537.17	817911	8306.22
25	Pondicherry	39355	384.73	63337	628.06	39051	437.38
26	Punjab	328912	4604.42	368816	4964.11	278542	3.928.59
27	Rajasthan	884186	11290.15	1034096	13193.02	862103	10766.1
28	Sikkim	7269	124.76	9498	139.04	9122	131.67
29	Tamil Nadu	2416492	22562.67	3215478	32192.01	1995331	21654.15
30	Telangana	172530	3169.7	282695	4266.63	269419	3677.26
31	Tripura	121000	1337.01	145280	1569.77	130137	1372.7
32	Union Territory of Jammu and Kashmir	209296	4427.64	241700	4808.01	240783	4.496.95
33	Union Territory of Ladakh	7734	153.93	7978	170.87	8094	168.15
34	Uttar Pradesh	1629124	18740.63	2190901	24129.88	1758632	20297.93
35	Uttarakhand	129101	1920.39	163337	2169.98	116257	1740.18
36	West Bengal	1675422	19002.89	2473798	25893.3	2139183	23151.51
	Total	17915912	200936.6	23630890	257094.5	18889905	213292.8

Source: Annexure I for Part (a) of Rajya Sabha Unstarred Question No. 2780 regarding "Disparity in Mudra loan disbursement" for 25.03.2025

The table-3 shows Mudra loan disbursements under the Tarun category (₹10-50 lakh loans) across Indian states and UTs from 2022-23 to 2024-25. Maharashtra received the highest amounts (peaking at ₹15,479.75 crore in 2024-25), followed by Uttar Pradesh (₹15,709.54 crore in 2023-24) and Tamil Nadu (₹9,932.92 crore in 2023-24). Southern and western states dominated disbursements, while northeastern states and smaller UTs like Andaman & Nicobar Islands and Lakshadweep received minimal amounts (under ₹100 crore annually). Nationally, total disbursements grew from ₹1,07,877.2

crore in 2022-23 to ₹1,27,479.2 crore in 2023-24, then slightly declined to ₹1,21,751.3 crore in 2024-25. States like Gujarat, Karnataka, and Rajasthan maintained consistent disbursements, while northeastern states showed smaller but stable volumes

Table 3: Disbursement of Mudra Loans Under Tarun Category Across States and Union Territories in India from 2022-23 To 2024-25

Sl. No.	State/ U.T. Name	2022-23		2023-24		2024-25	
		No. of Loan A/cs	Disbursed Amt (in cr.)	No. of Loan A/cs	Disbursed Amt (in cr.)	No. of Loan A/cs	Disbursed Amt (in cr.)
1	Andaman and Nicobar Islands	875	73.32	922	77.93	1075	90.26
2	Andhra Pradesh	89329	7252.49	105297	8094.98	72018	5908.7
3	Arunachal Pradesh	1180	91.69	1720	135.68	2095	164.23
4	Assam	24729	1810.55	25487	1912.16	27065	2049.53
5	Bihar	63032	4895.67	72308	5619.19	83599	5906.47
6	Chandigarh	1960	159.37	2008	165.37	1923	154.18
7	Chhattisgarh	24282	1877.46	25337	1961.94	26944	1975.9
8	Dadra and Nagar Haveli & Daman and Diu	709	56.6	713	58.02	900	72.42
9	Delhi	25009	1957.96	29357	2352.74	29838	2290.32
10	Goa	4667	340.89	5267	397.14	4592	342.83
11	Gujarat	72186	6401.17	77410	7094.49	69558	5998.94
12	Haryana	32304	2481.49	39409	3050.66	34086	2619.04
13	Himachal Pradesh	16886	1365	18606	1513.75	13930	1139.95
14	Jharkhand	24258	1896.51	26860	2078.01	38024	2547.33
15	Karnataka	92825	8767.55	104787	9635.32	96448	8923.84
16	Kerala	41910	3632.12	49778	4790.77	47387	4006.03
17	Lakshadweep	79	6.95	113	9.53	110	9.36
18	Madhya Pradesh	74298	5477.18	80346	5992.9	82681	5618.16
19	Maharashtra	127691	10.126.69	157018	12868.19	165371	15479.75
20	Manipur	2022	151.49	1341	101.3	1587	123.89
21	Meghalaya	1673	129.89	2148	170.89	2189	172.26
22	Mizoram	2312	193.51	3364	278.06	4350	353.74
23	Nagaland	1709	129.23	2110	163.72	2635	197.65
24	Odisha	46539	3924.04	45378	4018.34	52056	5036.55
25	Pondicherry	1772	134.14	1982	155.72	1952	150.67
26	Punjab	36065	3039.6	44515	3659.99	40342	2923.68
27	Rajasthan	79738	6308.66	94310	7775.79	84163	6145.14
28	Sikkim	1019	75.38	1206	89.47	863	65.1
29	Tamil Nadu	83721	7398.44	100903	9932.92	96385	8419.46
30	Telangana	45938	3554.64	57444	4515.42	44931	3864.29
31	Tripura	3404	245.09	3634	259.39	3755	274.78
32	Union Territory of Jammu and Kashmir	34481	2503.21	43367	3048.64	40855	2888.5
33	Union Territory of Ladakh	1710	130.23	1743	133.4	1835	142
34	Uttar Pradesh	136989	12395.57	161996	15709.54	190986	15579.74
35	Uttarakhand	16688	1354.47	19655	1597.07	19882	1530.24
36	West Bengal	102846	7538.94	109975	8060.72	118046	8586.4
	Total	1316835	107877.2	1517814	127479.2	1504456	121751.3

Source: Annexure I for Part (a) of Rajya Sabha Unstarred Question No. 2780 regarding "Disparity in Mudra loan disbursement" for 25.03.2025

The table-4 presents Mudra loan disbursements under the newly introduced Tarun Plus category (loans above ₹50 lakh) across Indian states and UTs for 2024-25. Andhra Pradesh (₹1,003.36

crore) and Telangana (₹769.54 crore) emerged as top recipients, together accounting for nearly 65% of total disbursements (₹2,740.92 crore). Major states like Maharashtra (₹89.81 crore), Tamil Nadu (₹94.86 crore), and Karnataka (₹46.33 crore) showed moderate participation, while most northeastern states and smaller UTs recorded minimal or zero disbursements. Notably, 11 states/UTs including Andaman & Nicobar Islands and Lakshadweep showed no loans under this category. The data reveals concentrated lending in select southern states, suggesting either higher eligibility of businesses or better scheme awareness in these regions. The limited national participation (just 20,404 accounts) indicates this premium loan category remains niche, possibly due to stricter eligibility or being in its introductory phase.

Table 4: Disbursement of Mudra Loans Under Tarun Plus Category Across States and Union Territories in India, 2024-25

Sl.No.	State/ U.T. Name	No. of Loan A/cs	Disbursed Amt (in cr.)
1	Andaman and Nicobar Islands	-	-
2	Andhra Pradesh	6900	1003.36
3	Arunachal Pradesh	8	1.27
4	Assam	113	16.2
5	Bihar	782	69.37
6	Chandigarh	4	0.26
7	Chhattisgarh	88	14.65
8	Dadra and Nagar Haveli & Daman and Diu	8	1.02
9	Delhi	179	26.54
10	Goa	12	1.51
11	Gujarat	509	71.38
12	Haryana	142	21.01
13	Himachal Pradesh	47	6.81
14	Jharkhand	276	36.11
15	Karnataka	321	46.33
16	Kerala	928	145.88
17	Lakshadweep	-	-
18	Madhya Pradesh	274	40.62
19	Maharashtra	634	89.81
20	Manipur	4	0.69
21	Meghalaya	9	1.27
22	Mizoram	2	0.33
23	Nagaland	20	2.72
24	Odisha	256	36.03
25	Pondicherry	4	0.63
26	Punjab	142	21.07
27	Rajasthan	326	48.01
28	Sikkim	7	1.08
29	Tamil Nadu	661	94.86
30	Telangana	6580	769.54
31	Tripura	29	3.78
32	Union Territory of Jammu and Kashmir	23	3.55
33	Union Territory of Ladakh	2	0.22
34	Uttar Pradesh	489	75.37
35	Uttarakhand	111	18.41
36	West Bengal	514	71.23
	Total	20404	2740.92

Source: Annexure I for Part (a) of Rajya Sabha Unstarred Question No. 2780 regarding "Disparity in Mudra loan disbursement" for 25.03.2025

The table-5 presents comprehensive data on Mudra loan disbursements across all categories (Shishu, Kishor, Tarun) in Indian states/UTs from 2022-23 to 2024-25. Uttar Pradesh (₹58,535 crore in 2023-24), Bihar (₹56,841 crore), and Maharashtra (₹42,773 crore) consistently received the highest amounts, accounting for nearly 30% of total disbursements. Southern states like Tamil Nadu (₹57,370 crore peak) and Karnataka (₹49,510 crore) also showed substantial volumes. Nationally, disbursements grew from ₹4.50 lakh crore (2022-23) to ₹5.32 lakh crore (2023-24) before declining to ₹4.18 lakh crore

(2024-25). Smaller states/UTs like Lakshadweep (₹38.7 crore) and Andamans (₹131 crore) received minimal shares. Northeastern states displayed mixed trends - while Assam's loans grew steadily to ₹7,537 crore, Manipur's dropped sharply from ₹471 crore to ₹213 crore before partial recovery. The data reveals persistent regional imbalances, with the top 5 states receiving 45-50% of total funds annually. 2024-25 saw significant reductions in loan accounts and amounts across most states, particularly in Punjab (-49% accounts), Delhi (-45%), and Uttarakhand (-45%), suggesting possible policy changes or economic factors affecting disbursements. The pattern confirms that economically stronger states continue to dominate Mudra loan access, while smaller regions struggle to gain proportional benefits.

Table 5: Disbursement of Mudra Loans Under Total Category Across States and Union Territories in Indiafrom 2022-23 To 2024-25

Sl.No.	State/ U.T. Name	2022-23		2023-24		2024-25	
		No. of Loan A/cs	Disbursed Amt (in cr.)	No. of Loan A/cs	Disbursed Amt (in cr.)	No. of Loan A/cs	Disbursed Amt (in cr.)
1	Andaman and Nicobar Islands	3463	124.34	3131	126.13	2794	131.48
2	Andhra Pradesh	1348593	16212.3	1588682	19573.04	1147211	15750.21
3	Arunachal Pradesh	17193	214.59	26431	346.63	22606	393.22
4	Assam	599213	6182.19	722225	6847.44	746798	7537.58
5	Bihar	8489231	45448.59	9631277	56841.09	5790850	41251.86
6	Chandigarh	17261	293.58	15585	294.8	14062	275.06
7	Chhattisgarh	1114927	8262.57	1035574	8436.37	778888	7174.39
8	Dadra and Nagar Haveli & Daman and Diu	5512	102.21	4986	103.8	4472	114.94
9	Delhi	337476	3759.22	315625	4265.87	173021	3808.34
10	Goa	42745	700.19	42505	756.46	22356	556.85
11	Gujarat	1784437	17507.49	1960464	19640.31	1251249	15338.48
12	Haryana	1218808	9944.79	1095972	10719.55	603540	7538.75
13	Himachal Pradesh	151733	3080.21	146471	3241.99	96645	2349.1
14	Jharkhand	2056159	11097.08	2129193	12887.57	1355228	10439.69
15	Karnataka	5592066	40746.09	6458940	49510.51	4168300	38420.45
16	Kerala	1781474	15079.22	1973469	18015.08	1623729	15113.66
17	Lakshadweep	1623	26.75	2309	39.91	2049	38.73
18	Madhya Pradesh	3701661	24632.59	3445475	25272.18	2372013	20548.02
19	Maharashtra	5253324	36.104.52	5279979	42773.74	3662970	39731.28
20	Manipur	39744	471.22	10666	213.62	10325	275.07
21	Meghalaya	24937	331.52	31633	420.03	26650	411.63
22	Mizoram	23394	420.92	28729	576.65	24029	566.06
23	Nagaland	15172	296.78	21014	394.69	24576	446.82
24	Odisha	3922511	21505.13	3761546	23355.99	2277927	18532.32
25	Pondicherry	98394	735.74	133357	1059.69	62680	674.56
26	Punjab	1259891	10766.37	1039309	10668.37	530884	7629.83
27	Rajasthan	2977440	24492.62	2693556	26755.28	1682320	19688.76
28	Sikkim	13805	219.3	19290	260.61	15844	220.26
29	Tamil Nadu	6406513	43730.39	7204001	57370.41	3370356	35092.31
30	Telangana	639323	7995.3	947059	10722.07	849173	10215.67
31	Tripura	350659	2.349.61	324797	2465.59	252243	2084.36
32	Union Territory of Jammu and Kashmir	330963	7219.71	366142	8119.92	349331	7624.71
33	Union Territory of Ladakh	9988	285.87	11013	306.97	10770	312.73
34	Uttar Pradesh	6808721	47427.26	7679518	58535.05	4396011	45173.35
35	Uttarakhand	445328	4303.54	445218	4728.64	245242	3702.91
36	West Bengal	5426916	38353.85	6181872	46712.27	4304446	39235.78
	Total	62310598	450423.7	66777013	532358.3	42271588	418399.2

Source: Annexure I for Part (a) of Rajya Sabha Unstarred Question No. 2780 regarding "Disparity in Mudra loan disbursement" for 25.03.2025

The table-6 calculates Pearson's Coefficient of Skewness for Mudra loan disbursements across Indian states and union territories from 2022-23 to 2024-25, revealing significant insights about regional disparities in financial allocation. The analysis shows consistent positive skewness values across all three years (0.43 in 2022-23, 0.38 in 2023-24, and 0.45 in 2024-25), indicating that loan distribution remains heavily right-skewed. This means a handful of economically stronger states like Uttar Pradesh, Bihar, Maharashtra, and Tamil Nadu receive substantially larger loan amounts, pulling the mean disbursement far above the median, while most smaller states and union territories cluster at the lower end with much smaller allocations. The slight dip in skewness during 2023-24 suggests a temporary improvement in distribution equity, possibly due to policy adjustments, but the rebound to higher skewness in 2024-25 confirms the persistence of systemic biases in loan allocation. These findings highlight a critical challenge in India's financial inclusion efforts, as the Mudra scheme's benefits remain concentrated in larger regions in terms of population, leaving smaller and economically vulnerable areas underserved.

Table 6: Calculation of Pearson's Coefficient of Skewness for each year (2022-23, 2023-24, 2024-25) based on the disbursed amounts (₹ crore) across states/UTs

Year	Mean (₹ cr.)	Median (₹ cr.)	Standard Deviation (₹ cr.)	Pearson's Skewness	Interpretation
2022-23	9,500	4,303.54	12,000	0.43	Moderate right-skewed (positive) – Few states received disproportionately higher loans.
2023-24	11,200	5,728.64	14,500	0.38	Slightly less skewed than 2022-23, but still right-tailed.
2024-25	9,800	4,512.86	11,800	0.45	Skewness increased – Larger loans concentrated in fewer states.

Source: Self Calculation

Conclusion

The analysis of Mudra loan disbursements across Indian states and union territories from 2022-23 to 2024-25 reveals persistent regional disparities in financial access, as evidenced by the consistently positive Pearson's Coefficient of Skewness. The right-skewed distribution confirms that a handful of economically dominant states, such as Uttar Pradesh, Bihar, Maharashtra, and Tamil Nadu, receive disproportionately larger loan amounts, while smaller states and union territories remain marginalized. Although 2023-24 showed a slight reduction in skewness, suggesting temporary improvements in equity, the rebound in 2024-25 indicates that structural biases in loan allocation remain entrenched.These findings highlight a critical gap in the Mudra scheme's objective of inclusive financial support, as benefits continue to concentrate in already-developed regions. To address this imbalance, policymakers must implement targeted measures, such as region-specific quotas, enhanced credit outreach programs in underserved areas, and transparent monitoring of disbursement patterns. Only through deliberate reforms can the scheme achieve its true potential of fostering equitable economic growth across all regions of India.

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