

FACTORS AFFECTING EDUCATIONAL LOAN DEFAULT

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ABSTRACT

Education helps in the development of a society. It helps a person to achieve his goal and also, raises the standard of living of people in the country. The cost of education has gone up and became unaffordable to most of the people with the advent of Self-financing colleges and Deemed Universities. Thus, they begin to take loans for education. The education loans were taken by many students and default rates were high which led to increase in NPA's. The main objective of the paper is to analyse the factors such as student demographics, socio-economic factors, knowledge about education loans, Awareness of student loans, Parental influence, Post-collegiate characteristics, Attitude towards education loan debt and Level of repayment, which affects the education loan default.

KEYWORDS: Attitude towards loan debt, Level of Repayment, NPA & Education loan default