

A
PROJECT REPORT
ON

“A STUDY ON EDUCATION LOAN SCHEME PROVIDED BY PNB
BANK IN NAGPUR”

Submitted to

G.S COLLEGE OF COMMERCE AND ECONOMICS
(AUTONOMOUS), NAGPUR

Affiliated to

RASHTRASANT TUKDOJI MAHARAJ UNIVERSITY, NAGPUR

In partial fulfillment for the award of the degree of

Bachelor of Business Administration

Submitted by

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Under the Guidance of

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G.S College of Commerce and Economics (Autonomous),
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Academic year 2023-24



G.S College of Commerce and Economics (Autonomous),
Nagpur

Academic year 2023-24



CERTIFICATE

This is to certify that “Karuna Sheshrao Thavkar” has submitted the project report titled “**A STUDY ON EDUCATION LOAN SCHEMES PROVIDED BY PNB BANK IN NAGPUR**”, towards partial fulfilment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination. This has not been submitted for any other examination and does not form part of any other course undergone by the candidate.

It is further certified that she has ingeniously completed her project as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur.

Dr. KAMLESH THOTE

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Place: Nagpur

Date:

G.S College of Commerce and Economics (Autonomous),
Nagpur

Academic year 2023-24



DECLARATION

I here-by declare that the project with title “**A STUDY ON EDUCATION LOAN SCHEME PROVIDED BY PNB BANK IN NAGPUR**”, has been completed by me in partial fulfilment of ‘**BACHELOR OF BUSINESS ADMINISTRATION**’ degree examination as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

Place: Nagpur

KARUNA SHESHRAO THAVKAR

Date:

G.S College of Commerce and Economics (Autonomous),
Nagpur



Academic year 2023-24

ACKNOWLEDGEMENT

With immense pride and sense of gratitude, I take this golden opportunity to express my sincere regards to Dr. Praveen Mustoor , Principal , G.S. College of Commerce & Economics, Nagpur.

I am extremely thankful to my project guide Dr. Kamlesh Thote for his guideline throughout the project. I tender my sincere regards to Co-ordinator, DR. Afsar Sheikh for giving me outstanding guidance, enthusiastic suggestions and invaluable encouragement which helped me in the completion of the project.

I will fail in my duty if I do not thank the Non- Teaching staff of the college of the college for their co-operation .

I would like to thank all those who helped me in making this project report complete and successful.

Place: Nagpur

KARUNA SHESHRAO THAVKAR

Date:

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CHAPTER-1
INTRODUCTION

INTRODUCTION

Education is central to the Human Resources Development and empowerment in any country. National and State level policies are framed to ensure that this basic need of the population through appropriate public and private sector initiatives. While government endeavour to provide primary education to all on a universal basis, higher education is progressively moving into the domain of private sector. With a gradual reduction in government subsidies higher education is getting more and more costly and hence the need for institutional funding in this area. An education loan is a loan taken to help pay for an education, usually at a college or trade school, but may also be used to pay for private schools or prep schools as well. Students prefer education loan for pursuing higher education. Also, education loan is free from tax. The education loan is available in several different types. These are student loans, parent loans and private loans. Loan is also either guaranteed or unguaranteed. Student and parent loans are most likely to be guaranteed by the government, though many agencies work for the government in this respect. Unguaranteed or unsubsidized loans are usually from private lenders only, and usually can only be obtained if one has a good credit score or significant equity. The scope of education has widened both in India and abroad covering new courses in diversified areas. Development of human capital is a national priority and it should be the endeavour of all that no deserving student is denied opportunity to pursue higher education for want of financial support. Loans for education should be seen as an investment for economic development and prosperity. Knowledge and information would be the driving force for economic growth in the coming years. Education loan is the financial aid offered by the bank or

the loan providers to the candidates who are willing to pursue technical, educational, or other courses abroad. The loan provider allows students to repay the loan after completion of the course and a period of six months is also provided as a grace period until the candidate gets a job. Education is considered a fundamental right and a key driver of social and economic development. However, the rising costs of higher education have made it increasingly challenging for students and their families to afford quality education. In response to this challenge, financial institutions offer education loan schemes to facilitate access to education for aspiring students. Punjab National Bank (PNB), one of the leading public sector banks in India, recognizes the importance of education and provides various loan schemes tailored to meet the diverse needs of students. In Nagpur, a city known for its educational institutions and diverse student population, PNB Bank plays a significant role in supporting individuals in their pursuit of academic excellence. This project aims to conduct a comprehensive study of the education loan schemes provided by PNB Bank in Nagpur. By examining the terms and conditions, application process, interest rates, and other relevant factors, this study seeks to provide valuable insights into the accessibility, affordability, and effectiveness of PNB Bank's education loan offerings.

Through in-depth analysis and research, this study will shed light on the following aspects:

Overview of education loan schemes offered by PNB Bank in Nagpur.

1. Eligibility criteria and documentation requirements for availing education loans.

2. Process of applying for education loans, including the ease of application and turnaround time.
3. Examination of interest rates and any changes implemented by PNB Bank on education loans.
4. Assessment of customer satisfaction and feedback regarding PNB Bank's education loan schemes.
5. Comparison with education loan offerings from other financial institutions in Nagpur.

By exploring these facts, this study aims to provide valuable insights for students, parents, policymakers, and financial institutions to enhance the accessibility and affordability of education. Education loans can be taken by means of funding, scholarships, financing and rewards, and are granted in cash, which has to be repaid to the lender along with a rate of interest.

Students who wish to avail education loans are advised to borrow based on their needs as the repayment periods for these loans can vary to a great extent depending upon the lender and the amount borrowed by the student.

Most of the student loans available to individuals in India are granted at a relatively low rate of interest, and interest payments need not be made immediately. Students are usually granted a period of time before from the time they take the loan to the time they start making repayments.

Education loans are unsecured loans that can be used to cover expenses related to education, such as tuition fees, books, living expenses and other such expenses as transportation costs, etc. If you wish to avail an education loan but

are unemployed or still studying, a co-signer may be required to avail an education loan, like an eligible adult such as a friend, parent or relative.

The repayment of the loan can be done once the student has completed his/her education. Given the flexible terms and conditions associated with the repayment of an education loan, availing one is fairly simple and straightforward.

Different Types of Education Loan:

There are a number of different education loans which are offered for different types of education programmes. Based on the type of the education that one wants to pursue, there are student loans for diploma and certificate courses, student loans for skill-based courses, student loans for studying abroad, and so on.

Whatever the course may be, there are two wide categories of the education loans on the basis of location.

Domestic Education Loan – For educational courses within the geographical limits of the country. The borrowers have to meet various eligibility criteria and the lenders will approve the loan if the student has got a secured seat in an institute that meet the requirements of the lenders.

Study Abroad Education Loan - For educational courses outside the geographical boundaries of the country. Like domestic education loan, the borrower should get a secured seat in a college or university among the list of the eligible educational institutions to approve the loan.

In addition to these, the education loans can be further divided on the basis of a few other categories. These include the following:

On the basis of course of education:

financial institutions also provide loans on the basis of course type the borrower selects. The following are the types of course based education loans:

Graduate Student Loans: These education loans will be provided to the students who like to continue their education in the institutions within India. These loans are specifically for those students who plan to pursue postgraduate degrees. To avail this loan, the students should have completed their undergraduate program.

Undergraduate Education Loans: These loans provide financial support to the students to pursue their undergraduate degree programs. The course duration of an undergraduate program can be three to five years after completing which the students get ample job opportunities.

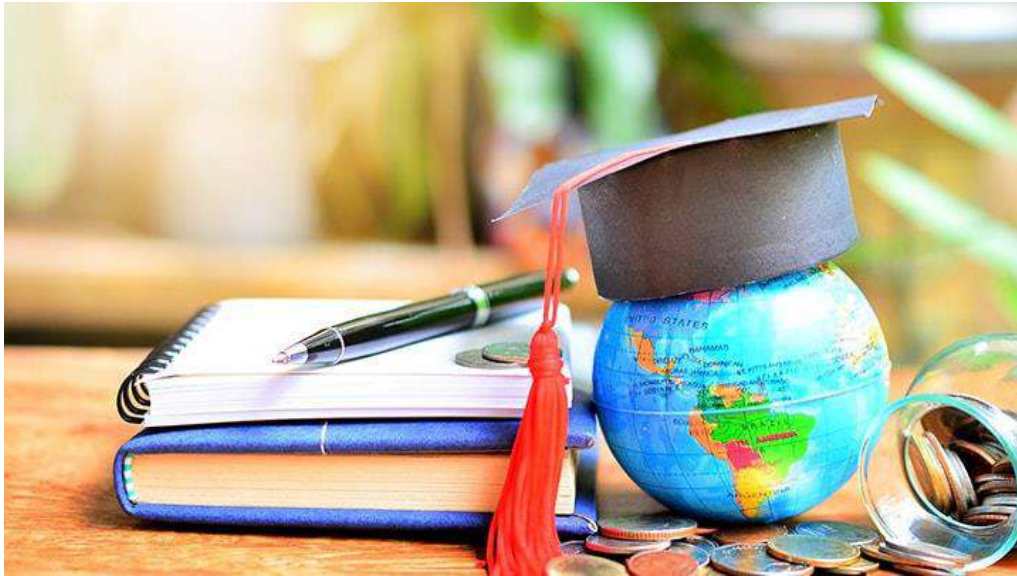
Professional Education Loans: Many banking institutions and NBFCs provided loans to the students who are willing to opt for career education.

On the basis of security of collaterals and/or guarantee. The following are education loans provided based of security of collaterals or guarantee:

Loan against deposits: Education loan can be availed against recurring deposits or fixed deposits or gold deposits.

Loan against property: Banks and NBFCs also provide education loan against immovable assets such as residential land/agricultural land/ house/flat, etc.

Loan against securities: The borrower can avail education loans against debentures/bonds/equity shares.



Features and benefits of education loan :

Reduced financial burden: Higher education, whether in India or abroad, will definitely make you reach for your savings. While it sounds better than starting your life with debt, it restricts you financially and dips your savings considerably. Firstly, if you use your savings to finance your education, you will be confined to the amount you have. A dream college or dream destination could be well beyond your reach. Secondly, your hard-earned savings are not like the bottomless chips and coke offered at a diner. Your savings will eventually, lead to unnecessary panic and tension in case of an emergency.

Tax exemption on education loan : Tax exemptions are the icing on top of education loans. There are two parts to this - TCS (Tax collected at source) and Tax exemption while filing your Income Tax return. If you are paying a foreign university a tuition fee above INR 7 lakhs in a financial year, 5% tax will be

collected at the source. The same tax will be 10% if PAN and Aadhar cards are not furnished at the time of application. However, students who take an education loan are eligible for a 0.5% concession. The education loan should be applied for by a financial institution. In simple words, it means that you will be subjected to a higher TCS if you self-finance your education or arrange the funds through anyone other than the authorized financial lenders. Therefore, it is another reason to not dip into your savings and apply for an education loan.

No need to liquidate assets: Typically, parents sell valuable assets to cover the costs of education, which can ultimately disrupt long-term financial plans such as purchasing property or a home for their children's marriage. By opting for an education loan, banks use your liquid assets like Fixed Deposits (FDs), insurance policies, and government bonds as collateral and provide you with a loan backed by these assets. As a result, the education loan you obtain will not interfere with your long-term financial objectives.

Others benefits:

1. The loan amount can go up to Rs.1 crore for international students and up to Rs.50 lakh for domestic students.
2. 100% financing available for certain conditions.
3. The financing covers other expenses, such as student exchange travel expenses and laptop.
4. Preferential forex rates may be available for international disbursements.
5. Parents should be joint borrowers for the education loan.
6. Loan repayment tenure can go up to 15 years.

7. Loan moratorium period of up to 6-months to 1 year from completing the course.
8. Tax benefits up to 8 years on the loan interest payment.

- **About topic-**

Access to higher education is a fundamental driver of individual advancement and societal progress, yet the financial burden associated with pursuing tertiary education often presents a formidable obstacle, particularly for students in regions like Nagpur. In response to this challenge, financial institutions like PNB Bank have introduced education loan schemes to alleviate the financial strain on students and promote wider access to higher education. PNB Bank's education loan scheme in Nagpur offers eligible students the opportunity to secure financial assistance for their educational pursuits, covering expenses such as tuition fees, accommodation, and other related costs. With competitive interest rates, flexible repayment options, and tailored provisions to meet the diverse needs of students, the scheme aims to empower individuals from various socioeconomic backgrounds to fulfil their academic aspirations. However, despite the scheme's potential benefits, challenges such as limited awareness, stringent eligibility criteria, and bureaucratic processes may hinder its accessibility and effectiveness. By critically analysing the scheme's implementation, identifying areas for improvement, and proposing targeted solutions, stakeholders can work towards ensuring that the education loan scheme offered by PNB Bank in Nagpur serves as a catalyst for educational attainment and socioeconomic mobility in the region.

CHAPTER-2
COMPANY PROFILE

COMPANY PROFILE



Punjab National Bank (PNB), India's first Swadeshi Bank, commenced its operations on April 12, 1895 from Lahore, with an authorized capital of ₹ 2 lac and working capital of ₹ 20,000. The Bank was established by the spirit of nationalism and was the first bank purely managed by Indians with Indian Capital. During the long history of the Bank, 9 banks have been merged/ amalgamated with PNB.

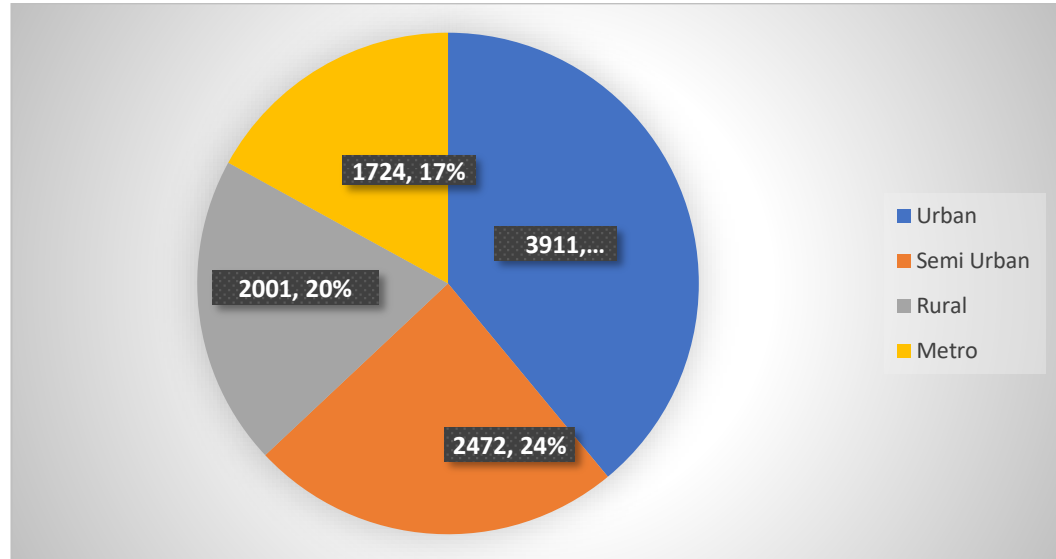
Company type	Public
Traded as	BSE: 532461 NSE: PNB
Industry	Banking, Financial services
Founded	19 May 1894; 129 years Ago
Founder	Dyal Singh Majithia Lala Lajpat Rai
Headquarters	Dwarka, Delhi
Number of locations	10,108 Domestic Branches 12,455 ATMs
Key people	KG Ananthkrishnan (Non-Exe Chairman) Atul Kumar Goel (MD & CEO)

Products	Retail banking Corporate banking Investment banking Mortgage loans Private banking Wealth management Asset management Investment management Risk management Mutual funds Exchange-traded funds Index funds Credit cards Insurance
Revenue	▲ ₹99,084.88 crore (US\$12 billion) (2023)
Operating income	▲ ₹22,932.21 crore (US\$2.9 billion) (2023)
Net income	▼ ₹3,348.50 crore (US\$420 million) (2023)
Total assets	▲ ₹1,493,648.94 crore (US\$190 billion) (2023)
Total equity	▲ ₹102,880.50 crore (US\$13 billion) (2023)
Owner	Government of India
Number of employees	103,144 (2022)
Subsidiaries	PNB MetLife India Insurance Company PNB Housing Finance Limited
Capital ratio	14.14% (2020)
Website	www.pnbindia.in

National branch network :

As at the end of December' 2023, Bank has total 52,331 delivery channels with a network of 10,108 domestic branches, 2 International branches, 12,455 ATMs & 29,768 Business Correspondents. The population wise breakup is given as under.

Population Group Wise:



Competitors of PNB Bank:

1. AXIS BANK
2. HDFC BANK
3. STATE BANK OF INDIA
4. CANARA BANK
5. ICICI BANK
6. DBS BANK
7. KOTAK MAHINDRA BANK
8. BANK OF MAHARASHTRA
9. BANK OF BARODA
10. UNION BANK
11. CENTRAL BANK OF INDIA
12. BANDHAN BANK

BUSINESS PERFORMANCE

PNB is one of the largest Public Sector Bank (PSB) in the country with Global Gross Business at ₹ 22, 90,742 Crore. The Bank continues to maintain its forte in low-cost CASA deposits with a share of 42.47%. Bank's focus has been on qualitative business growth, recovery and arresting fresh slippages.

The Business figures of the Bank as on December'2023 is given as under:

Sl.	Parameters	Dec'22	Mar'23	Dec'23	YoY variation	
					Amt.	%
1	Domestic Deposits	1181361	1251708	1289270	107909	9.1%
2	Global Deposits	1210359	1281163	1323486	113127	9.3%
3	Gross Domestic Advances	821115	849766	930343	109228	13.3%
4	Gross Global Advances	856757	884681	967256	110499	12.9%
5	Gross Domestic Business	2002476	2101474	2219613	217137	10.8%
6	Gross Overseas Business	64640	64369	71129	6489	10.0%
7	Gross Global Business	2067116	2165844	2290742	223626	10.8%
8	CASA Deposits	516534	538015	547516	30982	6.0%
9	Current Deposits	64589	74028	68636	4047	6.3%
10	Saving Deposits	451945	463987	478880	26935	6.0%
11	CASA Share Domestic (%)	43.7%	43.0%	42.47%		

PROFITABILITY-

Net Profit for Q3 FY'24 was at ₹ 2,223 Crore and ₹ 5,234 Crore for 9M FY'24 increased by 253.4% and 288.0%, respectively on YoY basis. Operating Profit for Q3 FY'24 was at ₹ 6,331 Crore and ₹ 18,515 Crore for 9M FY'24 increased by 10.8% and 11.1%, respectively on YoY basis. Net Interest Income for Q3

FY'24 was at ₹ 10,293 Crore and ₹ 29,720 Crore for 9M FY'24 increased by 12.1% and 18.9%, respectively on YoY basis. Total Interest Income of the Bank for Q3 FY'24 was at ₹ 27,288 Crore and ₹ 78,788 Crore for 9M FY'24 recording growth of 21.9% and 28.5%, respectively on YoY basis. Operating Expenses declined from

₹ 6,801 Crore as on Q3 FY'23 to ₹ 6,636 Crore as on Q3 FY'24.

CAPITAL ADEQUACY RATIO-

CRAR was at 14.63% as on December'23. Tier-I is at 11.73% (CET-1 was at 9.86%, AT1 was at 1.87%) and Tier-II is at 2.90% as on December'23. Risk Weighted Assets were at ₹ 7,37,201 Crore as on December'23.

ASSET QUALITY-

Management of stressed assets continues to be one of the top priorities for the Bank. As a result of focused efforts in this direction, Gross Non-Performing Assets (GNPA) were at ₹ 60,371 Crore as on December'23 as against ₹ 83,584 Crore as on December'22 declined by

₹ 23,213 Crore on YoY basis. Net Non-Performing Assets (NNPA) were at ₹ 8,816 Crore as on December'23 as against ₹ 26,363 Crore as on December'22 declined by ₹ 17,547 crore on YoY basis. Provision Coverage Ratio (PCR) Excluding TWO improved by 1694 bps YoY to

85.40 % in December'23 from 68.46 % in December'22.

PRIORITY SECTOR LENDING-

Bank has achieved all mandated target under Priority Sector:

1. Priority Sector Advances exceeded the National Goal of 40% and was at 43.45% of ANBC.
2. Agriculture advances exceeded the National Goal of 18% and was at 19.89% of ANBC.
3. Credit to Small & Marginal Farmers exceeded the National Goal of 10% and was at 11.03% of ANBC.
4. Credit to Weaker Sections exceeded the National Goal of 12% and was at 14.54% of ANBC
5. Credit to Micro Enterprises exceeded the National Goal of 7.50% and was at 9.07% of ANBC.

ENHANCING DIGITALISATION

Digital Banking Initiatives: Bank has focused on creation of digital canvas by introducing many digital journeys in FY'22-23 like e-OD against FD, PAPL, e-OTS, Insta EMI Credit & Debit card etc. Digital Transactions improved to 58% in December'23. The progress under digitalization is outline below:

PNB One App daily downloads increased from 26 thousand in December'22 to 37 thousand in December'23.

Average daily active users increased from 5.4 Lakh in December'22 to 9.5 lakh in December'23 for PNB One.

Internet Banking users recorded 9% YoY Growth during Dec'22-23.

Number of UPI Transactions increased YoY by 70% to 435 Crore during FY'23-24.

NEW INITIATIVES UNDERTAKEN

1. Waiver of OTP authentication for bill payment, PPF, FD/RD, Emergency Services
2. PMJJBY & PMSBY using Jan Suraksha API through PNB One/Retail IBS.
3. Facility to manage Rupay NCMC wallet a/c through Retail IBS and PNB One.
4. Online Locker Agreement Execution through NESL.
5. Central Bank Digital Currency: Launch of PNB Rupee Wallet App for customer.
6. Online Portal for Bank Guarantee Verification
7. Pre-Filled Deposit Slip through PNB One
8. Financial Supply Chain Management: Financial Solution to optimize working capital and cash flows

HR Transformation

Comprehensive HR transformation process started in the bank to improve employee productivity in following ways:

1. Role Clarity Tool - Clarity of roles & expectations from each employees with well-defined, measurable KRAs.
2. Target Setting Tool - Targets based on historical CAGR, pin code level market performance data and risk appetite.
3. Performance Monitoring System - Clear tracking, measurement & visibility of performance metrics to identify improvement areas. Performance Dashboard & PMS Profiler Tools to enable real-time monitoring. Business target linked to the reality of local market through scientific tool.

4. Leadership Development Program (LDP) - Comprehensive LDP to prepare future Bank leaders on behavioral aspects for 900+ Officers. LDP ongoing for Top Management Officials along with One-to-One Coaching Sessions.
5. Succession Planning - Designed to identify and nurture high-potential successors for all critical roles within our bank. Ensuring seamless transition of leadership and fostering a culture of continuous growth.

FINANCIAL INCLUSION

The Bank has been a pioneer in taking initiatives in the area of Financial Inclusion. Under PMJDY, 491 Lakh accounts were opened. As on 31.12.2023, progress under the social security schemes is as under:-

1. Pradhan Mantri Suraksha Bima Yojana [PMSBY]: 246.29 lakh customers enrolled under PMSBY.
2. Pradhan Mantri Jeevan Jyoti Bima Yojana [PMJJBY]: 61.9 lakh customers enrolled under PMJJBY.
3. Atal Pension Yojana [APY]: 33.58 lakh customers enrolled under APY.

• AWARDS AND RECOGNITIONS

1. IBSI Global Fintech Innovation Awards- Best Digital Channel/Platform for the PNB ONE- Super App
2. Outstanding achievements in "Environmental Excellence" by 23rd Greentech Environment Award 2023.
3. Second prize among PSBs with Highest Pledge Finance by Warehousing Development and Regulatory Authority.

4. Recognition for Excellence in Customer Service by Jagdish Sheth School of Management (JAGSoM)

- **SOCIAL MEDIA PRESENCE**

- Bank believes in a thriving communication with its customers and in this context understands the importance of Social media as an effective tool. Punjab National Bank is having a Facebook following of 21,20,708, LinkedIn following of 1,25,982, Instagram following of 2,22,715, YouTube subscribe of 1,72,033 and Koo following of 47,532.

- **PNB BANK EDUCATION LOAN SCHEME -**

An Introduction to PNB Education Loans

Education is one area where everybody is willing to spend a lot of money to live a prosperous life in the future. Being one of the major education loan providers, PNB understands the needs of the students and offers extremely competitive education loans at better interest rates. Every year, a large number of students secure admissions in top universities and colleges in India and abroad with PNB education loans

- **Types of education loan scheme in PNB-**

1. **PNB Saraswati:** Regular Scheme for pursuing Higher studies in India & Abroad.
2. **PNB Pratibha:** Collateral free Education loans at lower ROI to those students getting admission in of 103 premier institutions in India, as identified by Bank.
3. **PNB Udaan:** Education Loan Scheme for providing financial support to meritorious students for pursuing higher education abroad.

4. **PNB (Kaushal)**- The Education Loan Scheme PNB Kaushal aims at providing financial support from the banking system to those who have the minimum educational qualification, as required by the institution organization running the course eligible under the scheme

PNB BANK EDUCATION LOAN INTEREST RATE -

SCHEME	INTEREST RATE (P.A.)
PNB Saraswati	10.00%p.a. to 10.75%p.a.
PNB Pratibha	8.20.%p.a. to 10.50%p.a.
PNB Udaan	9.25%p.a. to 10.75%p.a.
PNB Kaushal	10.25%p.a. to 10.75%p.a.
PNB Honhaar	11.25%p.a.
PNB Pravasi shikha loan	11.25%p.a.
PNB PM cares Education loan scheme	9.50%p.a. to 10.00%p.a.

COMPARISON INTEREST RATE WITH OTHERS BANK –

Name	Loan Amount	Interest Rate
Axis Bank	Up to Rs. 4 Lakhs	15.20%
Axis Bank	Loans greater than Rs. 4 Lakhs and upto Rs. 7.5 Lakhs	14.70%
Axis Bank	Loans greater than Rs. 7.5 Lakhs	13.70%
Bank of Baroda	For all loan types and amounts	8.50% onwards
Canara Bank	For Vidhya Turant Loan Scheme	6.60%
Canara Bank	Up to Rs. 4 Lakhs	10.40%

Canara Bank	Rs. 4 Lakhs to Rs. 7.50 Lakhs	10.40%
Canara Bank	Loans above Rs. 7.50 lakhs	10.20%
Canara Bank		9.90%
HDFC Bank	Minimum APR	9.00%
HDFC Bank	Maximum APR	13.86%
HDFC Bank	Average APR	11.57%
Kotak Mahindra Bank	For all loan types and amounts	11.5% to 24%
Punjab National Bank	PNB Kaushal	8.55% onwards
Punjab National Bank	PNB Saraswati/Udaan	10.30% onwards
Punjab National Bank	PNB Pratibha (for admission to IITs , IIMs and XLRI Jamshedpur)	8.45% onwards
Punjab National Bank	PNB Pratibha (for admission to other colleges)	8.55% onwards
Punjab National Bank	PNB Honhaar	10.45%
State Bank of India	Up to Rs. 7.5 Lakhs	10.25%
State Bank of India	Above Rs. 7.5 Lakhs	10.50%
Avanse	For all loan types and amounts	10% to 16.50%
Credila	For all loan types and amounts	11.85% onwards
Allahabad Bank	As per applicant's profile	9.20% onwards
Andhra Bank	As per applicant's profile	10.80% onwards
Axis Bank	50,000 to 15 lakh	12% onwards
Bajaj Finserv	Up to 25 lakh	12.99% onwards
Bank of Baroda	50,000 to 10 lakh	10.50% onwards
Bank of India	Up to 10 lakh	9.35% onwards

CHAPTER-3
LITREATURE REVIEW

LITREATURE REVIEW

1. Jain, A., & Agarwal, A. (2019). Role of Banks in Financing Education in India.

Banks, as key financial institutions, play a pivotal role in providing education loans to students. They offer various loan schemes tailored to meet the diverse needs of students, including tuition fees, accommodation, and other educational expenses (Jain & Agarwal, 2019). PNB Bank, being one of the leading public sector banks in India, contributes significantly to this endeavour.

2. Kumar, S., & Srinivasan, P. (2020). Education Loan Schemes in India: A Study. International Journal of Finance & Banking Studies

Education loans are essential for bridging the gap between the increasing costs of education and the financial capabilities of students and their families (Kumar & Srinivasan, 2020). These loans enable students to pursue higher education without facing immediate financial constraints.

3. Kaur, M., & Kaur, H. (2019). Education Loan: A Boon or Bane for Higher Education. International Journal of Scientific Research and Management

Despite the benefits of education loan schemes, challenges such as the burden of debt post-graduation and the need for financial literacy among borrowers exist (Kaur & Kaur, 2019). However, with proper awareness and guidance, education loans can serve as enablers for students to achieve their academic aspirations and contribute to their personal and professional growth.

CHAPTER-4
RELEVANCE OF STUDY

RELEVANCE OF STUDY

Statement of Problem:

Access to higher education is a critical component of individual empowerment and societal development. However, the cost associated with pursuing higher education often poses a significant barrier for many individuals, particularly in regions like Nagpur. While education loan schemes are designed to mitigate this financial burden, the effectiveness and accessibility of such schemes, particularly those offered by PNB Bank in Nagpur, remain unclear.

The problem statement revolves around the need to assess the efficacy and accessibility of the education loan scheme provided by PNB Bank in Nagpur.

Key questions that arise include:

1. What are the eligibility criteria and terms of the education loan scheme offered by PNB Bank in Nagpur?
2. How accessible is the scheme to students in Nagpur, particularly those from marginalized or economically disadvantaged backgrounds?
3. What is the uptake rate of the education loan scheme, and what factors influence students' decision to opt for or refrain from availing the loan?
4. What is the repayment trend of loans obtained through the scheme, and are there any challenges or patterns observed in loan repayment behaviour?
5. What is the perceived impact of the education loan scheme on students' access to higher education, academic pursuits, and future career prospects in Nagpur

CHAPTER-5
RESEARCH METHODOLOGY

OBJECTIVE OF STUDY

- 1) To study about the education loan scheme.
- 2) To study the terms and conditions imposed by banks educational loan in Nagpur.
- 3) To know the process of education loan scheme in PNB bank.
- 4) To examine the interest rate changed by PNB bank on education loan.

SCOPE OF STUDY

- 1) It will helpful for those who seeking for education loan in PNB.
- 2) Educational loan scheme can also include additional benefits.
- 3) This report can be useful for the educational institutions too.
- 4) It may assist in identifying the challenges occurred in PNB during education.

NEED OF STUDY

- 1) Insight into the educational loan scheme digitally by PNB.
- 2) for understand the legal documentation for taking educational loan in PNB.
- 3) To identify financial performance on education loan in PNB bank.
Enhance the facilities by PNB.

LIMITATIONS OF STUDY

- 1) The study is confined to Nagpur District only due to time limit.
- 2) The study is limited only education loan in PNB bank in Nagpur.

RESEARCH METHODOLOGY

Research methodology is a way of explaining how a researcher intends to carry out their research .. It's a logical, systematic plan to resolve a research problem. A methodology details a researcher's approach to the research to ensure reliable, valid results that address their aims and objectives.

Primary Data Collection Methods:

1. **Surveys/Questionnaires:** Researchers design structured questionnaires or surveys to gather specific information from respondents. These can be conducted through online platforms, face-to-face interviews, or telephone interviews.
2. **Interviews:** In-depth interviews allow researchers to gather detailed insights from participants. These interviews can be structured, semi-structured, or unstructured, depending on the research objectives.
3. **Observations:** Researchers directly observe subjects or phenomena in their natural environment to gather data. This method is particularly useful in behavioural studies or when studying phenomena that cannot be easily quantified.
4. **Experiments:** Researchers manipulate variables in controlled settings to observe their effects on outcomes of interest. This method allows for establishing causality between variables.
5. **Focus Groups:** Researchers bring together a small group of individuals to discuss a particular topic or issue. This method facilitates rich discussions and insights from participants.

6. **Case Studies:** Researchers delve deeply into a specific case or situation to understand its complexities and dynamics. Case studies often involve multiple data collection methods, such as interviews, observations, and document analysis.

Secondary Data Collection Methods:

1. **Websites:** Researchers can access information from various websites, including government databases, academic journals, organizational websites, and online repositories. This method allows for accessing a wide range of data on different topics.
2. **Internal Records:** Organizations maintain internal records of their activities, operations, and performance. Researchers can analyse these records, such as sales reports, financial statements, and customer databases, to gain insights into organizational processes.
3. **National Journals:** Researchers can access journals published by national or international organizations, government agencies, or academic institutions. These journals contain research findings, reports, and articles on diverse topics, providing valuable secondary data for analysis.
4. **Research Papers:** Academic and scholarly research papers contribute to the body of knowledge on various subjects. Researchers can review existing research papers to gather information, data, and insights relevant to their study.
5. **Books and Reports:** Books, reports, and publications from reputable sources provide comprehensive information on specific topics. Researchers can extract relevant data and insights from these sources to support their research

objectives.

6. **Official Statistics:** Government agencies and international organizations publish official statistics on demographics, economics, health, education, and other areas. Researchers can access these statistics through official publications, websites, and databases for secondary data analysis.

HYPOTHESIS-

A hypothesis (plural: hypotheses) is a precise, testable statement of what researchers (s) predict will be the outcome of the study:

Hypothesis 1

(H0) - "PNB Bank do not provide the education loan at low interest rate."

(H1) - "PNB Bank provide the education loan at low interest rate."

(H0) - "PNB bank loan schemes may only be limited to educational loan"

(H2) - "PNB bank may not be only limited to education loan"

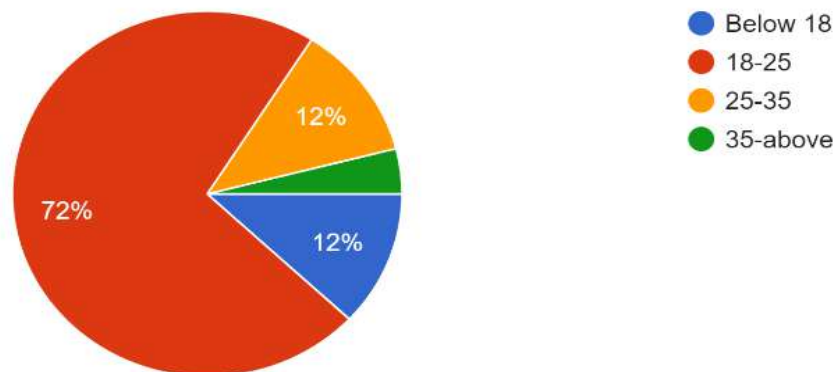
CHAPTER-6
DATA ANALYSIS & INTERPRETATION

DATA TABLE-**AGE**

Sr. No.	Particulars	Responses	Percentage
1	Below 18	6	12%
2	18-25	36	72%
3	25-35	6	12%
4	35-Above	2	4%
Total		50	100%

Age

50 responses

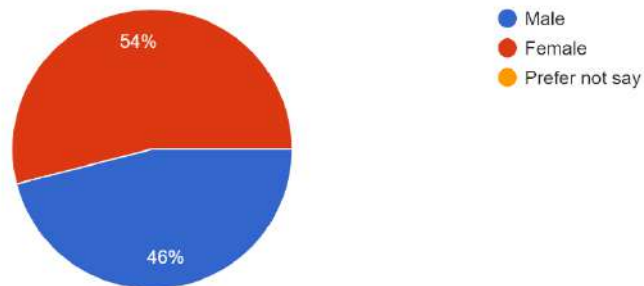


Interpretation-As per the above graph and table the respondents (72%) are in age group of 18-25, (12%) are in group of 25-35 and Below 18 whereas the (4%) are above age of 35.

GENDER

Sr. No.	Particulars	Responses	Percentage
1	Male	23	46%
2	Female	27	54%
3	Prefer not to say	-	
Total		50	100%

Gender
50 responses



Interpretation-

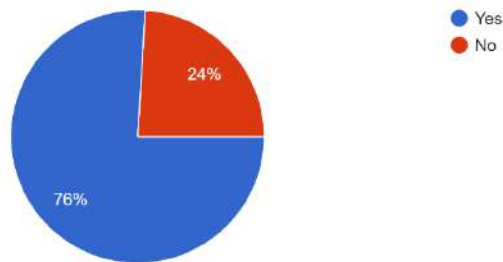
The ratio of male respondents for education loan in PNB Bank is (54%) and whereas the (46%) respondents are female.

QUESTION.1)

Sr.no	Particulars	Reponses	Percentage
1	Yes	38	76%
2	No	12	24%
Total		50	100%

1. Are you aware of the education loan scheme provided by PNB Bank in Nagpur ?

50 responses

**Interpretation-**

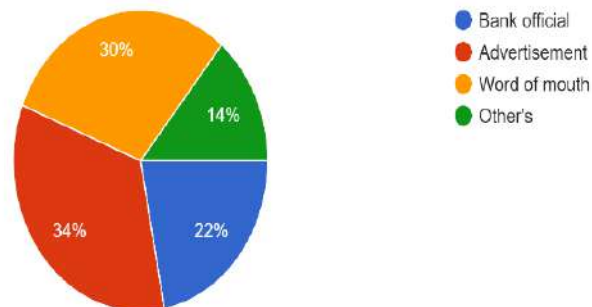
As for the above table and graphs the respondents (76%) are A aware of the education ban scheme provided by PNB Bank in Nagpur whereas the 24%.) of the respondents are not aware about it.

QUESTION.2)

Sr.no	Particulars	Reponses	percentage
1	Bank officials	11	22%
2	Advertisement	17	34%
3	Word of mouth	15	30%
4	Others	7	14%
Total		50	100%

2. If yes. how did you become aware of these scheme

50 responses

**Interpretation-**

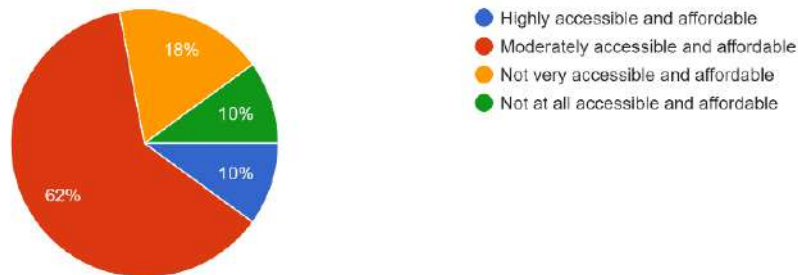
The above table and graph define that the highest respondent percentage (34.1%) regarding aware of the scheme, (30.1%) others know through word of mouth. the (22.1%) respondents, through other mode know about it 14%.

QUESTION.3)

Sr.no	Particulars (accessible and affordable)	Reponses	percentage
1	High	5	10%
2	Moderate	31	62%
3	Low	9	18%
4	Not at all	5	10%
Total		50	100%

3. what is your perception of PNB Bank's education loan scheme in terms of accessibility and affordability ?

50 responses

**Interpretation-**

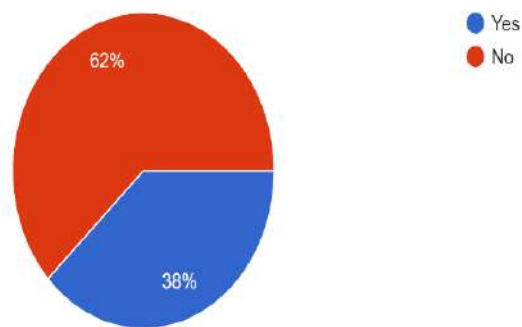
The above table and graph show that respondents (10%) have perception that the education loan Scheme provided by PNB Bank is Highly accessible and affordable, and the same percentage (10%) have perception that (Not at all accessible and affordable, the (18%) respondents think that Not very accessible and affordable, the highest percentage defines (62%) it moderately accessible and affordable.

QUESTION.4)

Sr.no	Particulars (accessible and affordable)	Reponses	percentage
1	Yes	31	62%
2	No	19	38%
Total		50	100%

4. Have you applied for an education loan from PNB Bank in Nagpur ?

50 responses

**Interpretation-**

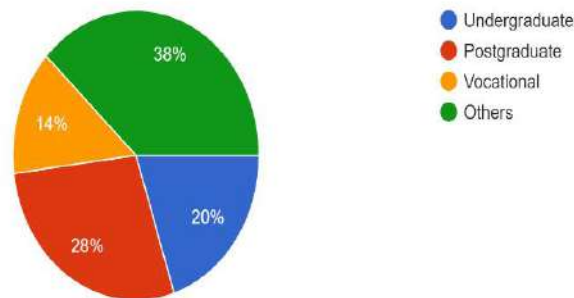
As per the above table and graph (62%) of the respondents have applied for education loan in PNB Bank in Nagpur whereas (38%) have applied in other banks.

QUESTION.5)

Sr.no.	Particulars	Responses	Percentage
1	Undergraduate	10	20%
2	Postgraduate	14	28%
3	Vocational	7	14%
4	Others	19	38%
Total		50	100

5. What type of education loan did you apply for from PNB Bank ?

50 responses

**Interpretation-**

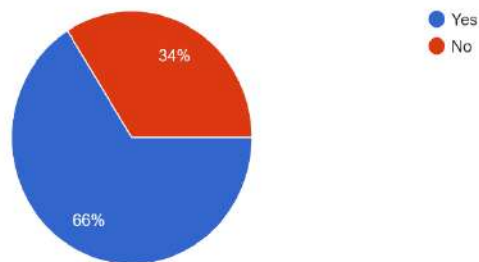
The above table and graph states that (20%) have applied for undergraduate, (28%) applied for Postgraduate, (14%) vocational and least percentage (38%) respondent have applied for other.

QUESTION.6)

Sr.no.	Particular	Responses	Percentage
1	Yes	33	66%
2	No	17	34%
Total		50	100%

6. Were the terms and conditions of the loan clearly communicated during the application process ?

50 responses

**Interpretation-**

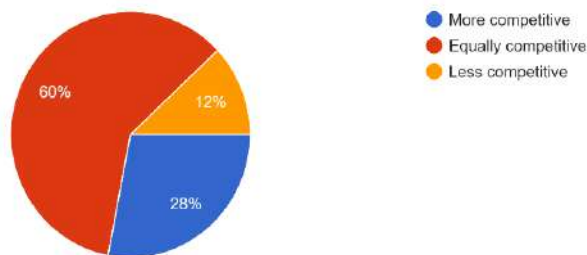
The table and graphs show that 33 respondent (66%) agreed that the terms and conditions were communicated properly during the application process and (34%) of the respondent are disagreed with it.

QUESTION.7)

Sr.no.	Particulars	Reponses	Percentage
1	More Competitive	14	28%
2	Equally Competitive	30	60%
3	Less Competitive	6	12%
Total		50	100%

7. How do you perceive the interest rates offered by PNB Bank on education loans compared to other banks ?

50 responses

**Interpretation-**

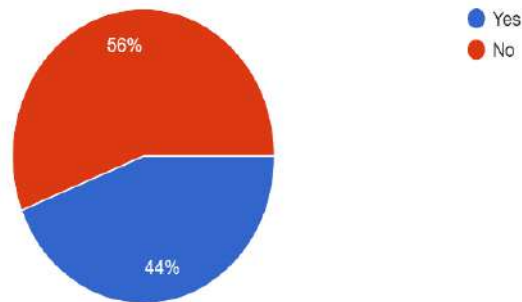
The graph and table state the interest rate offered by PNB Bank on education loan in comparison to other bank is (60%) equally competitive, (28%) More competitive and (12%) less competitive.

QUESTION.8)

Sr.no.	Particulars	Responses	Percentage
1	Yes	22	44%
2	No	28	56%
Total		50	100%

8. Are you aware of any changes in interest rates implemented by PNB Bank on education loans ?

50 responses

**Interpretation-**

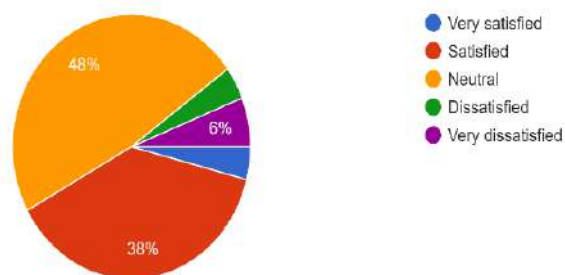
The graph and table show that (56%) of the applicants are aware of change in interest rates in educational loan in PNB Bank whereas (44%) are not aware about it.

QUESTION.9)

Sr.no.	Particular	Responses	Percentage
1	Very Satisfied	2	4%
2	Satisfied	19	38%
3	Neutral	24	48%
4	Dissatisfied	3	6%
5	Very Dissatisfied	2	4%
Total		50	100%

9. How satisfied are you with the repayment options offered by PNB Bank for education loans ?

50 responses

**Interpretation-**

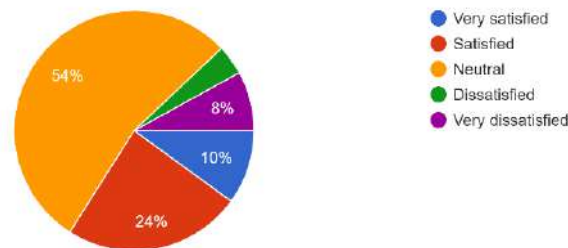
As per the above graph and table (4%) respondent are very satisfaction regarding the repayment option provided by PNB Bank on education loan, (38%) are satisfied, the highest respondent (48%) have neutral opinion about it, where (2%) and (6%) respondent dissatisfied and very dissatisfied respectively.

QUESTION.10)

Sr.no.	Particular	Responses	Percentage
1	Very Satisfied	5	10%
2	Satisfied	12	24%
3	Neutral	27	54%
4	Dissatisfied	2	4%
5	Very Dissatisfied	4	8%
Total		50	100%

10. Overall, how satisfied are you with PNB Bank's education loan schemes ?

50 responses

**Interpretation-**

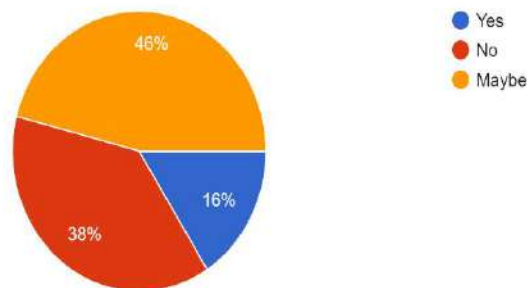
As per the table and graph the overall satisfaction of taking education loan from PNB Bank is highest percentage (54%) are neutral, (24%) are satisfied, (10%) are very satisfied, (8%) are very dissatisfied and lastly (4%) dissatisfied.

QUESTION.11)

Sr.no.	Particulars	Responses	Percentage
1	Yes	8	16%
2	No	19	38%
3	May be	23	46%
Total		50	100%

Does PNB Bank provide other facilities along with education loans?

50 responses

**Interpretation-**

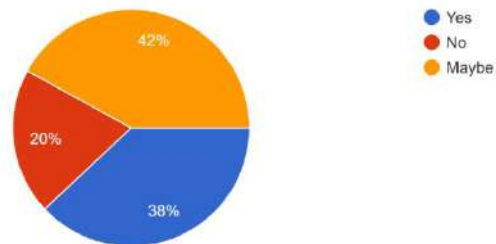
As per the above table and graph the least percentage (16%) are agreeing that PNB BANK provides other facilities along with education loan and (38%) are disagreed with it and the highest percentage is (46%) are not aware about it.

QUESTION.12)

Sr.no.	Particulars	Responses	Percentage
1	Yes	19	38%
2	No	10	20%
3	May be	21	42%
Total		50	100%

11. Would you recommend PNB Bank's education loan schemes to others ?

50 responses

**Interpretation-**

The graph and table show that (38%) respondent are in favour of recommendation and (20%), are not in favour as well as (42%) are not sure about it.

HYPOTHESIS TESTING

A hypothesis (plural: hypothesis) is a precise, testable statement of what researchers (s) predict will be the outcome of the study:

MAIN HYPOTHESIS

(H0) - "PNB Bank do not provide the education loan at low interest rate."

(H1) - "PNB Bank provide the education loan at low interest rate."

From the above research study it is find that among hypothesis 1 the alternate hypothesis H1 that is PNB bank provide the education loan at low interest rate it is found to be true in its accepted whereas null hypothesis H0 is that is PNB bank do not provide the education loan at low interest is rejected.

CHAPTER-11
FINDINGS

FINDINGS

1. 76% of respondents are aware of PNB Bank's education loan scheme in Nagpur. The most common source of awareness (34.1%) is through advertisements, followed by word of mouth (30.1%) and other sources (22.1%).
2. Only 10% of respondents perceive PNB Bank's education loan as highly accessible and affordable, while 62% consider it moderately accessible and affordable. 62% of respondents have applied for an education loan with PNB Bank.
3. Applications are predominantly for postgraduate studies (28%), followed by undergraduate (20%), vocational (14%), and other purposes (38%). A majority (66%) of respondents agreed that terms and conditions were communicated properly during the application process.
4. 60% of respondents find PNB Bank's interest rates equally competitive compared to other banks. 55% of applicants are aware of changes in interest rates for education loans at PNB Bank.
5. Satisfaction with repayment options is very satisfied, 38% Overall satisfaction with taking an education loan from PNB Bank shows a mixed response: 54% neutral, and were others.
6. 38% of respondents are in favour of recommending PNB Bank's education loan, Only 16% of respondents agree that PNB Bank provides additional facilities along with education loans, while 38% disagree, and 48% are unaware.

CHAPTER-12
CONCLUSION

CONCLUSION

In conclusion, this research project delved into the landscape of education loans offered by PNB Bank in Nagpur. Through comprehensive analysis and exploration, various aspects of the loan offerings, including eligibility criteria, interest rates, repayment options, and customer satisfaction, were evaluated. The findings provide valuable insights for both prospective borrowers and the bank itself, highlighting areas of improvement and opportunities for enhancing the educational financing experience. As education remains a cornerstone of personal and societal advancement, understanding and optimizing the accessibility and affordability of education loans are crucial steps towards fostering a more inclusive and prosperous future.

CHAPTER-13
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BIBLIOGRAPHY

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CHAPTER-14
ANNEXTURE

ANNEXTURE

Q 1- Are you aware of education loan scheme provided by PNB bank in Nagpur?

- a) Yes
- b) No

Q 2- If yes, how did you become aware of this scheme?

- a) Bank officials
- b) Advertisement
- c) Word of mouth
- d) Others

Q 3- What is your perception of PNB bank's education loan scheme in terms of accessibility and affordability?

- a) High
- b) Moderate
- c) Low
- d) Not at all

Q 4- Have you applied for education in PNB bank Nagpur?

- a) Yes
- b) No

Q 5- What type of education loan did you applied for from PNB bank in Nagpur?

- a) Undergraduate
- b) Postgraduate
- c) Vocational
- d) Others

Q 6- Were the terms and conditions of the loan clearly communicated during the application process?

- a) Yes
- b) No

Q 7- How do you perceive the interest rates offered by PNB bank on education loan as compared to other banks?

- a) More Competitive
- b) Equally
- c) Competitive
- d) Less Competitive

Q 8- Are you aware of any changes interest rates implemented by PNB bank in education loan?

- a) Yes
- b) No

Q 9- How satisfied are you with the repayment options offered by PNB bank for education loan?

- a) Very Satisfied
- b) Satisfied
- c) Neutral
- d) Dissatisfied
- e) Very Dissatisfied

Q 10- Overall, how satisfied are you with PNB bank loan scheme?

- a) Very Satisfied
- b) Satisfied
- c) Neutral
- d) Dissatisfied
- e) Very Dissatisfied

Q 11- Does PNB Bank provide other facilities along with education loan?

- a) Yes
- b) No
- c) May be

Q 12- Would you recommend PNB bank's education loan scheme to other?

- a) Yes
- b) No
- c) May be