

**GOVERNMENT OF INDIA
MINISTRY OF EDUCATION
DEPARTMENT OF HIGHER EDUCATION
LOK SABHA
UNSTARRED QUESTION NO.1136
TO BE ANSWERED ON 08.02.2021**

Interest Subsidy Scheme

1136. SHRI CHANDESHWAR PRASAD:

Will the Minister of EDUCATION be pleased to state:

- (a) the aims and objectives including salient features of the Central Sector Interest Subsidy Scheme on educational loans;
- (b) the total number of such students who have availed benefits of the scheme during the last three years and the current year and the percentage of such students out of the said number, who have availed benefits of the scheme for higher education in the country particularly in Bihar; and
- (c) whether the Government has been achieving the aims and objectives of the scheme ever since its implementation and if so, the details thereof?

**ANSWER
MINISTER OF EDUCATION
(SHRI RAMESH POKHRIYAL 'NISHANK')**

- (a) The objective of the scheme is to ensure that no student is denied the opportunity to pursue higher education in professional courses only because he or she is poor and thereby contributing to Gross Enrolment Ratio. The scheme acts as a catalyst in the development of the human resource of the country, which goes a long way in strengthening the socio-economic fabric of the country.

The Scheme is adopted by all Scheduled Banks and is linked with the existing Model Educational Loan scheme of the Indian Banks' Association and for students enrolled in professional/technical courses which are accredited by respective statutory bodies. The scheme is applicable to students whose gross annual parental income is up to Rs.4.5 Lakhs. Subsidy is admissible only once either for undergraduate or postgraduate or integrated course. Under the

Scheme, education loan is provided without any collateral security and third-party guarantee and for a maximum of Rs.7.5 Lakhs. Accrued interest for moratorium period (i.e. course period plus one year) can be claimed as interest subsidy under the Scheme. The details of the scheme available on www.education.gov.in/hi/scholarships-education-loan-4-hi

(b) Total number of students who have availed benefits of the Scheme during the last 3 years and the current year and percentage of such students out of the said number, who have availed benefits of the Scheme for Higher Education in the country particularly in Bihar is tabulated below:-

Financial Year	Country as a whole	Bihar	%age of students in Bihar
	Number of students	Number of students	% age
2017-18	132825	10172	5.12
2018-19	88825	3502	4.85
2019-20	75417	2106	4.43
2020-21 – Claims will be submitted during next F.Y 2021-22			

(c) Yes. The scheme has empowered students from the rural/semi-urban regions to access higher education.
