

# Kredila Overseas Education Loan Policy – Germany

This document outlines the specialized financial assistance framework for Indian students pursuing higher education in Germany. Kredila's Germany policy is uniquely structured to account for the "low-tuition" model of public universities while ensuring students meet the mandatory **Blocked Account (Sperrkonto)** requirements for German student visas.

## 1. Overview

Kredila offers customized loan products for students heading to Germany, focusing on the country's world-class engineering and research landscape. Unlike other regions, the Germany policy emphasizes **living expense coverage** and the **APS (Academic Evaluation Center)** certification process, ensuring that students are financially prepared for the rigorous German academic environment.

## 2. Eligible Courses

Germany is a top destination for specialized technical and research-oriented degrees.

- **Public Universities:** Funding for semester contributions and the mandatory Blocked Account for MS, PhD, and Bachelor's programs.
- **Private Universities:** Comprehensive funding for tuition-heavy programs at accredited private business and tech schools.
- **Priority Fields:** STEM (Science, Technology, Engineering, Mathematics), Automotive Engineering, Renewable Energy, and AI/Data Science.
- **Mandatory Prerequisite:** Applicants must provide a valid **APS Certificate** (applicable for Indian students since late 2022) as proof of academic authenticity.

## 3. Loan Amount & Interest

Due to the absence of tuition fees in public institutions, loan requirements for Germany are often lower but remain substantial to cover the high cost of living.

Feature	Specification
<b>Maximum Loan Amount</b>	Up to <b>INR 45 Lakhs</b> (Public) / <b>INR 75 Lakhs</b> (Private)
<b>Interest Rate</b>	Floating; Linked to <b>RBI benchmarks</b> (Repo Rate) + Spread
<b>Sperrkonto Funding</b>	Full disbursement of the mandatory yearly blocked amount

<b>Repayment Tenure</b>	Up to 15 years with flexible moratorium options
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## 4. Collateral Rules

Kredila provides both secured and unsecured paths, recognizing the high "Return on Investment" of a German degree.

- **Collateral Threshold:** Mandatory for loan amounts exceeding **INR 40 Lakhs**.
- **Unsecured Advantage:** Students admitted to **TU9** (Technical Universities 9) or **Excellence Universities** may qualify for unsecured loans up to **INR 35 Lakhs** based on academic merit and IELTS/TestDaF scores.
- **Acceptable Assets:** Residential property, commercial property, or financial securities (Fixed Deposits).

## 5. Disbursement Policy

The disbursement for Germany follows a strict timeline to align with the German Embassy's visa requirements.

1. **Blocked Account (Sperrkonto):** Kredila can disburse the required **€11,904** (standard 2026 requirement) directly to authorized providers like **Expatrio, Fintiba, or Coracle**. This is typically done *before* the visa interview to obtain the "Blocking Confirmation."
2. **Semester Contributions:** Remitted directly to the university or into the student's personal account for public university administrative fees.
3. **Private Tuition:** For private universities, fees are remitted directly to the institution as per the fee schedule.
4. **Exchange Rate:** Disbursements are calculated based on the prevailing **EUR/INR** rate at the time of transfer.

## 6. Risk & Exceptions

- **Blocked Account Hikes:** If the German Federal Foreign Office increases the BAföG-based blocked amount (currently €992/month), Kredila will offer a "top-up" to ensure visa compliance.
- **Language Requirements:** Borrowers must show proof of the required language level (English or German) as per the university's admission criteria.
- **APS Delay:** In case of delays in receiving the APS Certificate, Kredila can issue a conditional sanction letter, but final disbursement is strictly subject to the certificate's presentation.