

## Hello from GradRight!

Congratulations on receiving your admit from Ashoka University. We're a higher education financing company founded by an alumnus of the founding batch of the Young India Fellowship. We were ranked 1 in the HSBC Fintech Innovation Challenge powered by the Ministry of Electronic and IT, and have an experience with helping out more than 3500 students get the right funding in some of the world's top universities. Here's a primer on how best you could fund your education.

## What is an Education Loan?

An education loan is an amount of money you borrow to pay for your higher education. The loan amount will help you cover tuition fees and living expenses.

## Why education loans?

Quality education has significant lifetime returns. Only a few fortunate and hard-working students who meet the admission requirements receive admits from select institutions every year. To help these selected candidates meet the financial requirements of a great admit in time, many banks and other lenders in India created education loans.

- Students generally rely on their parents' personal savings, scholarships and financial aid to finance their education. However, many times this is not sufficient to cover the full cost of education and living expenses . Education loans enable you with the required funds in time instead of exhausting your family savings.
- Most of the education loans come with tax savings for you/your parents.
- An increasing number of students prefer taking education loans compared to utilizing their family funds

Hence, about 70% - 80% of students who enroll in premier Indian institutions rely on a good education loan to fund their studies.

## What kinds of Education loans are available?

Glad you asked, education loans could be either of these:

- **Secured or Collateral Loans:**
  - You provide a security such as a Fixed Deposit, Apartment or a plot of land which has a guarantee for the lender.
  - Processing time is in between 10-30 days as it includes collateral verification
  - Interest rates are between 8% and 10%
  - Loan Amount will be capped by the value of the collateral in INR.
  
- **Unsecured or Non-Collateral Loans:**
  - You do not provide any security and the lender will provide a loan based on your academic profile and your co-signer's financial profile.
  - Processing time is 1-4 business days, based on the lender
  - Interest rates are between 6.75% and 12%
  - For Indian students studying in Indian institutions, non collateral loans of INR 4,00,000 to INR 42,00,000 are available, depending on your overall profile.

## Key terms to know while you talk to banks

### Co-borrower/Co-signer:

An individual (typically a parent, spouse, or other immediate blood relative) who commits to paying back a loan in case you're unable to do so.

### Collateral:

It is something pledged as security for repayment of a loan, to be forfeited in the event of a default.

### Types of collateral include:

House/apartment, non-agricultural land, a fixed deposit, etc

## How to find your best Education loan?

Here are 6 easy steps you can follow:

**1. Do your research well:**

Explore 30+ banks and lenders. Often students stop with 3-4 options and start applying with each of them. Complete your research first and then start giving documents to any lender.

**2. Pitch well to the lenders:**

Emphasize on the positives in your profile, the test scores, admit you received and the program you are going for, etc. Every bank values your profile differently.

**3. Strength in numbers:**

Teaming up with students going to the same college can add to your leverage. Banks love when you talk to them in groups. GradRight enables you to do it.

**4. Uncover the hidden charges:**

Find out more about loan processing fee, insurance and how it affects your overall charges

**5. Negotiate well:**

Work with your bank to get the best deal for your profile

**6. Check your documents well**

Your past academic documents, your collateral documents (if you are choosing a collateral loan), your co-signer's income proofs should be ready with you before initiating an education loan application.

OR

Skip the queue for free on our student loan bidding platform, which will save you time and money and the hassle of going through a painful loan research, negotiation and application process. We do it all in 48 hours. There is no processing fee for getting funds from our lender partners.

### How it works

1. Sign-up for free on [www.gradright.com](http://www.gradright.com) with referral code, “YIF2022”
2. Complete the documentation by entering all your academic details
3. Start getting loan offers in your profile within 24 hours
4. A GradRight financial advisor will be assigned to you. Take their help for solving your queries
5. Get your best loan and reach your dream education.

Your Financial Guide for your Ashoka admit:

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