

PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA

INTEREST SUBSIDY ON EDUCATION LOAN

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Ministry of Human Resource Development has formulated an Interest Subsidy Scheme to provide full interest subsidy during the period of moratorium on educational loans taken by students belonging to economically weaker sections from scheduled banks under the Model Educational Loan Scheme of the Indian Banks' Association (IBA) for pursuing any of the approved courses of studies in technical and professional streams from recognized institutions in India.

Students whose parental income is less than Rs. 4.5 lakhs per annum and are enrolled in recognized technical & professional courses, after class twelfth, in India are eligible under the scheme. Educational loans of such students disbursed from 1st April 2009, irrespective of date of sanction are eligible for interest subsidy.

This information was given by the Minister of State for Finance, Shri Namo Narain Meena in written reply to a question in the Rajya Sabha today.

DSM/SS/SL