GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO. 3995
ANSWERED ON MONDAY, 18 AUGUST, 2025/SRAVANA 27, 1947 (SAKA)

NPA OF EDUCATION LOAN

†3995. SHRI RAKESH RATHOR:

Will the Minister of FINANCE be pleased to state:

(a) the details of number of applications received for education loan and applications sanctioned along with the details of sanctioned amount during the last 10 years, year-wise and State-wise;
(b) the number of education loan (including amount) turned into NPA during the said period, year-wise;
(c) whether several banks have sold their education loan NPAs to private Asset Reconstruction Companies (ARCs) and availed the services of recovery agents in this regard;
(d) if so, the details thereof along with the loan amount recovered by them; and
(e) whether the Government has taken cognizance of the fact that private companies are resorting to coercive means to recover the loan amount and if so, the reaction of the Government thereto?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SH. PANKAJ CHAUDHARY)

(a) to (e) As informed by Reserve Bank of India (RBI), they do not have the required information. However, state-wise number of accounts and credit amount outstanding for education loans and year-wise Gross NPA of scheduled commercial banks during the last 10 years, as provided by RBI, are placed at Annexure-I and Annexure-II respectively.

Further, RBI has issued the following instructions against coercive recovery practices by the regulated entities and their recovery agents:

i. Banks have been advised vide Para 2.5.2 (v) (c) on 'Guidelines on Fair Practices Code for Lenders' of RBI Master Circular DBR.No.Dir.BC.10/ 13.03.00/2015-16 dated July 1, 2015 on 'Master Circular- Loans and Advances – Statutory and Other Restrictions' that they should not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc.

   (Similar instructions have been issued to NBFCs vide Para 45.7.3 of Chapter VII on 'Fair Practices Code' of Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023 dated October 19, 2023).

ii. Further, vide Para 2.6.2 on 'Guidelines on Recovery Agents engaged by banks' of the circular, inter alia, banks have been advised to have a due diligence process in place for engagement of recovery agents, to ensure due notice and appropriate authorization, banks should inform the borrower the details of recovery agency firms / companies while forwarding default cases to the recovery agency, banks should ensure that there is a tape recording of the content / text of the calls made by recovery agents to the customers, and vice-versa, the up-to-date details of the recovery agency firms / companies engaged by banks should be posted on the bank's website, Each bank should have a mechanism whereby the borrowers' grievances with regard to the recovery process can be addressed.

iii. Banks have been advised that they are responsible for the actions of their service providers including Recovery Agents. Further, banks have been also advised to strictly ensure that they or their agents do not resort to intimidation or harassment of any kind, either verbal or physical, against any person in their debt collection efforts, including acts intended to humiliate publicly or intrude upon the privacy of the debtors' family members, referees and friends, sending inappropriate messages either on mobile or through social media, making threatening and / or anonymous calls, persistently calling the borrower and / or calling the borrower before 8:00 a.m. and after 7:00 p.m. for recovery of overdue loans, making false and misleading representations, etc.

The above instructions have been issued vide RBI Circular DOR.ORG.REC.65/21.04.158/2022-23 dated August 12, 2022 on 'Outsourcing of Financial Services - Responsibilities of Regulated Entities Employing Recovery Agents'.

(Similar instructions have been issued to NBFCs vide Para 5.7.3 of Annex XIII of RBI Master Direction DoR.FIN.REC. No.45/03.10.119/2023-24 dated October 19, 2023, on Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023).

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Annexure-I

State-wise Education Loans Details

(No. of Account is in actuals and Amount Outstanding is in Rs. Crores)

STATE/Uts	March 31, 2025		March 31, 2024		March 31, 2023		March 31, 2022		March 31, 2021		March 31, 2020		March 31, 2019		March 31, 2018		March 31, 2017		March 31, 2016	
	No. of accounts	Amount Outstanding	No. of accounts	Amount Outstanding	No. of accounts	Amount Outstanding	No. of accounts	Amount Outstanding	No. of accounts	Amount Outstanding	No. of accounts	Amount Outstanding	No. of accounts	Amount Outstanding	No. of accounts	Amount Outstanding	No. of accounts	Amount Outstanding	No. of accounts	Amount Outstanding
CHHATTISGARH	18,112	1,068	17,975	932	18,199	837	18,029	757	19,497	763	20,977	762	21,080	687	20,898	625	21,533	654	21,810	602
MADHYA PRADESH	68,833	4,145	69,025	3,530	68,223	3,156	66,599	2,736	68,083	2,692	73,991	2,777	74,287	2,493	78,742	2,370	82,805	2,216	86,717	2,176
UTTARAKHAND	23,990	1,443	22,093	1,211	20,390	1,055	19,204	920	19,814	868	22,269	894	22,589	816	23,232	767	24,146	730	26,507	731
UTTAR PRADESH	1,18,256	6,575	1,15,345	5,531	1,08,934	4,884	1,03,842	4,346	1,09,756	4,272	1,23,391	4,536	1,28,300	4,293	1,35,732	4,163	1,33,203	3,915	1,43,399	3,925
ANDAMAN & NICOBAR ISLANDS	590	34	472	29	419	25	443	22	385	19	397	20	382	17	494	19	409	14	489	15
BIHAR	63,067	2,848	69,175	2,682	72,942	2,697	78,188	2,771	86,092	3,000	1,03,380	3,301	1,17,641	3,483	1,17,430	3,511	1,16,791	3,526	1,22,684	3,447
JHARKHAND	42,678	2,339	41,079	2,003	40,095	1,896	39,107	1,754	40,129	1,749	44,397	1,811	45,096	1,739	47,118	1,703	48,542	1,645	50,240	1,597
ODISHA	43,566	2,185	44,405	1,888	40,591	1,711	39,654	1,554	41,393	1,560	46,646	1,557	50,828	1,583	56,914	1,635	59,563	1,619	64,054	1,672
SIKKIM	563	34	484	29	458	25	478	17	468	19	497	20	489	17	479	17	582	15	874	15
WEST BENGAL	1,13,592	5,149	99,997	4,137	81,362	3,312	62,174	2,641	59,043	2,443	62,630	2,402	63,027	2,185	64,543	2,019	69,489	1,837	79,471	1,771
CHANDIGARH	5,680	718	5,679	605	4,811	430	4,297	332	4,274	276	4,176	275	4,563	257	4,472	234	4,454	222	4,596	194
HARYANA	33,664	2,846	32,165	2,396	31,096	2,118	30,218	1,811	31,120	1,695	34,741	1,743	35,693	1,592	39,207	1,506	40,541	1,368	39,064	1,218
HIMACHAL PRADESH	13,652	644	12,813	559	12,650	504	12,684	461	13,694	463	16,691	517	17,108	490	15,920	435	16,086	407	16,675	396
JAMMU & KASHMIR	16,248	850	15,609	743	14,687	637	13,937	547	14,464	545	15,201	530	14,913	465	14,554	407	13,034	344	12,572	311
LADAKH	51	5	50	5	47	4	37	3	41	2	45	2	-	-	-	-	-	-	-	-
NCT OF DELHI	46,905	5,171	43,084	4,153	38,758	3,178	35,153	2,509	33,918	2,184	35,188	2,167	33,885	1,909	33,625	1,677	31,338	1,387	31,463	1,249
PUNJAB	30,173	2,599	30,490	2,364	28,278	2,072	26,115	1,750	28,035	1,666	33,194	1,808	33,506	1,608	33,830	1,472	34,556	1,418	34,575	1,291
RAJASTHAN	46,208	3,486	45,128	2,924	44,502	2,542	45,265	2,229	46,757	2,150	52,193	2,187	53,987	1,972	57,038	1,832	58,958	1,684	63,843	1,656
ARUNACHAL PRADESH	389	17	371	16	369	14	391	14	585	26	675	29	592	21	603	18	664	18	771	20
ASSAM	17,048	844	15,322	686	13,910	576	13,355	515	14,304	539	15,830	570	15,945	534	16,585	525	17,221	483	24,949	481
MANIPUR	1,231	73	1,056	58	957	45	1,246	44	988	43	1,067	44	964	40	1,045	41	1,099	38	1,300	40
MEGHALAYA	3,753	241	3,294	181	3,366	190	3,258	157	3,465	148	3,673	141	3,460	122	3,338	107	2,835	86	2,745	79
MIZORAM	211	14	191	10	211	9	220	8	333	13	376	13	490	15	602	20	667	22	790	25
NAGALAND	585	28	472	21	393	17	360	16	523	22	571	22	489	19	446	15	434	14	692	19
TRIPURA	3,199	135	3,142	119	3,005	100	3,034	93	3,234	95	3,622	104	3,501	105	3,495	104	11,238	101	21,206	113
ANDHRA PRADESH	1,29,133	11,932	1,94,273	11,059	1,35,180	8,377	94,548	6,230	90,891	5,673	96,997	5,483	96,246	4,920	99,804	4,708	1,00,281	4,294	1,09,293	3,859
KARNATAKA	2,49,637	13,609	2,37,637	11,218	2,19,793	9,487	2,02,509	7,878	1,86,641	7,024	2,13,299	7,536	2,15,261	6,901	2,18,818	6,528	2,12,834	5,777	2,08,867	5,099
KERALA	2,92,384	17,604	2,79,051	15,196	2,66,429	12,921	2,55,683	10,625	2,52,051	9,627	2,79,794	9,792	2,98,256	9,445	3,28,084	9,783	3,37,949	9,372	3,48,874	9,162
LAKSHADWEEP	13	0	10	0	14	1	19	1	13	1	21	1	15	1	58	2	16	0	19	0
PUDUCHERRY	6,650	355	6,882	324	7,856	307	8,317	302	8,833	303	10,021	309	11,501	319	13,348	338	13,615	332	14,279	325
TAMIL NADU	3,48,168	14,634	4,07,292	14,171	4,78,786	14,306	5,26,957	14,838	5,60,219	15,012	6,45,284	15,937	7,06,181	16,370	8,10,018	17,182	8,31,345	16,816	8,56,214	15,994
TELANGANA	85,579	11,187	1,05,392	9,738	76,342	7,269	59,420	5,238	56,684	4,503	59,846	4,357	60,199	4,099	65,279	4,198	68,410	4,138	77,081	3,837
DADRA AND NAGAR HAVELI AND DAMAN AND DIU	632	44	576	37	502	30	459	26	451	25	502	25	502	24	523	23	396	15	423	14
GOA	5,108	481	4,985	407	4,372	339	4,151	276	4,285	239	4,645	219	4,708	183	4,393	165	3,427	129	3,246	113
GUJARAT	59,457	6,360	58,838	5,441	55,219	4,389	49,157	3,473	48,414	3,091	52,255	3,023	50,528	2,539	49,914	2,191	47,893	1,846	49,385	1,631
MAHARASHTRA	2,28,848	19,541	2,17,830	15,698	1,96,193	11,605	1,78,240	9,001	1,78,818	8,134	1,96,525	8,176	1,98,429	7,282	2,04,943	6,673	1,94,359	5,986	1,98,251	5,417

Source: RBI

Annexure-II

Gross NPAs of SCHEDULED COMMERCIAL BANKS (As On) - Education Loans (Amount in Rupees crore)	
As on	**Amount**
31-03-2016	5,006
31-03-2017	5,339
31-03-2018	6,071
31-03-2019	6,323
31-03-2020	6,017
31-03-2021	5,801
31-03-2022	5,741
31-03-2023	5,815
31-03-2024	4,338
31-03-2025*	2,634

Source: RBI

* The data for March 2025 is provisional