

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4075

ANSWERED ON:26.08.2011

EDUCATIONAL LOANS

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**Will the Minister of FINANCE be pleased to state:**

- (a) the quantum of the educational loans disbursed to the students belonging to the General, Scheduled Castes, Scheduled Tribes and Minority Communities by the Public and Private Sector Banks during the last three years and the current financial year, State-wise and Bank-wise;
- (b) whether the educational loans disbursed to the students belonging to the rural areas have decreased during the said period;
- (c) if so, the details thereof and the reasons therefor;
- (d) whether the students are unable to raise educational loans due to complex and lengthy process of documentations;
- (e) if so, the details thereof alongwith the action taken by the Government to simplify the process for raising educational loans and to redress the grievances of the students in this regard; and
- (f) the other steps taken/being taken by the Government in this direction?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (c): As per information furnished by Reserve Bank of India (RBI) the bank-wise details of total education loans outstanding and out of that to SCs/STs of Public and Private Sector Banks as on last reporting Friday of March 2009, 2010 and 2011 are given in Annexure-I. The details of State-wise total education loans outstanding as on 31st March of 2008, 2009 and 2010 (latest available) are at Annexure-H. The information on education loans to minorities and Category-wise-State-wise is not maintained.

The total education loans outstanding have increased from Rs. 27709.41 crore as on the last reporting Friday of March, 2009 to Rs. 42996.18 crore as on the last reporting Friday of March, 2011.

(d) & (e): The Indian Banks` Association (IBA) has circulated a model Educational Loan Scheme to its member banks with broad operational guidelines, Banks can adopt the scheme with changes as may be considered necessary. However, specific complaints, if any, regarding sanction/disbursal, delay in sanction/disbursal etc. are taken up with the concerned banks for remedial action.

(f): The performance of Public Sector Banks under Educational Loans Scheme is reviewed on an ongoing basis. The Banks have been advised to ensure that the Educational Loans Scheme is implemented in letter and spirit. The IBA is in the process of revising its Model Educational Loan Scheme in order to make it more customer-friendly.