

Jivhala loan scheme

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In news— On Maharashtra Day on May 1, the Maharashtra Department of Prisons has launched Jivhala (meaning 'affection' in Marathi) loan scheme for inmates serving sentences in jails across the state.

Key features of the scheme-

- It has been launched primarily for convicted inmates who are undergoing a prison sentence of more than three years.
- The credit scheme is being offered by the Maharashtra State Cooperative Bank.
- The pilot version of the scheme was introduced for prisoners at Yerawada Central Jail in Pune, and will gradually be extended to nearly 60 prisons across the state.
- This is likely the **first kind of credit scheme for prisoners in India**. Existing loans initiatives for inmates are for rehabilitation after completion of their prison terms.
- Under this scheme, loan will be disbursed in the name of the inmate, and it will be issued to designated family members.
- In the initial phase, a loan of Rs 50,000 will be given at a 7 percent interest rate.
- Of the interest the bank earns, one percent will be given back to the system as a contribution to the Prisoners' Welfare Fund.
- The loan will be provided without any requirement of mortgage or guarantor.
- Inmates will be able to use the loans for education of their children, medical treatment of family members, legal fees, or any other expenses.
- On entering the prison system, an inmate is categorised

as skilled, semi-skilled or un-skilled and assigned work in various industrial and manufacturing units inside the prison. For this work, they are paid anywhere between Rs 50 to 70 as daily wages.

- The money, deposited in their accounts, can be used to buy essentials from the jail canteen and/or can be sent home. The inmates get their earnings from the jail upon their release.
- Once an inmate takes a loan, the Equated Monthly Installment calculated will be directly deducted from their prison accounts.

Note: Maharashtra Day, commonly known as Maharashtra Din is a state holiday in the state of Maharashtra, commemorating the formation of the state of Maharashtra in India from the division of the Bombay State on 1 May 1960. It is celebrated to commemorate the creation of a Marathi speaking state of Maharashtra.