



# Credit Outreach Programme in Bihar

## Why in News?

Recently, **the Union Finance and Corporate Affairs Minister distributed Rs 1,121 crore in loans** to 50,294 beneficiaries during **the [Credit Outreach Programme](#) in Bihar's Madhubani district.**

## Key Points

### ▪ Highlight of the Credit Outreach Programme:

#### ◦ Drone Didi Scheme:

- The Union Finance Minister highlighted the crucial role women will play in achieving a developed India by 2047.
  - She urges women to participate in government schemes for financial empowerment.
- For instance, she mentioned the [Drone Didi initiative](#) aimed at empowering [Self-Help Groups \(SHGs\)](#) and creating "Lakhpatididis," SHG members with annual household incomes exceeding Rs 1 lakh.

#### ◦ Loan Sanctioning Initiatives:

- Loan sanction letters were distributed under programs like [Pradhan Mantri Mudra Yojana](#), [Prime Minister's Employment Generation Programme](#), [Kisan Credit Card \(Crop and Animal Husbandry & Fisheries\)](#), [Stand Up India](#), [PM-SVANidhi](#), and [PM Vishwakarma](#).

#### ◦ Infrastructure and CSR (corporate social responsibility) Initiatives:

- [National Bank for Agriculture and Rural Development \(NABARD\)](#) approved Rs 155.84 crore, and [Small Industries Development Bank of India \(SIDBI\)](#) sanctioned Rs 75.52 lakh for rural road projects.
- Various banks contributed through [CSR](#) activities to improve infrastructure in schools, particularly those for girls.

#### ◦ Engagements in Madhubani:

- The minister visited the **Mithila Chitrakala Sansthan**, interacting with artisans specializing in [Mithila paintings](#) and [terracotta art](#).
- Copies of the Constitution in Maithili and Sanskrit, recently released on [Samvidhan Divas](#), were distributed to the attendees.
- The Minister toured around 25 stalls showcasing local products and handicrafts financed by banks.

#### ◦ Ayushman Bharat Cards Distribution:

- Senior citizens aged 70 and above received [Ayushman Bharat Pradhan Mantri Jan Arogya Yojana \(AB PM-JAY\) cards](#) during the programme.

## Drone Didi Initiative

- It was launched by the PM on 30<sup>th</sup> November 2023 after his interaction with women beneficiaries of the **Viksit Bharat Sankalp Yatra**.
- It aims to **provide drones to 15,000 women [Self Help Groups \(SHGs\)](#) in the next two years to be rented out to farmers for agricultural purposes.**
- The Centre will provide each SHG identified a **subsidy up to 80%** towards the cost of a drone or a maximum of Rs 8 lakh. It is expected to generate an additional income of about Rs 1 lakh per head

for them.

## Pradhan Mantri Mudra Yojana

- **About:**
  - PMMY was launched by the Government of India in 2015.
  - The **PMMY provides collateral-free institutional loans** up to **Rs. 10 lakhs for small business enterprises.**
- **Funding Provision:**
  - It is provided by **Member Lending Institutions (MLIs)** i.e. [Scheduled Commercial Banks \(SCBs\)](#), [Regional Rural Banks \(RRBs\)](#), Non-Banking Financial Companies (NBFCs) and [Micro Finance Institutions \(MFIs\)](#).
- **Types:**
  - The loan can be used for income-generating activities in the **manufacturing, trading, services sector, and agriculture.**
  - There are three loan products under PMMY:
    - **Shishu** (loans up to Rs. 50,000)
    - **Kishore** (loans between Rs. 50,000 and Rs. 5 lakh)
    - **Tarun** (loans between Rs. 5 lakh and Rs. 10 lakh).

## Prime Minister's Employment Generation Programme

- The Government of India approved the **introduction of a credit linked subsidy programme** called Prime Minister's Employment Generation Programme (PMEGP) in 2008 for generation of employment opportunities **through establishment of micro enterprises in rural as well as urban areas.**
- It allows entrepreneurs **to set up factories or units.**
- It is a **central sector scheme administered** by the **Ministry of Micro, Small and Medium Enterprises (MoMSME).**
- The implementing Agency at the National Level is [Khadi and Village Industries Commission \(KVIC\)](#) - a statutory organization under the administrative control of the Ministry of MSME.

## Kisan Credit Cards

- **About:**
  - The scheme was **introduced in 1998 for providing adequate and timely credit support from the banking system,** under a single window with flexible and simplified procedure to the farmers for their cultivation and other needs like purchase of agriculture inputs such as seeds, fertilizers, pesticides etc. and to draw cash for their production needs.
  - The scheme was further extended for the investment credit requirement of farmers viz. allied and non-farm activities in the year 2004.
  - In the Budget-2018-19, government **announced the extension of the facility of KCC to fisheries and animal husbandry farmers** to help them to meet their working capital needs.
- **Implementing Agencies:**
  - Commercial Banks
  - Regional Rural Banks (RRBs)
  - [Small Finance Banks](#)
  - [Cooperatives](#)

## Stand-Up India Scheme

- **About:**
  - Stand up India Scheme was **launched by the Ministry of Finance in April 2016** to promote entrepreneurship at grassroot level focusing on economic empowerment and job creation.
  - This scheme has been extended up to the year 2025.

▪ **Purpose:**

- **Promote entrepreneurship** amongst **women**, [Scheduled Caste \(SC\)](#) and [Scheduled Tribe \(ST\)](#) category.
- Provide loans for **greenfield enterprises** in manufacturing, services or the trading sector and activities allied to agriculture.
- Facilitate bank loans between **Rs.10 lakh and Rs.100 lakh to at least one SC/ST borrower** and at least **one-woman** borrower per bank branch of Scheduled Commercial Banks.

## PM-SVANidhi

- It is a **Central Sector Scheme** i.e., fully funded by **Ministry of Housing and Urban Affairs** with the following objectives:
  - To facilitate working capital loan;
  - To incentivize regular repayment; and
  - To reward digital transactions
- Introduction of 3rd term loan of **up to Rs 50,000 in addition to 1<sup>st</sup> & 2<sup>nd</sup> loans of Rs 10,000 and Rs 20,000** respectively.
- The loans would be without collateral.

## PM Vishwakarma Yojana

- **Objective:** Uplift traditional artisans and craftspeople by enhancing the quality and market accessibility of their products and integrate them in both domestic and global value chains.
- **Features:**
  - Budgetary allocation for scheme – Rs 13,000 crore for 5 financial years (2023-24 to 2027-28).
  - Provides recognition to beneficiaries through a PM Vishwakarma Certificate and an ID Card.
  - Stipend of Rs 500 for skill training per day and Rs 15,000 grant for the purchase of modern tools.
- **Category:** Central Sector Scheme
- **Nodal Ministry:** [Ministry of Micro, Small and Medium Enterprises \(MoMSME\)](#)

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