

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:162  
ANSWERED ON:22.08.2012  
EDUCATIONAL LOANS FROM CGF  
Karunakaran Shri P.;Kumar Shri Shailendra

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

- (a) the details and the criterion being followed by the banks for disbursing educational loans to students under the Credit Guarantee Fund (CGF) and the amount granted to the students under the fund, State-wise and bank-wise during the last three years and the current year;
- (b) whether the Government has received representations from the State Governments including Kerala and Maharashtra regarding deficiencies/irregularities/corruption in grant of educational loans and if so, the details thereof;
- (c) whether any complaints against the banks for declining the grant of loans have been received by the Government;
- (d) if so, the details thereof, State-wise and bank-wise; and
- (e) the action taken by the Government in this regard?

**Answer**

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

(a) to (e): A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. 162 to be answered on 22nd August, 2012 regarding Educational loans from CGF

(a): The Government announced in the Budget 2012-13 setting up of a Credit Guarantee Fund (CGF) for education loan to ensure better flow of credit to deserving students. However, the frame-work of the Credit Guarantee Fund has not been finalised. As per information furnished by Reserve Bank of India (RBI), Bank-wise data on total educational loans outstanding by Public Sector Banks as on last reporting Friday of March, 2010, 2011 and 2012 is at Annexure-I. State-wise data on total educational loans outstanding by Public Sector Banks, as furnished by RBI, as on last reporting Friday of March, 2009, 2010 and 2011 is at Annexure-II.

(b): The Government has received representations which inter-alia include requests for inclusion of loans given to students admitted under management quota in the Model Scheme and extension of interest subsidy scheme to loans disbursed before 1st April, 2009.

(c) to (e): Public Sector Banks received 5199 complaints in education loans, including those of denial of loans, during 2011-12, out of which 5190 were disposed of and 9 were pending. Complaints regarding educational loans, as and when received by the concerned banks, are taken up for corrective measures. Bank-wise details are at Annexure-III.