

PADHOPARDESH SUBSIDY (Revised guidelines - 29 09 2017)

This is a Central Government 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 for 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.

Salient Features of the Scheme:

1. The Interest subsidy is available for educational loans sanctioned to students of minority community upto the moratorium period.
2. The Interest subsidy is available for the educational loans sanctioned after 01.04.2013 under IBA scheme
3. The Interest subsidy is available for the educational loans sanctioned to pursue Masters/M.Phil/Ph.D. courses abroad. (Detailed course list is enclosed in the Data structure).
4. Students of minority community whose annual family/parental income is not more than Rs.6.00 lakh are eligible under the scheme. Income certificate should be submitted from the notified authority in the State/Union territory.
5. Interest Subsidy is available towards the amount of interest charged for educational loans for limit upto Rs.20.00 lakh. If an educational loan is sanctioned for more than Rs.20.00 lakh, interest subsidy will be available for the interest charged for the limit upto Rs.20.00 lakh only.
6. Students should apply for subsidy during the first year of the course. Fresh applications received during 2nd year of the course or subsequent years will not be accepted on any case.
7. If the student violates any condition of the scheme, the subsidy will be discontinued forthwith.
8. If a student is found to have obtained the subsidy by false statement/certificate, the subsidy will be withdrawn/cancelled forthwith and the amount of subsidy paid shall be recovered with penal interest, apart from taking criminal action, as per law.
9. 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.
10. The Bank has to ensure that the students from the minority communities, who may also belong to SC/ST/OBC category, do not avail interest subsidy from other sources for the same purpose.
11. The interest charged upto the moratorium period will be borne by Government of India. After the moratorium period 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. The candidate will bear the Principal installment and interest beyond moratorium period.
12. The Nodal Bank for this scheme is Canara Bank.