

**GOVERNMENT OF INDIA
HUMAN RESOURCE DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:4067
ANSWERED ON:20.12.2005
LOANS FOR EDUCATION
Athithan Shri Dhanuskodi

Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

- (a) whether the Central Advisory Board for Education has observed that the beneficiaries of the education loan from Commercial Banks belong to rich and affluent families ;
- (b) if so, the steps taken by the Government in this regard ;
- (c) if so, the details thereof alongwith action taken in this regard; and
- (d) whether the C.A.B.E has urged Government to set up a Higher Education Finance Corporation as recommended by Swaminathan Committee to ensure disbursement of loans only to the needy and deserving students ?

Answer

MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT(SHRI M.A.A. FATMI)

- (a) No Sir, the C.A.B.E Committee on 'Financing of Higher and Technical Education' has only expressed the apprehension that: 'weaker sections of the society may not be able ; to benefit much from the loan scheme as it is being currently operated' due to collateral and other considerations. However, under the existing educational loan schemes, the banks cater to all those who are eligible for the loans.
- (b)&(c) Do not arise.
- (d) The C.A.B.E Committee has recommended for setting up of a body like Higher Education Finance Corporation (HEFC) and has suggested that 'loans are to be designed in such a way that economically needy and meritorious students feel assured of the financial assistance'.