

GOVERNMENT OF ASSAM  
FINANCE (AUDIT & FUND) DEPARTMENT  
ANANTA BHAWAN, DISPUR, GUWAHATI-6

No.FM.45/2016/pt-1/347

Dated Dispur, the 25<sup>th</sup> July, 2018

**OFFICE MEMORANDUM**

**Sub : Higher Education loan for wards of regular State Government Employees under-  
'BIDYALAKSHMI'.**

In pursuance of Memorandum of Understanding (MoU) signed on 4<sup>th</sup> July, 2018 between Government of Assam and Langpi Dehangi Rural Bank (LDRB) having its Headquarter at Diphu, Karbi Anglong, Assam (sponsored by State Bank of India), the Governor of Assam is pleased to formulate the following procedures and guidelines:

1. The State Government has decided to sanction Higher Education Loan for the wards of regular employees of Government of Assam in the three districts i.e. East Karbi Anglong, West Karbi Anglong and Dima Hasao through the Langpi Dehangi Rural Bank (LDRB), Diphu.
2. The State Government will provide a loan of Rs. 5.00 Lakh to Rs. 10.00 lakh at an interest rate of @ 4% .This was proposed in view of the financial hardship usually faced by State Government employees towards the cost of higher studies.
3. The State Government employees whose annual salary income exceeds Rs.4.5 lakh may avail education loan upto Rs.10.00 lakh at the effective rate of interest @ 4% after state Government interest subvention.
4. The proposed interest rate for employees with annual income upto Rs.4.50 lakh is eligible under Credit Linked subsidy Scheme (CLSS) where 100% CLSS subsidy will be provided by the Central Government guideline during moratorium period i.e. course period plus one year. After moratorium period with State Government interest subvention the effective rate of interest will be @ 4% for the employees under CLSS category.
5. The employees are free to take loan over and above Rs.10.00 lakh from the LDRB. However, the interest subvention on the loan from the State Government alongwith other concession will be limited to Rs.10.00 lakh. The market rate of interest and other collateral securities as required by LDRB will also be applicable for the amount of loan availed above Rs.10.00 lakh.
6. All State Government employees can avail education loan to study in India and abroad for professional technical courses like Engineering, Medical, Agriculture, Veterinary, Law, Dental, Management, Computer, ICWA, CA, CFA, MCA, MS, Graduation (in professional/ technical courses), Doctorate Programme (PhD Courses) and courses conducted by CIMA (Chartered Institute of Management Accountant, London), CPA (Certified Public Accountant in USA).
7. The courses/educational institutions to be covered under education loan scheme are as follows-
  - (i) Courses conducted by Colleges/Universities approved by UGC/ Government/AICTE in Assam.
  - (ii) Courses conducted by Colleges/universities approved by UGC/ Government / AICTE anywhere in India.
  - (iii) Courses conducted by premier institutions in Assam and anywhere in India.

Contd....

8. Education loan can be availed to pay course fee, buy books, computers, educational equipments and so forth subject to re-imbursement capacity of students/parents and any other items necessary for completion of the course. In case of education loan for studies abroad, cost of travelling expenses is also included.
9. The education loan will be provided to parents i.e. State Govt. employees and the students jointly and the loan amount will be released directly to the educational institutions.
10. There will be no collateral security on 3<sup>rd</sup> party guarantee for loan upto Rs.10.00 lakh. In addition, a measure of de-risking the students who are availing education loan will have to option to avail life insurance policy to cover the loan amount.
11. The education loan for State Govt. employees will provide tax rebate under section 80(E) of Indian Income Tax Act.
12. The regular State Govt. employees whose children have secured admission into the enlisted technical/ higher educational institutions can submit their application in prescribed format through their respective DDOs who draw their monthly salary bills. The employee shall have to furnish a written undertaking for deduction of EMIs from the monthly salary bills to the DDOs concerned alongwith the loan applications. Parents of the students will have to join as co-borrowers. The application form alongwith all required documents will have to be submitted at the designated branches of LDBR alongwith check off facility letter signed by the respective DDOs. Cost towards stamp duty wherever applicable will be borne by the employee.
13. Interest will be charged in the education loan account on monthly basis and the amount of interest subsidy provided by the government will be credited back to the individual account once the claims are cleared.
14. Audited certificate towards utilization of subsidy will be given to the Government on an early basis at the end of the Financial Year.
15. It has been proposed to de-risk the repayment to the bank, State Govt. will extend the check off facility to the bank. By virtue of the check off facility, the salaries are paid to the employees into the saving bank account of the bank and the bank will create the necessary standing instruction for recovery of monthly installment. Secondly, in case of default due to transfer, termination or any reason the amount will be recovered from the terminal benefits of the employee concerned. However, the terminal benefits will include any DCRG/All type of Gratuity and Leave Encashment under Rule 20 of the Assam Services pension Rules),1969.
16. Loans will be available from the designated bank branches of LDBR in the district of East Karbi Anglong, West Karbi Anglong and Dima Hasao.
17. LDBR will provide Grievances Redressal Mechanism in their headquarter for quick settlement of any grievances from the students/parents applying for education loan under this scheme. A help desk alongwith toll free number will be installed at the LDBR headquarter for any query in respect of Higher Education loan. The same will be displayed in all bank branches of LDBR.

(3)

18. Insurance: (a) As a measure of de-risking the Education loan portfolio, the students availing Education Loans from the Bank would be suitably covered under Rin Raksha SBILife Insurance Policy.  
(b) In case of students who are eligible for Central Government Interest Subsidy during moratorium period, the amount of Life Insurance Policy will be obtained for the loan amount only.
19. This loan scheme shall be valid upto 31<sup>st</sup> March, 2019 and would be reviewed from time to time.

This issues on the basis of the MoU vetted by Judicial Department vide their U/O endorsement No.843/18 dtd.27/06/2018.

Sd/-(Sri Shyam ,agannathan, IAS)  
Commissioner & Secretary to the Govt. of Assam  
Finance Department

Memo No.FM.45/2016/pt-I/347-A

Dated Dispur, the 25<sup>th</sup> July, 2018

Copy forwarded to:-

1. The Accountant General (Audit), Assam, Maidamgaon, Beltola Guwahati-29.
2. The Accountant General (A&E), Assam, Maidamgaon, Beltola, Guwahati-29.
3. The Chairman, Board of Revenue/Assam Administrative Tribunal, Guwahati.
4. All Addl. Chief Secretaries/Principal Secretaries/Commissioners and Secretaries/ Secretaries to the Government of Assam.
5. All Commissioners of Divisions.
6. The Secretary to the Governor of Assam, Dispur, Guwahati-6.
7. Secretary to Chief Minister, Assam.
8. P.S. to Ministers/Ministers of State.
9. The L R & Secretary, Judicial Department for information with reference to their U/O endt. No. 843/18 dtd.27/06/2018.
10. All Deputy Commissioners/Sub-Divisional Officers (Civil).
11. All Administrative Departments/Heads of Departments.
12. The Resident Commissioner, Assam House, New Delhi.
13. The Chairman, Langpi Dehangi Rural Bank (LDRB), Diphu, Karbi Anglong, Assam-782460, for information & necessary action.
14. The Chief Executive Member, Karbi anglong Autonomous Council, Diphu/ Dima Hasao Autonomous Council, Haflong, for information.
15. The Chief General Manager, SBI, LHO, Guwahati, for information.
16. The Trade Adviser & Director of Movements, Government of Assam, 8 Russell Street, Calcutta/Assam Bhawan, Shillong.
17. All Financial Advisers/Finance & Accounts Officers.
18. The Director of Accounts & Treasuries, Guwahati. He is requested to inform all the concerned Treasury officers.
19. e-Governance (Unit), Finance (Estt-B) Department for uploading the OM in the Government of Assam portal.
20. The Superintendent, Govt. Press Bamunimaidam, Guwahati-21 for publication in the next issue of Assam Gazette.
21. The Treasury Officer, Diphu Treasury and Haflong Treasury for information and necessary action.

By orders etc

Joint Secretary to the Govt of Assam,  
Finance (Audit & Fund) Department

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