

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2686
ANSWERED ON:08.08.2003
EDUCATIONAL LOAN
RAVINDRA KUMAR PANDEY

Will the Minister of FINANCE be pleased to state:

- (a) the criteria for sanctioning educational loan;
- (b) the number of students given educational loan through public sector banks during last three years and current year till June, 2003, State-wise;
- (c) whether there is any Government provision to sanction educational loan after taking 90 percent security deposit from borrower; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL):

(a) The criteria prescribed for sanctioning of educational loans by Scheduled Commercial Banks for the students pursuing education in Schools and Colleges in India & abroad are as under:

Student eligibility:

Should be an Indian National.

Secured admission to professional/technical courses through Entrance Test/Selection process.

Secured admission to foreign University/institutions.

(b) The information is being collected and will be laid on the Table of the House.

(c) and (d) No security is insisted upon for loans up to Rs. 4 lakh. However, for loans above this amount, collateral security of suitable value or co-obligation of parents/guardians/third party along with the assignment of future income of the student for payment of installments may be obtained.