

PADHO PARDESH - SCHEME OF INTEREST SUBSIDY ON
EDUCATIONAL LOANS FOR OVERSEAS STUDIES FOR THE
STUDENTS BELONGING TO THE MINORITY COMMUNITIES
(Revised Guidelines Effective from 29.09.2017)



GOVERNMENT OF INDIA
MINISTRY OF MINORITY AFFAIRS

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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 M.Phil/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 given at para 14.
- ii) The interest subsidy under the scheme shall be available to the eligible students only once, either for Masters, M.Phil 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 it is found that a student has violated 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- iv) If a student is found to have obtained the subsidy by false statement/documents/certificates, the subsidy will be withdrawn/cancelled forthwith and amount of the subsidy paid already, shall be recovered with penal interest, apart from taking criminal action as per law.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 period.
- vi) The designated bank will maintain a separate account and records relating to the funds received from the ministry and will submit quarterly report to the Ministry. The account and records will be open for inspection/audit by the officers of the Ministry, or any other agency designated by the Ministry or C & AG.
- vii) Any further fund towards payment of interest subsidy will be released to the designated Bank only after receiving the utilization certificate for the earlier releases as per provisions of GFR.
- viii) 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 (MoU) to be signed between the designated Bank and Ministry of Minority Affairs.
- ix) 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 schemes of Central Government/State Government for the same purpose.
- x) The designated Bank will lay down the detailed procedure for processing and sanctioning of interest subsidy to eligible students in consultation with Ministry of Minority Affairs.
- xi) State/UT-wise and Community-wise quota, based on Census, 2011, has been fixed as given in the Annexure-I. To the extent possible, the benefit of Interest Subsidy will be given to notified minority communities as per the quota fixed. In case of non-availability of students in a State or community, seats can be transferred to other States or community.
- xii) The scheme will be evaluated at regular intervals by the Ministry or any other agency designated 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 implementation of the scheme in more transparent and effective way.

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 mentioned at Para-14.
- 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.
- iv) Preference will be given to those applications which are covered under lower rate of interest by various banks for each State/UT to their quota.
- v) Payment of financial benefit may be linked with Aadhaar Number if available. In this regard, Gazetted Notification S. O. 2409 (E) dated 14th June, 2017 issued under Section-7 of Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 (18 of 2016) published dated July 31, 2017 may be referred.

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 issued by the competent authority in the State/ Union Territory should be submitted in support of income shown by a candidate.

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 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) The ministry shall be permitted to set aside upto the extent of 5% of the annual allocation under this scheme to meet the administrative and allied costs viz. expenditure of the Ministry for office equipments including computers and accessories, advertisements, engagement of personnel and also to conduct workshop and conferences. Workshop & conferences will also include functions organised by the Ministry for popularising and promoting the scheme by way of showcasing successful entrepreneurs/beneficiaries. Cost will include all expenses towards conducting and organising the event including TA/DA and miscellaneous.
- (ii) Administrative cost of the Bank for implementation of the scheme will be shared as per provision in the MoU.
- (iii) 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.

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 benefits, indicating institute, location of the institute, class, gender, new or renewal, permanent address and parents address, contact numbers & e-mails etc.
- (v) Designated Nodal Bank shall place relevant physical and financial details on their official website.

12. MINOR MODIFICATIONS/CHANGES

Minor Modifications/Changes in the Scheme with no financial implications may be made by the Competent Authority without seeking recourse to SFC/EFC/Cabinet.

13. 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.

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

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.

State/UT-wise and Community-wise distribution of Padho Pardesh-interest subsidy scheme for overseas studies for Minority Students

S.No.	States/UTs	Allocation of slots- As per Government of India						
		Muslim	Christian	Sikh	Buddhist	Jain	Parsi	TOTAL
1	ANDHRA PRADESH	14	2	X	X	X	X	16
2	ARUNACHAL PRADESH	X	X	X	X	X	X	2
3	ASSAM	18	2	X	X	X	X	20
4	BIHAR	30	x	X	X	X	X	30
5	CHHATISGARH	x	x	X	X	X	X	2
6	GOA	X	X	X	X	X	X	2
7	GUJARAT	10	x	X	X	x	X	10
8	HARYANA	4	X	2	X	X	X	6
9	HIMACHAL PRADESH	X	X	X	X	X	X	2
10	JAMMU & KASHMIR	14	X	x	X	X	X	14
11	JHARKHAND	8	2	X	X	X	X	10
12	KARNATAKA	14	2	X	X	x	X	16
13	KERALA	16	10	X	X	X	X	26
14	MADHYA PRADESH	8	x	x	x	x	x	8
15	MAHARASHTRA	22	2	x	12	2	X	38
16	MANIPUR	x	x	X	X	X	X	2
17	MEGHALAYA	x	4	X	X	X	X	4
18	MIZORAM	X	X	X	X	X	X	2
19	NAGALAND	X	x	X	X	X	X	2
20	ODISHA	2	2	X	X	X	X	4
21	PUNJAB	x	x	28	X	X	X	28
22	RAJASTHAN	10	X	2	X	2	X	14
23	SIKKIM	X	X	X	X	X	X	2
24	TAMIL NADU	8	8	X	X	X	X	16
25	TRIPURA	X	X	X	X	X	X	2
26	UTTAR PRADESH	62	x	2	x	x	X	64
27	UTTRAKHAND	x	X	x	X	X	X	2
28	WEST BENGAL	38	2	X	x	x	x	40
29	ANDAMAN & NICOBAR	X	X	X	X	x	X	2
30	CHANDIGARH	X	X	X	X	X	X	2
31	DADRA & NAGAR HAVELI	X	X	X	X	x	X	2
32	DAMAN & DIU	X	X	X	X	X	X	2
33	DELHI	4	x	x	X	x	X	4
34	LAKSHADWEEP	X	X	X	X	X	X	2
35	PUDUCHERRY	X	X	X	X	X	X	2
36	TELANGANA							
Grand Total		292	48	36	14	8	2	400
X= There will be no community-wise distribution in States/UTs with one allocation. All applications will be pooled together and decided.								

50% Slots to be transferred from the State of Andhra Pradesh to Telangana State