

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

**UNSTARRED QUESTION NO. 2485**

**TO BE ANSWERED ON THE 9<sup>th</sup> MARCH, 2018, PHALGUNA 18, 1939 (SAKA)**

**Recovery of Defaulted Educational Loans**

**2485. SHRI C.N.JAYADEVAN:**

**SHRI JOSE K. MANI:**

Will the Minister of FINANCE be pleased to state:

(a) whether a number of Public Sector Banks (PSBs) including the State Bank of India in the country have sold their 'bad' education loans to private asset reconstruction companies and engaged recovery agents in this regard;

(b) if so, the details of the education loan NPAs and the student loan sold to the private asset reconstruction companies, bank-wise;

(c) whether the Government has taken note that the private companies are using coercive means to collect the loan amount and if so, the response of the Government thereon; and

(d) whether the Government plans to provide any respite in such cases and if so, the details along with the policy of the Government in this regard?

**ANSWER**

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

**(a) & (b):** Amongst Public Sector Banks (PSBs), Bank of India, Indian Bank and State Bank of India have sold their NPAs (Non-Performing Assets) education loans to private Asset Reconstruction Companies (ARCs) as per extant RBI guidelines. Bank-wise details of education loan NPAs and the student loan sold to the private asset reconstruction companies is at Annexure.

**(c):** Banking Ombudsmen situated across India, receive complaints on various banking related issues. Complaints including any harassment of borrowers by the ARCs engaged by the banks, are resolved as per the provisions of the Banking Ombudsman Scheme.

**(d):** Government has advised banks to adopt non-coercive differentiated strategy in so far as recovery of education loan is concerned.

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**Annexure to reply of Lok Sabha Unstarred Question No. 2485 for answer on 09th March, 2018  
regarding Recovery of Defaulted Educational Loans.**

<b>Bank-wise education loan NPAs and the student loan sold to the private asset reconstruction companies</b>					
<b>S.N.</b>	<b>Name of the Bank</b>	<b>Education Loan NPA as on 31.12.2017</b>		<b>Students Loan Sold to Private Asset Reconstruction Companies</b>	
		<b>No. of Accounts</b>	<b>Amount in Crore</b>	<b>No. of Accounts</b>	<b>Amount in Crore</b>
1	Allahabad Bank	3088	47.14	Nil	Nil
2	Andhra Bank	4352	65.14	Nil	Nil
3	Bank of Baroda	18094	338.43	Nil	Nil
4	Bank of India	16775	302.09	4239	38.66
5	Bank of Maharashtra	4824	90.42	Nil	Nil
6	Canara Bank	21574	293.19	Nil	Nil
7	Central Bank of India	22066	436.60	Nil	Nil
8	Corporation Bank	8760	180.32	Nil	Nil
9	Dena Bank	3609	54.34	Nil	Nil
10	IDBI Bank	1764	42.55	Nil	Nil
11	Indian Bank	37700	695.34	12504	76.49
12	Indian Overseas Bank	37273	492.42	Nil	Nil
13	Oriental Bank of Commerce	6773	127.66	Nil	Nil
14	Punjab & Sind Bank	860	21.37	Nil	Nil
15	Punjab National Bank	25143	409.16	Nil	Nil
16	State Bank of India	92004	1565.10	46373	915.28
17	Syndicate Bank	22632	445.00	Nil	Nil
18	UCO Bank	16423	367.14	Nil	Nil
19	Union Bank of India	15485	266.88	Nil	Nil
20	United Bank of India	1998	49.77	Nil	Nil
21	Vijaya Bank	5202	74.86	Nil	Nil
	<b>Total</b>	<b>366399</b>	<b>6364.93</b>	<b>63116</b>	<b>1030.43</b>

Source: Indian Banks' Association & PSBs