

**PRESS RELEASE**

To ensure that students especially those from the economically weaker sections should not be denied Professional Education because he or she is poor, the Government of India has launched a scheme to provide Interest Subsidy, during the period of moratorium i.e the course period plus one year or six months after getting job, whichever is earlier. The subsidy is available only for loans upto Rs.10 lakhs. Also, educational loans up to Rs.20 lakhs are being extended for higher education. The benefits of the scheme have not been fully realized due to lack of awareness among the students, parents and educational institutions.

This scheme is meant for students hailing from the economically weaker sections of society. The Scheme is adopted by all scheduled Banks and is applicable only for studies in recognized Technical/Professional Courses recognized by the Statutory Bodies concerned. Interest subsidy under the scheme shall be available only once either for the first under graduate degree course or post graduate degree course. The income i.e annual gross parental / family income should not exceed Rs.4.50 lakhs per year. The Taluk Tahsildar is the authority for issue of income certificate to students in this regard.

The Scheme is applicable from the academic year 2009-2010 starting from 1.4.2009. It is the concern of the Government of Tamil Nadu that all students and parents must be aware of the scheme and must be able to avail the benefits of the scheme.

With the intention of disseminating information about this scheme which enables students from poor families pursue Higher Education in the Professional / Technical Colleges, this meeting has been arranged by the Higher Education

Department, Government of Tamil Nadu. The meeting also discussed the extending of loans liberally up to Rs.20 lakhs for higher education for which also a scheme is available. It was stressed that up to Rs.7.5 lakhs guarantee was the only collateral expected under the scheme.

This meeting of Vice-Chancellors, Principals of Engineering, SLBC members & Bankers, Colleges convened under the Chairmanship of the Hon'ble Minister for Higher Education, will take the message to students wanting to avail bank loans to pursue higher studies in Technical/Professional Colleges. The Principal Secretary to Government, Higher Education Department, Commissioner for Technical Education and Joint Secretary to Government, Higher Education Department, Vice-Chancellors, Principals of Engineering Colleges and officials of SLBC members participated in the meeting.

The loans should be made available at the banks near the residence of the students. It could also be made available at the time of admission at the educational institutions through which the student desires to pursue the course.

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