

later upheld by the Hon'ble Supreme Court in its judgement dated 21-7-2017 passed in SLP(C) No. 16515/2017.

An inter-Ministerial Committee was constituted to examine the issue and state the grounds for filing a Special Leave Petition before the Apex Court. On the recommendation of the inter-ministerial Committee and after consulting the Additional Solicitor General and the Law Ministry, UGC and MHRD have filed separate SLPs on 12-04-2018 and 16-04-2018 respectively before the Hon'ble Supreme Court of India.

Meanwhile, in view of the matter being *sub-judice*, the UGC has been requested *vide* MHRD letter dated 18th July, 2018 to issue a direction to all the institutions to postpone the recruitment process, if it is already underway, till further orders. The UGC has issued necessary instructions in this regard to Central Universities, Deemed Universities, Colleges and other Grant in Aid Institutions and Centres.

#### **Interest on educational loan**

†1031. SHRI RAM NATH THAKUR: Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

- (a) whether interest on educational loan is payable from the date on which it is disbursed;
- (b) whether only economically weaker sections of society take this loan for higher education;
- (c) whether it is a fact that the interest becomes more than the principal till the time of start of repayment; and
- (d) if so, whether Government, keeping in view the above fact would direct the banks to charge interest on such loans from the time when the student gets absorbed in a job and is in a position to repay the loan?

THE MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT (DR. SATYAPAL SINGH): (a) Banks disburse Education Loan under the Model Education Loan Scheme of Indian Banks' Association (IBA). Under the Scheme, interest is charged from the first year but interest is payable only after the moratorium period (which is course period plus one year). However, the Government

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†Original notice of the question was received in Hindi.

is implementing the following interest subsidy schemes on education loans for higher education:

- (i) **Central Sector Interest Subsidy Scheme (CSIS):** - Under the Scheme, full Interest Subsidy is provided for the moratorium period (course period plus one year), on the educational loan up to ₹ 7.5 lakh taken by students belonging to Economically Weaker Sections (EWS) having annual parental income up to ₹4.5 lakh, from Scheduled Banks under the Model Educational Loan Scheme. ₹ 1577.68 crores interest subvention has been made in the Financial Year 2017-18.
  - (ii) **Dr. Ambedkar Scheme of Interest Subsidy on Educational Loans for Overseas Studies:** -The Scheme is implemented by Ministry of Social Justice and Empowerment. The objective of the scheme is to provide interest subsidy to meritorious students belonging to Other Backward Classes (OBC) and Economically Backward Classes (EBC) to provide them opportunities to pursue higher education abroad in the field of Arts, Engineering, Medical and Agriculture. The income ceiling is ₹ 8 lakh per annum for OBCs and ₹ 2.5 lakh per annum for EBCs.
  - (iii) **Padho Pardesh Scheme:** - The Scheme is implemented by Ministry of Minority Affairs. Under the scheme, interest subsidy is provided to minority students to pursue Master's Level Courses, M.Phil., and Ph.D. in foreign Universities in the field of Arts, Engineering, Agriculture and Medical. The income ceiling is ₹ 6.00 lakh per annum.
- (b) Model Education Loan Scheme is applicable to all sections of the society.
- (c) and (d) No, Sir.

#### **Replacement of UGC with HECI**

1032. SHRI MAJEED MEMON: Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

- (a) whether it is a fact that Government has decided to replace University Grants Commission (UGC) with a new Higher Education Commission of India (HECI);
- (b) if so, how is it different from UGC with no funds to dole out; and