



'Guruji Student Credit Card Scheme'

Why In News?

- According to information received from the media on December 28, 2022, Jharkhand Chief Minister Hemant Soren, in order to expand education in the state, has decided to give **10th and 12th pass students from poor families an opportunity** for higher education. For this, the state government is starting 'Guruji Student Credit Card Scheme'.

Key Points

- The government will create a corpus fund of Rs 200 crore for the '**Guruji Student Credit Card Scheme**'.
- The main objective of this scheme is to provide financial assistance to the children of Jharkhand state to study in good educational institutions. With this scheme of the government, those children who were not able to get higher education due to lack of funds will not be deprived of it now. Through Guruji Credit Card, they will now be able to realize their dream of building their future.
- The Higher and Technical Education Department said that loans will be arranged for students studying **10th and 12th class (10th class pass for diploma students)** from recognized educational institutions in the state of Jharkhand. For this purpose, it has been decided to start Guruji Student Credit Card Scheme.
- Students will be given Guruji Student Credit Card, so that they can easily take loans for their studies.
- Under the Guruji Student Credit Card Scheme, students will get a maximum loan of Rs 15 lakh. They will be provided loans through banks. A maximum of 30 per cent of this amount will be available for non-institutional work (including living and food expenses). Students will have to pay only 4 percent interest for this.
- Students will have to pay a simple rate of interest of 4 percent. The rest of the interest will be paid by the state government in the form of interest subvention. That is, the state government will remain in the role of guarantor.
- Students will not need to give any kind of collateral security to take a loan. Students will be able to repay the loan amount in 15 years. The interest on the loan that the children will take will be calculated at the rate of simple interest. It will remain fixed for the entire tenure of the loan.
- Students will not have to pay any processing fee to the bank to take a loan for higher education.
- The Jharkhand government will select the best educational institutions in the country within the state and in other states, which are within the overall 200 rank in the previous NIRF list or in the respective category of the institution, in the top 100 in the LIST of NIRF or have 'A' category or above.