

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
LOK SABHA**

**UNSTARRED QUESTION NO. 1198**

**TO BE ANSWERED ON THE 22<sup>nd</sup> DECEMBER, 2017, PAUSHA 1, 1939 (SAKA)**

**Education Loan**

**1198. SHRIMATI VANAROJA R.:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the banks have seen 142 per cent rise in default by students who have taken education loans during the past few years;
- (b) if so, the details thereof;
- (c) whether the State owned banks, which are already weighed down by huge defaults by corporates, are hit as they account for over 90 per cent of educational loans; and
- (d) if so, the details thereof ?

**ANSWER  
(MINISTER OF STATE IN THE MINISTRY OF FINANCE)  
(SHRI SHIV PRATAP SHUKLA)**

(a) to (d): No Sir, the default in education loan has risen marginally over the years. The details of Non-Performing Assets (NPAs) of Public Sector Banks in education loans during the last three years is given below:

	Amount in Rs Crore		
<b>Year (As on 31<sup>st</sup> March of)</b>	<b>Outstanding</b>	<b>NPA</b>	<b>%age of NPA</b>
2015	62003.30	3536.02	5.70
2016	65454.42	4777.07	7.30
2017	67678.50	5191.72	7.67

Source: Indian Banks' Association (IBA)

Bank-wise position of NPA for education loans during the last three years is at Annexure.

To reduce the incidence of NPA in education loans, Government has modified IBA Model Education Loan Scheme taking into account the needs of the students. The changes, inter-alia, include Repayment Holiday / Moratorium of Course period + 1 year, additional periods of moratorium taking into account spells of under-employment/unemployment, during the life cycle of the loan, extension of repayment period to 15 years to reduce Equated Monthly Instalment (EMI), etc. Government of India has also launched a Credit Guarantee Fund Scheme for Education Loans (CGFEL) for loans upto Rs 7.50 Lakh. The fund provides guarantee to the extent of 75% of the defaulted amount.

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Annexure to Reply of Lok Sabha Unstarred Question No. 1198 on Education Loan for answer on 22<sup>nd</sup> December, 2017

<b>Bank-wise Position of NPA of education loans</b>				<b>(Amount in Rs Crore)</b>
<b>S.N.</b>	<b>Name of Bank</b>	<b>As on 31.03.2015</b>	<b>As on 31.03.2016</b>	<b>As on 31.03.2017</b>
1	Allahabad Bank	40.12	34.63	49.20
2	Andhra Bank	81.11	57.89	61.97
3	Bank of Baroda	156.73	294.93	331.31
4	Bank of India	114.75	161.46	218.11
5	Bank of Maharashtra	27.56	42.12	51.08
6	Bhartiya Mahila Bank	0.00	0.00	0.00
7	Canara Bank	169.16	316.60	265.49
8	Central Bank of India	192.00	238.00	317.65
9	Corporation Bank	116.75	96.99	167.10
10	Dena Bank	36.73	41.47	49.88
11	IDBI Bank	18.63	30.11	35.58
12	Indian Bank	250.01	527.78	671.37
13	Indian Overseas Bank	380.49	651.16	384.20
14	Oriental Bank of Commerce	106.79	107.81	137.41
15	Punjab & Sind Bank	22.69	19.23	18.80
16	Punjab National Bank	251.53	388.67	478.03
17	Syndicate Bank	299.66	368.33	343.00
18	UCO Bank	101.40	298.17	346.71
19	Union Bank of India	194.88	233.83	253.49
20	United Bank of India	55.01	56.55	56.24
21	Vijaya Bank	34.74	33.55	63.16
22	State Bank of India	614.00	454.00	538.17
23	State Bank of Bikaner & Jaipur	26.45	29.99	21.75
24	State Bank of Hyderabad.	41.08	37.28	81.83
25	State Bank of Mysore	40.87	44.79	66.32
26	State Bank of Patiala	11.75	12.79	18.63
27	State Bank of Travancore	151.14	198.94	165.24
	<b>Total</b>	<b>3536.02</b>	<b>4777.07</b>	<b>5191.72</b>

Source: Data provided by IBA