

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

A: For Banks

1. Whether disbursements made during Financial Year 2013-14 in respect of loans sanctioned during earlier years will be eligible?

Answer: No, loan sanctioned and disbursed from 2013-14 onwards will only be eligible for interest subsidy.

2. If student has availed subsidy under any other scheme including the CSIS scheme for undergraduate courses, whether he/she will be eligible under this scheme?

Answer: Student will be eligible, as the interest subsidy under the Scheme is for pursuing Post Graduate Diploma, Post Graduate degree course/Masters, M.Phil & Ph.D. Further, those students, who have completed M.Tech in India but is now pursuing MBA abroad and these students have got subsidy under CSIS/ state subsidy scheme for the M.Tech course, are also be eligible in this Scheme.

3. Is Interest Subsidy guaranteed for all eligible applicants?

Answer: Initially the coverage of the Scheme will be flexible and will cover all eligible applicants to the extent possible.

4. As per Model Scheme of IBA, the maximum loan for study abroad is Rs.20 lakhs. Whether interest subsidy is admissible for loan amount disbursed above Rs.20.00 lakh?

Answer: Presently subsidy is restricted to the limits specified under IBA model scheme i.e. Rs 20.00 lakh only.

5. For Income Certification, whether Bank are required to obtain Income certificate from the Competent Authority declared by State Govt./UT Administration as applicable in CSIS Scheme.

Answer: Under Padho Pardesh, Income certificate produced by the student for availing Educational Loan viz. ITR/Form 16/Audited Accounts/Income certificate issued by the authority of State

Government/UT Administration is acceptable to Ministry for determining Income ceiling. There is no need to obtain fresh Income certificate from students.

6. Whether latest income certificate only should be obtained or the income certificate obtained during earlier years/ at the time of availing loan can be taken?

Answer: Certificate obtained at the time of availing loan, will be sufficient.

7. Whether student is required to submit any certificate/document regarding minority community OR only declaration in the loan application to be taken as a proof.

Answer: Yes, Self-declaration in this regard is sufficient.

8. What is the 'Meritorious' element in the Scheme for eligibility for interest subsidy?

Answer: Those who have secured admission abroad and are eligible as per Scheme Guidelines will be considered as meritorious under the Scheme.

9. If the course pursued by the minority student is partly in India and partly abroad, shall be eligible for the interest subsidy?

Answer: Such students will be eligible for interest subsidy, if the Degree is awarded by Foreign University.
