



Tips to Lower Avanse Education Loan Interest Rate in 2026

Ah, the bittersweet joy of getting that university acceptance email, followed by the sobering realization that your bank balance can't match your ambition! Don't worry, you're not alone in this rollercoaster.

The good news? Avanse offers tailored education loans for students heading abroad, and yes, there are ways to snag a better education loan interest rate too. So, before you panic-Google "how to afford my dream university," let's walk through the key features of the Avanse loan and some clever tricks to make your repayments lighter.



Key Features of Avanse Education Loan

Here are some key features of the Avanse Education Loan for abroad:

Key Features	Details
Income Criteria	The loan is offered as per the income criteria of the sponsors. It also offers a loan as per the GRE score for students with a 300+ score.
Loan Amount	Avanse offers secured loans as per students' needs. They also offer unsecured loans up to INR 75 Lakhs for the USA and INR

	40 Lakhs for other countries.
Rate of Interest	The rate of interest of secured loans offered by the NBFC ranges from 11% to 12.5%. For unsecured loans, the bank offers a rate of interest ranging from 11.5% to 14%.
Funding Margin	It offers 100% funding to students. The loan covers tuition fees, living expenses and other expenses.
Study Level & Courses	Avanse offers secured loans for Masters as well as Bachelors courses. It offers unsecured loans only for Masters or other courses on a postgraduate level.
Repayment Tenure	The loan repayment tenure is 10 to 14 years, including the course duration.
Loan Sponsors	Students can have parents, grandparents and other immediate family members as the sponsors for the loan
Moratorium Period	The bank offers a year of moratorium period after completing their studies
Simple Interest	Students can pay simple interest or partial simple interest on secured and unsecured loans.

Now that we understand the loan scheme offered by the bank, let's see some tips that can help students to lower the [Avanse Education Loan interest rate](#) for their abroad education loan.

8 Tips to Lower Avanse Education Loan Interest Rate in 2026

Given below are some tips that can help students to get a lower Avanse [education loan interest rate](#) for their abroad education loan:

- Maintain a strong credit score by paying all bills and existing EMIs on time; a good credit history improves a student's chances of negotiating a lower interest rate with Avanse.
- They should opt for a co-applicant with a stable income and good credit profile, such as a parent or guardian; this reduces lender risk and can secure a better interest rate.
- Choose a secured loan option if possible by pledging collateral like property or fixed deposits, as secured loans typically have lower interest rates than unsecured loans at Avanse.
- Apply for loans against top-ranked universities or reputed institutions, as Avanse offers preferential rates for students admitted to highly rated education providers.
- Use Avanse's online EMI calculator to experiment with different loan amounts and repayment tenures; shorter tenures usually yield lower interest rates but higher monthly payments.
- Consider making partial prepayments during the moratorium (study) period to reduce the principal early; this can lower the overall interest burden on your Avanse loan.
- Leverage any government or institutional subsidy schemes you are eligible for, such as the Central Sector Interest Subsidy (CSIS), which can reduce the interest charged during

the moratorium period.

- Negotiate directly with Avanse, highlighting your academic record, co-applicant's financial strength, or existing relationship with Avanse for potential interest rate concessions in 2026.

This brings us to end of the article. Students who want to know and understand loan schemes for abroad education offered by different banks and financial institutions should reach out to overseas educational loan experts near them. These professionals have years of experience and expertise in helping students to choose the right loan scheme for their studies abroad. With the right support students can choose from [NBFC education loan](#) or education loans from banks to get the best deal for their studies abroad.