

# **Interest Subsidy Eligibility Certificate (isec) Scheme**

## **Details (Interest Subsidy Eligibility Certificate (isec) Scheme)**

The Interest Subsidy Eligibility Certificate (ISEC) Scheme is an essential mechanism for funding the Khadi program undertaken by Khadi institutions. Under the ISEC Scheme, credit at a concessional rate of interest of 4% per annum for working capital, is made available as per the requirement of the institutions.

## **Objectives (Interest Subsidy Eligibility Certificate (isec) Scheme)**

- The Interest Subsidy Eligibility Certificate (ISEC) Scheme is an essential mechanism for funding the Khadi program undertaken by Khadi institutions.
- It was introduced to mobilize funds from banking institutions to fill the gap between the actual fund requirements and the availability of funds from budgetary sources.
- Under the ISEC Scheme, credit at a concessional rate of interest of 4% per annum for working capital, is made available as per the requirement of the institutions.
- The difference between the actual lending rate and the Central Government pays 4% through KVIC to the lending banks.

## **Important Features (Interest Subsidy Eligibility Certificate (isec) Scheme)**

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## **Benefits (Interest Subsidy Eligibility Certificate (isec) Scheme)**

- Interest Subsidy: Receive a subsidy on the interest charged on your education loan, lightening your financial burden. Affordable Education: Pursue professional or technical courses without worrying about high
- interest rates, making education more accessible. Flexible Repayment: Enjoy flexible repayment options, allowing you to focus on your studies and career growth. Career Opportunities: With reduced financial stress, you can concentrate on building a successful future and exploring various career avenues. Empowerment: ISEC empowers deserving students to pursue higher education and realize their potential regardless of their economic background. Enhance Skills: Gain knowledge and skills in your chosen field, opening doors to better job prospects and higher earning potential. Supportive Network: Benefit from a supportive community of ISEC recipients, fostering connections and opportunities for collaboration. ■ ■ ■ ■ ■

## **Eligibility (Interest Subsidy Eligibility Certificate (isec) Scheme)**

- The Khadi institutions have valid Khadi certificates and sanctioned Khadi programmes.
- The Institutions registered with the KVIC/State Khadi and Village Industries Boards (KVIBs) can avail of financing under the ISEC Scheme, the Scheme supports only the khadi and the polyvastra sector.

## **Application Process (Interest Subsidy Eligibility Certificate (isec) Scheme)**

- The Khadi institutions will apply to the financing bank for working capital along with the ISEC certificate issued by KVIC.
- Based on the working capital sanctioned, the financing bank will raise the reimbursement claim to the nodal branch for the differential interest rate over and above 4%.

## **Documents Required (Interest Subsidy Eligibility Certificate (isec) Scheme)**

- Aadhaar Card Income certificate Caste certificate Bank account statement ■

Document generated on 2025-11-15.