

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2974

ANSWERED ON:29.08.2012

EDUCATION LOAN FROM CGF

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Gaikwad Shri Eknath Mahadeo;Paranjpe Shri Anand Prakash

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has set up a Rs. 5,000 crore Credit Guarantee Fund (CGF) to facilitate easy education loans to needy students by providing protection against defaults to banks;
- (b) if so, the terms and conditions stipulated for this purpose; and
- (c) the time by which it is likely to be set-up?

Answer

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

(a) to (c): The Government announced in the Budget 2012-13 setting up of a Credit Guarantee Fund (CGF) for education loans to ensure better flow of credit to deserving students. However, the frame-work of the Credit Guarantee Fund has not been finalised.