

Kredila Overseas Education Loan Policy – UK

This document establishes the official guidelines for education loans provided by **Kredila** to Indian students pursuing higher education in the United Kingdom. Given the unique structure of UK degree programs—specifically the one-year intensive Master's—this policy focuses on high-speed processing and compliance with UK Visas and Immigration (UKVI) requirements.

1. Overview

Kredila offers tailored financial solutions for students heading to the UK. Our UK policy is designed to support the "Global Britain" initiative, ensuring that students can meet the stringent financial evidence requirements of the UKVI while securing the funds necessary for tuition and the high cost of living in major cities like London.

2. Eligible Courses

Funding is prioritized for programs that offer strong employability and are hosted by reputable, UKVI-licensed sponsors.

- **Qualifying Programs:**
 - **Taught Master's:** MSc, MA, and MEng (typically 12-month programs).
 - **Management:** MBA and specialized business Master's.
 - **Research:** MRes and PhD programs.
- **Documentation Requirement:** Applicants must possess a valid **Confirmation of Acceptance for Studies (CAS)** from a recognized UK university.

3. Loan Amount & Interest

The loan structure for the UK reflects the shorter duration of most postgraduate courses compared to the US.

Feature	Specification
Maximum Loan Amount	Up to INR 60 Lakhs
Interest Rate	Floating; Linked to RBI benchmarks (Repo Rate) + Spread
Margin Money	0% to 5% (depending on university tier)
Repayment Tenure	Up to 12 years (excluding moratorium)

Pro-Tip: Kredila offers a "Fast-Track Sanction" for Russell Group universities, often reducing the processing time to under 5 business days.

4. Collateral Rules

Kredila offers both secured and unsecured options, with a focus on flexibility for the middle-class segment.

- **Mandatory Collateral:** Required for loan amounts exceeding **INR 40 Lakhs**.
- **Acceptable Assets:**
 - **Residential/Commercial Property:** Clear title and marketable value.
 - **Financial Assets:** Fixed Deposits (FDs) and Surrender Value of Life Insurance Policies (LIC).
- **Unsecured Threshold:** Loans below INR 40 Lakhs may be granted based on the **CAS** and the financial standing of the co-applicant (parent/guardian).

5. Disbursement Policy

Disbursement is strictly aligned with the **UKVI 28-day rule** and university payment deadlines.

1. **CAS-Linked Sanction:** The sanction letter is issued immediately upon university offer, allowing students to use it as proof of funds for their CAS request.
2. **Visa & IHS:** Funds can be disbursed to cover the **Immigration Health Surcharge (IHS)** and visa fees prior to departure.
3. **Remittance:** Tuition fees are remitted directly to the UK institution. Living expenses are disbursed in quarterly installments into the student's UK bank account or via a Kredila-provided Forex card.
4. **FX Management:** Disbursement is based on the **GBP/INR** exchange rate at the time of transfer.

6. Risk & Exceptions

Kredila monitors geopolitical and economic shifts to protect both the lender and the borrower.

- **Currency Volatility:** Significant GBP/INR spikes may require a "Top-up" loan if the initial sanction becomes insufficient for the remaining tuition.
- **Policy Shifts:** Changes to the **Graduate Route (Post-Study Work Visa)** may result in a reassessment of the moratorium period for new applicants.
- **University Blacklisting:** Kredila reserves the right to freeze disbursements if a university loses its UKVI Sponsor License during the course of study.