

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2565

ANSWERED ON:16.03.2007

EDUCATION LOAN

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Will the Minister of FINANCE be pleased to state:

- (a) the amount of education loan disbursed by public sector banks during the last three years, State-wise, bank-wise;
- (b) the number of defaulters of education loan, bank-wise;
- (c) the criteria adopted for sanctioning of education loan by public sector and private sector banks;
- (d) whether there is any proposal to set up a Skill Development Bank/Education Bank to provide loans to students; and
- (e) if so, the details thereof alongwith the guidelines issue in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

- (a): State-wise data on education loan is not available separately for the Public Sector Banks. However, as reported by Reserve Bank of India, total education loan outstanding under Priority Sector for last three years by the Scheduled Commercial Banks is at Annexure-I. Bank-wise outstanding education loan by the Public Sector Banks for last three years, as available is at Annexure-II.
- (b): As the recoveries of vast portion of education loans have not yet become due for repayment, the defaulters` position cannot be assessed.
- (c): The Model Education Loan Scheme, 2004 circulated by Indian Banks` Association(IBA) provides broad guidelines to the Banks for sanctioning education loans. The scheme is available on website of IB A,i.e. www.iba.org.in.
- (d): There is no such proposal at present.
- (e): Does not arise.