

Padho Pradesh - Scheme of Interest Subsidy on Educational Loans for Overseas Studies for the Students belonging to the Minority Communities.

1. INTRODUCTION:

The Prime Minister's New 15 Point Programme for the Welfare of Minorities was announced in June, 2006. It provided for formulation and implementation of the schemes for scholarships for meritorious students from minority communities. The scheme of Interest Subsidy on educational loans for overseas studies will promote educational advancement of student from minority communities.

2. OBJECTIVE:

The objective of the scheme is to award interest subsidy to meritorious students belonging to economically weaker sections of notified minority communities so as to provide them better opportunities for higher education abroad and enhance their employability.

3. SCOPE:

This is a Central Sector Scheme to provide interest subsidy to the students belonging to the communities declared as minority communities in terms of section 2(c) of National Commission of Minorities Act, 1992, on the interest payable for the period of moratorium for the Education Loans under the scheme of Interest Subsidy on Educational Loans for Overseas Studies to pursue approved courses of studies abroad at Masters and Ph.D Levels.

4. CONDITIONS FOR INTEREST SUBSIDY:

- i. The Scheme is applicable for higher studies abroad. The interest Subsidy shall be linked with the existing Educational Loan Scheme of Indian Banks' Association (IBA) and restricted to students enrolled for course at Masters, M.Phil and Ph.D levels.
- ii. The interest subsidy under the scheme shall be available to the eligible students only once, either for Masters or Ph.D levels. Interest subsidy shall not be available to those students who either discontinued the course mid- stream, due to any reason, or those who are expelled from the institutions on disciplinary or academic grounds.
- iii. If a student violates any condition of the scheme, the subsidy will be discontinued forthwith.
- iv. If a student is found to have obtained the subsidy by false statement/ certificates, the subsidy will be withdrawn/ cancelled forthwith and amount of the subsidy paid shall be recovered with panel interest, apart from taking criminal action as per law.
- v. The students obtaining benefits under this Scheme shall not be given the interest subsidy if he gives up Indian citizenship during the tenure of the loan.

5. ELIGIBILITY:

- i. The student should have secured admission in the approved courses at Masters, M.Phil or Ph.D levels abroad for the courses shown at Para-9.

- ii. He/ She should have availed loan from a scheduled bank under the Education Loan Scheme of the Indian Banks Association (IBA) for the purpose.
- iii. Students should apply for the benefits under the scheme during 1st year itself of the course. Fresh applications received during 2nd year or subsequent years will not be accepted in any case.

6. INCOME CEILING:

- i. Total income from all sources of the employed candidate or his/ her parents/ guardians in case of unemployed candidate shall not exceed Rs. 6.00 lakh per annum.
- ii. Income certificate should be submitted from the notified authority in the State/ Union Territory.

7. SELECTION OF CANDIDATES:

- i. The designated bank, on direction of Ministry of Minority Affairs will open the portal for receiving of applications for the claims of interest subsidy under the scheme.
- ii. Portal will be opened only once in a financial Year for fresh applications. In case, sufficient number of applications are not received the portal may be opened again subject to the availability of sufficient funds under the scheme.
- iii. For renewal cases the portal may be opened in every quarter or as decided by the Ministry.
- iv. The applications received for claim of interest subsidy will be examined and recommended for award of interest subsidy under the scheme by a Selection Committee. The composition of the Selection Committee will be as follows:-
 - a. Additional Secretary /Joint Secretary in-charge of the Scheme : Chairman
 - b. Joint Secretary & Financial Advisor or his/her representative: Member
 - c. Representative of Designated Bank : Member
 - d. Director/Deputy Secretary dealing with the scheme: Convener
- v. 35% seats will be earmarked for girl students. In case of non-availability of girl students, seats can be transferred to boys students. Periodicity of review will be decided by Ministry.
- vi. The decision of the Selection Committee in regard to awarding the interest subsidy will be final and no appeal could be filed against it.

8. RATE OF INTEREST SUBSIDY :

- i. Under the scheme, interest payable by the students availing of the education loans of the IBA for the period of moratorium (i.e. course period, plus one year) as prescribed under the Education Loan Scheme of the IBA, shall be borne by the Government of India.
- ii. After the period of moratorium is over, the interest on the outstanding loan amount shall be paid by the student, in accordance with the existing Educational Loan Scheme as may be amended from time to time.
- iii. The Candidate will bear the Principal installments and interest beyond moratorium period.

9. INDICATIVE SUBJECTS/ DISCIPLINES COVERED UNDER THE SCHEME (for Masters, M.Phil and Ph.D)

The subjects/ disciplines in which courses may be undertaken for the grant of interest subsidy are listed below:-

1. Arts/ Humanities/ Social Sciences
2. Commerce
3. Pure Sciences
4. Engineering
5. Bio- technology/ Genetic Engineering
6. Industrial Environmental Engineering
7. Nano- technology
8. Marine Engineering
9. Petro-chemical Engineering
10. Plastic Technology
11. Cryogenic Engineering
12. Mechatronics
13. Automation Robotics including artificial intelligence
14. Laser Technology
15. Low Temperature Thermal Dynamics
16. Optometry
17. Art Restoration Technology
18. Dock and Harbour Engineering
19. Imaging System Technology
20. Composite Materials Engineering including Decentralized power Distribution (for Solar Heat) system, Energy Storage Engineering, Energy conservation, Energy Efficient Habitat
21. Packaging Engineering/ Technology
22. Nuclear Engineering
23. Information Technology including Computer Engineering, Software, Software Quality assurance, Networking/ Connectivity Engineering, Communication system under Hazardous or Post-disaster conditions, Multi- media Communication
24. Industrial Safety Engineering
25. Agriculture & Agro Technology
26. Agronomy
27. Medical
28. Floriculture & Landscaping
29. Food Sciences & Technology
30. Forestry & Natural Resources
31. Horticulture
32. Plant Pathology
33. Energy Studies
34. Farm Power & Machinery
35. Veterinary Sciences
36. Soils & Water Management
37. Plant Breeding & Genetics
38. Small- scale Rural Technology

39. Ocean & Atmospheric Sciences

40. M.B.A

41. M.C.A

42. Any other Subject -----*

*Subject may be deleted or added by the Ministry from time to time as situation demands.