

EDUCATION LOAN (SBI)

A term loan granted to Indian Nationals for pursuing higher education in India or abroad where admission has been secured.

Eligible Courses

All courses having employment prospects are eligible.

- Graduation courses/ Post graduation courses/ Professional courses
- Other courses approved by UGC/Government/AICTE etc.

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Expenses considered for loan

- Fees payable to college/school/hostel
- Examination/Library/Laboratory fees
- Purchase of Books/Equipment/Instruments/Uniforms
- Caution Deposit/Building Fund/Refundable Deposit (maximum 10% tuition fees for the entire course)
- Travel Expenses/Passage money for studies abroad
- Purchase of computers considered necessary for completion of course
- Cost of a Two-wheeler upto Rs. 50,000/-

Any other expenses required to complete the course like study tours, project work etc.

Amount of Loan

- For studies in India, maximum Rs. 10 lacs
- Studies abroad, maximum Rs. 20 lacs

Interest Rates

(with effect from 27th June 2008)

For loans up to Rs.4 lacs - 0.50% below SBAR i.e.12.25% p.a. Floating

For loans above Rs. 4 lacs and upto Rs.7.50 lacs - 1.00% above SBAR 13.75 % Floating

For loans above Rs.7.50 lacs - SBAR - 12.75% p.a. Floating

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Processing Fees

- No processing fee/ upfront charges
- Deposit of Rs. 5000/- for education loan for studies abroad which will be adjusted in the margin money

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Repayment Tenure

Repayment will commence one year after completion of course or 6 months after securing a job, whichever is earlier.

Place of Study	Loan Amount	Repayment Period in Years
Studies in India	Rs. 10.0 lacs	5-7
Studies Abroad	Rs. 20.0 lacs	5-7

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Security

Amount	For loans upto Rs. 10.00 lacs for Studies in India and upto Rs. 20.00 lacs for studies abroad
Upto Rs. 4 lacs	No Security
Above Rs. 4 lacs to Rs. 7.50 lacs	Collateral security in the form of suitable third party guarantee. The bank may, at its discretion, in exceptional cases, waive third party guarantee if satisfied with the net-worth/means of parent/s who would be executing the documents as "joint borrower".
Above Rs. 7.50 lacs.	Tangible collateral security of suitable value, along with the assignment of future income of the student for payment of installments.

All loans should be secured by parent(s)/guardian of the student borrower. In case of married person, co-obligator can be either spouse or the parent(s)/parents-in-law

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Margin

- For loans up to Rs.4.0 lacs : No Margin
- For loans above Rs.4.0 lacs:
 - Studies in India: 5%
 - Studies Abroad: 15%

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Documentation Required

- Completed Education Loan Application Form.
- Mark sheets of last qualifying examination
- Proof of admission scholarship, studentship etc
- Schedule of expenses for the specified course
- 2 passport size photographs
- Borrower's Bank account statement for the last six months
- Income tax assessment order, of last 2 years
- Brief statement of assets and liabilities, of the Co-borrower

- Proof of Income (i.e. Salary slips/ Form 16 etc)

*** Conditions Apply**