

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

UNSTARRED QUESTION NO:2032
ANSWERED ON:09.03.2006
FINANCIAL ASSISTANCE/ LOAN FACILITIES TO OBCS FOR STUDIES
Mahato Shri Bir Sing;Mahato Shri Sunil Kumar

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

- (a) whether the students belonging to Other Backward Classes (OBCs) are provided financial assistance or loan facilities for their studies;
- (b) if so, the details thereof;
- (c) the number of students who have been granted such assistance or loan facilities during each of the last three years State-wise;
- (d) the rate of interest of the loan provided to such students alongwith the reaction of the Government regarding the rationale behind the said rate of interest; and
- (e) the remedial steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF SOCIAL JUSTICE AND EMPOWERMENT (SMT. SUBBULAKSHMI JAGADEESAN)

(a)& (b): Yes, Sir. National Backward Classes Finance & Development Corporation (NBCFDC) extends loans to OBC Students whose annual family income is below double the poverty line for pursuing Professional/Technical courses at graduate or higher level under its Education Loan Scheme. The maximum loan limit per beneficiary under this Scheme is Rs. 75,000/- per annum or Rs. 3.00 lakh for the entire course.

Besides, the Ministry also releases funds to State/UT Governments under the Schemes of Pre-matric Scholarship and Post-matric Scholarship for OBCs for disbursement of scholarships to OBC students whose parent's/Guardian's income does not exceed Rs.44,500 per annum.

(c) Details regarding number of students granted loans by NBCFDC and number of students benefitted under the Schemes of Pre-matric and Post-matric Scholarships for OBCs during each of the last three years, State/UT-wise is annexed (Annexure).

(d)&(e) The loan amount to the beneficiary is released through the State Channelising Agencies (SCAs). NBCFDC charges interest rate of 1.5% per annum from the SCA which in turn charges 4% per annum from the beneficiaries. The rate of interest charged from the beneficiary is lower than the rates being charged by other financial institutions engaged in such activity.

ANNEXURE

STATEMENT REFERRED TO IN REPLY TO PART(C) OF LOK SABHA UNSTARRED QUESTION NO. 2032 FOR 9/3/2006 REGARDING FINANCIAL ASSISTANCE /LOAN FACILITIES TO OBCs FOR STUDIES.

S.No.	Name of State/UT	Number of OBC students granted loans/financial assistance during		
		2002-03	2003-04	2004-05
		NBCFDCs Post- Loan Scheme	Pre- matric Loan Scheme	NBCFDCs Post- Pre- matric Loan Scheme
1.	Andhra Pradesh	581	14,250	1,36,598
2.	Assam	711	15,239	858
3.	Bihar	-	-	10
4.	Chhattisgarh	-	-	46,000
5.	Goa	9	400	285
6.	Gujarat	4	13,000	46,000
7.	Himachal Pradesh	-	-	2,197
8.	Haryana	-	-	1
9.	Jammu & Kashmir	-	5,580	-
10.	Jharkhand	-	25,365	-
11.	Karnataka	-	16,395	16,525
				1,59,860
				18,439

