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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

10/8/16