

Dr Ambedkar Central Sector Scheme of Interest Subsidy on Educational Loans for Overseas Studies for Other Backward Classes (OBCs) and Economically Backward Classes (EBCs)

Details (Dr Ambedkar Central Sector Scheme of Interest Subsidy on Educational Loans for Overseas Studies for Other Backward Classes (OBCs) and Economically Backward Classes (EBCs))

"Dr Ambedkar Central Sector Scheme of Interest Subsidy on Educational Loans for Overseas Studies for Other Backward Classes (OBCs) and Economically Backward Classes (EBCs)" is an Education Loan Scheme by the Department of Social Justice and Empowerment, Ministry of Social Justice and Empowerment. ■ **Implementing Agency** The Scheme will be implemented by the Nodal Bank as per the MoU between the Banks and the Ministry of Social Justice & Empowerment. ■ **Scope** The scheme provides interest subsidy to the students belonging to the OBCs and EBCs on the interest payable for the period of the moratorium for the Education Loans for overseas studies to pursue approved courses of studies abroad at Masters, M.Phil. ■ **Objective** To award interest subsidies to meritorious students belonging to the Other Backward Classes and Economically Backward Classes to provide them with better opportunities for higher education abroad and enhance their employability.

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Important Features (Dr Ambedkar Central Sector Scheme of Interest Subsidy on Educational Loans for Overseas Studies for Other Backward Classes (OBCs) and Economically Backward Classes (EBCs))

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Benefits (Dr Ambedkar Central Sector Scheme of Interest Subsidy on Educational Loans for Overseas Studies for Other Backward Classes (OBCs) and Economically Backward Classes (EBCs))

- Under the scheme, interest payable by the students availing the education loans of the IBA for the period of moratorium (i.e. course period, plus one year or six months after getting a job, whichever is earlier) as prescribed under the Education Loan Scheme of the IBA, shall be borne by the Government of India. For a student, the eligible loan component shall be the actual loan taken subject to a maximum

of ₹ 20,00,000 for the purpose of an Interest subsidy claim. NOTE 1: 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. NOTE 2: The candidate will bear the Principal instalments and interest beyond the moratorium period. ■ Release of Funds The funds will be released to the applicants on a first

- come
- first
- served basis, subject to a maximum amount to be worked out every year based on the total budget made available that year, under the scheme.

Eligibility (Dr Ambedkar Central Sector Scheme of Interest Subsidy on Educational Loans for Overseas Studies for Other Backward Classes (OBCs) and Economically Backward Classes (EBCs))

- The applicant should be a Student.
- The student should have secured admission in the approved course at Masters, M.Phil or PhD levels abroad for the listed courses .
- The applicant should have availed loan from a scheduled bank under the Education Loan Scheme of the Indian Banks Association (IBA) for the purpose.
- The total income of the applicant (from all sources) shall not exceed ₹ 8,00,000 per annum.
- ■ Reservation/ Relaxation/ Preference/ Priority Out of the total outlay in a year, a minimum of 50% amount will be earmarked for Interest Subsidy to the girl candidates.

Application Process (Dr Ambedkar Central Sector Scheme of Interest Subsidy on Educational Loans for Overseas Studies for Other Backward Classes (OBCs) and Economically Backward Classes (EBCs))

- Step 1: The interest Subsidy shall be linked with the existing Educational Loan Scheme of the Indian Banks Association (IBA) and restricted to students enrolled for courses at Master, M.Phil and PhD levels.
- Step 2: The Nodal Bank will lay down the detailed procedure for processing and sanctioning interest subsidies to eligible students in consultation with the Ministry.
- Step 3: The Recommendatory Committee headed by the Joint Secretary in charge of the Backward Classes Division with representatives of the Finance Division, a representative of Nodal Bank and the concerned Director/Deputy Secretary as convener will examine and recommend the applications for the award of interest subsidy on a quarterly basis.

Documents Required (Dr Ambedkar Central Sector Scheme of Interest Subsidy on Educational Loans for Overseas Studies for Other Backward Classes (OBCs) and Economically Backward Classes (EBCs))

- Passport Sized Photograph Aadhaar Number Proof of Educational Qualification Bonafide Certificate For the candidate applying under the OBC category
- the OBC Caste certificate in the prescribed Performa issued by the competent authority. Income certificate produced by the student for availing Educational Loan viz. ITR/Form 16/Audited Accounts/Income certificate issued by the authority of the State Government/UT Administration. Details of the Aadhaar-linked Bank Account.