

# Central Sector Scheme of Interest Subsidy On Education Loan

Central Sector Scheme of Interest Subsidy on Education Loan was launched by the Department of Education, MoHRD and Government of India to support students from Economically Weaker Sections of the Society.

## Eligibility for Interest Subsidy:

1. Only for Education Loan availed from Scheduled Banks for Pursuing any of the approved courses after Class XII in Technical and Professional streams from recognized institutes in India under the Education Loan Scheme of IBA
2. Students belonging to Economically Weaker Sections with annual gross parental / family income from all sources with an upper limit of Rs. 4.50 lac. Certificate to this effect issued by authorized officers of State Government is to be submitted.
3. Scheme is applicable for the loan amount availed from 1st April, 2009
4. For loans sanctioned prior to 1st April, 2009 only amounts disbursed after the above period are eligible
5. From 01.04.2022 onwards, case with sanctioned limit above Rs 10.00 lakhs, interest portion up to Rs 10.00 lakhs is eligible
6. The current schedule is open **to claim subsidy for moratorium.**
7. After the moratorium period, the interest on the outstanding loan amount shall be paid by the student as per the terms and conditions contained in the Education Loan Agreement.

Students if eligible under the scheme for the year, need to provide the following documents at the nearest HDFC Bank Retail Loan Service Center:

1. Original income certificate issued by the authorized officer of the State/Union Territory under the scheme \*
2. Interest Subsidy Agreement, to be executed by all borrowers and stamped as per the State Stamp Act\*
3. Any one of the letters, Progress report/ Bonafide letter/ Degree certificate / Provisional Passing Certificates issued by the Institute
4. List of eligible Technical / Professional courses is available on below websites:

<https://www.nbaind.org/accreditationprogram/AccreditedProgram>

<http://www.mhrd.gov.in/technical-education-1>

<http://www.mhrd.gov.in/institutions-national-importance>

<http://www.naac.gov.in/index.php/en/2-uncategorised/32-accrediation-status>

Customers who have submitted the interest subsidy documents earlier and received interest subsidy need not submit the documents again. Students applying for the first time under the specified interest subsidy scheme are required to submit the above listed Interest Subsidy Documents as applicable at the nearest Retail Loan Service Center to claim interest subsidy for moratorium period. Please visit <https://v1.hdfcbank.com/branch-atm-locator> to locate the nearest Retail Loan Service Centre.

Eligibility for subsidy is as per the Central Sector Scheme by MoHRD.\*Conditions apply. Disbursement of Interest Subsidy at the sole discretion of MoHRD.