

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 1126**  
ANSWERED ON THE JULY 29, 2024, SHRAVAN 7, 1946 (SAKA)

**EDUCATION LOAN**

1126. SHRI BALWANT BASWANT WANKHADE:

SHRI E T MOHAMMED BASHEER:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Banks in Maharashtra make it a very arduous task for the students to avail education loan;
- (b) if so, the details thereof;
- (c) the corrective steps taken/being taken by the Government in this regard;
- (d) the number of students not able to complete their studies due to difficulty in availing education loan in Maharashtra;
- (e) the steps taken by the Government to ensure that the education loan is provided to all the students in a timely manner; and
- (f) the bank-wise details and district-wise total number of students who applied for education loan and loan distributed by banks in Maharashtra during the year 2022-23, bank-wise?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) to (e) All Scheduled Commercial Banks (SCBs) have been advised by Reserve Bank of India to adopt Model Education Loan Scheme, formulated by Indian Banks' Association (IBA). The main features of the scheme are as under:

- The scheme provides need-based education loan.
- No collateral security or third-party guarantee is required for loans amount up to Rs. 7.50 lakhs, provided they are eligible for Central Sector Interest Subsidy Scheme (CSIS)/ Credit Guarantee Fund Scheme for Education loan (CGFSEL)
- No Margin for loans up to Rs. 4 lakhs.
- Moratorium period is allowed upto study period plus one year in all cases.
- Repayment period (after moratorium) is available upto 15 years for all loans.

Further, as per the information furnished by Public Sector Banks, there has been steady growth in the number of accounts of education loan and the total amount of loan disbursed in the state of Maharashtra. While, the number of accounts of education loan has gone up from

48,128 in FY 2021-22 to 72,971 in FY 2023-24, indicating a growth of 51.62% during this period, the total amount of loan disbursed has gone up from Rs.2025.91 crore to Rs.3443.76 crore indicating a growth of 70% during the same period.

Government of India has also launched an online portal viz; Vidya Lakshmi Portal (VLP) to ensure hassle free education loans through a single window system to students. Student can apply, view, and track the education loan applications submitted to banks anytime, anywhere by accessing the portal.

As per the IBA Model Education Loan Scheme, rejection of loan application by a bank, if any, shall be done with the concurrence of the next higher authority and conveyed to the student stating reason for rejection. This ensures a second level scrutiny of rejection so that none of the eligible loan proposals are rejected under this scheme.

(f) The district-wise total number of students who applied for education loan is not centrally maintained. However, bank-wise distribution of education loan in the state of Maharashtra is provided in the Annexure.

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**Annexure as referred to in Part (f) of the reply to the Lok Sabha Unstarred Question  
number 1126**

<b>Education Loan Disbursed in the State of Maharashtra during the FY 2022-23</b>			
<b>State</b>	<b>Bank</b>	<b>No. of A/c</b>	<b>Amount Disbursed (Rs. In crore)</b>
<b>Maharashtra</b>	Bank of Baroda	6889	467.51
	Bank of India	8874	194.68
	Bank of Maharashtra	9850	342.1
	Canara Bank	2767	157.18
	Central Bank of India	2802	111.51
	Indian Bank	1194	247.93
	Indian Overseas Bank	385	11.66
	Punjab National Bank	1583	109.64
	Punjab & Sind Bank	107	7.69
	State Bank of India	22626	1156.1
	UCO Bank	220	9.79
Union Bank of India	4968	224.42	
	<b>TOTAL</b>	<b>62,265</b>	<b>3040.21</b>