

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO. 267
TO BE ANSWERED ON THE 24th JUNE, 2019, ASHADHA 3, 1941 (SAKA)
EDUCATION LOAN**

**267. SHRI BHARTRUHARI MAHTAB:
SHRI RAHUL RAMESH SHEWALE:**

Will the **Minister of Finance** be pleased to state:

- (a) the details of the instructions/guidelines issued by the Government/Reserve Bank of India to the banks including State Bank of India (SBI) for granting education loans for pursuing higher education;
- (b) whether SBI and a few other nationalised banks are not granting education loan for post-graduation diploma courses conducted by colleges and approved by AICTE, if so, the reasons therefor;
- (c) whether as a result thereof the students particularly those belonging to SC/ST and poor class families are being exploited by the private banks by charging higher interest rates;
- (d) if so, the details thereof along with the corrective steps taken by the Government in this regard; and
- (e) the details of the education loans sanctioned and disbursed by the SBI for pursuing degree and diploma courses inside and outside the country during each of the last three years and the current year, State-wise?

**ANSWER
(FINANCE MINISTER)
(SMT NIRMALA SITHARAMAN)**

(a) The Reserve Bank of India has advised all Scheduled Commercial Banks to adopt Education Loan Scheme, formulated by Indian Banks' Association (IBA), vide circular RPCD.PLNFS. BC. NO.83/06.12.05/2000-01 dated April 28, 2001.

IBA has formulated and circulated to all member banks including State Bank of India (SBI) a 'Model Education Loan Scheme' for providing financial support to meritorious students for pursuing higher education in India and abroad. Salient features of the scheme inter-alia include;

- I. Loan upto Rs 10 lakh for study in India and upto Rs 20 lakh for study abroad.

- II. Collateral free loans upto Rs 7.5 Lakh under the Credit Guarantee Fund Scheme for Education Loans (CGFSEL).
- III. No Margin for loan up to Rs 7.50 Lakh.
- IV. Repayment period of 15 years
- V. One year moratorium for repayment after completion of studies in all cases,
- VI. Moratorium taking into account spells of unemployment/under-employment, say two or three times during the life cycle of the loan
- VII. Moratorium for the incubation period if the student wants to take up a start-up venture after graduation.

The IBA scheme provides broad guidelines to the banks to operationalise the educational loan scheme. However, the implementing banks may vary their products as may be required.

(b) to (d): As per IBA Model Scheme, approved courses leading to graduate/ post graduate degree and P G Diploma conducted by Colleges/ Universities recognized by the University Grants Commission, the All India Council for Technical Education, the Indian Council of Medical Research, etc. are eligible for education loan.

SBI and other nationalised banks are granting education loan for post-graduation diploma courses conducted by the colleges and approved by AICTE without any discrimination.

(e) As per the information furnished by SBI, the state-wise-wise education loan sanctioned and disbursed by SBI for pursuing degree and diploma courses inside and outside the country during each of the last three years and the current year are at Annexure I & II.

Annexure I to reply of Lok Sabha Unstarred Question No. 267 for answer on 24th June, 2019 regarding education loan

State-wise Education loans sanctioned by the SBI for pursuing degree and diploma courses inside and outside the country during each of the last three years and the current year

STATENAME	Amount in Crore															
	FY-16-17				FY-17-18				FY-18-19				FY-19-20 (upto 14.06.19)			
	Studies in India		Studies Abroad		Studies in India		Studies Abroad		Studies in India		Studies Abroad		Studies in India		Studies Abroad	
	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
ANDAMAN AND NICOBAR	25	1.07	5	1.15	27	1.25	5	1.02	19	1.05	3	0.71	4	0.22	1	0.30
ANDHRA PRADESH	2947	163.97	1536	310.07	3249	185.60	1059	241.55	5591	387.08	1728	429.92	755	79.09	184	53.05
ARUNACHAL PRADESH	27	0.89	0	0.00	40	1.40	2	0.21	34	1.42	1	0.21	9	0.44	0	0.00
ASSAM	907	39.41	101	22.73	1174	56.23	124	25.10	880	47.71	100	20.25	132	8.05	9	1.88
BIHAR	1939	81.94	86	17.56	4642	161.10	124	21.07	1082	56.17	89	21.27	98	8.47	15	4.59
CHANDIGARH	137	10.05	131	27.83	122	8.19	87	18.81	162	12.60	121	26.43	37	4.02	23	7.19
CHATTISGARH	1027	44.60	108	25.23	1038	51.40	89	20.29	929	45.36	105	27.64	184	12.74	14	3.32
DADRA AND NAGAR HAVELI	4	0.37	1	0.20	4	0.22	0	0.00	13	0.87	2	0.79	4	0.44	1	0.18
DAMAN AND DIU	3	0.17	2	0.34	7	0.44	5	1.24	5	0.39	8	1.32		0.00		0.00
DELHI	1452	93.74	422	107.45	1635	111.40	439	113.64	1394	107.14	395	113.79	229	25.08	88	21.94
GOA	209	19.01	29	4.74	284	31.42	37	8.17	407	50.94	29	8.25	72	9.34	4	1.75
GUJRAT	1357	125.89	517	104.57	2052	168.38	910	195.66	2336	243.01	1314	289.48	570	89.68	296	70.00
HARYANA	832	49.29	314	67.17	1027	74.47	324	78.10	1033	74.98	405	113.81	229	26.10	79	18.82
HIMACHAL PRADESH	463	20.99	71	10.59	448	23.09	74	12.35	389	20.98	92	17.96	68	5.39	13	2.15
JAMMU AND KASHMIR	140	7.20	53	10.11	175	12.41	46	8.65	126	8.70	61	11.14	17	1.29	11	1.32
JHARKHAND	2035	142.21	73	16.35	1816	132.22	63	15.93	1687	137.03	69	15.91	284	36.33	15	3.29
KARNATAKA	3912	165.33	1297	355.27	3439	170.62	990	305.71	3896	226.26	1103	363.95	616	59.16	237	89.36
KERALA	6989	281.42	861	161.10	4999	219.79	842	183.39	6608	309.70	1465	362.39	1443	79.75	355	91.04
LAKSHADWEEP		0.00		0.00	1	0.07	0	0.00		0.00		0.00		0.00		0.00
MADHYA PRADESH	2783	135.21	379	98.10	2717	145.07	349	85.45	2476	168.27	341	92.88	513	52.57	65	18.62
MAHARASHTRA	5567	243.07	1474	364.25	5000	243.19	1303	379.14	6168	340.45	1437	465.40	928	83.19	194	61.67
MANIPUR	31	1.49	8	0.77	35	1.36	9	1.03	48	1.87	5	0.83	2	0.11	1	0.10
MEGHALAYA	359	14.73	10	1.64	353	20.34	16	3.26	267	16.48	9	1.37	15	0.88	0	0.00
MIZORAM	11	0.34	0	0.00	12	0.36	0	0.00	6	0.21	3	0.56	0	0.00	1	0.14
NAGALAND	29	1.01	0	0.00	31	1.18	2	0.28	17	0.68	5	0.97	3	0.12	0	0.00
ODISHA	1304	85.25	85	18.64	1241	71.10	79	19.94	1739	123.72	98	25.38	505	60.87	13	5.57
PONDICHERRY	82	3.87	32	6.44	117	5.00	13	2.81	248	10.62	31	8.18	42	1.92	9	1.68
PUNJAB	866	50.17	919	119.53	653	42.54	502	78.46	777	81.77	628	108.77	182	26.23	113	19.87
RAJASTHAN	2352	146.32	212	44.22	1762	123.10	233	62.94	1806	145.04	310	81.59	247	22.65	49	14.70
SIKKIM	11	0.76	3	0.60	15	0.61	2	0.40	12	0.45	1	0.07	1	0.04	0	0.00
TAMILNADU	3613	126.17	880	209.77	3280	125.22	842	221.06	5414	214.43	991	280.72	1282	78.26	151	45.57
TELANGANA	1880	137.74	1816	331.55	2007	174.29	1030	221.14	2631	273.20	1487	383.62	394	41.95	184	54.30
TRIPURA	187	7.44	7	1.59	146	6.45	5	1.07	136	5.19	7	1.78	29	0.96	0	0.00
UTTAR PRADESH	2271	145.19	247	56.28	2292	164.72	269	68.48	2397	192.81	270	75.50	346	33.79	45	12.07
UTTARAKHAND	783	48.67	84	17.28	858	60.14	87	18.84	803	61.54	101	27.47	92	7.83	15	4.31
WEST BENGAL	2593	147.30	178	33.01	2662	161.68	193	41.11	2573	176.41	211	50.54	491	45.21	34	7.73
Grand Total	49127	2542.28	11941	2546.11	49360	2756.04	10154	2456.29	54109	3544.54	13025	3430.85	9823	902.18	2219	616.51

Source: SBI

Annexure II to reply of Lok Sabha Unstarred Question No. 267 for answer on 24th June, 2019 regarding education loan

State-wise Education loans disbursed by the SBI for pursuing degree and diploma courses inside and outside the country during each of the last three years and the current year																
Amount in crore																
STATENAME	FY-16-17				FY-17-18				FY-18-19				FY-19-20 (upto 14.06.19)			
	Studies in India		Studies Abroad		Studies in India		Studies Abroad		Studies in India		Studies Abroad		Studies in India		Studies Abroad	
	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
ANDAMAN AND NICOBAR	23	0.90	5	1.07	26	1.04	5	0.94	19	0.45	3	0.45	3	0.07	1	0.03
ANDHRA PRADESH	2861	127.32	1425	213.23	3186	122.89	1026	153.22	5479	161.06	1678	185.58	642	21.88	87	6.88
ARUNACHAL PRADESH	26	0.74	0	0.00	39	1.11	2	0.21	34	0.70	1	0.15	9	0.23	0	0.00
ASSAM	890	33.24	97	16.29	1152	38.56	121	16.99	860	20.70	96	9.99	111	2.33	7	0.60
BIHAR	1905	69.57	84	13.53	4538	109.49	116	13.78	1040	27.39	83	10.00	80	2.68	10	0.59
CHANDIGARH	130	7.57	121	17.81	117	6.05	84	11.14	158	6.21	109	10.91	34	1.43	18	1.37
CHATTISGARH	1007	35.90	102	16.91	1022	36.12	83	14.33	912	22.66	99	12.81	170	4.21	8	0.77
DADRA AND NAGAR HAVELI	4	0.22	1	0.20	4	0.18	0	0.00	13	0.47	2	0.25	4	0.15	1	0.04
DAMAN AND DIU	3	0.14	2	0.23	7	0.34	5	1.10	5	0.09	8	0.54		0.00		0.00
DELHI	1398	75.47	402	69.93	1606	77.24	414	69.58	1366	49.24	388	48.36	200	6.39	72	3.94
GOA	200	12.64	24	3.48	275	17.04	35	6.02	366	15.28	27	4.21	67	2.85	3	0.29
GUJRAT	1308	96.52	488	66.83	1984	113.41	856	114.26	2278	112.18	1223	117.99	500	17.32	222	18.80
HARYANA	801	39.55	294	40.80	1002	53.13	315	41.85	1002	36.82	384	40.82	193	7.02	55	3.49
HIMACHAL PRADESH	453	15.34	67	7.56	440	16.32	73	9.45	383	9.07	91	8.27	55	1.34	10	0.68
JAMMU AND KASHMIR	135	6.03	49	6.60	170	9.63	43	6.41	115	4.28	57	5.50	17	0.64	10	0.68
JHARKHAND	2000	118.17	73	12.53	1777	96.05	60	10.46	1623	61.61	53	7.78	200	7.64	6	0.45
KARNATAKA	3774	127.54	1240	227.74	3369	118.14	960	188.16	3801	99.14	1057	148.74	473	14.58	124	9.17
KERALA	6767	207.73	820	109.66	4913	143.64	801	112.37	6373	133.82	1383	150.79	1146	20.00	267	21.15
LAKSHADWEEP		0.00		0.00	1	0.04	0	0.00		0.00		0.00		0.00		0.00
MADHYA PRADESH	2713	108.96	365	64.03	2673	102.01	338	56.97	2432	82.96	334	42.45	409	18.12	42	3.64
MAHARASHTRA	5446	202.36	1403	254.54	4919	178.59	1257	244.83	6057	168.37	1385	199.10	816	29.86	128	10.71
MANIPUR	30	1.31	7	0.67	33	1.15	9	0.84	46	1.01	5	0.57	2	0.04	1	0.06
MEGHALAYA	359	12.25	10	1.30	343	13.59	15	2.84	261	8.12	9	0.92	11	0.27	0	0.00
MIZORAM	9	0.30	0	0.00	11	0.23	0	0.00	6	0.10	3	0.30	0	0.00	1	0.06
NAGALAND	27	0.88	0	0.00	31	0.81	2	0.26	16	0.36	5	0.84	3	0.05	0	0.00
ODISHA	1266	72.59	80	12.79	1215	53.02	77	15.09	1699	67.46	95	13.57	441	26.06	6	0.62
PONDICHERRY	80	3.10	31	4.61	113	3.37	11	1.51	240	4.33	28	3.25	34	0.52	6	0.44
PUNJAB	805	37.57	793	67.02	632	28.98	480	43.81	742	38.27	602	42.63	158	9.83	96	6.32
RAJASTHAN	2212	107.44	197	30.12	1716	77.88	223	36.26	1744	55.77	295	33.71	195	6.26	33	2.12
SIKKIM	11	0.55	3	0.47	15	0.44	2	0.09	12	0.16	1	0.07	1	0.02	0	0.00
TAMILNADU	3537	102.12	846	147.68	3216	86.29	826	148.64	5349	97.93	977	137.66	1164	24.63	131	11.74
TELANGANA	1778	108.93	1646	212.64	1927	120.63	949	131.69	2518	122.62	1396	150.18	322	12.66	121	8.88
TRIPURA	183	5.69	7	1.57	144	4.42	5	0.71	129	2.31	7	0.97	28	0.30	0	0.00
UTTAR PRADESH	2203	114.43	242	40.68	2245	111.40	261	42.14	2345	86.39	257	37.17	304	10.95	40	3.13
UTTARAKHAND	767	39.31	81	11.18	838	39.12	82	12.19	779	26.29	97	11.26	82	2.47	11	0.79
WEST BENGAL	2505	116.03	164	24.03	2581	113.26	183	27.99	2487	85.44	201	27.58	409	13.39	27	1.78
Grand Total	47616	2008.42	11169	1697.71	48280	1895.64	9719	1536.13	52689	1609.08	12439	1465.36	8283	266.17	1544	119.23

Disbursement details are inclusive of accounts opened during previous years and partial amount disbursed during current (reporting) year.

Source: SBI