



GOVERNMENT OF KERALA
Abstract

Finance Department - Education Loan Repayment Support Scheme - Guidelines - Further instructions - Orders issued.

FINANCE (PLANNING - A) DEPARTMENT
G.O.(P) No.85/2018/FIN Dated, Thiruvananthapuram 07/06/2018

- Read:
1. G.O(P) No.65/2017/Fin. Dated 16.05.2017
 2. G.O(P) No.89/2017/Fin. Dated 12.07.2017
 3. G.O(P) No.135/2017/Fin. Dated 30.10.2017
 4. Minutes of the meeting held on 24.04.2018 in the chamber of Principal Secretary (Finance).

ORDER

Government had issued detailed guidelines for the implementation of *Education Loan Repayment Support Scheme (ELRS)* for providing repayment support to those who are struggling to repay the education loan debts after the completion of their course vide G.Os read above. This scheme envisages government support to the borrower student to repay their education loan in the four year relief period after the repayment holiday and to settle and close the loan accounts which turned to NPA on or before 31st March 2016 and remained as NPA as on 31st March 2016.

2. In the meeting to review the progress of implementation of the scheme, representatives of banks pointed out some practical difficulties in processing claims for financial support due to ambiguity with respect to certain provisions in the existing guidelines of the scheme.

3. Government after having examined the matter in detail, are pleased to issue the following further instructions for the effective and smooth implementation of Education Loan Repayment Support Scheme.

(i) Education Loans sanctioned with a moratorium period of one year to two years will be considered under the scheme as per the original sanction of the bank.

(ii) Education loan sanctioned with repayment period ranging from 5 to 10 years will be accepted under the scheme as per the original sanction of the bank.

(iii) It was stipulated in the original guidelines that the loan account should have to be remained as standard account as on 31st March of preceding year for receiving continued benefit (if any) under standard account category. In the wake of the difficulties pointed out by the banks, it is clarified that in all cases where standard accounts become NPA due to delay in getting government support under the scheme, such accounts will be treated as standard accounts solely for the purpose of availing repayment support under this scheme.

(iv) Also, it is clarified that merit quota means admission through a competitive examination or based on marks obtained in qualifying board examination, at a substantially reduced fee on the basis of a mandate from the Government that a certain number of seats be reserved for giving admission at substantially reduced fee. The remaining seats in a private college would be considered management quota where fee is substantially higher and admission may be through a competitive examination or based on marks in the qualifying board examination or otherwise.

(v) SLBC shall ensure that relaxation as per clauses (i) and (ii) above is extended in all eligible cases as per the original loan sanction records of the bank and it shall not hinder the core objectives of the scheme.

(By Order of the Governor)

SANJEEV KAUSHIK IAS
PRINCIPAL SECRETARY, FINANCE (RESOURCES)

To

The Principal Accountant General (A&E), Kerala, Thiruvananthapuram
The Principal Accountant General (G&SSA), Kerala, Thiruvananthapuram
The Accountant General (E&RSA), Kerala, Thiruvananthapuram
The Private Secretaries to Chief Minister, Other Ministers and Leader of Opposition

The Additional Secretary to Chief Secretary
The Higher Education Department
The Planning & Economic Affairs Department
The Director, Information & Public Relations Department
(For publicity through print & visual media including web & new media)
The Director of Treasuries, Thiruvananthapuram
The Convenor, SLBC, Thiruvananthapuram
The Nodal Officer, www.finance.kerala.gov.in
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Section Officer