

**GOVERNMENT OF INDIA
MINISTRY OF SOCIAL JUSTICE AND EMPOWERMENT
LOK SABHA**

**UNSTARRED QUESTION NO.1447
TO BE ANSWERED ON. 20.09.2020**

FINANCIAL ASSISTANCE TO UNDERPRIVILEGED SECTIONS

1447. SHRIMATI SARMISTHA SETHI:

Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state:

- (a) whether there is any proposal for subsidy on loans given to underprivileged sections of the society;
- (b) if so, the details thereof; and
- (c) the details regarding the financial assistance provided to underprivileged sections under Priority Sector Lending during the last five years?

ANSWER

**MINISTER OF STATE FOR SOCIAL JUSTICE AND EMPOWERMENT
(SHRI KRISHAN PAL GURJAR)**

(a) and (b): Yes Madam. This Ministry is going to implement a new financial model for Interest Subvention for individual beneficiaries as well as the Self-Help Groups (SHGs) comprising exclusively of SC and OBC categories. National Scheduled Castes Finance and Development Corporation (NSCFDC) will be the implementing agency for SC SHGs/beneficiaries and the National Backward Classes Finance and Development Corporation (NBCFDC) will be the implementing agency for OBC SHGs/beneficiaries.

The objective of the model is to provide direct benefit of lower rate of interest to the eligible SHGs formed under National Rural Livelihood Mission (NRLM) or National Urban Livelihood Mission (NULM) or NABARD/individual beneficiaries who have availed loans through Public Sector Banks (PSBs), Regional Rural Banks (RRBs) and similar financial institutions or can be referred as Lending Institutions.

Further, the Ministry is already implementing following two schemes vide which assistance is provided to underprivileged sections of the Society:

1. 'Dr. Ambedkar Interest Subsidy on Education Loan for Overseas Studies for Other Backward Classes and Economically Backward Classes: Under the Scheme, interest subsidy accrued on loan upto Rs.20.00 lakh is disbursed to beneficiaries by the Nodal bank. The candidates having parental income upto Rs. 8.00 lakh per annum from all sources are eligible for loan under the Scheme.

2. NBCFDC provides loan at concessional rate of interest to underprivileged sections of Backward Classes having annual family income less than Rs. 3.00 lakh primarily for income generating activities to promote self-employment opportunities through State Channelizing Agencies (SCA) the maximum loan limit for income generating activities is up to Rs. 15.00 lakh.

The details of interest subsidy disbursed on education loan under the scheme of Dr. Ambedkar Interest Subsidy on Education Loan for Overseas Studies for Other Backward Classes and Economically Backward Classes during the last five years are as under:

FY	EBC		OBC		Total No of Students	Total Subsidy claimed Amount
	No of Students	Subsidy amount	No of Students	Subsidy amount		
2015-16	250	13465826	526	29036775	776	42502601
2016-17	347	36820641	653	60972304	1000	97792945
2017-18	555	52992331	1265	85354252	1820	138346583
2018-19	903	61417907	2260	148070216	3163	209488123
2019-20	896	59488225	2400	183029884	3296	242518109
Total	3003	225981491	7225	511594691	10228	737576182

The details of financial assistance provided to underprivileged sections of Backward Classes by NBCFDC during last five years are as under:

FY	Financial (in Crore)	Beneficiaries
2015-16	315.12	188158
2016-17	387.36	170555
2017-18	467.81	138588
2018-19	524.28	152844
2019-20	604.18	173524
