

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO. †4126
TO BE ANSWERED ON THE 10th AUGUST, 2018, SHRAVANA 19, 1940 (SAKA)
Growth Rate of Education Loans**

†4126. SHRI ALOK SANJAR:

Will the Minister of FINANCE be pleased to state:

- (a) whether there has been an increase in the growth rate of education loans given by banks during the last three years and the current year;
- (b) if so, the details thereof;
- (c) whether the Government proposes to review the present 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 Scheduled Commercial Banks (SCBs) are given below.

Financial Year	Education Loan Disbursed (Rs in crore)	% growth rate (over previous year)
2014-15	10007.53	
2015-16	13435.86	34.26
2016-17	12227.62	-8.99
2017-18	14734.67	20.50

Source: RBI

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

Further, there is 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 disbursement of loans, a web-based portal namely, Vidya Lakshmi Portal was launched on 15.08.2015. Students can view, apply and track the education loan applications online by accessing the portal.
