

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO. 6491
TO BE ANSWERED ON THE 6th APRIL, 2018, CHAITRA 16, 1940 (SAKA)
REVIEWING EDUCATION LOAN SCHEME**

6491. SHRI JAGDAMBIKA PAL:

Will the Minister of FINANCE be pleased to state:

- (a) whether the growth rate of education loan of the Public Sector Banks (PSBs) has declined during the last three years and the current year;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has any proposal to review the present model of education loan scheme; and
- (d) If so, the details thereof and if not, the reasons therefor?

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

(a) and (b): The details regarding growth rate of education loans disbursed by Public Sector Banks (PSBs) are given below.

Year (as on 31 st March)	Education Loan Sanctioned (Rs in crore)	% growth rate (over previous year)
2014	9900.15	
2015	9165.78	-7.42
2016	10033.22	9.46
2017	10399.41	3.65

Source: IBA

(c) & (d) The Model Education Loan Scheme is modified from time to time by Indian Banks' Association (IBA) keeping in view the needs of the students. The last such revision was done in August, 2015. The revised scheme inter-alia provides for repayment period upto 15 years besides one year moratorium for repayment after completion of studies in all cases, moratorium taking into account spells of unemployment/under-employment, say two or three times during the life cycle of the loan, moratorium for the incubation period if the student wants to take up a start-up venture after graduation, etc.

Government of India has launched a Credit Guarantee Fund Scheme for Education Loans (CGFSEL) wherein collateral free loan is given upto Rs.7.5 lakh.

In order to facilitate easy processing and disbursal of loans, Government has launched a web-based portal namely, Vidya Lakshmi Portal. Students can view, apply and track the education loan applications online by accessing the portal.
