

**CENTRAL SCHEME OF INTEREST SUBSIDY FOR EDUCATION LOANS AVAILED UPTO
31.03.2009 & OUTSTANDING AS ON 31.12.2013 (NEW CSIS)**

Eligible students have to contact our branches where they have availed/availing loans.

*The last date for Banks to submit subsidy claims to Nodal Bank is 31.08.2014.
Hence, we advise the students to submit the Affidavit/Income certificate well in time to
avoid inconvenience.*

- 1.0 **Introduction:** The Government of India in the Budget of 2009-10, had introduced the Central Scheme for Interest Subsidy (CSIS) in respect of education loans disbursed after 01.04.2009 under which Government took over the burden of interest for the duration of the period of study plus one year or six months after getting the employment, whichever is earlier. In continuation, this scheme has been prepared to provide benefit to those students who have taken education loan up to 31.3.2009 which is outstanding as on 31.12.2013 to the extent of outstanding/un-serviced interest component.
- 2.0 **Objective:** The Government of India will take over the entire liability of the interest outstanding as on 31.12.2013 for education loans sanctioned up to 31.3.2009 and which are outstanding as on 31.12.2013, by students belonging to Economically Weaker Sections for pursuing any of the approved courses of studies in technical and professional streams from recognized institutions in India. However, the borrowers will have to pay interest charged from 01.01.2014 onwards.
- 3.0 **Applicability of the Scheme:**
 - a] The Scheme is applicable only for students belonging to Economically Weaker Section [EWS] with a gross parental/family income upper limit of Rs.4.50 lakhs per annum from all sources.
 - b] The student borrower should have availed the education loan on or before 31.03.2009 and the loan account should be outstanding as on 31.12.2013.
 - c] The loan should have been availed for pursuing professional/technical courses **in India** in recognized institutions.
- 4.0 **Benefits available under the Scheme:**
 - i] For those educational loans availed up to 31.03.2009 and outstanding as on 31.12.2013, the interest component outstanding as on 31.12.2013 will be eligible for relief under this Scheme.

- ii] It means that only the **interest component** outstanding as on 31.12.2013 in those education loans which were availed up to 31.03.2009 shall be eligible for relief under the Scheme.
- iii] Principal amount (ie original loan amount + interest debited during the initial repayment holiday/moratorium period which is capitalized at the start of repayment) shall continue to be as it is and no relief shall be given against the principal amount. Therefore, under this scheme the interest charged to the education loan during the initial repayment holiday/moratorium period which is capitalized while fixing EMI/repayment is not eligible for relief.
- iv] In case of education loans availed upto 31.03.2009 & outstanding as on 31.12.2013 **under NPA category**, for such accounts, the interest debited during the moratorium period [the capitalized interest) **OR** the interest outstanding as on 31.12.2013, **whichever is less**, will be eligible for relief.

5.0 **Income Limit /Proof of Income:**

- a] The benefits of the scheme would be applicable to those students belonging to economically weaker sections, with an annual gross parental/family income with upper limit of **Rs 4.50** lakhs per year (from all sources).
- b] The responsibility of producing the income certificate lies with the student/parents claiming relief under the scheme.
- c] The list of Income Certificate Issuing Authorities (ICIA) as designated by the respective State Governments under the existing **CSIS** is given in the **Annexure**.
- d] The scheme is independent of any other schemes which may cater to EWS.

6.0 **List of Eligible Institutions & Courses:**

A list of Technical/Professional courses which was brought out by the Ministry of Human Resource Development in consultation with the concerned Ministries/Departments and the Indian Banks' Association and publicized from time to time for CSIS Scheme, will be eligible for coverage under the Scheme for studying of which finance has been extended.

As regards list of accredited universities/institutions and recognized professional courses, UGC and AICTE have displayed the names of such institutions and courses in their websites.

7.0 **Other Terms & Conditions:**

- i] The interest subsidy under the scheme will be available to the eligible students **only once**, either for the first under-graduate degree or the post graduate degrees/diplomas in India and for integrated courses (graduate + post graduate) courses, provided no subsidy has been claimed under the existing CSIS after **01.04.2009**.

- ii] **If any student borrower has claimed subsidy for any eligible course after 01.04.2009 then he is not eligible under this scheme.**
- iii] Interest Subsidy under this Scheme will not be available for those students who had discontinued the course midstream, or who were expelled from the Institutions on disciplinary or academic grounds. However, the interest subsidy will be available only if the discontinuation was due to medical grounds for which necessary documentation to the satisfaction of the Head of educational institution will have to be given.
- iv] The interest subsidy will be available only for interest debited on account of fees paid, and not on any other debits such as insurance premium etc.
- v] If similar scheme is implemented by any state government, then claim should be made either to Central or state Government and not to both i.e the benefit of outstanding interest waiver can be claimed only once.
- vi] All other operational details as applicable for the existing CSIS scheme shall be applied for this scheme unless otherwise specifically stated.

8.0 **Nodal Bank** for the scheme is Canara Bank.

9.0 **Disbursement of interest subsidy claims** under this scheme to the Banks shall be **on a one time basis** for all outstanding cases.

10.0 The Branches should obtain the following documents from the borrowers:

i] Agreement as stipulated under the existing CSIS

ii] Undertaking letter to the effect that the beneficiary has not claimed interest subsidy under the CSIS after 01.04.2009 .

iii] Income certificate issued by the competent authority.

**List of Competent Authorities for issuing Income Certificate in various States
/Union Territories [UT] as on January 2014**

Sl.No	Name of the State/UT	Competent Authority to issue income certificate
01	Andaman & Nicobar Islands	Tahsildar
02	Andhra Pradesh	Tahsildar
03	Arunachal Pradesh	District Magistrate & Collector
04	Assam	Revenue Circle Officer
05	Bihar	Circle Officer of Circle Office
06	Chandigarh	Sub-Divisional Magistrate
07	Chattisgarh	Naib Tahsildar
08	Daman & Diu & Dadra , Nagar Haveli	Mamlatdar - Daman & Mamlatdar –Diu
09	Delhi	SDM of Govt of NCT of Delhi
10	Goa	Mamlatdar of all Talukas
11	Gujarat	District Collector /Deputy Collector / Asst. Collector /Prant Officer /Mamlatdar
12	Haryana	CRO [Tehsildar /Naib Tehsildar concerned]
13	Himachal Pradesh	Tehsildar of Revenue Department
14	Jammu & Kashmir	Sub-Divisional Magistrate [not below the rank of Tahsildar
15	Jharkhand	Sub-Divisional Officer in each District
16	Karnataka	Tahsildar
17	Kerala	Village Officer
18	Lakshadweep	Deputy Collectors in Agatti & Minicoy and SDOs in remaining Islands.
19	Madhya Pradesh	Tahsildar /Naib Tahsildar
20	Maharashtra	Tahsildar
21	Meghalaya	Employer in case of Govt employee and by MP/ MLA/ DC/ SDO-Civil in case of others
22	Manipur	District Authorities - i.e DC/SDC/SDO [not below the rank of SDO/SDM]
23	Mizoram	District Magistrate or any other Officer authorized by District Magistrate
24	Nagaland	Deputy Commissioners, Additional Deputy Commissioners and Sub-Divisional Officers [C]
25	Odisha	Revenue Officer
26	Punjab	CRO [Tehsildar /Naib Tehsildar concerned]
27	Pondicherry	Tahsildar, deputy Tahsildar
28	Rajasthan	Tahsildar
29	Sikkim	Special Executive Magistrate [Block Development Officers- Rural Management & Development Dept]
30	Tamil Nadu	Zonal Deputy Tahsildar
31	Tripura	Deputy Commissioner of respective District
32	Uttar Pradesh	Tahsildar
33	Uttaranchal	Tahsildar /SDM/City Magistrate

Sl.No	Name of the State/UT	Competent Authority to issue income certificate
34	West Bengal	<p>District level: District Magistrate or Addl District Magistrate</p> <p>Sub-Divisional Level: Sub-Divisional Officer</p> <p>Block Level: Block Development Officer of concerned Block</p> <p>Kolkata Municipal Corporation: The Collector, Kolkata</p> <p>Students residing within civil jurisdiction of Hon'ble High Court, Kolkata [original side] : The Collector Kolkata</p> <p>Other areas covered in Kolkata Police are concerned. i.e Areas over which Collector, Kolkata does not exercise jurisdiction : Concerned District Magistrate of any other Officer Authorized by the District Magistrate of the respective District i.e South 24 Paraganas and North 24 Paraganas.</p>



CORPORATION BANK

Branch:

FOR THE NOTICE OF EDUCATION LOAN BORROWERS

CENTRAL GOVERNMENT'S SCHEME FOR PROVIDING INTEREST RELIEF FOR EDUCATION LOANS AVAILED UPTO 31.03.2009 AND OUTSTANDING AS ON 31.12.2013

XXXXXXXX

The salient features & coverage of the Scheme

- 1.0 Student borrowers belonging to Economically Weaker Section whose gross parental/family income from all sources with upper limit of Rs.4.50 lakhs are covered under the Scheme.
- 2.0 Income certificate issued by competent authority is required.
- 3.0 Education loan should have been availed on or before 31.03.2009 & outstanding as on 31.12.2013.
- 4.0 Education loan should have been availed for pursuing Professional /Technical courses in recognized institutions in India.
- 5.0 Interest debited to the loan account in post moratorium period [i.e after commencement of repayment period] and outstanding as on 31.12.2013 is eligible for relief.
- 6.0 Student borrower should not have availed interest subsidy in the existing CSIS or similar scheme of State Governments in any of the education loans.
- 7.0 The interest relief under the scheme is for one time only.

For further details, please contact the Branch.

UNDERTAKING LETTER FROM THE BORROWERS TO CLAIM INTEREST RELIEF

From:

Mr/Ms.....

Place:

.....

Date :

.....

[Name & Address of the Borrowers]

To:

The Branch Manager
Corporation Bank,
Branch:

Dear Sir,

Sub: Central Government Scheme for providing interest relief for education loans
availed upto 31.03.2009 & outstanding as on 31.12.2013.

Ref: Education Loan a/c No.....

With reference to the above I confirm that I have availed the above Education Loan on
for Rs.....for pursuingcourse
in India at..... [Name of the Institution]

In this connection I/we undertake and confirm that:

As per the terms and conditions of Central Government Scheme for providing interest relief for
education loans availed upto 31.03.2009 and outstanding as on 31.12.2013, I/we are eligible for
the interest relief.

I/We have not availed/claimed interest subsidy for this or any other education loans under
similar Schemes of State or Central Government.

1.

2.

[Signature of the Borrower/s]

**FORMAT OF INCOME CERTIFICATE TO BE ISSUED
BY COMPETENT AUTHORITY**

Office of the Tahsildar / Competent Authority

INCOME CERTIFICATE

This is to certify that Shri /Smt
S/o, D/o Shri/Smt.....
residing at

His/Her annual gross family income from all sources for the year
is Rs (Rupees]

This certificate is issued for the purpose of claiming Interest Subsidy /Relief under the Scheme of the Ministry of HRD, Government of India for pursuing approved courses of studies in Technical & Professional streams from recognized institutions in India, for his son / daughter Mr/Ms.....

The signature of Shri/ Smt Is attached herebelow.

Signature:

Place :

Signature of Tahsildar/Competent Authority

Date :

Name:

Office Seal