

## An Analysis of Education Loan Disbursed by Bank for Higher Education

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### Abstract:

*The higher education is most significant economic driving force to achieve growth of Indian economy. India is country of youth and the world's largest youth population found in India. Since 1991, the pace of growth of Indian economy has been increased rapidly. Now days it is found that, Education loan has become most popular platform for students to achieve higher education. It is therefore Indian banks have seen this positively view and has been accepted to policy of provide education loan to students. The education loan has been much benefitted to especially economically weaker section students. The present paper observed that, the Telangana, Tamil Nadu and Karnataka have been consistently performed well role in disbursing education loan to students in six topmost states. Similarly in comparison to overall country, southern states acquired massive share of education loan. Besides, the higher level student beneficiaries have been taken advantage of education loan in the Tamil Nadu state and the lower level student beneficiaries have been acquired advantage from newly Telangana state. It can be notable thing here that, if the Indian banks have kept balance in disbursement of education loan to students, there will be remain well and good balance in acquiring skill and supply of efficient labour force across the country.*

### Introduction:

**E**ducation is most significant factor of an Economy. Education gives opportunity to access of all progress which is required to well being human life. India is developing country. India kept dream of become super power. No country in the world can become superpower unless it has achieved higher education. According to All India Survey on Higher Education (AISHE) report 2016-17, there are 864 universities 40026 colleges and 11669 Stand Alone institutions across the country. To achieve faster and double digit economic growth, India needs to be boost pace of higher educated manpower but, due to inequality of income and poverty large number of needy youth have been remained lagging behind from higher education. At this juncture, Education loan can be placed better option to ensure higher education. Recently, it is seen that, education loan has become much popular among the aspirant's youth of our country.

### Objectives:

1. To explore the disbursement of education loan from the banks.

2. To find out the student beneficiaries of the education loan.

### Data and Methodology:

The present research paper seeks to analyze disbursement amount of education loan to students in specially for higher education. The required data is collected from various types of books, journals reports and newspapers etc.

Higher education comprises of graduate and post graduate courses, research diploma or certificate courses. Basically it is acquired by student after 12<sup>th</sup> standard passing.

**Table No. 1**  
**Education Loan Provided by Bank and Student Beneficiaries in the Year 2017-18**

Year	Karnataka	Kerala	Andhra	Maharashtra	Tamil Nadu	Telangana	Rest of India
2014-15	1,038.74	1,195.76	1,392.65	963.43	2.22 2.51	NA	3,194.44
2015-16	1448.13	1,171.98	1,285.55	1,561.06	2,056.00	1,170.33	4,742.81
2016-	1,768.	1,03	1,03	1,301.8	1,83	887.2	4,370

17	18	5.84	2.21	1	2.24	8	.06
2017-18	1,798.65	1,379.23	1,174.23	1,633.53	1,932.82	973.32	5,842.89
Total	6,053.70	4,782.81	4,884.64	5459.83	5,821.06	3,030.93	18,150.20
Average	1,513.43	1,195.70	1,221.16	1364.95	1940.35	1010.31	4,537.55
SD	353.95	141.18	154.33	303.20	974.48	518.86	1092.09
CV	23.38	11.80	12.63	22.21	50.22	51.35	24.06
Maximum	1,798.65	1,379.23	1,392.65	1633.53	2056	1170.33	5,842.89
Minimum	1,038.74	1,035.84	1,032.21	963.43	1832.24	887.28	3,194.44

Sources: The Times of India Newspaper.

The above table observed that disbursement of education loan to topmost six states and rest of India in the period from 2014-15 to 2017-18. The average of Karnataka stands at 1513.43 respectively. Similarly the coefficient of variance of education loan amount is 23.38 percent respectively. The maximum and minimum disbursement of loan amount from Karnataka stands at 1798.65 and 1038.74 crore respectively.

The average of Kerala state is 1195.70 in regards with loan amount disbursed by bank. The coefficient of variance of education loan amount is 11.80 percent respectively. Likewise the maximum and minimum loan amount are 1379.23 and 1035.84 crore respectively.

The average of Andhra is 1221.16 in regards with Education loan disbursed by bank and The coefficient of variance of education loan amount is 12.63 percent respectively. And the maximum and minimum education loan amount disbursed by bank stood at 1392.65 and 1032.21 respectively.

Besides, the average of Maharashtra state registered 1364.95 while the coefficient of variance of education loan amount is 22.21 percent respectively. And the maximum and minimum education loan amount disbursed by bank are 1633.53 and 963.43 crore respectively.

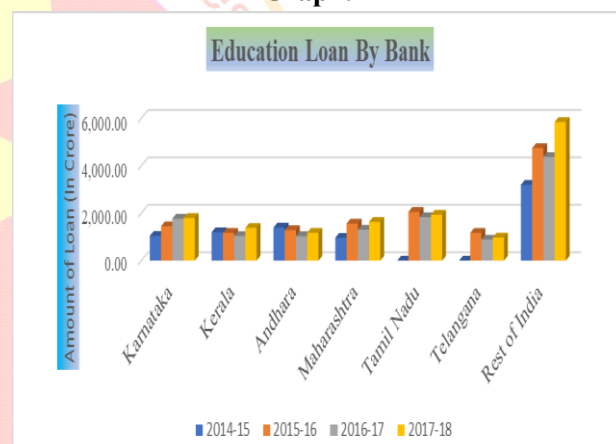
Moreover the average of Tamil Nadu is 1940.35 regarding education loan amount disbursed

by bank. And it has coefficient of variance of education loan amount stands at 50.22 percent respectively, while the maximum and minimum loan amount of education are 2056 and 1832.24 crore respectively.

In addition to newly state Telangana state average is 1010.31 in context of loan amount disbursed by bank. The coefficient of variance of Telangana state registered 51.35 percent respectively. And the maximum and minimum amount of education loan disbursed bank are 1170.33 and 887.28 crore respectively.

Similarly the average of rest of India is 4537.55 in regards with loan amount of education disbursed by bank, while the coefficient of variance of rest of India registered 24.06 percent respectively. And respectively.

Graph. 1



The above table shows that, the amount of education loan disbursed by bank in the period of 2014-15 to 2017-18. The Karnataka state received higher amount of education loan in 2017-18 while the lower amount received in 2014-15. The Kerala state received higher amount in 2017-18 while the lower amount received in 2016-17. The highest amount received in 2014-15 year from Andhra state and lower amount received in 2016-17 year. Similarly, Maharashtra state witnessed higher amount of education loan in 2017-18 while lower amount received in 2014-15 year. Tamil Nadu and Telangana state received higher amount in 2015-16 and lower amount received 2014-15 year respectively. Similarly rest of India received higher 2017-18 and lower amount in 2014-15 year. In

comparison with these topmost six states, rest of India received largest amount in all the consecutive years.

**Table No. 2**

**Student Beneficiaries of Education Loan During the Period From 2014-15 to 2017-18**

Year	Karnataka	Kerala	Andhra	Maharashtra	Tamil Nadu	Telangana	Rest of India
2014-15	69,388	1,09,882	50,097	62,549	2,47,652	NA	2,13,079
2015-16	76,964	1,08,719	41,948	88,547	1,94,767	28,982	2,46,352
2016-17	82,800	79,050	38,616	64,830	1,56,242	24,438	2,34,310
2017-18	1,08,460	1,21,553	49,849	89,064	1,88,700	31,315	3,09,584
<b>Total</b>	<b>337,612</b>	<b>4,19,204</b>	<b>1,80,510</b>	<b>3,04,990</b>	<b>7,87,361</b>	<b>84,735</b>	<b>1,00,3325</b>

*Sources: The Times of India Newspaper.*

The above table observed that, state wise student beneficiaries of education loan. There was total 337612 students' beneficiaries from Karnataka states. The highest student beneficiaries found 108460 in the year 2017-18 while the lowest beneficiaries found 69388 in 2014-15 year. In case of Kerala, the higher-level student beneficiaries reported 121553 in year 2017-18 while the lower-level students reported 79050 in 2016-17. In case of Andhra the higher-level student beneficiaries reported 50,097 in year 2014-15 while the lower-level students reported 38616 in 2016-17. Similarly In case of Maharashtra, the higher-level student beneficiaries reported 83064 in year 2017-18 while the lower-level students reported 62549 in 2014-15. In relation to, Tamil Nadu, the higher-level student beneficiaries reported 247,652 in year 2014-15 while the lower-level students reported 79050 in 2016-17. In concern to, newly state Telangana , the higher level student beneficiaries reported 31315 in year 2017-18 while the lower level students reported 24438 in 2016-17. Moreover, in context of

Rest of India, there were total 1,003325 student beneficiaries belonging to Rest of India. The higher-level students' beneficiaries registered in 3,09,584 in 2017-18 while the lower-level students beneficiaries registered 2,13,079 in 2014-15.

**Conclusion:**

The higher education is most significant economic driving force to achieve growth of Indian economy. India is country of youth and the world's largest youth population found in India. Since 1991, the pace of growth of Indian economy has been increased rapidly. Now days it is found that, Education loan has become most popular platform for students to achieve higher education. It is therefore Indian banks have seen this positively view and has been accepted to policy of provide education loan to students. The education loan has been much benefitted to specially economically weaker section students.

The present paper observed that, the Telangana, Tamil Nadu and Karnataka have been consistently performed well role in disbursing education loan to students in six topmost states. Similarly in comparison to overall country, southern states acquired massive share of education loan. Besides, the higher level student beneficiaries have been taken advantage of education loan in the Tamil Nadu state and the lower level student beneficiaries have been acquired advantage from newly Telangana state. It can be notable thing here that, if the Indian banks have kept balance in disbursement of education loan to students, there will be remain well and good balance in acquiring skill and supply of efficient labour force across the country.

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