

Frequently asked Questions (FAQs) related to the Scheme of Padho Pardesh

B: For Students

1. Who is eligible for this Scheme?

Answer. Students who belong to minority communities viz. Muslims Christians, Sikhs, Buddhists, Jains, and Parsis and want to pursue higher studies i.e. Masters, M.Phil & Ph. D level abroad.

2. What will be the time period for interest subsidy?

Answer. Interest subsidy will be granted 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 Indian Banks Association (IBA).

3. What is the procedure to avail the benefit of the Scheme?

Answer. Student can avail the benefit of the Scheme by following the given procedure:-

- (i) Student should have secured admission in the University Abroad for pursuing Post-graduate Diploma, Masters, M.Phil or Ph. D level courses with the overall family income of not more than Rs. 6.00 lakh per annum. Family income means gross parental income in case of unmarried students and gross income of spouse in case of married students.
- (ii) Student should have to take the loan from any Bank who is a member of Indian Banks Association.
- (iii) Student should have the proof of belonging to a minority community (details at Q. No. 10).
- (iv) Student should inform their lending Banks that Ministry of Minority Affairs has launched a new Scheme of Padho Pardesh – interest subsidy on educational loans for pursuing higher studies abroad and he/she is eligible under that particular Scheme. Then the lending Bank will feed the students information into the Portal of Padho Pardesh launched by Canara Bank which is the implementing Agency of this Scheme.

4. Whether Ministry gives educational loan under this Scheme?

Answer. No, Ministry does not give educational loan under this Scheme. The Scheme provides reimbursement of Interest accrued on the Education Loan taken by a student from Bank, which is a member of IBA for moratorium period (i.e. Course period + one year after completion of course or six months after getting employment whichever happens earlier).

5. How much interest subsidy is given under this Scheme?

Answer. Ministry will reimburse 100 % interest component of the Educational loan availed by a student from Bank up to moratorium period (i.e. Course period + one year after completion of course or six months after getting employment whichever happens earlier).

6. What documents are required to be submitted for claiming the benefits of the Scheme?

Answer. Ministry does not require any document from the student directly. Students have to submit the documents as per requirement of Lending Bank for availing the Educational Loan. Ministry will provide reimbursement of interest accrued on Educational Loan up to moratorium period.

7. From which Bank, can a student take Education loan?

Answer. The interest subsidy is linked with the existing Educational Loan Scheme of Indian Banks Association (IBA). Student can take Educational Loan from any Private Bank, Public Sector Bank, Scheduled commercial Bank and member urban Co-operative Banks etc. which is a member of IBA.

8. Can some part of the principal component of loan also be covered by this Scheme?

Answer. No, Scheme is covering only interest part of the Education loan taken by a student for the period of moratorium (i.e. course period, plus one year or six months after getting job, whichever is earlier).

9. Is there any periodical report/document to be submitted by student during the course of pursuing his/her studies abroad?

Answer. No. MoMA does not require any report/documents. Students have to submit periodical progress reports/documents to their respective lending Banks on time to time during the period of pursuing their studies abroad. On completion of course, student may submit a copy of Mark list and certificate to the lending Bank as well as Ministry of Minority Affairs for records.

10. Which Authority will issue Minority Certificate or who will issue Minority Certificate?

i) Self declaration

11. What are the conditions to avail the benefits of interest subsidy under the scheme?

Answer: 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 in the scheme guidelines.

- i) 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.
- ii) If it is found that a student has violated any condition of the scheme, the subsidy will be discontinued forthwith.
- iii) 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.
- iv) 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.
- v) 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.
