

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UNSTARRED QUESTION NO. 3537

ANSWERED ON THE 15th JULY, 2019, ASHADHA 24, 1941 (SAKA)

EDUCATION LOANS

3537. DR. NISHIKANT DUBEY:

Will the Minister of FINANCE be pleased to state:

- (a) the number of students, belonging to weaker sections of rural areas who have availed education loans during the last three years, the details thereof, State-wise including Jharkhand; and
- (b) the details of the steps taken by Government for the students belonging to weaker sections of rural areas?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) and (b) : As per the information provided by Public Sector Banks, State-wise details of students belonging to weaker sections of rural areas who have been sanctioned education loan during the last three years are given in the Annexure.

Steps being taken by the Government for the students including those belonging to the weaker sections in rural areas, interalia, include:

- (i) To encourage lending including education loans to SC/ST, Reserve Bank of India periodically, issues instructions / directives to banks with regard to providing credit facilities to Scheduled Castes (SCs) and Scheduled Tribes (STs) with an objective to raise the socio-economic level of these communities. Further, the rejection of applications in respect of SCs/STs has to be done at higher level instead of at the branch level.
- (ii) A Central Sector Interest Subsidy (CSIS) Scheme is administered by the Ministry of Human Resource Development. Under the scheme full interest subsidy is available for the students belonging to economically weaker sections, for studies in India, for educational loans disbursed on or after 1st April, 2009 during the period of moratorium.
- (iii) Padho Pardesh Scheme (effective from the year 2013-14) is administered by the Ministry of Minority Affairs. The objective of the scheme is to award interest subsidy to meritorious students belonging to economically weaker sections of notified minority communities for overseas studies.

(iv) Dr Ambedkar Central Sector Scheme of Interest Subsidy on Educational Loan for Overseas Studies for Other Backward Classes (effective from the year 2014-15) is administered by the Ministry of Social Justice and Empowerment. Under the scheme, interest payable by the students for the period of moratorium is borne by the Government.

(v) A Credit Guarantee Fund Scheme for Educational Loans (CGFSEL) was launched in 2015 wherein collateral free loan is given upto Rs 7.5 lakh. Interest rate charged by the Member Lending Institutions (MLIs) should be maximum upto 2% over the base rate.

(vi) All banks are mandated not to accept collateral security for educational loans upto Rs 4 lakh as per Indian Banks' Association (IBA) Model Scheme.

(vii) Reserve Bank of India has advised Banks not to reject any educational loan applications for reasons that the residence of the borrower does not fall under the banks' service area.

(viii) In order to facilitate easy processing and disbursement of loans, Government has launched a web-based portal namely, Vidya Lakshmi Portal. Students can view, apply and track the education loan applications online by accessing the portal.

(ix) As per RBI guidelines effective from 23rd April, 2015, loan to Individual for educational purposes including Vocational Courses upto Rs 10 lakh irrespective of the sanction amount will be eligible for Priority Sector Lending.

Annexure to reply of Lok Sabha Unstarred Question No. 3537 for answer on 15.07.2019

State-wise number of students belonging to weaker sections of rural areas who have been sanctioned educational loans by PSBs during the last three years

States	Year		
	2016-17	2017-18	2018-19
Andaman & Nicobar Island	6	1	7
Andhra Pradesh	1488	1859	1731
Arunachal Pradesh	8	17	20
Assam	220	232	250
Bihar	1241	2383	1707
Chandigarh	8	4	15
Chattisgarh	314	333	434
Dadra & Nagar Haveli	0	4	1
Daman & Diu	0	0	3
Delhi	72	42	120
Goa	90	96	99
Gujarat	413	489	498
Haryana	490	471	449
Himachal Pradesh	255	333	279
Jammu & Kashmir	14	9	16
Jharkhand	974	893	863
Karnataka	3810	4067	4493
Kerala	731	991	1899
Lakshadweep	26	21	11
Madhya Pradesh	1110	1169	1426
Maharashtra	5882	5541	5063
Manipur	20	40	30
Meghalaya	39	14	17
Mizoram	8	2	2
Nagaland	7	5	6
Orissa	1589	1176	1255
Puducherry	87	89	90
Punjab	436	540	572
Rajasthan	466	544	465
Sikkim	11	10	17
Tamil Nadu	8162	6748	6940
Telangana	501	675	716
Tripura	45	40	64
Uttarakhand	624	566	985
Uttar Pradesh	1088	1030	710
West Bengal	1146	1147	1337
TOTAL	31381	31581	32590
Source: PSBs			