

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. †1102

TO BE ANSWERED ON THE 22nd APRIL, 2016, ASHADHA31, 1938 (SAKA)

EDUCATIONAL LOAN

†1102. SHRI PRATAPRAO JADHAV:

SHRI RAM TAHAL CHOUDHARY:

DR.C. GOPALAKRISHNAN:

SHRI K.R.P. PRABAKARAN:

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

- (a) the number of students benefited, percentage of educational loan disbursed/ outstanding and interest being charged by the public/private sector banks from the students of the General, Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs), Below Poverty Line (BPL) and minority communities, State/UT and Bank-wise during each of the last three years and the current year;
- (b) whether the banks have followed the guidelines/criteria issued by the Reserve Bank of India(RBI) in this regard, if so, the details thereof along with the detailed guidelines/criteria in this regard;
- (c) whether the Government is considering dispensing with the condition/ requirement of taking any guarantee, surety, income certificate, etc. for advancing educational loan, if so, the details thereof;
- (d) whether the Government has received complaints against banks for denial of loans to the students and irregularities in loans and if so, the details thereof during the last three years, State/UT and bank-wise and;
- (e) the steps taken by the Government to simplify the process of raising educational loan and to redress the grievances of the students in this regard?

ANSWER

(MINISTER OF STATE IN THE MINISTRY OF FINANCE)

(SHRI SANTOSH KUMAR GANGWAR)

(a) As per the information furnished by RBI, the bank-wise/state-wise number of education loan accounts and outstanding education loan reported and classified as priority sector advances by public sector banks and private sector banks for the years ending on 31st March 2013, 31st March, 2014 and 31st March, 2015 are at Annexure I/Annexure II, respectively. Interest being charged by the banks are uniform for the General, Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs), Below Poverty Line (BPL) and minority communities students. Some of the banks give concession in interest rate to girl students and for servicing of interest during the moratorium period. Annexure III gives the interest being charged by different banks.

(b) All Scheduled Commercial Banks have adopted and implemented the Indian Banks' Association (IBA) Model Educational Loan Scheme for providing education loan for pursuing higher education in India and abroad. All the Banks are following guidelines issued by IBA/RBI which are as under:

(i) Loan to individuals for educational purposes including vocational courses upto Rs.10 lakh irrespective of the sanctioned amount will be eligible for priority sector lending. It would, however, be open to banks to consider higher quantum of loan for educational purpose.

(ii) All banks are mandated not to accept collateral security for educational loans upto Rs.4 lakh.

(iii) Banks have been advised not to reject any educational loan application for reasons that the residence of the borrower does not fall under the bank's service area.

(c) All education loans upto Rs 4 lakh are collateral free as per RBI guidelines. Further, Government of India has launched a Credit Guarantee Fund Scheme for Education Loans (CGFEL) wherein no collateral security/third party guarantee is required for loans upto Rs 7.50 Lakh

(d) Complaints regarding educational loans, as and when received by the Government, are taken up with banks concerned for corrective action. As informed by Public Sector Banks, during 2015-16, 4555 complaints related to education loans were received, out of which 4476 were disposed off.

(e) In order to simplify the process of raising educational loans, Vidya Lakshmi Portal (VLP) (<https://www.vidyalakshmi.co.in>) has been launched by the Government. Students can view, apply and track the education loan applications made to banks anytime, anywhere by accessing the portal.

Annexure-I to reply of Lok Sabha UnStarred Question No. 1102 for answer on 22nd July, 2016

Bank-wise number of education loan accounts and amount outstanding in Rs 'Crore'						
	31.03.2013		31.03.2014		31.03.2015	
Bank	No. of Accounts	Amount Outstanding	No. of Accounts	Amount Outstanding	No. of Accounts	Amount Outstanding
State Bank of Bikaner & Jaipur	21915	560.81	22151	494.15	20930	460.36
State Bank of Hyderabad	50615	1068.19	47662	1040.14	46484	1128.11
State Bank of India	586560	12625.64	579351	13342.85	549002	13214.29
State Bank of Mysore	29740	593.89	28433	614.99	29136	625.61
State Bank of Patiala	14816	252.70	15666	437.21	15857	479.51
State Bank of Travancore	109705	2379.27	104959	2453.48	88485	2169.38
Allahabad Bank	46740	1241.59	48083	1334.78	47435	1327.29
Andhra Bank	60712	1343.06	57251	1409.24	52424	1603.38
Bank of Baroda	87602	1905.27	88353	1995.00	86988	2011.21
Bank of India	122833	2329.34	134533	2597.42	135413	2871.69
Bank of Maharashtra	27121	544.24	29746	622.71	29278	671.48
BHARATIYA MAHILA BANK LTD.	0	0.00	0	0.00	152	2.69
Canara Bank	217406	4260.45	249915	4689.65	272733	5255.30
Central Bank of India	109762	2524.68	123049	3072.07	121431	2881.59
Corporation Bank	53806	1212.54	64484	1322.59	63724	1391.74
Dena Bank	14821	291.56	16512	325.49	17135	364.10
IDBI Bank Ltd.	6729	172.27	9629	257.67	13111	370.83
Indian Bank	199390	3259.34	177845	3275.19	170860	3023.80
Indian Overseas Bank	201245	2894.40	218944	3533.91	230555	3843.77
Oriental Bank of Commerce	47968	1171.66	47500	1200.91	46420	1201.32
Punjab and Sind Bank	7003	219.10	7110	231.79	7094	240.40

Punjab National Bank	151843	3383.54	157634	3651.15	157626	4211.65
Syndicate Bank	110916	2398.06	113955	2610.84	113673	2657.93
UCO Bank	55201	1194.02	58998	1319.91	60760	1373.55
Union Bank of India	87389	1906.35	91385	2038.49	94812	2219.98
United Bank of India	22990	524.00	22522	512.41	20939	490.48
Vijaya Bank	34331	670.97	39062	727.62	43347	905.59
Axis Bank	3564	36.01	8386	36.29	10304	64.13
Catholic Syrian Bank	7495	132.39	7210	104.56	7994	180.36
City Union Bank	8300	131.50	8615	156.85	8982	176.62
Development Credit Bank	208	4.51	293	6.78	329	8.94
Dhanlaxmi Bank	2773	44.76	3382	58.92	3568	68.17
Federal Bank	22153	393.71	27236	557.41	29904	664.22
HDFC Bank	7017	153.50	5722	100.75	6367	97.52
ICICI Bank	2545	26.48	2870	28.87	3039	32.42
Indusind Bank	89	1.16	125	1.92	130	2.58
ING Vysya Bank	768	13.58	815	14.22	987	20.88
Jammu & Kashmir Bank	7698	147.01	7862	163.03	8392	174.33
Karnataka Bank	6182	142.42	6447	152.81	6731	163.94
Karur Vysya Bank	7705	96.54	8818	142.29	9252	156.85
Kotak Mahindra Bank	0	0.00	606	18.08	891	25.69
Lakshmi Vilas Bank	7349	88.55	7111	88.79	5577	81.95
Nainital Bank	766	17.03	778	17.52	852	19.33
Ratnakar Bank	874	1.76	2067	3.69	7267	11.56
South Indian Bank	15494	246.09	17712	250.02	14029	229.11
Tamilnad Mercantile Bank	9906	134.75	10573	149.70	10915	160.34
Yes Bank	0	0.00	0	0.00	2	0.04
TOTAL	2590045	52738.67	2681360	57164.17	2671316	59336.04

Annexure-II to reply of Lok Sabha UnStarred Question No. 1102 for answer on 22nd July, 2016

State-wise number of education loan accounts and amount outstanding in Rs 'Crore'
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	31.03.2013		31.03.2014		31.03.2015	
State	No. of Accounts	Amount Outstanding	No. of Accounts	Amount Outstanding	No. of Accounts	Amount Outstanding
Andamans	568	13.60	585	15.04	590	16.41
Andhra Pradesh	197032	4698.58	190340	4987.76	170678	5443.33
Arunachal Pradesh	510	12.20	589	13.61	685	15.15
Assam	16394	391.20	16678	423.97	16467	522.10
Bihar	88982	2107.09	99620	2725.34	102426	2949.60
Chandigarh	5181	160.44	4873	160.02	4633	166.72
Chattisgarh	16015	308.59	16792	368.03	18010	406.23
Dadra & Nagar Haveli	313	5.76	226	6.10	265	6.62
Daman & Diu	124	3.27	127	3.28	137	4.32
Delhi	34073	1018.29	32890	1028.53	31990	1411.55
Goa	3492	84.62	3342	90.94	3211	94.87
Gujarat	44055	1271.78	45937	1182.63	45911	1160.67
Haryana	37254	839.38	37531	950.39	36401	953.83
Himachal Pradesh	14171	286.85	14611	330.65	14929	353.67
Jammu & Kashmir	10838	223.60	10935	241.26	11306	248.36
Jharkhand	46018	1231.98	48849	1333.10	48423	1368.78
Karnataka	186623	3874.54	195169	4062.52	198709	4159.53
Kerala	336212	7353.91	341427	7975.57	331663	7788.53
Lakshadweep	20	0.37	29	0.62	31	0.81
Madhya Pradesh	80077	1586.77	83230	1739.40	81372	1813.45

Maharashtra	169491	4073.87	178587	4131.22	188673	4532.75
Manipur	1393	39.60	1433	40.74	1338	37.35
Meghalaya	1687	39.80	2021	51.51	2184	52.26
Mizoram	390	10.51	706	24.00	685	20.63
Nagaland	399	10.72	417	12.48	444	12.92
Orissa	69886	1665.24	68200	1733.98	65016	1737.16
Puducherry	14636	264.42	14808	292.18	14598	288.41
Punjab	32005	812.68	32810	956.26	32438	1021.41
Rajasthan	58424	1318.15	59314	1353.26	57940	1355.02
Sikkim	409	10.83	440	12.03	444	12.30
Tamil Nadu	886752	13343.65	940990	15077.59	960202	16313.06
Tripura	2280	45.89	2804	61.83	3271	76.10
Uttarakhand	28401	665.44	26121	657.34	33811	878.14
Uttar Pradesh	137393	3521.06	141095	3575.11	127478	3130.67
West Bengal	68547	1443.98	67834	1545.87	64957	983.31
TOTAL	2590045	52738.67	2681360	57164.17	2671316	59336.04

Annexure-III to reply of Lok Sabha Unstarred Question No. 1102 for answer on 22nd July, 2016

Bank-wise interest rates on education loans
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S. No	Name of the Bank	Int. Rate (in %)		
		Upto Rs. 4 lakh	Above Rs. 4 lakh & upto Rs 7.5 lakh	Above Rs. 7.5 lakh
1	Allahabad Bank	11.70	11.70	11.70
2	Andhra Bank	12.40	12.40	11.15
3	Bank of Baroda	12.15	12.15	11.40
4	Bank of India	12.70	12.70	12.20
5	Bank of Maharashtra	12.20	11.70	10.95
6	Bhartiya Mahila Bank	11.50	12.00	12.75
7	Canara Bank	11.65	11.65	11.25
8	Central Bank of India	11.70	11.70	11.70
9	Corporation Bank	11.40	12.40	11.90
10	Dena Bank	11.25	11.25	11.25
11	IDBI Bank	10.75	11.75	10.75
12	Indian Bank	11.95	11.95	11.95
13	Indian Overseas Bank	11.70	12.20	12.45
14	OBC	12.20	11.45 -12.70	11.45
15	Punjab & Sind Bank	12.75	13.00	12.25
16	Punjab National Bank	11.60	12.60	12.10
17	Syndicate Bank	11.20	11.45	12.45
18	UCO Bank	12.20	12.20	11.95
19	Union Bank of India	12.65	12.40	11.65
20	United Bank of India	13.00	13.25	11.75
21	Vijaya Bank	11.15	11.65	11.15
22	State Bank of India	11.30	11.30	11.00

23	State Bank of B&J	12.70	12.70	12.70
24	State Bank of Hyd.	12.25	12.75	12.75
25	State Bank of Mysore	12.25	12.25	11.25
26	State Bank of Patiala	12.40	12.40	11.40
27	State Bank of Travancore	13.70	12.70	11.70

NB: Some of the banks give concession in interest rate to girl students and for servicing of interest during the moratorium periods.