

GOVERNMENT OF INDIA
MINISTRY OF EDUCATION
DEPARTMENT OF HIGHER EDUCATION
LOK SABHA
UNSTARRED QUESTION No. 2166
ANSWERED ON 09/12/2024

Subsidy on Education Loans

2166. Ms. Praniti Sushilkumar Shinde:

Will the Minister of EDUCATION be pleased to state:

- (a) whether any subsidies has been provided for education loans, if so, the list of students who have benefited from these subsidies, State-wise;
- (b) the current budget allocation for education; and
- (c) whether the budget allocated falls short of the Incheon Declaration's recommended target of 4-6% of the nation's GDP and whether any allocated funds have been lapsed; and
- (d) whether the current allocation remains below the Incheon Declaration target, if so, whether the Government has any plans to secure approval for at least 4% of GDP towards budgetary allocation for education?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF EDUCATION
(DR. SUKANTA MAJUMDAR)

(a) Ministry of Education, Government of India is implementing Pradhan Mantri Uchchatar Shiksha Protsahan (PM-USP) Central Sector Interest Subsidy Scheme (PM-USP CSIS) for providing interest subvention on Education Loans. Further, the Government of India has approved PM-Vidyalaxmi, a **new** Central Sector scheme, in which for students with up to Rs. 8 lakhs annual family income, the scheme provides for 3% interest subvention on loans up to Rs 10 lakh. The detailed guidelines of both the schemes are available at : <https://www.education.gov.in/scholarships-education-loan-4>. The state-wise no. of beneficiaries under PM-USP CSIS is available at : https://www.education.gov.in/parl_ques .

(b) to (d) Education is in the Concurrent list, and both Central and State/UT Governments share the responsibility for education. Majority of the educational institutions are within the administrative jurisdiction of the States/UTs. As per latest "Analysis of Budgeted Expenditure on Education 2019-20 to 2021-22", the budget expenditure on Education for Centre & States/UTs (All Ministries and All Departments) for year 2021-22 is

Rs. 9.67 lakh crore, which is 4.12 % of the GDP. National Education Policy 2020 (NEP 2020) unequivocally endorses and envisions a substantial increase in public investment in education by both the Central Government and all State Governments to reach 6% of GDP. As far as Ministry of Education is concerned, there has been increase in budget allocation from Rs. 93,224 crore (2021-22) to Rs. 1,12,899 crore (2023-24), which is around 21.1 % increase.
