
An empirical analysis of student's experience with educational loan services offered by banks

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DOI: <http://doi.org/10.52814/PJMA.2022.2106>

ARTICLE TYPE: Research paper

ARTICLE HISTORY: Submitted: September 2021, Revisions: November 2021, Accepted: December 2021

HOW TO CITE: Gethe, R., & Hulage, M. (2022). An empirical analysis of students' experience with educational loan services offered by banks. *Prayukti - Journal of Management Applications*, Vol. 2, Issue 1, pp. 37-51.

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ABSTRACT

The government of India is committed to furnishing primary education to all the Higher Education is nowadays becoming the domain the of private sector. As the Government of India gradually reduced government subsidies for higher education which made it costly to pursue. Developing Human Capital is any nation's priority and thus any deserving student should get an opportunity to pursue higher education Loan for Education need to be considered as an investment for economic development. On 13th June 2000, the Hon'ble Finance Minister while in the meeting with Chief Executives of Public Sector Banks promoted the need for a Comprehensive Educational Loan Scheme which should be adopted by all banks. The Educational Loan Scheme outlined by Reserve the Bank of India whose objective is to furnish Financial Support to deserving and meritorious to pursue their Higher Education in India or abroad by the Banking Systems with affordable Terms and Conditions. In this background, the proposed research paper tries to analyze the trends and patterns of educational loans taken by students. Paper The also finds the correlation between Student's Family Background/Income, Type of University, Student's Experience with Loan processing and Disbursement and Services offered by Banks while Loan applications.

KEYWORDS: Educational loans, education financing, reserve bank of india, higher education.

1. INTRODUCTION

Reserve Bank of India gave guidelines for availing student loan services for pursuing Higher Studies in India, the maximum limit for a student's education loan is Rs. 10 Lakhs for Rs. 20 Lakhs for students studying broad or in Foreign Universities. The aim of providing financial support to students for Securing Higher Education Studies in India and Abroad. In the Union Budget of 2001-2002, RBI Announced the scheme. Where the Former Finance Minister in meeting with the Chief Executives of the Public Sector Banks where the minister

described the role of the commercial banks to facilitate easy pursual of Higher Education for Meritorious and deserving students.

Nowadays both Public Sector and Private Sectors banks are providing the facility of Student's loan services to support those who are not able to afford Higher Education Study in premier institutions of the country and abroad.

Education loans are monetary assistance provided to deserving and meritorious students to meet the expenses related to higher education studies. Students who wish to borrow education loan are suggested to apply for loan depending on some factors such as borrower's family income, need of money to incur expenses of higher education i.e., whether student want to pursue higher education in India or Abroad? In India most of the banks providing loan facility at low rate of interest and interest need not to be repay immediately. As students have been furnished with some period before from the time when they take loan till the time when they start to make repayment of the loans.

2. LITERATURE REVIEW

The paper compared the student loan schemes introduced and implemented in Australia and India. Government of Australia introduced Higher Education Contribution Schemes such as Higher Education Loan Program (HELP) to support the students to participate in Higher Education by helping them to get loans so as to incur the cost of higher studies (Sangeetha, 2018).

The paper discussed about the awareness of student loan debt and delinquency and also addressed about the various issues such as, issues faced by borrowers, creditors and Americal Federal Government and the society (Edmiston, 2012).

The research study found that Students are applying increasingly for Students loans. The paper talked about the increasing pattern for Student's loan application year by year from 2004 to 2009 in India (Puttaswamaiah, 2010).

The research paper proposed the theoretical framework based on the four theories: Theory of reasoned action, Theory of Planned Behaviour, Theory of Human Capital and Theory of ability to pay. The paper also identified some of the determinants which may influence intention of students to repay Educational Loan (Srivastava, 2020).

The paper discussed about the impacts of state Educational Loan on the Study life of Students. Also found there exists positive correlation between Student's family background i.e., Family income, Type of University Whether Government or Private University (Bing, 2012).

Problems and issues faced by students about the banks and various financial institutions that as the unemployment rate is goes on increasing, Students are failing to repay the loan amount in a prescribed time. Similarly, Students after getting loans and completion of the course not getting in contact with banks so banks are considering Education Loan as 'Non-Performing Assets' (Khanwalker, 2019).

The research paper discussed about the factors those influencing students to avail loan. Findings of the study revealed that Students (Borrower's Family Income/ Background) those who are interested to pursue higher education studies, Amount of Loan, Interest Rate, Loan application procedure, post Higher Education employment opportunities (Sivakumar, 2018).

In this report, the Bureau suggested the framework to improve student loan servicing practices i.e., there should be some standards for the student loan servicing market and should strengthen communication process so as to furnish information in a manner that enable better borrower outcomes, more emphasis on Accountability and oversight by Federal and State Government (Anon, 2015).

The research report provides detailed about the state of the student's loan debt and Delinquency and also throws light on the issues faced by the borrowers, the Federal Government and the society (Edmiston, 2012).

The paper presented the analysis which indicates the change in the borrower's characteristics and the educational institutions where they attended their education leads to rise in the occurrences of loan defaults (Adam, 2015).

3. RESEARCH METHODOLOGY

3.1 Area of Research: Finance

3.2 Source of Data:

3.2.1 Primary Data- Discussion with the Students pursuing Higher Education in India and Abroad regarding problems faced by them while Applying for the Loan Process.

3.2.2 Secondary Data- Research papers, Journal Articles, and Conference Proceedings published related to the Student's Loan process and services.

3.3 Sample Population: 111 respondents who have taken a loan and not taken loans while pursuing higher education were responded to the questionnaire

3.4 Sample Size: 55 respondents who have taken loans are to be considered for further data analysis process.

4. RESULTS AND DISCUSSION

Data was analyzed in the terms of percentage and presented in pie chart and bar diagram form. Also, Statistical Software such as Minitab and Ms-Excel were used for the statistical data analysis. The study attempts to capture and examine the experience of students applying for education loans. In particular, the borrowing experience was studied along three dimensions:

- Experience related to the loan sanctioning process of the lender (ELsanc)
- Experience related to financing terms of the loan (ELcost)
- Experience related to loan servicing terms of the lender (ELserv)

The experience under each head was studied by using Likert-style questions. The questionnaire consists of 16 Likert-style questions which were organized as 7 questions for (a. ELsanc), 4 questions for (b. ELcost) and 5 questions for (c. ELserv). Each question had to be rated by the respondents on a scale of 1 to 5 (strongly disagree to strongly agree).

- Each group of questions was treated as a separate variable.
- ELsanc is a variable that captures the experience of the borrower related to the loan sanctioning process of the lender
- ELcost is a variable that captures the experience of the borrower related to the financing terms of the loan
- ELserv is a variable that captures the experience of the borrower related to loan servicing terms of the lender.

4.1 Construction of variables:

The variables ELsanc, ELcost and ELserv are constructed by averaging the respondent's ratings (ranging from 1 to 5) for all Likert items for the specific variable. Thus,

- ELsanc is arrived at by taking the average of the respondent's ratings for the 7 questions under
- ELcost is the average of the respondent's ratings for the 4 questions under
- ELserv is the average of the respondent's ratings for the 5 questions under
- In this manner, the qualitative data in the form of borrower responses were converted into quantitative data in the form of an average numerical score for each variable. Since the data were now converted into a numerical score, the same statistical techniques, such as, ANOVA could be used for testing the data.

5. RESEARCH QUESTIONS

The Present research is interested in confirming whether the experience of an average student borrower about the Loan sanctioning process, Loan cost, and loan service was

different, and it is depending upon various factors such as type of lender bank, type of study course of borrower student, borrower's place of residence and size of the loan. We also want to know whether the average experience under each head of experience was neutral or was biased towards satisfactory or unsatisfactory. Our study attempts to answer the following research questions:

- Whether the experience of the borrower related to the loan sanctioning process of the lender (ELSanc), related to the financing terms of the loan (ELcost), and related to loan servicing terms of the lender (ELserv) differed according to the type of lender (i.e., whether the lender is a PSU bank, private sector bank, etc.)
- Whether the experience of the borrower related to the loan sanctioning process of the lender (ELSanc), related to the financing terms of the loan (ELcost), and related to loan servicing terms of the lender (ELserv) differed according to the course of study (undergrad, graduate, etc.)
- Whether the experience of the borrower is related to the loan sanctioning process of the lender (ELSanc), related to the financing terms of the loan (ELcost)) and related to loan servicing terms of the lender (ELserv) differed according to the place of residence of the borrower (i.e., whether the borrower is from a rural, urban area, etc.)
- Whether the experience of the borrower related to the loan sanctioning process of the lender (ELSanc), related to the financing terms of the loan (ELcost), and related to loan servicing terms of the lender (ELserv) differed according to the ticket size of the loan (i.e., whether ticket size is from Rs.1 lakh-5 lakh, 5-10 lakh etc.)
- Whether the experience of the borrower related to the loan sanctioning process of the lender (ELSanc) was neutral, i.e., neither very satisfied nor very dissatisfied
- Whether the experience of the borrower related to the financing terms of the loan (ELcost) was neutral, i.e., neither very satisfied nor very dissatisfied
- Whether the experience of the borrower related to loan servicing terms of the lender (ELserv) was neutral, i.e., neither very satisfied nor very dissatisfied.

6. RESULTS OF DATA ANALYSIS

Have you taken loan?			
	Yes	No	Total
Percentage	49.54%	50.45%	100%
Respondents	55	56	111

Gender			
	Male	Female	Total
Percentage	55.85%	44.14%	100%
Respondents	62	49	111

Income				
Less than Rs.5 lakh	Rs.20 lakh - Rs.10 lakh	Rs.5 lakh - Rs. 20 lakh	Rs.50 lakh and above	Total
18	6	30	1	55
33%	11%	55%	2%	100%

Place of Residence				
	Metro	Non- Metro	Rural	Total
Percentage	25.45%	34.00%	13%	100%
Respondents	14	34	7	55

Amount of Loan Taken					
	1- 5lakhs	5- 10lakhs	10- 20lakhs	More than 20 Lakhs	Total
Percentage	16.36%	43.63%	38.18%	1.81%	100.00%

Respondents	9	24	21	1	55
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Education			
Post Graduate / PhD program	Professional course	Undergraduate program	Total
52	2	1	55
95%	4%	2%	100%

Institutions				
Cooperative / Small Finance Bank	Non- banking Finance Company	Private Sector Bank	Public Sector Bank	Total
1	2	13	39	55
2%	4%	24%	71%	100%

6.1 Classification of Responses:

The questionnaire sought responses to questions about borrower's experience related to (a) the loan sanctioning process of the lender (ELsanc) (b) related to the financing terms of the loan (ELcost) (c) related to the loan servicing terms of the lender (ELserv). The distribution of the ratings of the respondent to the various questions under each head of experience are tabulated below:

Q. No.	Particular of questions related to the borrower's experience of the loan sanctioning process (ELsanc)
1	You could access all loan-related information digitally or on the lender's website without much difficulty
2	There was no disparity between the information on the lender's digital platform and during personal interaction with the lending team
3	The lending team clearly explained all loan-related terms and conditions
4	The lending team was prompt in addressing all your queries
5	The lending team clearly mentioned the documents required for loan sanctioning
6	The loan agreement was clearly worded and easy to understand
7	The lender processed and disbursed the loan within the committed time

6.1.1 Classification of responses for experience related to loan sanctioning process (ELsanc)

	Q1	Q2	Q3	Q4	Q5	Q6	Q7
Strongly agree	12	14	20	19	27	12	18
Somewhat agree	18	11	23	15	17	23	17
Undecided	14	19	8	17	10	14	11
Somewhat disagree	6	7	3	2	0	4	5
Strongly disagree	5	4	1	2	1	2	4
Total	55	55	55	55	55	55	55
Strongly agree	22%	25%	36%	35%	49%	22%	33%
Somewhat agree	33%	20%	42%	27%	31%	42%	31%
Undecided	25%	35%	15%	31%	18%	25%	20%

Q. No.	Particular of questions related to loan financing terms of the lender (ELcost)
1	The loan covered all your educational expenditure (including tuition fees, accommodation, other expenses, as applicable)
2	The interest rate charged by the lender was at par with that of competitors
3	The processing fees of the lender were at par with those of competitors
4	The repayment period and moratorium of the loan were at par with that of competitors

6.1.2 Classification of responses for experience related to loan financing terms (ELcost)

	Q1	Q2	Q3	Q4
Strongly agree	18	17	14	18
Somewhat agree	18	24	20	18
Undecided	7	6	14	14

Somewhat disagree	5	4	4	2
Strongly disagree	7	4	3	3
Total	55	55	55	55
Strongly agree	33%	31%	25%	33%
Somewhat agree	33%	44%	36%	33%
Undecided	13%	11%	25%	25%
Somewhat disagree	9%	7%	7%	4%
Strongly disagree	13%	7%	5%	5%
Total	100%	100%	100%	100%

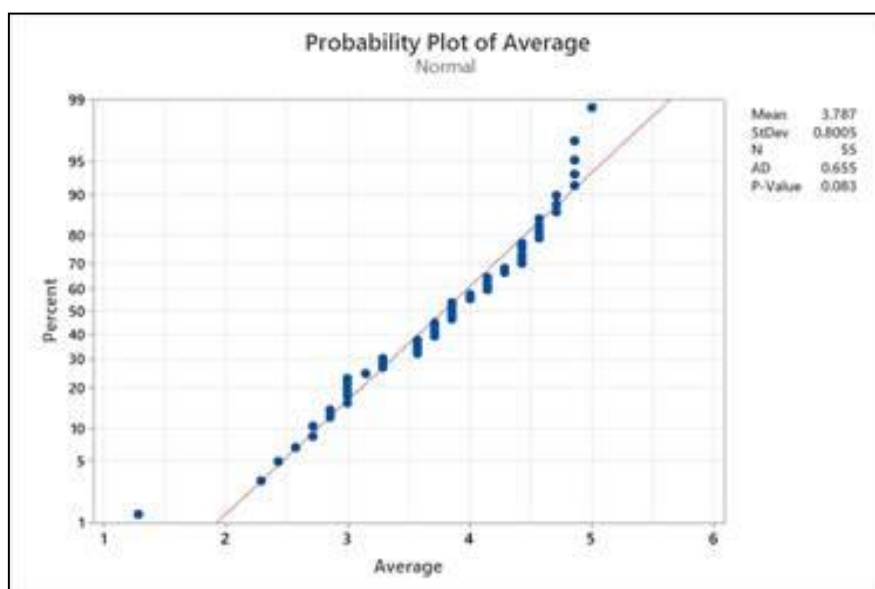
Q No.	Particulars of questions related to loan servicing by the lender (ELserv)
1	The lender allowed flexibility in repayment of the loan Q1
2	The lender allowed flexibility in repayment of the loan with additional charges and/or penalties Q2
3	The lending team was prompt in disbursing loan instalments as per the loan schedule Q3
4	The lender provided value-added services (e.g. free credit card, free gifts, bonus points for prompt repayment etc.) Q4
5	On the basis of your overall experience, you would recommend this lender to others Q5

6.1.3 Classification of responses for experience related to loan financing terms (ELserv)

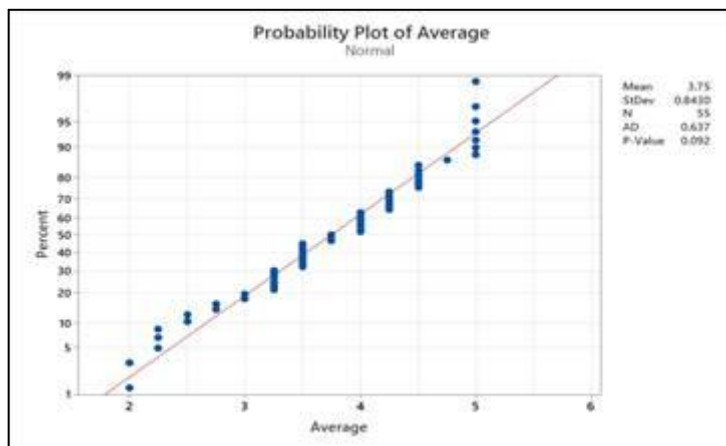
	Q1	Q2	Q3	Q4
Strongly agree	12	10	16	4
Somewhat agree	16	14	24	11
Undecided	18	15	8	14
Somewhat disagree	5	10	6	9
Strongly disagree	4	6	1	17
Total	55	55	55	55
Strongly agree	22%	18%	29%	7%
Somewhat agree	29%	25%	44%	20%
Undecided	33%	27%	15%	25%
Somewhat disagree	9%	18%	11%	16%
Strongly disagree	7%	11%	2%	31%

6.2 Testing Data for Normality of Distribution

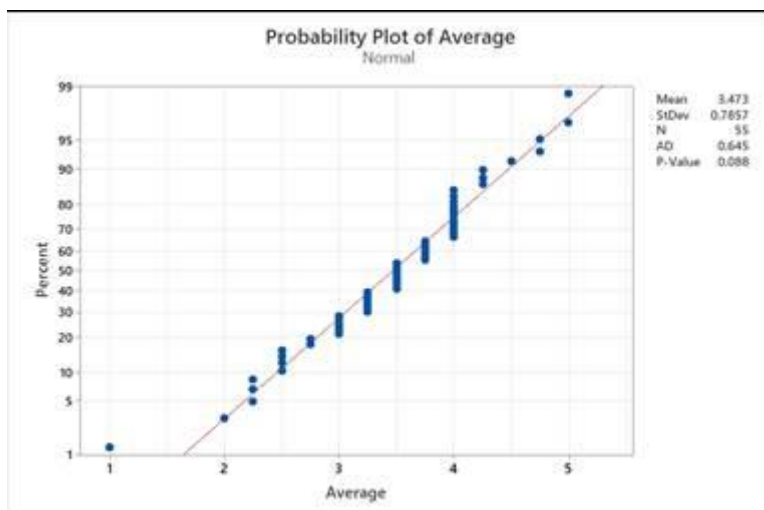
- Before proceeding with the analysis, we checked for normality of the three variables ELSanc, ELCost and ELServ.
- Normality of distribution for borrower experience related to loan sanctioning process (ELsanc):



- Level of significance assumed is 0.05.
- P-value is 0.083, which is more than 0.05. Hence, null hypothesis that variable is normally distributed cannot be rejected. Therefore, data is normal and parametric test like ANOVA can be used.
- Normality of distribution for borrower experience related to loan financing terms (cost):



- Level of significance assumed is 0.05
- P-value is 0.092, which is more than 0.05. Hence, null hypothesis that variable is normally distributed cannot be rejected. Therefore, data is normal and parametric test like ANOVA can be used.
- Normality of distribution for experience related to borrower experience related to loan servicing (ELserv):



- Level of significance assumed is 0.05.
- P-value is 0.088, which is more than 0.05. Hence, null hypothesis that variable is normally distributed cannot be rejected. Therefore, data is normal and parametric test like ANOVA can be used.

6.3 Testing the Hypotheses for Difference in Borrower’s Experience

We tested the difference in borrower’s experience under each of the three heads of experience along different dimensions such as (A) type of lender (B) loan ticket sizes (C) place of residence of borrower and (D) course of study. In each case, we first tested whether the variances are equal across all categories and then applied ANOVA to test the equality of

means. We have used ANOVA because all three variables, ELSanc, ELcost and ELServ are normally distributed as demonstrated earlier.

6.3.1 Equality of borrower's experience according to the type of lender

6.3.1.1) Was there significant difference between the experience related to loan sanctioning process (ELSanc) across different types of lenders?

Tests conducted on Minitab

Tests

Test		
Method	Statistic	P-Value
Bartlett	1.96	0.376

Samples are omitted from the tests if their standard deviations are 0 or missing.

P-value is 0.376, is more than 0.05. Hence null hypothesis cannot be rejected as all variances are equal.

Analysis of Variance					
Source	DF	Adj SS	Adj MS	F-Value	P-Value
Type of the lender	3	0.691	0.2303	0.35	0.792
Error	51	33.916	0.665		
Total	54	34.6071			

One-way Anova P-value is 0.792, is more than 0.05. Hence null hypothesis cannot be rejected.

Therefore, there was no significant difference between the experience related to sanctioning process across different type of lenders.

6.3.1.2 Was there significant difference between the experience related to loan costs (ELcost) across different types of lenders?

Tests

Test		
Method	Statistic	P-Value
Bartlett	1.75	0.418

Samples are omitted from the tests if their standard deviations are 0 or missing.

P-value is 0.418 is more than 0.05. Thus, null hypothesis cannot be rejected.

Analysis of Variance

Source	DF	Adj SS	Adj MS	F-Value	P-Value
Type of the lender	3	2.533	0.8443	1.20	0.319
Error	51	35.842	0.7028		
Total	54	38.375			

One-way Anova P-value is 0.319, is more than 0.05. Hence null hypothesis cannot be rejected. Therefore, there was no significant difference between the experience related to loan costs across different type of lenders. Was there significant difference between borrower experience related to loan servicing (ELserv) across different types of lenders?

Tests	Test	P-Value
Bartlett	0.72	0.697

Samples are omitted from the tests if their standard deviations are 0 or missing.

P-value is 0.697, which is more than 0.05. Hence, null hypothesis that all variances are equal cannot be rejected.

Analysis of Variance					
Source	DF	Adj SS	Adj MS	F-Value	P-Value
Type of the lender	3	1.34	0.4467	0.8	0.497
Error	51	28.314	0.5552		
Total	54	29.654			

One-way Anova P-value is 0.497 is more than 0.05. Hence, null hypothesis cannot be rejected. Therefore, there was no significant difference between the borrower experience related to loan servicing across different type of lenders.

6.3.2 Equality of borrower's experience according to loan ticket size

6.3.2.1 Was the experience related to loan sanctioning process (ELsanc) different for borrowers with varying ticket sizes?

Tests	Test	
Method	Statistic	P-Value
Bartlett	5.84	0.054
Samples bearing standard deviations as 0 or missing were omitted from the tests.		

P-value is 0.054, which is more than 0.05. Hence, null hypothesis that all variances are equal cannot be rejected.

Analysis of Variance					
Source	DF	Adj SS	Adj MS	F-Value	P-Value
Amount of loan taken	3	8.378	2.7926	5.43	0.003
Error	51	26.229	0.5143		
Total	54	34.607			

P-value is 0.003, which is less than 0.05. Hence, null hypothesis that all means are equal has to be rejected and conclude that the mean experience related to sanctioning of loans was different for different categories of loan ticket sizes. Since the ANOVA leads us to reject the null hypothesis that all means are equal, we further perform a multiple comparison test to check which groups had unequal means

Tukey Pairwise Comparisons

Grouping Information Using the Tukey Method and 95% Confidence

Amount of loan taken	N	Mean	Grouping	
Above 20 lakhs	1	4.571	A	B
10 lakhs to 20 lakhs	21	4.17	A	
1 lakhs to 5 lakhs	9	3.952	A	B
5 lakhs to 10 lakhs	24	3.357		B

Means that do not share a letter are significantly different. Tukey Simultaneous 95% Cis. The experience related to loan sanctioning process was different for borrowers with ticket sizes of Rs.5 to 10 lakhs and Rs. 10 to 20 lakhs.

6.3.2.2 Was the experience related to financing terms of loans (ELcost) different for different categories of loan ticket sizes?

Tests	Test	
Method	Statistic	P-Value
Bartlett	0.61	0.737
Samples bearing standard deviations as 0 or missing were omitted from the tests.		

P-value is 0.737 is more than 0.05. Hence, null hypothesis cannot be rejected.

Analysis of Variance					
Source	DF	Adj SS	Adj MS	F-Value	P-Value
Amount of loan taken	3	8.635	2.8783	4.94	0.004
Error	51	29.74	0.5831		
Total	54	38.375			

P-value is 0.004, which is less than 0.05. Hence, null hypothesis can be rejected and conclude that the mean experience related to financing terms of loans was different for different categories of loan ticket sizes. Since the ANOVA leads us to reject the null hypothesis that all means are equal, we further perform a multiple comparison test to check which groups had unequal means.

Tukey Pairwise Comparisons				
Grouping Information Using the Tukey Method and 95% Confidence				
Amount of loan taken	N	Mean	Grouping	
Above 20 lakhs	1	5	A	B
10 lakhs to 20 lakhs	21	4.179	A	
5 lakhs to 10 lakhs	24	3.458		B
1 lakhs to 5 lakhs	9	3.389	A	B
Means that do not share a letter are significantly different.				
Tukey Simultaneous 95% Cis				

The experience related to financing terms was different for borrowers with ticket sizes of Rs.5 to 10 lakhs and Rs. 10 to 20 lakhs.

6.3.2.3 Was there significant difference between the loan servicing experience (ELserv) for borrowers with different loan ticket sizes?

Tests	Test	P-Value
Method	Statistic	
Bartlett	2.18	0.337
Samples bearing standard deviations as 0 or missing were omitted from the tests.		

P-value is 0.337, which is more than 0.05. Hence, null hypothesis cannot be rejected.

Analysis of Variance					
Source	DF	Adj SS	Adj MS	F-Value	P-Value
Amount of loan taken	3	1.436	0.4788	0.87	0.465
Error	51	28.217	0.5533		
Total	54	29.654			

One-way Anova P-value is 0.465, which is more than 0.05. Hence, null hypothesis cannot be rejected. Therefore, there was no significant difference between the borrower experience related to loan servicing with different loan ticket sizes.

6.3.3 Equality of borrower's experience according to place of residence of the borrower

6.3.3.1 Was there significant difference between the experience related to loan sanctioning process (ELsanc) across borrowers from different residential areas?

Tests	Test	P-Value
Method	Statistic	
Bartlett	0.17	0.918

P-value is 0.918, which is more than 0.05. Hence, null hypothesis cannot be rejected.

Analysis of Variance					
Source	DF	Adj SS	Adj MS	F-Value	P-Value
Your place of Residence	2	0.8555	0.4277	0.66	0.522
Error	52	33.7516	0.6491		
Total	54	34.6071			

One-way Anova P-value is 0.522, which is more than 0.05. Hence, null hypothesis cannot be rejected. Therefore, there exists no significant difference in between the experience related to loan sanctioning process across borrowers from different residential areas.

6.3.3.2 Was there any significant difference between the experience related to loan financing terms (ELcost) across borrowers from different residential areas?

Tests	Test	P-Value
Method	Statistic	
Bartlett	1.12	0.572

P-value is 0.572, which is more than 0.05. Hence, null hypothesis that all variances are equal cannot be rejected.

Analysis of Variance					
Source	DF	Adj SS	Adj MS	F-Value	P-Value
Your place of residence	2	1.513	0.7563	1.07	0.351
Error	52	36.862	0.7089		
Total	54	38.375			

One-way Anova P-value is 0.351, which is more than 0.05. Hence, the null hypothesis that all means are equal cannot be rejected. Therefore, there was no significant difference between the experience related to loan financing terms across borrowers from different residential areas

6.3.3.3 Was there any significant difference between the experience related to loan servicing (ELserv) across borrowers from different residential areas?

Tests	Test	P-Value
Method	Statistic	
Bartlett	3.57	0.168

P-value is 0.168 is more than 0.05. Hence, null hypothesis cannot be rejected.

Analysis of Variance					
Source	DF	Adj SS	Adj MS	F-Value	P-Value
Your place of residence	2	1.665	0.8326	1.55	0.223
Error	52	27.989	0.5382		
Total	54	29.654			

One-way Anova P-value is 0.223 is more than 0.05. Hence, null hypothesis cannot be rejected. Therefore, there was no significant difference between the experience related to loan servicing across borrowers from different residential areas

6.3.4 Equality of borrower's experience according to borrower's course of study

6.3.4.1 Was there significant difference between the experience related to loan sanctioning process (ELsanc) across students pursuing different types of study courses?

Tests	Test	P-Value
Method	Statistic	

F	13.34	0.429
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P-value is 0.429, which is more than 0.05. Hence, null hypothesis that all variances are equal cannot be rejected.

Analysis of Variance					
Source	DF	Adj SS	Adj MS	F-Value	P-Value
Type of course	1	0.425	0.425	0.79	0.377
Error	52	27.8097	0.5348		
Total	53	28.2347			

One-way Anova P-value (excluding undergraduate since there was only 1 candidate) is 0.377, which is more than 0.05. Hence, null hypothesis that all means are equal cannot be rejected. Therefore there was no significant difference between the experience related to loan sanctioning process across borrowers for students pursuing different types of study courses.

6.3.4.2 Was there significant difference between the experience related to loan financing terms (ELcost) across students pursuing different types of study courses?

Tests		
Method	Test	
Statistic	P-Value	
F	13.34	0.429

P-value is 0.429, which is more than 0.05. Hence, null hypothesis that all variances are equal cannot be rejected.

Analysis of Variance					
Source	DF	Adj SS	Adj MS	F-Value	P-Value
Type of course	1	1.069	1.0695	1.63	0.208
Error	52	34.186	0.6574		
Total	53	35.256			

One-way Anova P-value is 0.208, which is more than 0.05. Hence, null hypothesis that all means are equal cannot be rejected. Therefore, there was no significant difference between the experience related to loan financing terms across students pursuing different types of study courses.

6.3.4.3 Was there significant difference between the experience related to loan servicing across students (ELserv) pursuing different types of study courses?

Tests		
Method	Test	
Statistic	P-Value	
F	0.27	0.117

P-value is 0.117, which is more than 0.05. Hence, null hypothesis that all variances are equal cannot be rejected.

Analysis of Variance					
Source	DF	Adj SS	Adj MS	F-Value	P-Value
Type of course	1	0.2849	0.2849	0.51	0.479
Error	52	29.1877	0.5613		
Total	53	29.4726			

One-way Anova P-value is 0.479, which is more than 0.05. Hence, null hypothesis that all means are equal cannot be rejected. Therefore, there was no significant difference between the experience related to loan servicing across students pursuing different types of study courses.

7. FINDINGS OF THE STUDY

- There was no significant difference between the experience related to sanctioning process across different type of lenders
- There was no significant difference between the experience related to loan costs across different type of lenders
- There was no significant difference between the borrower experience related to loan servicing across different type of lenders.
- The experience related to loan sanctioning process was different for borrowers with ticket sizes of Rs.5 to 10 lakhs and Rs. 10 to 20 lakhs.
- The experience related to financing terms was different for borrowers with ticket sizes of Rs.5 to 10 lakhs and Rs. 10 to 20 lakhs.
- There was no significant difference between the experience related to loan sanctioning process across borrowers for students pursuing different types of study courses
- There was no significant difference between the experience related to loan financing terms across students pursuing different types of study courses
- Therefore, there was no significant difference between the experience related to loan servicing across students pursuing different types of study courses
- There was no significant difference between the borrower experience related to loan servicing with different loan ticket sizes
- There was no significant difference between the experience related to loan sanctioning process across borrowers from different residential areas
- There was no significant difference between the experience related to loan financing terms across borrowers from different residential areas
- There was no significant difference between the experience related to loan servicing across borrowers from different residential areas
- The borrower's experience pertaining to the loan sanctioning process was not neutral
- The borrower's experience pertaining to the loan financing terms was not neutral
- The borrower's experience pertaining to the loan servicing (Elserv) was not neutral.

8. EMPIRICAL CONCLUSION

Factors to be considered	Independent Variable	Dependent Variables	Empirical Results	Hypothesis Test Results
Public Sector Bank	Type of Lender	Loan sanctioning process of the lender	P value is 0.376 > 0.05	$H_0: \mu_{PSUBank} = \mu_{privatebank} = \mu_{SFB} = \mu_{NBFC}$ is accepted
Private Sector Bank		Financing terms of the loan	P value is 0.418 > 0.05	
Small Finance Bank		Loan Servicing Terms of the Lender	P Value is 0.697 > 0.05	
NBFC				
Undergraduate	Type of Study Course	Loan sanctioning process of the lender	P Value is 0.429 > 0.05	$H_0: \mu_{graduate} = \mu_{postgrad} = \mu_{professionalis}$ accepted
Postgraduate		Financing terms of the loan	P Values is 0.429 > 0.05	

Professional Degree		Loan Servicing Terms of the Lender	P Values is 0.117>0.05	
Metro city	Place of Residence	Loan sanctioning process of the lender	P Value 0.918>0.05	H0: $\mu_{rural} = \mu_{urban} = \mu_{semi-urbanis}$ accepted
Non Metro City		Financing terms of the loan	P Value 0.572>0.05	
Rural area		Loan Servicing Terms of the Lender	P Value 0.168>0.05	
1-5 Lakhs	Loan Ticket Size	Loan sanctioning process of the lender	P Value is 0.054 >0.05	H0: $\mu_{1to5} = \mu_{5to10} = \mu_{10to20} = \mu_{>20}$ is accepted
5-10 Lakhs		Financing terms of the loan	P Value is 0.737>0.05	
10-20 Lakhs		Loan Servicing Terms of the Lender	P Value is 0.337>0.05	
More than 20 Lakhs				

- The results shown that Type of Lender Whether it is Public Sector Bank, Private Sector Bank, Small Finance Bank, NBFC (Non-Banking Financial Corporations) there was no significant difference between the borrower experience related to loan servicing across different type of lenders, as all are following RBI's Student's Education Loan Schemes.
- Second, The Type of Course Whether Undergraduate, Postgraduates or any Professional Degree, affects on loan application by students as the Higher the education more fees is proportionately high, As the respondents are mainly pursuing postgraduate education so it shows there is not significant difference between the experience related to loan financing terms across students pursuing different types of study courses.
- Third, the Loan Ticket Size i.e. Amount of Loan taken There is no significant difference between the experience related to loan servicing process.
- Fourth, There is no significant difference between Loan sanctioning process and Residence Type whether it is Metro city, Non-Metro city or Rural Area.

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