

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:158

ANSWERED ON:02.12.2005

EDUCATION LOAN

Dhanaraju Dr. K.;Shakya Shri Raghuraj Singh

Will the Minister of FINANCE be pleased to state:

- (a) the applications for grant of education loans received by the various nationalized banks so far during the years 2004-05, State-wise;
- (b) the number of applications pending for grant of education loan, bank-wise, State-wise :
- (c) the reasons for pendency; and
- (d) the action being taken by the Government to clear the pending cases ?

Answer

MINISTER OF THE STATE IN THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM)

(a)to(d): A Statement is placed on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO.+158 TABLED BY SHRI RAGHURAJ SINGH SAKYA AND DR. K. DHANARAJU REGARDING EDUCATION LOANS FOR ANSWER ON 2 TO DECEMBER. 2005.

(a)& (b): The information is available only bank-wise for public sector banks. In 2004-05 the number of educational loans sanctioned by each bank is contained in the Annexure. The number of applications received by each branch in 2004-05 is not consolidated, and is therefore, not available.

(c) & (d): As per the RBI guidelines, loan applications under educational loan scheme have to be disposed of within a period of 15 days to 1 month but not exceeding the time norms stipulated for disposing of loan applications under priority sector lending where all loan applications upto a credit limit of Rs.25,000/- should be disposed of within two weeks and up to Rs.2 lakhs within 4 weeks provided the loan applications are completed in all respects.

Pendency if any is due to non-fulfillment of eligibility criteria for particular course/institution or non-fulfillment of terms of sanction. Banks have been advised to organize camps in locations suitable to the students and academic community such as university towns, where loan applications may be accepted for quick sanctions.