

# **Education Loan Scheme (NSFDC)**

## **Details (Education Loan Scheme (NSFDC))**

The "Education Loan Scheme" is implemented by the National Scheduled Castes Finance and Development Corporation (NSFDC) under the Ministry of Social Justice and Empowerment, Government of India. Under this Scheme, the loan is provided for pursuing full-time Professional/Technical courses in recognized institutions as one-time assistance.

## **Objectives (Education Loan Scheme (NSFDC))**

- The "Education Loan Scheme" is implemented by the National Scheduled Castes Finance and Development Corporation (NSFDC) under the Ministry of Social Justice and Empowerment, Government of India. Under this Scheme, the loan is provided for pursuing full-time Professional/Technical courses in recognized institutions as one-time assistance. The Educational Loan shall cover Admission Fee, Tuition Fee, Books, Stationery, Equipment, Examination Fee, Hostel and Mess Expenses, Insurance Premium for Policy for insuring loanees against loan in case of death or permanent disability, Travel Expenses/Passage Money including Visa Expenses for studying abroad, Caution Money, Development Fund, Clothing Allowance including weather protective clothing in extreme climate (in case of foreign study).
- Professional/Technical Courses Covered: Educational Loans shall be provided to eligible students for pursuing regular full-time Professional/Technical recognized courses approved by the Government in the following fields in India or abroad: Engineering (Diploma/ B.Tech /B.E, M.Tech/M.E.) Architecture (B.Arch/M.Arch) Medical (MBBS/MD/MS) Biotechnology/Microbiology/Clinical Technology (Diploma/Degree) Pharmacy (B.Pharma/M.Pharma) Dental (BDS/MDS) Physiotherapy (B.Sc./M.Sc.) Pathology (B.Sc/M.Sc.) Nursing (B.Sc./M.Sc.) Information Technology (BCA/MCA) Management (BBA/MBA) Hotel Management & Catering Technology (Diploma /Graduation/Post Graduation) Law (LLB/LLM) Education (CT/NTT/B.Ed/M.Ed) Education (CT/NTT/B.Ed/M.Ed) Physical Education (C.PEd./B.PEd/ M.PEd) Journalism & Mass Communication (Graduation/Post Graduation) Geriatric Care (Diploma/Post Graduate Diploma) Midwifery (Diploma) Laboratory Technician (Diploma) Chartered Accountancy (CA) Cost Accountancy (ICWA) Company Secretaryship (CS) Actuarial Sciences (Graduation/ Post Graduation/FIA) Associate Member of the Institute of Engineers (AMIE) and Institute of Electronics & Telecommunication Higher education like Doctoral Studies leading to M.Phil/PhD from recognized institutions.

## **Important Features (Education Loan Scheme (NSFDC))**

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### **Benefits (Education Loan Scheme (NSFDC))**

- Maximum Loan Limit: Up to ■30,00,000/
- (for studies in India) and upto ■40,00,000/
- (for studies abroad) or 90% of course fee, whichever is less. Rate of Interest: For studies in India: NSFDC shall charge interest @ 2% per annum from the SCAs, which in turn, shall charge 6% per annum from the beneficiaries. In case of women beneficiaries, an interest rebate of 0.5% is provided. For studies abroad: NSFDC shall charge interest @ 3% per annum from the SCAs, which in turn, shall charge 7% per annum from the beneficiaries. In case of women beneficiaries, an interest rebate of 0.5% is provided. Repayment Period: The maximum repayment period under the Educational Loan Scheme is as under:
  - For Loan up to ■10,00,000/
  - : Within 10 years For Loan above ■10,00,000/
  - : Within 12 years

### **Eligibility (Education Loan Scheme (NSFDC))**

- The applicant should be a student pursuing regular full time Professional or Technical courses in a recognized institution in India or abroad. The applicant should belong to a Scheduled Caste community. The applicant's annual family income should be less than ■3,00,000/
- , both in rural and urban areas. The education loan assistance will be provided as a one time assistance.

### **Application Process (Education Loan Scheme (NSFDC))**

- Step 1: The applicants should contact the District Office of State Channelizing Agencies (SCAs) if they wish to avail NSFDC Education loan.
- Step 2: The applicants are required to submit the application in NSFDC's format with their details at the District Office of State Channelizing Agencies.
- Step 3: The District Offices of SCAs/CAs scrutinize the applications to ensure they meet the eligibility criteria.
- Step 4: The District Offices forward the scrutinized applications to their respective Head Offices for further processing.
- Step 5: The Head Offices of SCAs/CAs examine the loan proposals and after examination, loan proposals are recommended for sanction and forwarded to NSFDC along with the SCAs' recommendations.
- Step 6: The Project and Banking Desk at NSFDC appraises the loan proposals submitted by the SCAs/CAs.
- An appraisal report is prepared and submitted to the Project Clearance Committee (PCC) for concurrence.
- Step 7: The PCC reviews the appraisal report and, if found in order, recommends the proposals for sanction.
- Sanction Letters, known as Letters of Intent (LOIs), along with Terms & Conditions, are issued to the SCAs/RRBs/Public Sector Banks/NBFC-MFIs for acceptance.
- Step 8: After acceptance of the sanction terms and fulfillment of the Prudential Norms, funds are disbursed by NSFDC to the SCAs/RRBs/Public Sector Banks/NBFC-MFIs.
- The SCAs/RRBs/Public Sector Banks/NBFC-MFIs then disburse these funds to the beneficiaries.
- Step 9: Beneficiaries repay the loans as per the repayment schedule stipulated by the SCAs/CAs.

### **Documents Required (Education Loan Scheme (NSFDC))**

- Passport-size photograph Aadhaar Card Income certificate Caste certificate Residence proof Valid Passport (For Study Abroad) Valid Visa/Permit (If any for study abroad) Educational qualification certificates Copy of admission confirmation from an educational institute with fee and other charges

payment schedule yearly Copy of Identity card issued by the Institute if admission has already taken  
Any other documents as required

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