

**GOVERNMENT OF INDIA
HUMAN RESOURCE DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:1194

ANSWERED ON:13.07.2009

SUBSIDY ON EDUCATIONAL LOAN

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Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

- (a) whether the Government is considering to provide interest subsidy on educational loans to non-creamy layer students who want to pursue professional courses;
- (b) if so, the details thereof alongwith the steps taken by the Government in this regard so far;
- (c) whether the Government contemplates to pass on instructions to banks to provide educational loans to economically weaker students on concessional interest rate to pursue vocational education;
- (d) if so, the details thereof; and
- (e) the time by which a final decision is likely to be taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT (SMT. D. PURANDESWARI)

(a) to (e): A proposal for providing interest subsidy to students belonging to the economically backward class with an annual income upper limit of Rs. 4.5 lakh, for loans provided by the banking sector under the Educational Loan Scheme of the Indian Banks' Association, to pursue approved courses of studies in professional education in institutions within India is under consideration of the Government.