

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA

UNSTARRED QUESTION NO. 2289

TO BE ANSWERED ON THE 21st MARCH, 2023, PHALGUNA 30, 1944 (Saka)
'Education Loans'

2289 Shri Harbhajan Singh:
Shri Rajeev Shukla:

Will the Minister of FINANCE be pleased to state:

- a) the details of the educational loans provided by the nationalized banks during the last five years;
- b) whether it is a fact that the numbers of educational loans have reduced drastically;
- c) if so, whether Government is contemplating any plan of action to increase the provision of educational loans; and
- d) if so, the details thereof and the steps taken by Government in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KARAD)

(a) to (d): As reported by the Public Sector Banks (PSBs), the details of the education loans since 2018-19 are as under:

Year	No. of Accounts	Loan Disbursed (Amount in Rs crore)
2018-19	6,68,276	13,784
2019-20	5,97,948	15,274
2020-21	4,07,467	11,448
2021-22	4,56,692	16,193
FY 2022-23 (till 31.12.22)	4,97,395	17,668

As may be seen from the table, the number of Accounts in respect of which educational loan has been disbursed during FY 2021-22 and current FY (till 31.12.2022) has increased. Further, the loan disbursed by the PSBs has consistently increased since 2018-19, except during the FY 2020-21, due to Covid crisis.

The Indian Banks' Association Model Educational Loan scheme for pursuing Higher education in India and Abroad" formulated in the year 2001 had been modified from time to time with a view to make the scheme more viable and sustainable for meeting the aspirations of students. Further, as per the amendments undertaken in the Scheme in the year 2021, banks have the freedom to provide need-based finance.

Government sets educational loan disbursement target for PSBs every financial year. However, due to Covid crisis, targets for the last three years had been kept at the same level. However, for the FY 2022-23, the targets were appropriately enhanced by a growth of 20% over the previous year achievement/target whichever higher.
