

ANNEXURE – I (PADHO PARDESH SCHEME GUIDELINES)

PADHO PARDESH - SCHEME OF INTEREST SUBSIDY ON EDUCATIONAL LOANS FOR
OVERSEAS STUDIES FOR THE STUDENTS BELONGING TO THE MINORITY
COMMUNITIES

(Effective from 2013-14)



GOVERNMENT OF INDIA
MINISTRY OF MINORITY AFFAIRS

INDEX

<u>Sl. No.</u>	<u>Items</u>	<u>Page No.</u>
1.	Background	3
2.	Objective	3
3.	Scope	3
4.	Conditions for Interest Subsidy	3-4
5.	Eligibility	4
6.	Income Ceiling	5
7.	Recommendatory Committee	5
8.	Rate of Interest	5
9.	Implementing Agencies	5
10.	Administrative Expenses	6
11.	Monitoring & Transparency	6
12.	Evaluation	6
13.	Indicative Subjects/ Disciplines covered	7-8

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1. BACKGROUND

The Prime Minister's New 15 Point Programme for the Welfare of Minorities was announced in June, 2006. It provides that the schemes for scholarships for meritorious students from minority communities will be formulated and implemented. 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 student 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.

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) The benefit of 1% interest reduction in the interest rate offered by Banks in normal course on Pre- Payment of interest during the moratorium period shall be passed on to the students.
- iv) If a student violates any condition of the scheme, the subsidy will be

discontinued forthwith.

- v) 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.
- vi) 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.
- vii) The designated bank will maintained a separate account and records relating to the funds received from the ministry and these will be subject to inspection/ audit by the officers of the Ministry, or any other agency designated by the Ministry and C & AG.
- viii) The fund for interest subsidy from the 2nd year onwards will be released to the designated Bank after receiving the utilization certificate for the earlier releases as per provisions of GFR.
- ix) The designated Bank shall place all relevant details of financial and physical achievements on its website and implement the scheme as per the Memorandum of understanding to be signed between the designated Bank and Ministry of Minority Affairs.
- x) The designated Bank will 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.
- xi) The designated Bank will lay down the detail procedure for processing and sanctioning of interest subsidy to eligible students in consultation with Ministry of Minority Affairs.
- xii) The scheme will be evaluated at regular intervals by the Ministry or any other agency designated by the Ministry and the cost of the evaluation study will be borne by the Ministry.
- xiii) The terms and conditions of the scheme can be changed at any time at the discretion of Ministry of Minority Affairs to improve procedure and achieve more effective implementation. However, there should not be financial implications.

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-13.
- 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.

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. RECOMENDATORY COMMITTEE

- (i) Recommendatory Committee headed by Joint Secretary in-charge of the Scheme with representatives of Finance Division, representative of Nodal Bank and concerned Director/Deputy Secretary as convener will examine and recommend the applications for award of interest subsidy on quarterly basis.
- (ii) To the extent possible, the benefit of Interest Subsidy will be given to notified minority communities in the ratio of their population.
- (iii) Preference will be given to the girl candidates.

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 or six months after getting job, whichever is earlier) 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. IMPLEMENTING AGENCIES

The scheme will be implemented by the designated Bank as per MoU between the Bank and Ministry of Minority Affairs.

10. ADMINISTRATIVE EXPENSES

- (i) A provision not exceeding 3% of the annual budget allocation for the scheme will be made to meet the administrative and allied costs viz. expenditure of the Ministry for office equipments including computers and accessories, advertisements, engagement of personnel, etc.
- (ii) This provision will also be used for evaluation and monitoring of the scheme, through outside reputed institutions/ agencies engaged by the Ministry of Minority Affairs, Government of India. Administrative cost of the

Bank will be shared as per provision in the MoU.

11. MONITORING & TRANSPARENCY

- (i) The Ministry of Minority Affairs shall monitor the performance of the scheme.
- (ii) For this purpose, a web enabled monitoring mechanism shall be put in place by designated Bank.
- (iii) The Designated Nodal Bank will be required to furnish quarterly financial and physical progress reports to the Ministry.
- (iv) The designated Nodal Bank shall maintain year-wise details of the students receiving scholarship, indicating institute, location of the institute, class, gender, new or renewal, permanent address and parents address.
- (v) Designated Nodal Bank shall place relevant physical and financial details on their official website.

12. EVALUATION

The monitoring of the financial and physical performance of the scheme will be periodically evaluated by the assigning evaluation/ impact studies to reputed institutions/ agencies by the Ministry of Minority Affairs, Government of India.

13. * 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.

Annexure – II to MoU (LIST OF BANKS)

PUBLIC SECTOR BANKS

1. Allahabad Bank
2. Andhra Bank
3. Bank of Baroda
4. Bank of India
5. Bank of Maharashtra
6. Canara Bank
7. Central Bank of India
8. Corporation Bank
9. Dena Bank
10. Indian Bank
11. Indian Overseas Bank
12. IDBI Bank Limited
13. Oriental Bank of Commerce
14. Punjab & Sind Bank
15. Punjab National Bank
16. State Bank of India
17. Syndicate Bank
18. UCO Bank
19. Union Bank of India
20. United Bank of India
21. Vijaya Bank

ASSOCIATE BANKS OF SBI

1. State Bank of Bikaner & Jaipur
2. State Bank of Hyderabad
3. State Bank of Indore
4. State Bank of Mysore

5. State Bank of Patiala
6. State Bank of Travancore

PRIVATE SECTOR BANKS

1. Axis Bank Ltd.
2. The Bank of Rajasthan Ltd.
3. Capital Local Area Bank Ltd.
4. The Catholic Syrian Bank Ltd.
5. City Union Bank Ltd.
6. Coastal Local Area Bank Ltd.
7. Development Credit Bank Ltd.
8. Dhanalaxmi Bank Ltd.
9. The Federal Bank Ltd.
10. HDFC Bank Ltd.
11. ICICI Bank Ltd.
12. ING Vysya Bank Ltd.
13. IndusInd Bank Ltd.
14. The Jammu & Kashmir Bank Ltd.
15. Karnataka Bank Ltd.
16. Karur Vysya Bank
17. Kotak Mahindra Bank Ltd.
18. The Lakshmi Vilas Bank Ltd.
19. Krishna Bhima Samruddhi Local Area Bank Ltd.
20. The Nainital Bank Ltd.
21. The Ratnakar Bank Ltd.
22. SBI Commercial and International Bank Ltd.
23. The South Indian Bank Ltd.
24. Tamilnad Mercantile Bank Ltd.
25. YES Bank Ltd.

FOREIGN SECTOR BANKS

1. Abu Dhabi Commercial Bank
2. AB Bank Limited
3. American Express Banking Corp.
4. Bank of America, N.A.
5. Bank of Bahrain & Kuwait BSC
6. Bank of Nova Scotia
7. The Bank of Tokyo Mitsubishi UFJ Ltd.
8. Barclays Bank Plc.
9. BNP Paribas
10. CITIBANK
11. Credit Agricole Corporate & Investment Bank
12. Deutsche Bank AG
13. DBS Bank
14. The Hongkong & Shanghai Banking Corporation Ltd.
15. J P Morgan Chase Bank, N.A.
16. JSC VTB Bank
17. Krung Thai Bank Public Company Ltd.
18. Mashreqbank PSC
19. Mizuho Corporate Bank Ltd.
20. Oman International Bank S.A.O.G.
21. The Royal Bank of Scotland
22. Societe Generale
23. Sonali Bank Limited
24. Standard Chartered Bank
25. State Bank of Mauritius Ltd.
26. UBS AG

CO-OPERATIVE BANKS

1. The A.P. Mahesh Co-op. Urban Bank Ltd.
2. Abhyudaya Co-op. Bank Ltd.
3. ACE Co-operative Bank Ltd.

4. Amanath Co-op Bank Ltd.
5. Apna Sahakari Bank Ltd.
6. Bassein Catholic Co-op Bank Ltd.
7. The Bharat Co-op. Bank (Mumbai) Ltd.
8. Bombay Mercantile Co-op. Bank Ltd.
9. CITIZENCREDIT Co-op. Bank Ltd.
10. The Cosmos Co-op. Bank Ltd.
11. The Deccan Merchants Co-op Bank Ltd.
12. Dombivli Nagari Sahakari Bank Ltd.
13. The Greater Bombay Co-op. Bank Ltd.
14. Jalgaon Janata Sahakari Bank Ltd.
15. The Jalgaon People's Co-op. Bank Ltd.
16. Janakalyan Sahakari Bank Ltd.
17. Janalaxmi Co-op. Bank Ltd.
18. Janata Sahakari Bank Ltd.
19. The Kalapur Commercial Co-op. Bank Ltd.
20. The Kapol Co-op. Bank Ltd.
21. The Karad Urban Co-op. Bank Ltd.
22. The Mahanagar Co-op. Bank Ltd.
23. Mahesh Sahakari Bank Ltd., Pune
24. The Municipal Co-op. Bank Ltd., Mumbai
25. Nagpur Nagarik Sahakari Bank Ltd.
26. New India Co-op. Bank Ltd.
27. N K GSB Co-op. Bank Ltd.
28. Nutan Nagarik Sahakari Bank Ltd.
29. Punjab and Maharashtra Co-op. Bank Ltd.
30. Rajkot Nagarik Sahakari Bank Ltd.
31. Rupee Co-op. Bank Ltd.
32. The Saraswat Co-op. Bank Ltd.
33. The Shamrao Vithal Co-op. Bank Ltd.
34. The Surat People's Co-op. Bank Ltd.
35. The Thane Janata Sahakari Bank Ltd.
36. The Urban Co-op. Bank Ltd., Cuttack
37. The Zoroastrian Co-op. Bank Ltd.

38. Kallappana Awade Ichalkaranji Janata Sahakari Bank Ltd.

and All the Regional Rural Banks

and Any other scheduled Bank not mentioned above