

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:91
ANSWERED ON:28.07.2006
EDUCATION LOAN
Sujatha Smt. C.S.

Will the Minister of FINANCE be pleased to state:

- (a) the percentage of educational loan out of the total loan disburse by nationalized banks and private sector bank respectively during each of the last three years, bank-wise ;
- (b) whether the quantum of loans provided by private sector banks compares favourably with the nationalised banks;
- (c) if not, the reasons therefor; and
- (d) the corrective steps being taken in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF (SHRI V.CHIDAMBARAM)

(a), (b), (c) & (d) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (A), (B), (C) & (D) OF THE LOK SABHA STARRED QUESTION NO.91 TO BE ANSWERED ON 28th JULY, 2006 TABLED BY SHRIMATI C.S. SUJATHA REGARDING EDUCATION LOAN :

(a) : As reported by Reserve Bank of India(RBI), the percentage of Education loans to total loans (outstanding net bank credit) disbursed by Public Sector Banks and Private Sector Bank;; for the years 2003, 2004 and 2005(latest available) is as under:-

Year	Public Sector Banks(%)	Private Sector Banks(%)
2003	0.59	0.14
2004	0.75	0.19
2005	0.89	0.17

Bank-wise details of percentage of outstanding Education loans to outstanding net bank credit(as available) for the years 2003-04 and 2004-05 in respect of Public Sector Banks is at Annexure. However, bank-wise details in respect of Private Sector Banks are not available.

(b),(c) & (d) : The quantum of loans sanctioned by Private Sector Banks viz-a-viz that of Public Sector Banks is relatively smaller in size due to the former's limited branch network. Specific complaint of non-sanctioning of education loans by banks are looked into and remedial measures taken by the Reserve Bank of India/concerned banks.