

GOVERNMENT OF INDIA  
MINISTRY OF EDUCATION  
DEPARTMENT OF HIGHER EDUCATION

**LOK SABHA**

**UNSTARRED QUESTION No. 138**

ANSWERED ON 22/07/2024

**Education Loans by Public Sector Banks**

138 Shri Balashowry Vallabhaneni:

Will the Minister of EDUCATION be pleased to state:

- (a) whether it is true that nearly 90% of educational loans are given by Public Sector Banks;
- (b) the details of education loan applications received by PSBs, private banks and foreign banks during the last five years, year-wise, bank-wise and State-wise;
- (c) whether educational loan target for 2022-23 has been reduced by 14% as compared to 2021-22 by the Government;
- (d) if so, the reasons thereof and details of target set and achieved in 2023-24;
- (e) the reasons for slow disbursement of educational loans by banks;
- (f) whether PSBs are not inclined to sanction educational loans without collateral; and
- (g) if so, the details thereof?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF EDUCATION

(DR. SUKANTA MAJUMDAR)

(a) and (b) As per the information received from Department of Financial Services, Ministry of Finance, for the financial year 2023-24, the amount of education loan disbursed by the Public Sector Banks were Rs. 28,699 crore and that by the Private Banks were Rs. 7,749 crore.

As per the information received from Department of Financial Services, Ministry of Finance, the number of educational loan applications received by Public Sector Banks and Private Banks, state-wise from financial year 2019-20 to financial year 2023-24 may be accessed at

[https://www.education.gov.in/parl\\_ques](https://www.education.gov.in/parl_ques).

(c) to (g) As per the information received from Department of Financial Services, Ministry of Finance, the educational loan disbursement target of PSBs for FY 2022-23 was Rs.20,450 crore vis-à-vis the target of Rs. 16,965 crores fixed for FY 2021-22, which represents an increase of 20.54 % on a Year-on-Year (YoY) basis. The educational loan disbursement target set for FY 2023-24 was Rs.29,725 crore and achievement against it was Rs.28,699.02 crore, which is 96.55%. Scheduled Commercial Banks (SCBs) follow IBA's Model Education Loan Scheme for pursuing Higher Education in India and Abroad which, inter-alia, provides collateral free loans up to Rs.7.50 lakh. Further, Public Sector Banks (PSBs) also provide collateral free loans beyond Rs.7.50 lakhs, on case to case basis as per their Board approved policies.

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