

Various Loan Schemes Associated with Higher Education in India

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Abstract – This Paper looks on various educational loan schemes launched by government for higher education system of India. The higher education shows its maximum growth with a very surprising growth rate especially after independence. Financial assistance is also must for growth of education system of India. As the Indian system have lots of drawbacks in financing and management in terms of its accessibility, importance and its reliability. These drawbacks are now being used as a powerful tool for enhancing the growth of the higher education to the extreme level. It is the primary responsibility of the state to provide the eligible with good quality higher education at reasonable cost. There shall be no withdrawn of the state from this responsibility. Our Government should take more steps towards growth of education system in India, because, education is backbone of our country. There shall be dominant role for genuine academics in the governing structure of higher education institutions. Higher education in india also a great evidence behind the economic growth of india. This paper also shows role of the state in growth of education system. The findings of this paper may be useful for readers to gain more knowledge regarding various loans schemes available in the country.

Keywords: Higher Education, Governing Structure, Educational Institutions.

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INTRODUCTION

Heading 1 – Higher education is that level which usually occurs after the secondary education. It usually awarded through some specialized colleges, universities, vocational courses, conversations, counseling with certification. It usually involves some research work especially the applied work or social service related research. It also helps the economy by supporting industries in finding and recruiting the trained and educated employees through higher educational institution. History says that college educated employees earn more than the normal person and remain less unemployed as compare to others.

Heading 2 - ROLE OF HIGHER EDUCATION IN GROWTH OF SOCIETY

India has made progress in terms of increasing education attendance rate and expanding literacy. Public institutions gets the maximum credit as far as the progress of higher education in India is concerned. While, enrollment in higher education has increased steadily over the past decade. Reservation system also followed at the universities level along with their affiliated colleges where more than 50 percent seats are reserved for the scheduled and backward class people which is also mandatory as per Indian federal constitution.

REGULATORY AUTHORITIES FOR HIGHER EDUCATION IN INDIA:-

- (1) UGC – University Grants Commission
- (2) AICTE – All India Council of Technical Education
- (3) MCI – Medical Council of India
- (4) ICAR – Indian Council for Agricultural Research
- (5) NCTE – National Council for Teacher Education

VARIOUS SCHEMES ASSOCIATED WITH HIGHER EDUCATION

- (1) **VIDYA LAKSHMI EDUCATION LOAN SCHEME** – Honorable Union Finance minister ARUN JAITLEY, in his budget speech for financial year 2015-16 said; “India is one of the youngest nations in the world with more than 54% of the total population below 25 years of age. Our young people have to be both, educated and employable for the jobs of the 21st century. According to our honorable prime minister education provides a vital role in make in India scheme. Therefore no student should be without

education just because of the lack of fund. Vidya Lakshmi is a first of its kind portal for students seeking education loan. Students can avail this service of the education loan applications to bank anytime by clicking on the bank portal. The portal also provides linkages to National Scholarship Portal.

BENEFITS OF THIS SCHEME

- It gives easy access to all banks that offer educational loans.
 - This provides web – based portal www.vidyalakshmi.co.
 - This portal provides single platform to students for searching & applying for educational loans & scholarships.
- (2) **UCHCH SHIKSHA LOAN YOJANA** – This scheme has been started by the Haryana government so as to support the poor girl students who left their education because of shortage of funds. Under this scheme, state government will provide financial assistance to needy girl students to complete their higher studies. The scheme will be operated by the authority of women development corporation, Haryana. Under this scheme loans are provided at just 5 percent rate which is subsidized as well.

This scheme favour slogan in true sense – “BETI BACHAO BETI PADHAO”. Applicant under this scheme must be resident of Haryana and age must be 18.

BENEFITS OF THE SCHEME

- Poor girls and women of the state can get higher education in the foreign country by getting the benefits of the loan under this scheme.
 - The benefits of this scheme will be given to the women and girls of all the categories.
 - There will also be beneficiaries of this scheme and girls of eligible employees.
- (3) **PADHO PARDESH SCHEME** – This scheme is for the minority people which are from overseas. They are given subsidized interest rate for the loan. This facility is valid to only that group who have been granted loan after 2013-2014 and those whose family income are less than 6,00,000. Moratorium period is also available in this loan for those who want to study abroad. If the student leaves the Indian citizenship during loan period than subsidized interest facility should be withdrawn.

BENEFITS OF THIS SCHEME

- The main benefit is to assist the students belonging to poor and minority communities to acquire loan at subsidized interest rates for educational betterment.
- Students will have the benefit of subsidy for the entire period of the course.
- This scheme will be for those candidates who does not have sufficient fund for studying abroad in literally meaning.

Thus, these schemes covered different sections of our society. Main aim of these schemes is to provide financial support to disadvantaged categories of our nation. Business school can't charge the fee more than the mention amount in the official prospectus as per AICTE norms. Education regulatory authorities have made it compulsory to include their fee in the prospectus so that latter fee cannot be included in the earlier.

RESULTS AND DISCUSSIONS

This paper found that there are lots of loan schemes launched by state. But, still these schemes are not enough to support higher education at country's level. Our government has to think more about financial assistance in the matter of educational studies. There are still some drawbacks in this paper, due to lack of some resources. But, this paper provide enough knowledge to readers to get something about various loan schemes for higher education and obviously lots of questions will arise in readers mind to explore more about higher education.

CONCLUSION AND RECOMMENDATIONS

Education is the backbone of our whole nation. Higher education is comparatively costly than secondary education that is the reason why some students can't avail it even after getting position in merit. In this situation, it's essential for our government to launch various loan schemes for raising standard of education system of India. The educational loan is not a new term to India, the National Loans Scholarship Scheme has been in operation since 1963. it is one of the most vital investments, a person can make for ourself and for the nation. Investments in education typically have high returns and it's essential to address the challenges of student debt, so that everyone can gain the economic benefits of higher education, while minimizing the risks. On the other hand some students lose their investment because they are not provided quality educations which further lose their scope in getting placement at right place in which they want. Hence, financial assistance is must to make bright career of our students. At present,

student loans make little contribution to effectiveness of loan in India.

Tilak, J. B. G. and N. V. Varghese (1991). 'Financing higher education in India', Higher Education 21 (1), pp. 83-101.

RECOMMENDATIONS

- Regulatory authorities should have to check institutions which charging high fees without any affiliation.
- Indian Government should look towards this matter at wide level.
- More schemes should be launched for various sections of the society.
- Interest free loans should be available for poor students.
- Government have to promote higher education at worldwide.
- More Government colleges, universities need to be open.

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