

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

**STARRED QUESTION NO. \*264**

**TO BE ANSWERED ON THE 15<sup>th</sup> MARCH, 2021, PHALGUNA 24, 1942 (SAKA)**

**EDUCATION LOANS**

**\*264. KARTI P. CHIDAMBARAM:**

Will the Minister of FINANCE be pleased to state:

- (a) the number and amount of outstanding education loans and Non-Performing Assets (NPAs) in education loans in the country, State-wise and stream-wise;
- (b) the total amount of education loans and NPAs vis-a-vis other types of loans and NPAs;
- (c) whether there has been a sharp increase in the education NPAs during the last few years;
- (d) if so; details thereof and the reasons therefor;
- (e) the reasons for rising education NPAs and far greater NPAs in some streams;
- (f) whether any private entities are involved in the process of loan collection and if so, details thereof;
- (g) whether the Government has received any complaints of excess pressure or strong-arming against education loan collectors;
- (h) whether the Government is considering any aid to students struggling to pay loans in the current job situation, particularly waiver of student loans; and
- (i) if so, the details thereof and if not, the reasons therefor?

**ANSWER**

FINANCE MINISTER  
(SMT. NIRMALA SITHARAMAN)

(a) to (i): A Statement is laid on the Table of the House.

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**STATEMENT REFERRED TO IN REPLY TO PART (a) TO (i) OF LOK SABHA STARRED QUESTION NUMBER \*264 FOR 15<sup>th</sup> MARCH, 2021 REGARDING EDUCATION LOANS BY SHRI KARTI P. CHIDAMBARAM**

(a)& (b): The State-wise details of number and amount of outstanding loans and Non-Performing Assets (NPAs) in respect of education loans are placed as Annexure-I. Details of Streamwise number and amount of outstanding loans and NPAs as on 31-12-2020 towards education loans are at Annexure-II. As per RBI details of NPAs under Education Loans scheme vis-à-vis other types of loans are given in Annexure-III.

(c), (d) & (e): Statement showing stream-wise position of NPAs during the last three financial years (2017-18 to 2019-20) is placed at Annexure-IV. The NPA level in respect of Education Loans has come down from 8.11% as on 31.03.2018 to 7.61% as on 31.03.2020.

(f) &(g): Some Public Sector Banks have on occasions engaged private entities for effecting recovery. The recovery process for NPA accounts is regulated as per RBI guidelines dated 24-04-2008, through which the RBI advised banks, inter-alia, to ensure that the contracts with the recovery agents do not induce adoption of uncivilized, unlawful and questionable behaviour or recovery process. Further, the guidelines provide that the Banks, as principals, shall be held responsible for the actions of their agents. Hence, they are to ensure that agents are properly trained to handle their responsibilities with care and sensitivity for recovery of dues. Government has also sensitized the Public Sector Banks to adopt a non-coercive strategy for recovery of education loans. Grievances received in this regard are dealt with as per extant procedures for resolution.

(h) & (i): In order to help the borrowers to tide over difficulties in the wake of Covid 19 pandemic, RBI allowed moratorium of six months on payment of all instalments falling due between March 1, 2020 and August 31, 2020 without an asset classification downgrade to borrowers which include Education Loans also. Further, RBI, vide circular dated 6 August, 2020, provided a framework for resolution of stressed assets to enable the lenders to implement a resolution plan in respect of personal loans, including education loans, covering grant of moratorium of up to two years while classifying them as standard subject to certain conditions. Further, the Government provided ex-gratia relief by way of payment of difference between compound interest and simple interest, on the outstanding as on 29.2.2020, of eligible borrowers in the specified loan accounts, including education loans, for the period of six

months from 1.3.2020 to 31.8.2020.

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**Annexure-I to reply to Lok Sabha Starred Question No. 264 for answer on 15.03.2021**

<b>State-wise number and amount of outstanding education loans and Non-performing Assets (NPAs) as on 31.12.2020</b>					
	Amount Rs in Crore				
	<b>Loan Outstanding</b>		<b>NPA</b>		<b>Percentage of NPA</b>
	A/cs	Amount	A/Cs	Amount	
<b>NORTH EASTERN REGION</b>					
Assam	12840	461.80	1151	30.60	6.63
Meghalaya	3504	132.73	174	5.03	3.79
Mizoram	324	12.64	43	1.59	12.56
Arunachal Pradesh	407	37.88	46	1.67	4.42
Nagaland	350	13.73	27	0.77	5.59
Manipur	832	36.20	87	3.19	8.80
Tripura	4123	112.92	454	11.58	10.26
<b>Total</b>	<b>22380</b>	<b>807.90</b>	<b>1982</b>	<b>54.42</b>	<b>6.74</b>
<b>EASTERN REGION</b>					
Bihar	105043	3524.88	24384	908.16	25.76
Jharkhand	61332	2831.17	6235	232.53	8.21
West Bengal	63327	2505.44	5506	159.30	6.36
Odisha	51943	1732.59	5341	210.29	12.14
Sikkim	713	19.56	18	0.42	2.15
Andaman & Nicobar	485	23.68	20	0.53	2.24
<b>Total</b>	<b>282843</b>	<b>10637.32</b>	<b>41504</b>	<b>1511.23</b>	<b>14.21</b>
<b>CENTRAL REGION</b>					
Uttar Pradesh	119171	4319.08	11186	287.42	6.65
Uttarakhand	20982	851.79	1209	32.60	3.83
Madhya Pradesh	86987	2937.96	8639	186.00	6.33
Chattisgarh	19574	720.00	1514	35.37	4.91
<b>Total</b>	<b>246714</b>	<b>8828.83</b>	<b>22548</b>	<b>541.39</b>	<b>6.13</b>
<b>NORTHERN REGION</b>					
Delhi	35361	2191.02	1451	43.64	1.99
Punjab	29934	1748.48	1849	52.63	3.01
Haryana	33517	1644.69	3654	100.84	6.13
Chandigarh	4232	281.65	154	4.05	1.44
Jammu & Kashmir	14323	518.36	501	11.94	2.30
Ladakh	40	1.17	0	0.00	0.00
Himachal Pradesh	16201	505.92	884	26.70	5.28
Rajasthan	45407	2015.72	2483	61.23	3.04
<b>Total</b>	<b>179015</b>	<b>8907.01</b>	<b>10976</b>	<b>301.03</b>	<b>3.38</b>
<b>WESTERN REGION</b>					
Gujarat	48437	3291.33	1902	47.31	1.44
Maharashtra	224276	9534.49	22276	448.00	4.70
Dadar Nagar Haveli & Daman & Diu	465	19.28	11	0.22	1.14
Goa	7593	388.93	392	16.96	4.36
<b>Total</b>	<b>280771</b>	<b>13234.03</b>	<b>24581</b>	<b>512.49</b>	<b>3.87</b>
<b>SOUTHERN REGION</b>					
Andhra Pradesh	111822	6741.70	5786	115.23	1.71
Telangana	63534	4773.93	2953	75.33	1.58
Karnataka	256219	8040.76	28694	495.69	6.16
Lakshadweep	19	0.59	0	0.00	0.00
Tamilnadu	697066	17193.58	168410	3490.75	20.30
Kerala	325703	10236.12	54519	1396.23	13.64
Puducherry	18311	481.80	4307	93.31	19.37
<b>Total</b>	<b>1472674</b>	<b>47468.48</b>	<b>264669</b>	<b>5666.54</b>	<b>11.94</b>
<b>G.Total</b>	<b>2484397</b>	<b>89883.57</b>	<b>366260</b>	<b>8587.10</b>	<b>9.55</b>

*Source: State Level Bankers' Committee*





Annexure-II to reply to Lok Sabha Starred Question No.264 for answer on 15<sup>th</sup> March, 2021

**Stream-wise number and amount of outstanding education loans and  
Non-performing Assets (NPAs) as on 31.12.2020**

Stream	Loan Outstanding		NPAs		Percentage of NPAs
	No.	Amount (Rs in Crore)	No.	Amount (Rs in Crore)	
Medical Profession	156338	10147.05	17676	633.15	6.23
Engineering	1023968	33315.64	176256	4041.68	12.13
Nursing Courses	123359	3674.68	22013	520.16	14.15
MBA	216623	9541.36	28736	685.51	7.18
Others	813979	28286.43	107238	2383.34	8.42

*Source: State Level Bankers' Committee*

**Annexure-III to reply to Lok Sabha Starred Question No. 264 for answer on 15.03.2021**

**Percentage of NPAs under Education Loans vis-a vis other type of loans**

(In percent)

<b>As on</b>	<b>Education</b>	<b>Housing</b>	<b>Vehicle Loans</b>	<b>Consumer Durables</b>	<b>Other Retail Loans</b>	<b>Agriculture &amp; Allied</b>	<b>Industry</b>
31.03.2018	8.11	1.56	1.96	1.99	2.19	7.84	21.14
31.03.2019	8.29	1.43	1.82	4.53	2.06	8.96	16.66
31.03.2020	7.61	1.61	1.68	6.91	1.52	10.33	13.60

**Source: RBI**

**Annexure-IV to reply to Lok Sabha Starred Question No. 264 for answer on 15th March, 2015**

<b>Stream-wise percentage of NPAs for the last three years in respect of Education Loan.</b>					
<b>AS on</b>	<b>Medical Profession</b>	<b>Engineering</b>	<b>Nursing</b>	<b>MBA</b>	<b>Other Professions</b>
31.03.2018	5.51	7.73	12.96	6.21	7.26
31.03.2019	10.27	10.61	15.76	8.37	12.40
31.03.2020	7.60	13.67	15.18	7.43	11.02

**Source: State Level Bankers' Committee**