

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO. 676
TO BE ANSWERED ON THE 20th JULY, 2018, ASHADHA 29, 1940 (SAKA)
Education Loan**

**676 SHRI MALYADRI SRIRAM:
SHRI SADASHIV LOKHANDE:
SHRI ALOK SANJAR:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has launched any scheme to provide interest free loan on education taken by the students and if so, the details thereof including the norms/criteria laid down for the purpose under the scheme and the present rate of interest charged by the bank;
- (b) the total number of students who have availed the benefit under the scheme including total amount of loan sanctioned and disbursed during each of the last three years and the current year, bank/State/UT-wise including Maharashtra and the percentage of students who have availed benefit for higher education;
- (c) whether the cases of recovering lower rate of interest by the banks from girls students compared to boy students have come to the notice of the Government and if so, the details thereof and the reasons therefor including the steps taken by the Government to remove the disparity;
- (d) the total amount of education loan not repaid by the students even after completing their education as on date, bank/State/UT-wise including Maharashtra; and
- (e) whether the Government has taken/proposed to be taken steps to waive off the interest on education loan and if so, the details thereof?

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

- (a) There is no scheme to provide interest free loan on education taken by the students. However, Ministry of Human Resources Development (MHRD) launched a scheme titled "Central Sector Interest Subsidy Scheme" (CSIS) in 2009. The Scheme provides full interest subsidy during the moratorium period on education loans upto Rs 7.50 lakhs. Eligibility Criteria laid down for the scheme is as under:
- Education Loans taken under Indian Banks' Association (IBA) Model Education Loan Scheme.
 - Students having parental income upto Rs 4.5 lakhs per annum.
 - Students enrolled in professional/technical courses only from National Assessment and Accreditation Council (NAAC) accredited Institutions or professional/technical programmes accredited by NBA or Institutions of National Importance or Central Funded Technical Institutions (CFTIs). Those professional courses, which do not come under the ambit of NAAC or NBA, would require approval of the respective regulatory body.

Contd/-

- Admissible only for once either for Under Graduation or Post Graduation. Also admissible for integrated courses (graduation + post graduation).

Interest charged by the Public Sector Banks (PSBs) on education loans ranges from 8.60 to 11.50% p.a. depending upon the MCLR (Marginal Cost of Lending Rate) of the respective Bank and size of the loan.

(b) 25,17,038 students have benefitted under CSIS since Financial Year 2009-10.

As per the information furnished by Reserve Bank of India (RBI), the bank-wise/state-wise number of education loan accounts and amount of loan disbursed by banks in the country including in the State of Maharashtra for the years ending on 31st March 2015, 31st March, 2016, 31st March, 2017 and 31st March, 2018 are at Annexure II/Annexure III, respectively.

(c) Indian Banks' Association (IBA) has, on February 04, 2009 at the request of the Government, advised its member banks that at least 0.50% concession in interest rates may be provided to girl students on education loans for studies in India or abroad. Some of the banks give concession in interest rate to girl students. This is in accordance with the priority of the Government to promote female education.

(d) All education loans which are not repaid in time as per terms & conditions and falls under the purview of RBI Master Circular DBR No.BP.BC.2/21.04.048/ 2015-16 dated 01.07.2015 are classified as Non-Performing Assets (NPAs). Bank-wise position of NPAs of Public Sector Banks as on 31.03.2018 is at Annexure-III and State-wise position of NPA of PSBs Including Maharashtra as on 30.09.2017 is placed at Annexure-IV.

(e) No such proposal to waive off the interest on education loan is under consideration.

Annexure-I to reply of Lok Sabha Unstarred Question No. 676 for answer on 20th July, 2018 regarding education loan								
Bank-wise number of education loan accounts and amount of loan disbursed								
(No. of Accounts in actual and amount in Rs. crore)								
Banks	During Financial Year							
	2014-15		2015-16		2016-17		2017-18	
	Disbursed		Disbursed		Disbursed		Disbursed	
	No. of A/c	Amount Disbursed	No. of A/c	Amount Disbursed	No. of A/c	Amount Disbursed	No. of A/c	Amount Disbursed
State Bank of Bikaner & Jaipur	7998	63.03	7333	77.64	4263	69.50	0	0.00
State Bank of Hyderabad	5312	177.96	5186	183.57	3578	125.39	0	0.00
State Bank of India	85646	1245.76	79264	3249.00	62461	1376.77	320695	4146.58
State Bank of Mysore	9989	134.47	8571	136.23	7303	131.62	0	0.00
State Bank of Patiala	2398	72.74	2096	69.60	1433	53.05	0	0.00
State Bank of Travancore	23055	219.56	25663	129.33	5427	41.94	0	0.00
Allahabad Bank	14963	198.06	13871	146.37	18403	225.60	14623	268.40
Andhra Bank	26954	583.30	31170	872.01	23353	585.53	22296	610.80
Bank of Baroda	10519	241.37	17744	233.49	23601	192.48	22171	534.96
Bank of India	49428	582.05	44221	485.28	37899	449.50	35907	474.13
Bank of Maharashtra	8280	96.76	11717	196.33	10763	214.37	11943	8.02
BHARATIYA MAHILA BANK LTD.	164	3.01	166	3.16	74	1.84	0	0.00
Canara Bank	110672	1078.93	113623	1330.51	109571	1903.06	98400	1951.97
Central Bank of India	50496	559.40	44082	656.84	38904	513.62	34119	676.21
Corporation Bank	32426	338.99	8659	223.39	29264	874.59	27667	527.49
Dena Bank	3185	139.20	2652	101.33	1643	82.58	372	14.23
IDBI Bank Ltd.	5499	113.14	10803	299.48	10534	281.25	9705	260.48
Indian Bank	50339	350.23	34130	292.18	27641	407.53	26169	530.12
Indian Overseas Bank	25497	617.79	16184	579.02	10613	373.28	10034	430.64
Oriental Bank of Commerce	13317	246.76	18089	530.17	10804	245.99	13085	214.98
Punjab and Sind Bank	1357	53.85	1503	116.75	1146	99.30	1252	106.76
Punjab National Bank	45565	616.43	43092	701.31	42939	915.65	45476	1227.18
Syndicate Bank	15951	297.78	39088	663.91	37787	568.32	35619	549.37
UCO Bank	20344	246.68	16462	245.74	15172	318.22	14255	226.53
Union Bank of India	36991	553.14	57338	548.22	31306	548.99	13104	237.08
United Bank of India	5958	88.18	7044	89.74	7569	104.63	3349	65.23
Vijaya Bank	19382	271.89	25085	434.78	26278	471.31	26071	409.32
Axis Bank	8491	66.82	11802	173.95	14949	451.17	7778	498.24
Bandhan Bank	0	0.00	21410	22.15	20905	21.94	0	0.00
Catholic Syrian Bank	3912	109.42	495	15.14	426	10.92	261	8.37
City Union Bank	4208	36.80	2653	36.31	2746	29.83	2150	28.61
Development Credit Bank	204	4.79	336	7.04	186	5.07	222	8.23
Dhanlaxmi Bank	2631	27.51	2071	26.16	1048	10.27	874	12.24
Federal Bank	15774	152.28	13523	139.11	10128	116.95	8114	124.91
HDFC Bank	2611	47.23	3227	40.77	5353	69.31	4344	78.31
ICICI Bank	700	9.78	525	8.07	885	25.57	1782	64.24
IDFC Bank	0	0.00	0	0.00	2	0.18	0	0.00
Indusind Bank	8	0.06	5	0.02	12	0.09	14	0.10
ING Vysya Bank	4	0.61	0	0.00	0	0.00	0	0.00
Jammu & Kashmir Bank	2442	37.34	2026	31.33	1561	18.42	1594	21.09
Karnataka Bank	3073	41.46	3173	72.19	3117	81.44	3214	92.37
Karur Vysya Bank	1456	31.37	4077	68.67	3159	63.08	2590	53.69
Kotak Mahindra Bank	1175	12.79	77	0.82	1298	24.25	320	11.30
Lakshmi Vilas Bank	2420	49.76	1477	30.86	1000	19.25	670	12.57
Nainital Bank	336	8.57	299	8.35	74	2.17	71	1.79
Ratnakar Bank	6436	12.28	24350	33.37	7215	18.36	8538	24.90
South Indian Bank	10754	134.02	6059	84.49	3382	49.10	3260	79.45
Tamilnad Mercantile Bank	4325	34.16	3858	41.67	3110	34.27	2367	30.65
Yes Bank	2	0.04	0	0.00	1	0.10	2	0.10
Capital Small Finance Bank							2	0.16
ESAF Small Finance Bank							18333	37.79
Fincare Small Finance Bank							480	1.21
Ujjivan Small Finance Bank							45253	73.87
Total	752647	10007.53	786279	13435.86	680286	12227.62	898545	14734.67

Source: RBI

Annexure-II to reply of Lok Sabha Unstarred Question No. 676 for answer on 20th July, 2018 regarding Education Loan

State-wise number of education loan accounts and amount of loan disbursed

(No. of Accounts in acutal and amount in Rs. crore)

States	During Financial year							
	2014-15		2015-16		2016-17		2017-18	
	No. of A/c	Amount Disbursed	No. of A/c	Amount Disbursed	No. of A/c	Amount Disbursed	No. of A/c	Amount Disbursed
Andaman & Nicobar Island	82	1.93	93	2.71	89	2.19	175	2.69
Andhra Pradesh	50097	1392.65	41948	1285.55	38616	1032.21	49849	1174.23
Arunachal Pradesh	139	2.79	123	3.03	105	1.37	257	2.59
Assam	3542	44.81	5925	73.09	4296	58.98	7444	107.99
Bihar	27399	306.20	24842	282.69	21180	266.48	40502	432.84
Chandigarh	1456	49.81	1405	74.01	1606	64.30	2059	72.23
Chattisgarh	5484	65.58	6010	89.77	5813	86.44	9867	143.75
Dadra & Nagar Haveli	62	1.10	49	0.94	32	1.20	83	1.97
Daman & Diu	61	1.45	71	1.79	80	2.17	72	1.84
Delhi	9826	257.10	12182	388.63	12901	514.57	15856	568.38
Goa	848	18.83	937	27.58	1422	25.10	2783	57.14
Gujarat	12809	308.77	14888	344.89	14400	359.23	23081	669.87
Haryana	9014	196.77	9978	298.20	9062	261.65	11823	331.31
Himachal Pradesh	4601	56.37	4364	69.25	4204	61.80	5716	81.70
Jammu & Kashmir	3156	42.99	2733	49.89	2135	29.15	2946	48.30
Jharkhand	10988	138.55	11418	180.46	10390	156.14	20142	331.79
Karnataka	69386	1038.74	76964	1448.13	82800	1768.16	108460	1798.65
Kerala	109882	1195.76	108719	1171.98	79050	1035.84	121573	1379.23
Lakshadweep	15	0.32	11	0.17	9	0.13	588	8.29
Madhya Pradesh	22111	248.12	23631	695.34	23243	322.82	32427	521.41
Maharashtra	62549	963.43	88547	1561.06	64830	1301.81	89064	1633.53
Manipur	331	5.11	249	6.11	221	4.73	402	8.00
Meghalaya	391	6.93	451	8.87	488	10.37	1718	24.85
Mizoram	171	2.04	155	3.92	80	1.25	180	1.49
Nagaland	111	2.21	87	1.80	73	1.35	1242	24.73
Orissa	13435	155.99	13196	206.59	13795	196.27	22314	293.18
Puducherry	3310	29.47	2499	31.68	1989	31.35	4601	51.10
Punjab	9221	253.98	10578	377.74	9956	387.39	14779	466.41
Rajasthan	18119	210.04	18726	354.61	15137	268.48	21506	387.33
Sikkim	150	2.51	481	4.40	293	3.09	1792	61.06
Tamil Nadu	247652	2222.51	194767	2056.00	156242	1832.24	188700	1932.82
Telangana		0.00	28982	1170.33	24438	887.28	31315	973.32
Tripura	1232	12.36	14851	31.91	9417	20.27	2396	17.32
Uttarakhand	9230	134.40	10440	178.67	5348	104.24	18516	358.38
Uttar Pradesh	28817	411.75	31804	594.96	36556	586.80	32821	596.71
West Bengal	16970	226.16	24175	359.11	29990	540.80	11496	168.20
TOTAL	752647	10007.53	786279	13435.86	680286	12227.62	898545	14734.67

Source: RBI

Annexure-III to reply of Lok Sabha Unstarred Question No. 676 for answer on 20th July, 2018 regarding education loan.

Bank-wise position of NPA of PSBs under Education Loan as on 31.03.2018

	Name of the Bank	NPA Position	
		No. of A/Cs	Amt. in Cr.
1	Allahabad Bank	2895	47.83
2	Andhra Bank	4122	62.07
3	Bank of Baroda (PROVISIONAL)	14334	256.82
4	Bank of India	17926	325.20
5	Bank of Maharashtra	4775	87.96
6	Canara Bank	34138	345.19
7	Central Bank of India	18635	379.12
8	Corporation Bank	8777	177.63
9	Dena Bank	3583	60.59
10	IDBI Bank	1673	39.75
11	Indian Bank	37400	687.10
12	Indian Overseas Bank	38117	524.64
13	Oriental Bank of Commerce	6162	140.43
14	Punjab & Sind Bank	830	20.53
15	Punjab National Bank	24883	686.68
16	State Bank of India	67215	1550.58
17	Syndicate Bank	21611	322.40
18	UCO Bank	15740	350.36
19	Union Bank of India	14672	255.31
20	United Bank of India	1856	46.93
21	Vijaya Bank (PRE AUDIT)	4779	67.50
	Total	3,44,123	6434.62

Source: IBA

Annexure-IV to reply of Lok Sabha Unstarred Question No. 676 for answer on 20th July, 2018 regarding education loan

State-wise NPA of PSBs as on 30.09.2017		
State/Union Territories	No. of A/Cs	Amount in Crore
NORTH EASTERN REGION	1639	41
Assam	1083	27
Meghalaya	95	3
Mizoram	48	2
Arunachal Pradesh	49	1
Nagaland	34	1
Manipur	84	2
Tripura	246	5
EASTERN REGION	28060	695
Bihar	9660	275
Jharkhand	3173	86
West Bengal	5815	116
Sikkim	24	0
Andaman& Nicobar Island	26	0
CENTRAL REGION	18475	379
Uttar Pradesh	10532	234
Uttarakhand	769	17
Madhya Pradesh	6124	106
Chattisgarh	1050	23
NORTHERN REGION	10344	230
Delhi	1265	31
Punjab	1933	47
Haryana	2571	57
Chandigarh	146	4
Jammu & Kashmir	215	5
Himachal Pradesh	393	10
Rajasthan	3828	77
WESTERN REGION	20184	367
Gujarat	2537	46
Maharashtra	17509	318
Daman & Diu	6	0
Goa	112	2
Dadra & Nagar Haveli	20	1
SOUTHERN REGION	266634	4644
Andhra Pradesh	11884	213
Telangana	3743	81
Karnataka	23874	415
Lakshadweep	0	0
Tamilnadu	171774	2659
Kerala	52802	1230
Pondicherry	2557	47
TOTAL of all regions	345340	6356
Source: IBA		