

# The Mission Shakti Enterprise Ladder — From SHG Member to Independent Entrepreneur

This note is for Mission Shakti and OLM field staff, CDPO and BMSC officers, NGO livelihoods programme managers, and corporate CSR teams funding women's enterprise in Odisha. It maps the complete, sequenced pathway from SHG membership through to independent enterprise — showing w...

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## Why a Ladder Model?

Most scheme guides describe what each scheme does. This note answers a different question: **given where a woman is on her economic journey today, what is the next step available to her, and the step after that?**

The ladder model matters because the most common failure in women's livelihoods programming is mismatched interventions — giving a sophisticated MUDRA Tarun loan to a woman who has never run a business, or giving a micro-MUDRA Shishu loan to a woman who has been running a successful enterprise for five years and needs genuine growth capital. The right scheme, at the right stage, produces exponential impact. The wrong scheme at the wrong stage produces debt.

This note maps the ladder across six stages — from absolute beginning (no formal identity, no bank account, no enterprise) to independent, formalised small enterprise.

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## **Stage 0 — Foundation: Identity, Bank Account, and SHG Entry**

**Who is at this stage:** A woman who has just joined a Mission Shakti SHG — or is about to. She may have no bank account, no Aadhaar, or an Aadhaar linked to her husband's mobile. She has no credit history and no enterprise.

### **What to do first — three parallel actions:**

**1. Individual Aadhaar-linked bank account (PMJDY)** A zero-balance PMJDY bank account in the woman's own name, linked to her own Aadhaar and her own mobile number. This is the prerequisite for every scheme below. A joint account or an account in the husband's name will block DBT transfers from Subhadra Yojana, MAMATA, and Mission Shakti Loan.

**2. Subhadra Yojana enrolment** Every eligible Odisha woman aged 21-60 with a PMJDY individual account receives Rs. 5,000/year (Rs. 10,000 over 2 years). This is not enterprise income — it is guaranteed income independent of any business activity. It creates the first financial buffer.

**3. SHG regular savings discipline — the Panchsutra** The foundation of every subsequent credit access is the SHG's Panchsutra: regular meetings, regular savings, regular internal lending, timely repayment, up-to-date books. A woman who is inconsistent in SHG savings is ineligible for Revolving Fund and will be skipped for Community Investment Fund. The first 6 months in an SHG are about disciplined saving, not about loans.

### **Schemes at this stage:**

- PMJDY (bank account)
- Subhadra Yojana (Rs. 5,000/year guaranteed)
- PMJJBY + PMSBY (life and accident insurance — Rs. 456/year total)
- APY (pension from age 60 — start at age 25 for Rs. 84/month contribution)

**What she should NOT do at this stage:** Take any loan — internal SHG or external. The foundation must be stable first.

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## **Stage 1 — First Credit: SHG Revolving Fund and Internal Lending**

**Who is at this stage:** A woman who has been in an SHG for 6+ months with consistent savings and attendance. Her SHG is Panchsutra-compliant.

**Revolving Fund (RF) — Rs. 15,000-30,000 per SHG** Under DAY-NRLM (OLM in Odisha), every eligible SHG receives a Revolving Fund of Rs. 15,000 (revised to Rs. 30,000 under Lakhpati Didi Sahayika Yojana). The RF is a corpus available for internal lending among SHG members at interest rates the group sets themselves (typically 12-24% per annum, still far below moneylender rates of 36-120%).

At this stage, a woman accesses internal SHG credit of Rs. 1,000-5,000 from the RF — for consumption smoothing (school fees, medical emergency, festivals) or a micro-enterprise starter (a basket of seasonal vegetables to sell, basic tailoring supplies, a small stock of sarees for retail).

**Mission Shakti SHG Zero-Interest Loan (up to Rs. 10 lakh)** Odisha's signature Mission Shakti provision: interest-free loans up to Rs. 10 lakh for Lakhpati Didi and Potential Lakhpati Didi SHG members through linked banks. At Stage 1, the quantum is small (Rs. 5,000-25,000) — but the zero-interest cost is significant.

**What she should do at this stage:**

- Start the smallest viable income activity she can manage with the RF credit
  - Build a repayment track record — this is the credit history that banks will look at for future loans
  - Document income from the activity — even a handwritten register of daily sales
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## Stage 2 — First Formal Bank Credit: MUDRA Shishu

**Who is at this stage:** A woman with 6-12 months of successful internal SHG credit repayment. She has an existing micro-enterprise — however small — and a track record. Her PMJDY account has regular transactions.

**PM MUDRA Yojana — Shishu (up to Rs. 50,000)** The first formal bank loan without collateral. At any bank, cooperative, or MFI — applying with Aadhaar, business description, and SHG passbook as evidence of creditworthiness — she can access Rs. 10,000-50,000 at market rates (8-12% per annum), with no collateral required.

For a woman selling vegetables at a local market: Rs. 30,000 in working capital enables her to buy in larger quantities at lower prices, reducing her cost of goods sold by 15-20% and increasing her margin.

For a woman with a tailoring unit: Rs. 40,000 buys a better machine and 3 months of fabric inventory.

**Critical advice at Stage 2:** Borrow only what the business needs, not the maximum available. A Rs. 50,000 Shishu loan taken without a specific deployment plan is the most common entry point for the debt trap. The loan should have a specific, enumerable purpose: "I will buy X, sell at Y, repay Rs. Z per month."

**PM Vishwakarma (if she works in one of the 18 listed trades)** If the woman is a potter, weaver, basket maker, cobbler, tailor, or works in any of the 18 PM Vishwakarma trades: she should access PM Vishwakarma INSTEAD of MUDRA at this stage. PM Vishwakarma provides:

- Rs. 15,000 toolkit e-voucher (free tools)
- Rs. 1 lakh collateral-free loan at 5% interest (vs. MUDRA Shishu at 8-12%)
- Skill upgradation training with Rs. 500/day stipend
- PM Vishwakarma certificate (formal recognition)

**Important:** PM Vishwakarma and MUDRA Shishu cannot both be accessed within the same 5-year period. Choose the right one for the woman's specific trade.

**What she should do at this stage:**

- Complete MUDRA Shishu repayment on time — this is the track record for MUDRA Kishor
  - Open a dedicated business bank account separate from the personal PMJDY account (not mandatory but good practice for Rs. 50,000+ businesses)
  - Register on Udyam portal ([udyamregistration.gov.in](http://udyamregistration.gov.in)) as a micro-enterprise — free, takes 10 minutes, and unlocks priority sector lending and MSME procurement preferences
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## **Stage 3 — Growth Capital: MUDRA Kishor and Community Investment Fund**

**Who is at this stage:** A woman with 12-24 months of successful MUDRA Shishu repayment and an active Udyam-registered enterprise. Her monthly business revenue is Rs. 8,000-15,000. She has clearly identified the next growth opportunity — more inventory, a second machine, an additional product line.

**PM MUDRA Yojana — Kishor (Rs. 50,001 to Rs. 5 lakh)** With the Shishu repayment track record and Udyam registration, any bank will consider a Kishor MUDRA loan of Rs. 1-3 lakh. At this quantum, the business can genuinely scale:

- A food processing unit: Rs. 2 lakh buys a mixer-grinder, packaging machine, and 2 months of raw material
- A dairy enterprise: Rs. 1.5 lakh buys 2 additional milch cows
- A ready-garment trader: Rs. 2.5 lakh funds a market stall and initial stock

**Community Investment Fund (CIF) from OLM/CLF** OLM's Cluster Level

Federations (CLFs) receive CIF of up to Rs. 60 lakh (revised under Lakhpati Didi

Sahayika Yojana) for on-lending to member SHGs. Individual SHG members at Stage 3

can access Rs. 50,000-2,00,000 from the CIF through their SHG → Village Organisation → CLF channel — at interest rates lower than commercial banks.

**Lakhpati Didi Business Development Plan (BDP)** At Stage 3, the woman should be tagged as a Potential Lakhpati Didi (PLD) by the CRP (Community Resource Person) in her area. This triggers the creation of an Individual Business Development Plan — a personalised enterprise roadmap specifying the exact interventions (skill training, credit, market linkage) needed to reach Rs. 1 lakh/year income. The BDP is OLM's most powerful single tool for Stage 3 women.

**What she should do at this stage:**

- Commission the Individual BDP with the OLM CRP
- Apply for Udyam registration if not already done — particularly important for accessing government procurement preferences
- Begin documenting income with monthly entries — the BDP monitoring requires quarterly income data via the LoKOS MIS portal
- Explore market linkages beyond the local weekly market: SARAS Aajeevika Mela participation, Subhadra Shakti Market listing, corporate CSR procurement through JaBaSu

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## **Stage 4 — Lakhpati Status: Rs. 1 Lakh/Year Crossed**

**Who is at this stage:** A woman earning Rs. 8,500+/month consistently across at least four agricultural or business cycles. She is a Lakhpati Didi — verified by the OLM CRP through the LoKOS portal. Her household income from her enterprise alone now equals or exceeds the household's total income from all sources one year ago.

As of June 2025, 16.60 lakh Odisha women have crossed this threshold — placing Odisha at number one nationally for Lakhpati Didi achievement. Nayagarh district has a 98% success rate among targeted PLDs. Ganjam leads with 1,20,400 Lakhpati Didis.

### **What changes at Lakhpati status:**

- Priority access to zero-interest Mission Shakti loans up to Rs. 10 lakh
- Eligibility for MUDRA Tarun (Rs. 5-10 lakh) — the growth capital that most women at this stage are actually ready for
- PMAY-U 2.0 priority (for urban Lakhpati Didis seeking housing)
- Visibility through SARAS Mela and TRIBES India market platforms

**PM MUDRA Yojana — Tarun (Rs. 5,00,001 to Rs. 10 lakh)** At this stage, with Lakhpati status, audited/documentated income of Rs. 1 lakh+/year, and an active Udyam registration, a bank will consider a Tarun MUDRA loan of Rs. 3-8 lakh. At this quantum:

- A food processing business: commercial kitchen equipment, FSSAI licensing, packaging design
- A textile enterprise: power loom, bulk fabric purchase, B2B supply contracts
- A construction materials trader: cement and iron stockist setup

**Stand-Up India Scheme (if SC/ST)** For Lakhpati Didi women from SC or ST communities starting a greenfield enterprise: Stand-Up India provides Rs. 10 lakh-1 crore as a composite bank loan (term loan + working capital) at the bank's lowest applicable rate, with no separate collateral requirement. This is the largest single loan quantum available without collateral for any woman entrepreneur in India.

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## **Stage 5 — Mahalakhpati: Rs. 2-5 Lakh/Year — Formalised Small Enterprise**

**Who is at this stage:** A woman earning Rs. 15,000-40,000/month from her enterprise — running what is effectively a small business, not just a livelihood activity. She may have hired 1-3 employees. She is buying from wholesalers and selling to institutional buyers.

**PM MUDRA Yojana — Tarun Plus (Rs. 10 lakh to Rs. 20 lakh, effective October 2024)** The newest MUDRA category — introduced in Union Budget 2024-25, effective from 24 October 2024 — enables entrepreneurs who have repaid a previous Tarun loan satisfactorily to access Rs. 10-20 lakh without collateral. This is genuinely transformational for a Stage 5 woman entrepreneur: Rs. 15 lakh funds a commercial kitchen + cold storage unit, a garment manufacturing unit, or a dairy processing plant.

**GeM (Government e-Marketplace) Registration** Government procurement through GeM is one of India's largest single market opportunities for small enterprises — over Rs. 4 lakh crore in annual government procurement. A Stage 5 woman with a food processing or handicraft enterprise can list products on GeM and receive government purchase orders directly. The GeM registration is free and takes 1-2 hours online.

**TRIBES India Market (for tribal artisans and NTFP processors)** For women whose enterprise involves tribal products — forest honey, amla products, bamboo goods, traditional textiles — TRIFED's TRIBES India platform provides:

- National and international market access
- Quality certification
- SARAS Aajeevika Mela participation
- CSR procurement facilitation

**Udyam + FSSAI + BIS Certification** At Stage 5, formal certifications become necessary for institutional buyers:

- Udyam registration (already done at Stage 2 — now update for revised turnover)
  - FSSAI Basic Registration (for food businesses — Rs. 100/year, required for any food enterprise selling to schools, hospitals, or institutions)
  - BIS Hallmark or quality certification where required by buyers
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## The Full Ladder — At a Glance

Stage	Who	Key Scheme	Credit Available	Annual Income Target
0 — Foundation	New SHG member	PMJDY + Subhadra + Jan Suraksha	None yet	Subhadra: Rs. 5,000/year
1 — First Credit	6+ months in SHG	SHG Revolving Fund + Mission Shakti zero-interest	Rs. 1,000-25,000	Rs. 10,000-30,000
2 — Formal Credit	12+ months, active enterprise	MUDRA Shishu or PM Vishwakarma	Rs. 50,000	Rs. 30,000-60,000
3 — Growth	24+ months, Udyam registered	MUDRA Kishor + CIF + BDP	Rs. 50,000-5 lakh	Rs. 60,000-1,00,000
4 — Lakhpati	Rs. 1 lakh/year earned	MUDRA Tarun + Stand-Up India	Rs. 5-10 lakh	Rs. 1,00,000-2,00,000
5 — Mahalakhpati	Rs. 2 lakh+/year	MUDRA Tarun Plus + GeM + TRIBES India	Rs. 10-20 lakh	Rs. 2,00,000-5,00,000

## The Three Most Common Mistakes That Collapse the Ladder

**Mistake 1 — Skipping stages.** A woman who jumps from Stage 0 to a Rs. 2 lakh MUDRA Kishor loan without the foundational SHG savings discipline, Udyam registration, and Shishu repayment track record will default. The ladder exists because each stage builds the capability that the next stage requires.

**Mistake 2 — Using enterprise credit for consumption.** MUDRA loans are for working capital and business investment — not school fees, weddings, or household

emergencies. Consumption needs should be met from Subhadra Yojana, the Jan Suraksha insurance, the NSAP pension, or the SHG's emergency fund. A Rs. 50,000 MUDRA Shishu loan spent on a family wedding is not an enterprise investment — it is a debt with no corresponding income stream.

**Mistake 3 — No market plan before the loan.** The most common cause of MUDRA Kishor defaults at Stage 3 is enterprise expansion without a market. A woman who buys two more sewing machines without knowing where the additional output will be sold creates inventory, not income. The BDP and the market linkage work should happen before the loan application, not after.

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## How JaBaSu Helps NGOs Support the Ladder

**Stage mapping:** JaBaSu helps partner NGOs map every SHG member in their operational area to their current ladder stage — using a simple assessment tool covering credit history, enterprise status, income documentation, and scheme enrollment.

**BDP quality support:** JaBaSu's enterprise knowledge across Agriculture, Handicrafts, and Food Processing provides the sector-specific market intelligence that makes BDPs genuinely predictive rather than generic. A BDP for a honey processor in Keonjhar and a BDP for a vegetable retailer in Berhampur require different market analyses.

**Market access:** JaBaSu's corporate and CSR network creates urban premium market channels for Stage 4 and Stage 5 enterprises — connecting Lakhpati Didi producers to institutional buyers, hospitality procurement, and e-commerce platforms that their local market cannot provide.

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*Last verified: June 2026. Odisha Lakhpati Didi: 16.60 lakh (June 2025) — #1 nationally. MUDRA Tarun Plus (Rs. 10-20 lakh): effective 24 October 2024. Mission Shakti zero-interest loan ceiling: Rs. 10 lakh. CIF per CLF: Rs. 60 lakh (revised under Lakhpati Didi Sahayika Yojana). VB-G RAM G replaces MGNREGA from December 2025.*

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