

STATE LEVEL BANKERS COMMITTEE, ODISHA

संदर्भ सं/Lt No: SLBC/ODI/377/16-17

दिनांक / Date: 17.08.2016

To

The Controlling Heads of all Banks in Odisha.

Dear Sir/Madam,

Sub: Implementation of Interest Subvention Scheme" Kalinga Sikhya Sathi Yojana" on education loan availed by students of Odisha pursuing higher studies.

On the captioned subject, we are forwarding the copy of the letter No.23176/HE, dated 14.08.2016 along with copy of Resoulution No.22869/HE dated 10.08.2016 of Department of Higher Education, Odisha, the contents of which are self explicit.

Please take a careful note of the contents of the referred communication for smooth & effective implementation of the aforesaid scheme.

In case of any doubt, on any provision of this Resolution, the matter may be referred to the Higher Education Department Odisha and their decision will be final.

With regards,

Yours faithfully,



**Chief Manager,
SLBC, Odisha**

Encl:- As stated above.

CC.to: All the Lead District Managers for information & necessary action.

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GOVERNMENT OF ODISHA
DEPARTMENT OF HIGHER EDUCATION

No . 23176 (2) /HE, Dated 12-8-16
HE-LSFXI-PLAN-1/2016

From

Sri Janardan Dalanayak,
Joint Secretary to Government.

To

The Circle Head, UCO Bank-cum-Convener, SLBC,
C-2, Ashok Nagar, Bhubaneswar-751009.

The Director, Institutional Finance & ex-officio Additional Secretary to
Government, Finance Department.

Sub: Implementation of "Kalinga Sikhya Sathi Yojana".

Sir,

In inviting a reference to the above subject, I am directed to say that Government of Odisha in Higher Education Department have decided to implement a new scheme in the name of "Kalinga Sikhya Sathi Yojana" in order to provide financial assistance in form of interest subvention against education loan availed by poor and meritorious students of Odisha pursuing their higher studies from scheduled banks under CSIS scheme of Government of India. The details of the scheme have been outlined in this Department Resolution No 22869/HE, Dated 10.08.2016. A copy of the said resolution is annexed herewith for your kind reference.

2. As per the provision of the Resolution, students of Odisha with annual parental income less than Rs. 6.00 lakh pursuing their higher studies in the field of Management, Integrated law, Engineering and Medicine those who have availed education loan under Government of India scheme are eligible to avail the benefit. Besides, interest subsidy shall be provided at such a rate that the net interest payable by the student after the moratorium period becomes 1% per annum. As such, interest payable against education loan for the students whose annual parental income is greater than Rs.4.50 lakh but less than Rs.6.00 lakh (those are not covered under CSIS scheme) shall be borne by Government of Odisha. Moreover, it has also been stipulated in the Resolution that the selection of beneficiaries and the documentation including security against loan will be as per the terms of the respective banks.

3. However, the Higher Education Department intendsthe UCO Bank through State Level Bankers' Committee (SLBC) to be the nodal agency in the State to channelize and co-ordinate among all other banks for smooth and effective implementation of the aforesaid scheme.

4. You are, therefore, requested to kindly indicate suggested modalities in this regard for consideration of the Government. An early response in this regard is solicited.

Yours faithfully,


Joint Secretary to Government

GOVERNMENT OF ODISHA
DEPARTMENT OF HIGHER EDUCATION

No. 22869 /HE., Dated 10-8-16
HE-LSFXI-PLAN-1/2016(Pt)

RESOLUTION

Subject: Revised Interest Subvention Scheme "Kalinga Sikhya Sathi Yojana" on education loan availed by students of Odisha pursuing higher studies.

One of the most pressing needs in higher education today is finance. Due to manifold hike in cost of higher education, adequate financial incentive could allow poor and deserving students to attain their educational goals, meet their professional objectives. Poor and deserving students of Odisha are being deprived of higher education in the fields of technical and professional courses due to lack of adequate funding. Even most of the students are unable to avail education loan extended by scheduled banks under Government of India scheme due to high rate of interest after the moratorium period. In order to encourage poor and meritorious students of Odisha aspiring for higher studies, "Odisha State Interest Subvention Scheme" (OSISS) is being implemented by the Department of Higher Education to provide interest subsidy @ 4% (for boy student) and 6% (for girl student) against education loan availed by them from different banks from the financial year 2015-16. As per prevailing OSISS scheme, students with annual parental income less than ₹ 4.50 lakh from all sources are only eligible to avail the interest subsidy after the moratorium period. The proposal to further alleviate interest burden/ financial stress of the parents and to extend the parental income range was under active consideration of the Government from some time past.

Background

V. 10/8/16

Objective

2. Government, therefore, after careful consideration, have been pleased to further reduce the financial stress of the parents facing hardship in paying high rate of interest by providing financial assistance in form of interest subvention against education loan availed by students from scheduled banks under a new scheme "**Kaling Sikhya Sathi Yojana**" to attain their educational goals, meet their professional objectives and succeed to their fullest ability.

Period of Implementation

3. This Resolution shall come into effect from the financial year 2015-16. That means students, who have availed fresh bank loan on or after 01.04.2015 under Government of India scheme are only eligible for such benefit. Loans paid by banks prior to 2015-16 shall not be covered under the scheme.

Scope

4. The scheme is applicable to the students availing education loan from scheduled banks up to ₹ 10.00 lakh. The course of study should be in Management or Integrated Law or Course of Engineering or Medicine in any educational institution in India established by Acts of Parliament or by any State Legislature or other institutions recognized by the concerned Statutory Bodies. The repayment period shall not be more than ten years including the moratorium period if the loan amount is up to ₹ 7.50 lakh. Similarly, the repayment period shall not exceed fifteen years including the moratorium period for loans up to ₹ 10.00 lakh. The selection of beneficiaries and the documentation including security against the loan will be as per the terms of the respective bank.

Eligibility Criteria

5. In order to avail the benefit, the applicant student

- (i) Must be a resident of Odisha;
- (ii) The annual income ceiling of parents must be below ₹ 6.00 lakh from all sources. The annual income includes income of father/mother and spouse (in the case of married student) from all sources for the purpose of availing this benefit;

(iii) Should not have availed similar benefit from any other Government/ Institution for the same purpose.

Note 1: *The residential certificate shall be issued by the Revenue Officer not below the rank of Additional Tahasildar for the above purpose.*

Note 2: *The income certificate can either be self-certified based on the copy of the validly submitted Income Tax return/ or it can be a certificate issued by Revenue Officer not below the rank of Additional Tahasildar.*

Interest Subsidy

6. Under the revised scheme, financial assistance shall be provided in form of interest subvention at such a rate that the net interest payable by the student after the moratorium period becomes 1% per annum with a stipulation that the interest subsidy will be provided only if the loan repayment is 100% regular. **That means in case of any default or irregular repayment, the benefit of subsidy shall not be extended further.** The interest subsidy shall be paid to bank directly from which the student has availed the loan.

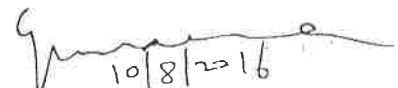
Miscellaneous

7. The earlier Resolution No 25271/HE, dated 17.11.2015 issued to this effect is partially superseded accordingly. It is further stipulated that the girl students as well as the boy students who were already covered as per the terms of the said Resolution will stand migrated to the new scheme.

8. In case of any doubt, on any provision of this Resolution, the matter shall be referred to the Government and the decision of the Government in Higher Education Department shall be final.

ORDER: Ordered that the Resolution be published in an extraordinary issue of Odisha Gazette for general information of public. Ordered also that copy of the Resolution be forwarded to all Departments of the Government/All Heads of the Department/ All Collectors/ Registrar, Odisha High Court.

By order of the Governor



Principal Secretary to Government


Memo No. 22870 /HE, Dated 10-8-16

Copy forwarded to the Gazette Cell In-charge, Gazette Cell, Commerce Department for kind information and necessary action. They are requested to publish the resolution in an extraordinary issue of Odisha Gazette for general information and to supply 200 copies to this Department.


10/8/16
Joint Secretary to Government

Memo No. 22871 /HE, Dated 10-8-16

Copy forwarded to all Departments of Government / All Directorates under Higher Education Department/ Director of Treasuries & Inspection, Odisha, Bhubaneswar/ Accountant General, (A&E), Odisha, Bhubaneswar/ Treasury Officer, Special Treasury No. II, OLA Campus, Bhubaneswar / Circle Head, UCO Bank-cum-Convener, State Level Bankers Committee(SLBC), Ashok Nagar, Bhubaneswar for information and necessary action.


10/8/16
Joint Secretary to Government


Memo No. 22872 /HE, Dated 10-8-16

Copy forwarded to the P.S. to Hon'ble Chief Minister, Odisha/ P.S. to Hon'ble Minister, Higher Education/OSD to Chief Secretary/ P.S. to D.C. cum-ACS, P&C Department/P.S. to Principal Secretary, Higher Education Department /all Officers of Higher Education Department / All Desk Officers & Section Officers of Higher Education Department / Guard File (10Copies) for information.


10/8/16
Joint Secretary to Government

Memo No. 22873 /HE, Dated 10-8-16

Copy forwarded to the Head, State Portal for information. He/ She is requested to upload the Resolution in the official website of Higher Education Department for information of general public concerned.


10/8/16
Joint Secretary to Government