

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1260

ANSWERED ON:30.11.2012

DENIAL OF EDUCATION LOANS TO STUDENTS

Adhalrao Patil Shri Shivaji; Adsul Shri Anandrao Vithoba; Dharmshi Shri Babar Gajanan; Yadav Shri Dharmendra; Yaskhi Shri Madhu Goud

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has received any complaints of Banks denying educational loans to students on the grounds of their poor academic record;
- (b) if so, the details thereof, Bank-wise, State-wise;
- (c) whether Reserve Bank of India (RBI) has issued any circular to the effect that the loan can be sanctioned only if the academic performance of the student was very good at the school level;
- (d) if so, the details thereof; and
- (e) the action taken/being taken by the Government in this regard?

Answer

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

(a) and (b): Public Sector Banks had during 2011-12, received 5199 complaints in education loans, including those of denial of loans, 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.

(c) to (e): The Model Educational Loan Scheme of Indian Banks' Association aims at providing financial support from the banking system to meritorious students for pursuing higher education in India and abroad. The main emphasis is that a meritorious student, though poor, is provided with an opportunity to pursue education with the financial support from the banking system with affordable terms and conditions.