

GOVERNMENT OF INDIA
MINISTRY OF EDUCATION
DEPARTMENT OF HIGHER EDUCATION
LOK SABHA
STARRED QUESTION NO. 425
ANSWERED ON- 23.03.2026

EDUCATION LOANS FOR STUDENTS BELONGING TO BPL

*425. Shri Lavu Sri Krishna Devarayalu:

Will the Minister of EDUCATION be pleased to state:

- (a) the details of the number of students belonging to the Below Poverty Line (BPL) category who have applied for education loans under various Central Government education loan schemes during the last three years along with the number of applications sanctioned and rejected during the said period, State-wise;
- (b) the steps taken by the Government to ensure that priority is accorded to students from BPL families in the sanctioning and disbursement of education loans; and
- (c) whether the Government proposes to increase the moratorium period for repayment of education loans to two years after completion of the course and if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF EDUCATION
(SHRI DHARMENDRA PRADHAN)

(a) to (c): A Statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (C) OF LOK SABHA
STARRED QUESTION NO. 425 ANSWERED ON 23.03.2026 ASKED BY SHRI LAVU
SRI KRISHNA DEVARAYALU, HON'BLE MEMBER OF PARLIAMENT
REGARDING 'EDUCATION LOANS FOR STUDENTS BELONGING TO BPL'**

(a) to (c): Education is in the concurrent list and both the Central Government and State Governments work together for its improvement. The Government of India is implementing different education loan schemes for providing financial assistance for higher education to all categories of students including students belonging to BPL, subject to extant scheme guidelines. There is no upper limit on number of education loans that can be sanctioned under these schemes.

The Central Government launched the PM Vidyalaxmi, a new Central Sector scheme in November 2024 that seeks to provide financial support to meritorious students including students from below poverty line category getting merit based admission in Quality Higher Education Institution (QHEIs). Under the PM Vidyalaxmi scheme, students getting merit-based admission in Quality Higher Education Institution (QHEIs) are eligible to get collateral-free, guarantor-free education loans from banks to cover full amount of tuition fees and other expenses related to the course. There is no upper limit on the number of such loans that can be sanctioned. Further, the repayment can be done up to 15 years after the moratorium period.

Further, the Department of Financial Services (DFS) has informed that all Scheduled Commercial Banks (SCBs) have been advised by Reserve Bank of India (RBI) to adopt Model Education Loan Scheme (MELS), formulated by Indian Banks' Association (IBA), 2022 (last amended on 23.6.2025). This scheme is available for all sections of the society. The main features of the scheme are as under:

- The scheme provides need-based education loan.
- No collateral security or third-party guarantee is required for loans amount up to ₹ 7.50 lakhs, provided they are eligible for Central Sector Interest Subsidy Scheme (CSIS)/ Credit Guarantee Fund Scheme for Education loan (CGFSEL).
- No Margin for loans up to ₹ 4 lakhs.
- Moratorium period is allowed up to study period plus one year in all cases.
- Repayment period (after moratorium) is available up to 15 years for all loans.

Further, the RBI vide its Circular on Collateral Free Loans - Educational Loan Scheme, has advised that banks must not, mandatorily, obtain collateral security in the case of educational loans up to ₹ 4 lakhs.

To facilitate the students from poorer households, the Department of Higher Education is implementing the PM-USP Central Sector Interest Subsidy Scheme (PM-USP CSIS). Under the PM USP-CSIS Scheme, full interest subvention is provided to all students, including students belonging to BPL who are pursuing technical/professional courses from approved National Assessment and Accreditation Council (NAAC) accredited HEIs/National Board of Accreditation (NBA) accredited courses, whose annual family income is up to ₹ 4.5 lakhs and for education loans up to ₹ 10 lakhs, during the moratorium period. There is no upper limit on number of student beneficiaries for this Scheme.

Further under the CGFSEL Scheme, credit guarantee is provided by government for loans upto ₹ 7.5 lakhs for students from all income groups. There is no upper limit on number of student beneficiaries for this Scheme.

In PM-Vidyalaxmi scheme too, a 3% interest subvention support during moratorium period (course period plus one year) is given every year up to one lakh fresh students having an annual family income of up to ₹ 8 lakhs and not eligible for benefits under any other government scholarship or interest subvention schemes on education loans. An outlay of ₹ 3,600 Crore has been made during 2024-25 to 2030-31, and 7 lakh fresh students are expected to get the benefit of this interest subvention during the period.

The DFS and RBI have informed that data on all types of education loans were not maintained centrally earlier. In February 2025, a simple 2-page and completely digital application process for education loans have been launched through the portal <https://pmvidyalaxmi.co.in>. The details of Education Loans applied, sanctioned and disbursed during the financial year 2025-26, from 1st April 2025 to 28th February 2026, at the all-India level is as under:

| Annual Income of student's family | No. of applications received | No. of applications withdrawn/ closed by students | No. of applications rejected | No. of applications pending with student for clarification/ banks for processing | No. of applications sanctioned |
|-----------------------------------|------------------------------|---|------------------------------|--|--------------------------------|
| Up to ₹ 4.5 lakhs | 4,57,976 | 1,68,734 | 24,915 | 25,375 | 2,38,952 |
| ₹ 4.5 lakhs to ₹ 8 lakhs | 94,073 | 33,204 | 4,588 | 4,713 | 51,568 |
| More than ₹ 8 lakhs | 96,922 | 31,289 | 3,674 | 4,648 | 57,311 |
| Total | 6,48,971 | 2,33,227 | 33,177 | 34,736 | 3,47,831 |

It may be seen that, at all-India level, more than 83% of the education loans were sanctioned to students with annual family income of up to ₹ 8 lakhs. A State-wise statement is given at the Annexure.

In addition, in 2024-25, more than 95 lakh scholarships were provided by different Ministries in central government to students of post matric and higher education.

Thus, the IBA-MELS, PM Vidyalaxmi, PM-USP CSIS and PM USP CGFSEL schemes, along with the various scholarships together provide holistic support to all deserving students to pursue higher education in quality HEIs and technical/professional education in approved HEIs.

With respect to moratorium period, the Model Education Loan Scheme, inter alia, provides that:

- i. While EMI based repayment is the generally accepted practice, many times the salary levels at the start of the career may not facilitate comfortable payment of EMI in certain cases (e.g. professionals like Doctors). Telescoping of repayment with stepped up instalments with passage of time may be considered in such cases.
- ii. Banks may also provide for moratorium taking into account spells of under-employment/unemployment, say two or three times (maximum of 6 months at a time) during the life cycle of the loan.
- iii. Banks may also encourage student borrowers who want to set up start-up units by giving moratorium on repayment of principal and interest during incubation period which may be considered up to 2 years.

ANNEXURE

**ANNEXURE REFERRED TO IN REPLY OF PART(A) TO (C) OF THE LOK SABHA
STARRED QUESTION NO. 425 ANSWERED ON 23.03.2026 ASKED BY SHRI LAVU
SRI KRISHNA DEVARAYALU, HON'BLE MEMBER OF PARLIAMENT
REGARDING 'EDUCATION LOANS FOR STUDENTS BELONGING TO BPL'**

| State/ UT | Annual Family Income of student's family | No. of applications received | No. of applications withdrawn /closed by students | No. of applications rejected | No. of applications pending with student for clarification/ banks for processing | No. of applications sanctioned |
|-----------------------------|--|------------------------------|---|------------------------------|--|--------------------------------|
| ANDAMAN AND NICOBAR ISLANDS | Total | 441 | 197 | 33 | 9 | 202 |
| | Up to Rs. 4.5 lakhs | 248 | 113 | 18 | 7 | 110 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 95 | 40 | 8 | 1 | 46 |
| | Above ₹ 8 lakhs | 98 | 44 | 7 | 1 | 46 |
| ANDHRA PRADESH | Total | 40,631 | 12,654 | 1,989 | 1,429 | 24,559 |
| | Up to Rs. 4.5 lakhs | 28,051 | 8,959 | 1,455 | 1,013 | 16,624 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 5,760 | 1,740 | 278 | 203 | 3,539 |
| | Above ₹ 8 lakhs | 6,820 | 1,955 | 256 | 213 | 4,396 |
| ARUNACHAL PRADESH | Total | 163 | 79 | 9 | 8 | 67 |
| | Up to Rs. 4.5 lakhs | 100 | 51 | 5 | 7 | 37 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 38 | 21 | 1 | 1 | 15 |
| | Above ₹ 8 lakhs | 25 | 7 | 3 | 0 | 15 |
| ASSAM | Total | 9,289 | 4,065 | 732 | 414 | 4,078 |
| | Up to Rs. 4.5 lakhs | 6,417 | 2,961 | 558 | 294 | 2,604 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 1,741 | 707 | 112 | 77 | 845 |
| | Above ₹ 8 lakhs | 1,131 | 397 | 62 | 43 | 629 |
| BIHAR | Total | 20,103 | 8,783 | 991 | 968 | 9,361 |
| | Up to Rs. 4.5 lakhs | 12,664 | 5,875 | 624 | 611 | 5,554 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 4,939 | 2,045 | 267 | 247 | 2,380 |
| | Above ₹ 8 lakhs | 2,500 | 863 | 100 | 110 | 1,427 |
| CHANDIGARH | Total | 655 | 246 | 23 | 36 | 350 |

| State/ UT | Annual Family Income of student's family | No. of applications received | No. of applications withdrawn /closed by students | No. of applications rejected | No. of applications pending with student for clarification/banks for processing | No. of applications sanctioned |
|------------------|--|------------------------------|---|------------------------------|---|--------------------------------|
| | Up to Rs. 4.5 lakhs | 181 | 79 | 8 | 11 | 83 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 139 | 48 | 4 | 8 | 79 |
| | Above ₹ 8 lakhs | 335 | 119 | 11 | 17 | 188 |
| CHHATTISGARH | Total | 4,327 | 1,279 | 248 | 189 | 2,611 |
| | Up to Rs. 4.5 lakhs | 2,252 | 758 | 141 | 108 | 1,245 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 1,020 | 266 | 62 | 45 | 647 |
| | Above ₹ 8 lakhs | 1,055 | 255 | 45 | 36 | 719 |
| DELHI | Total | 14,074 | 5,302 | 541 | 806 | 7,425 |
| | Up to Rs. 4.5 lakhs | 6,678 | 2,698 | 249 | 410 | 3,321 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 3,193 | 1,187 | 159 | 185 | 1,662 |
| | Above ₹ 8 lakhs | 4,203 | 1,417 | 133 | 211 | 2,442 |
| GOA | Total | 933 | 296 | 38 | 54 | 545 |
| | Up to Rs. 4.5 lakhs | 455 | 148 | 22 | 32 | 253 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 188 | 60 | 9 | 13 | 106 |
| | Above ₹ 8 lakhs | 290 | 88 | 7 | 9 | 186 |
| GUJARAT | Total | 12,865 | 4,364 | 653 | 659 | 7,189 |
| | Up to Rs. 4.5 lakhs | 5,944 | 2,168 | 367 | 314 | 3,095 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 3,348 | 1,131 | 170 | 173 | 1,874 |
| | Above ₹ 8 lakhs | 3,573 | 1,065 | 116 | 172 | 2,220 |
| HARYANA | Total | 13,702 | 5,277 | 673 | 835 | 6,917 |
| | Up to Rs. 4.5 lakhs | 6,493 | 2,707 | 365 | 394 | 3,027 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 3,222 | 1,204 | 163 | 204 | 1,651 |
| | Above ₹ 8 lakhs | 3,987 | 1,366 | 145 | 237 | 2,239 |
| HIMACHAL PRADESH | Total | 3,491 | 945 | 173 | 144 | 2,229 |
| | Up to Rs. 4.5 lakhs | 2,166 | 596 | 127 | 93 | 1,350 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 740 | 189 | 20 | 34 | 497 |

| State/ UT | Annual Family Income of student's family | No. of applications received | No. of applications withdrawn /closed by students | No. of applications rejected | No. of applications pending with student for clarification/banks for processing | No. of applications sanctioned |
|-------------------|--|------------------------------|---|------------------------------|---|--------------------------------|
| | Above ₹ 8 lakhs | 585 | 160 | 26 | 17 | 382 |
| JAMMU AND KASHMIR | Total | 3,505 | 1,148 | 66 | 548 | 1,743 |
| | Up to Rs. 4.5 lakhs | 1,577 | 557 | 36 | 270 | 714 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 910 | 278 | 17 | 133 | 482 |
| | Above ₹ 8 lakhs | 1,018 | 313 | 13 | 145 | 547 |
| JHARKHAND | Total | 14,633 | 5,701 | 473 | 701 | 7,758 |
| | Up to Rs. 4.5 lakhs | 9,716 | 4,034 | 283 | 482 | 4,917 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 2,784 | 990 | 109 | 134 | 1,551 |
| | Above ₹ 8 lakhs | 2,133 | 677 | 81 | 85 | 1,290 |
| KARNATAKA | Total | 89,865 | 30,273 | 4,494 | 6,554 | 48,544 |
| | Up to Rs. 4.5 lakhs | 74,745 | 25,052 | 3,848 | 5,762 | 40,083 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 7,113 | 2,502 | 341 | 374 | 3,896 |
| | Above ₹ 8 lakhs | 8,007 | 2,719 | 305 | 418 | 4,565 |
| KERALA | Total | 82,210 | 23,718 | 3,910 | 4,697 | 49,885 |
| | Up to Rs. 4.5 lakhs | 69,704 | 20,230 | 3,486 | 3,998 | 41,990 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 6,065 | 1,741 | 244 | 330 | 3,750 |
| | Above ₹ 8 lakhs | 6,441 | 1,747 | 180 | 369 | 4,145 |
| LADAKH | Total | 17 | 4 | 1 | 3 | 9 |
| | Up to Rs. 4.5 lakhs | 13 | 4 | 1 | 2 | 6 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 2 | 0 | 0 | 1 | 1 |
| | Above ₹ 8 lakhs | 2 | 0 | 0 | 0 | 2 |
| LAKSHADWEEP | Total | 17 | 7 | 1 | 2 | 7 |
| | Up to Rs. 4.5 lakhs | 9 | 4 | 0 | 0 | 5 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 4 | 2 | 0 | 1 | 1 |
| | Above ₹ 8 lakhs | 4 | 1 | 1 | 1 | 1 |
| MADHYA PRADESH | Total | 22,728 | 8,065 | 1,032 | 1,084 | 12,547 |

| State/ UT | Annual Family Income of student's family | No. of applications received | No. of applications withdrawn /closed by students | No. of applications rejected | No. of applications pending with student for clarification/banks for processing | No. of applications sanctioned |
|-------------|--|------------------------------|---|------------------------------|---|--------------------------------|
| | Up to Rs. 4.5 lakhs | 15,135 | 5,714 | 751 | 743 | 7,927 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 4,496 | 1,482 | 176 | 206 | 2,632 |
| | Above ₹ 8 lakhs | 3,097 | 869 | 105 | 135 | 1,988 |
| MAHARASHTRA | Total | 61,113 | 22,772 | 3,268 | 3,195 | 31,878 |
| | Up to Rs. 4.5 lakhs | 37,657 | 14,633 | 2,238 | 1,953 | 18,833 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 10,411 | 3,788 | 526 | 551 | 5,546 |
| | Above ₹ 8 lakhs | 13,045 | 4,351 | 504 | 691 | 7,499 |
| MANIPUR | Total | 1,119 | 468 | 102 | 109 | 440 |
| | Up to Rs. 4.5 lakhs | 850 | 351 | 75 | 88 | 336 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 153 | 66 | 19 | 11 | 57 |
| | Above ₹ 8 lakhs | 116 | 51 | 8 | 10 | 47 |
| MEGHALAYA | Total | 1,580 | 540 | 65 | 79 | 896 |
| | Up to Rs. 4.5 lakhs | 1,308 | 468 | 56 | 62 | 722 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 157 | 37 | 6 | 10 | 104 |
| | Above ₹ 8 lakhs | 115 | 35 | 3 | 7 | 70 |
| MIZORAM | Total | 164 | 78 | 8 | 16 | 62 |
| | Up to Rs. 4.5 lakhs | 117 | 54 | 6 | 13 | 44 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 30 | 18 | 2 | 1 | 9 |
| | Above ₹ 8 lakhs | 17 | 6 | 0 | 2 | 9 |
| NAGALAND | Total | 544 | 243 | 26 | 21 | 254 |
| | Up to Rs. 4.5 lakhs | 413 | 197 | 22 | 13 | 181 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 78 | 31 | 2 | 3 | 42 |
| | Above ₹ 8 lakhs | 53 | 15 | 2 | 5 | 31 |
| ODISHA | Total | 15,987 | 5,495 | 1,023 | 683 | 8,786 |
| | Up to Rs. 4.5 lakhs | 11,461 | 4,087 | 820 | 514 | 6,040 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 2,495 | 841 | 127 | 108 | 1,419 |

| State/ UT | Annual Family Income of student's family | No. of applications received | No. of applications withdrawn /closed by students | No. of applications rejected | No. of applications pending with student for clarification/banks for processing | No. of applications sanctioned |
|------------|--|------------------------------|---|------------------------------|---|--------------------------------|
| | Above ₹ 8 lakhs | 2,031 | 567 | 76 | 61 | 1,327 |
| PUDUCHERRY | Total | 1,479 | 536 | 85 | 80 | 778 |
| | Up to Rs. 4.5 lakhs | 1,027 | 379 | 69 | 55 | 524 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 200 | 63 | 8 | 12 | 117 |
| | Above ₹ 8 lakhs | 252 | 94 | 8 | 13 | 137 |
| PUNJAB | Total | 7,947 | 2,817 | 468 | 611 | 4,051 |
| | Up to Rs. 4.5 lakhs | 2,611 | 970 | 164 | 193 | 1,284 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 2,605 | 924 | 170 | 214 | 1,297 |
| | Above ₹ 8 lakhs | 2,731 | 923 | 134 | 204 | 1,470 |
| RAJASTHAN | Total | 18,458 | 6,897 | 1,016 | 752 | 9,793 |
| | Up to Rs. 4.5 lakhs | 9,506 | 3,886 | 600 | 441 | 4,579 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 4,698 | 1,604 | 239 | 161 | 2,694 |
| | Above ₹ 8 lakhs | 4,254 | 1,407 | 177 | 150 | 2,520 |
| SIKKIM | Total | 266 | 101 | 19 | 16 | 130 |
| | Up to Rs. 4.5 lakhs | 190 | 73 | 16 | 8 | 93 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 37 | 14 | 2 | 4 | 17 |
| | Above ₹ 8 lakhs | 39 | 14 | 1 | 4 | 20 |
| TAMIL NADU | Total | 1,08,710 | 42,579 | 5,615 | 5,399 | 55,117 |
| | Up to Rs. 4.5 lakhs | 89,125 | 35,519 | 4,755 | 4,546 | 44,305 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 9,391 | 3,515 | 440 | 422 | 5,014 |
| | Above ₹ 8 lakhs | 10,194 | 3,545 | 420 | 431 | 5,798 |
| TELANGANA | Total | 19,872 | 7,775 | 1,244 | 633 | 10,220 |
| | Up to Rs. 4.5 lakhs | 10,640 | 4,461 | 767 | 343 | 5,069 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 3,400 | 1,318 | 217 | 109 | 1,756 |
| | Above ₹ 8 lakhs | 5,832 | 1,996 | 260 | 181 | 3,395 |
| | Total | 215 | 76 | 5 | 12 | 122 |

| State/ UT | Annual Family Income of student's family | No. of applications received | No. of applications withdrawn /closed by students | No. of applications rejected | No. of applications pending with student for clarification/banks for processing | No. of applications sanctioned |
|--|--|------------------------------|---|------------------------------|---|--------------------------------|
| THE DADRA AND NAGAR HAVELI AND DAMAN AND DIU | Up to Rs. 4.5 lakhs | 75 | 35 | 2 | 3 | 35 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 75 | 21 | 3 | 6 | 45 |
| | Above ₹ 8 lakhs | 65 | 20 | 0 | 3 | 42 |
| TRIPURA | Total | 1,508 | 561 | 140 | 127 | 680 |
| | Up to Rs. 4.5 lakhs | 1,207 | 454 | 126 | 110 | 517 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 158 | 60 | 7 | 5 | 86 |
| | Above ₹ 8 lakhs | 143 | 47 | 7 | 12 | 77 |
| UTTAR PRADESH | Total | 51,175 | 20,585 | 2,682 | 2,529 | 25,379 |
| | Up to Rs. 4.5 lakhs | 33,525 | 14,337 | 1,933 | 1,603 | 15,652 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 9,494 | 3,559 | 444 | 488 | 5,003 |
| | Above ₹ 8 lakhs | 8,156 | 2,689 | 305 | 438 | 4,724 |
| UTTARAKHAND | Total | 7,362 | 2,370 | 332 | 299 | 4,361 |
| | Up to Rs. 4.5 lakhs | 4,226 | 1,424 | 194 | 168 | 2,440 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 1,665 | 513 | 85 | 60 | 1,007 |
| | Above ₹ 8 lakhs | 1,471 | 433 | 53 | 71 | 914 |
| WEST BENGAL | Total | 17,823 | 6,931 | 999 | 1,035 | 8,858 |
| | Up to Rs. 4.5 lakhs | 11,490 | 4,698 | 728 | 711 | 5,353 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 3,229 | 1,199 | 151 | 178 | 1,701 |
| | Above ₹ 8 lakhs | 3,104 | 1,034 | 120 | 146 | 1,804 |
| ALL INDIA | Total | 6,48,971 | 2,33,227 | 33,177 | 34,736 | 3,47,831 |
| | Up to Rs. 4.5 lakhs | 4,57,976 | 1,68,734 | 24,915 | 25,375 | 2,38,952 |
| | ₹ 4.5 lakhs - ₹ 8 lakhs | 94,073 | 33,204 | 4,588 | 4,713 | 51,568 |
| | Above ₹ 8 lakhs | 96,922 | 31,289 | 3,674 | 4,648 | 57,311 |