

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5754
ANSWERED ON:11.05.2012
COLLATERAL FREE LOAN . SHRIMATL SHRUTI CHOUDHRY
Choudhry Smt. Shruti

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Government has any plans to double the collateral free agriculture, education and housing loan limit;
- (b) If so, the details thereof; and
- (c) If not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (c): Reserve Bank of India(RBI) has advised banks to waive margin/security requirements for agriculture loans upto Rs. 1,00,000. Under the model education loan scheme circulated by Indian Bank's Association (IBA) to its member banks no security is required for education loans upto Rs. 4 lakh. In Housing sector, the asset created/acquired through the loan, serves as the primary security.

No proposal for revision of collateral free limits in these sectors is under the consideration of the Government.