

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:495

ANSWERED ON:24.11.2006

EDUCATION LOAN

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Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that several Banks are placing stringent conditions for grant of Education Loan;
- (b) if so, whether many of these conditions are against the declared policy of the Government;
- (c) if so, the details thereof alongwith the conditions being imposed by the Banks;
- (d) whether education loan is provided for commercial pilot courses; and
- (e) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a),(b) & (c) : Banks are to comply with the guidelines spelt out by Indian Banks` Association(IBA)/Reserve Bank of India (RBI) and as such no stringent conditions are placed for grant of education loan.

(d) & (e) : As reported by Indian Banks` Association, banks are not providing education loan for commercial pilot courses as the same is a training course. However, banks are free to consider loan for pursuing commercial pilot licenses on terms other than that of education loan.