

DIRECTORATE GENERAL BORDER SECURITY FORCE
ADMINISTRATIVE DIRECTORATE: ADM-I SECTION

No.44/Adm-I/Edn-Loan/BSF/2013/4988-5340

Dated, the 8th April 2013

S O P FOR
BSF EDUCATION LOAN SCHEME FOR WARDS OF BSF SERVING
PERSONNEL OUT OF BSF CENTRAL EDUCATION FUND

1. Introduction

BSF personnel remain away from their families for long spells of period due to nature of deployment of the Force in remote and isolated areas which leads to neglect of children education. Hence, Director General Border Security Force has emphasized to facilitate wards of serving personnel of BSF, for higher education by providing soft loans. Thus competent authority has decided to introduce a new BSF education loan scheme to be known as **“BSF Education Loan Scheme ”** for wards of serving BSF personnel pursuing education after 10+2 level. To start with, **Rs.2.00 Crore would be catered for the education loans out of BSF Central Education Fund for 1st year, Rs.1.50 Crore for 2nd year and 1.00 Crore for 3rd year. Hence, Maximum capital limit for Education Loan scheme will be Rs.4.50 Crore alongwith interest accumulated from time to time.**

2. Purpose:

To provide easy loans for wards of BSF serving personnel to facilitate them for professional courses/higher education **after 10th or 10+2 level in India.**

3. Rate of Interest:-

Calculation of interest on reducing method basis at **7% on simple rate of interest.**
This will be reviewed every year.

4. Admissibility/Eligibility for Loan:

- (i) The children of BSF serving personnel.
- (ii) Maximum age limit of BSF serving personnel at time of sanction of loan should be less than 55 years.
- (iii) **BSF personnel on deputation** with other organizations and contributing towards BSF Central Education Fund are also entitled for this scheme subject to production of valid documents in support of their subscription towards Education Fund from the date of deputation till date of application.

- (iv) **BSF personnel merged** with other organizations from BSF are **not entitled for this scheme.**
- (v) **Only 1 child of BSF serving personnel** is entitled for this scheme during their entire service.
- (vi) Education loan is applicable for regular studies for higher Education/Professional courses after passing 10th class or 10+2 level through recognized institutes.
- (vii) Waiting list of personnel will be on basis of the date of receipt of application.

5. **Eligibility for Courses/Studies:**

Following professional course/studies, admission of which is on the basis of marks of the 10th class or 10+2 level or beyond, from institutions recognized by the Central/State Govts, deemed universities, autonomous bodies, etc will be considered for Education Loan.

- Professional diploma courses.
- Professional courses: Engineering, Medical, Agriculture, Veterinary, Law, Dental, Management, Computer, etc.
- Courses conducted by IIM,IIT,XLRI,NIFT,etc.
- Post-Graduation courses: Master's Degree and Ph.D.
- Other courses leading to Diploma/Degree etc conducted by colleges/universities approved by UGC/Govt/AICTE/AIBMS/ICMR, etc.
- Professional courses offered by National Institutes and recognized private institutions.
- Regular Degree/Diploma courses like Aeronautical, Shipping etc approved by Director General of Civil Aviation/Shipping, if the course is pursued in India. In case the course is pursued abroad, the Institute should be recognized by the competent local aviation/shipping authority.
- Vocational Training and skill development study courses will not be covered under the BSF Education Loan Scheme, as the scheme is framed to provide loans for higher studies.
- Medical courses in countries of the erstwhile USSR, China and other countries not recognized by Medical Council of India will not be covered.

6. **Expenses to be considered for Loan:**

- (i) Hostel charges & Fee payable to college/institution.
- (ii) Examination/Library/Laboratory fee.
- (iii) Purchase of books/equipment's/instruments/uniforms.
- (iv) Travel expenses/passage money for studies abroad.
- (v) Purchase of computers/laptop-essential for completion of the course.
- (vi) Any other expenses required to complete the course-like study tours, project work, thesis etc.

7. **Responsibility & Amount of Loan:**

- (i) **Entire expenditure of course as per para-6 above subject to ceiling of maximum Rs.5 Lac for whole course. However, maximum disbursement per applicant per academic year is restricted to Rs. one lac.**
- (ii) **Education Loan will be sanctioned in the name of BSF serving personnel only for studies of his/her ward. Hence BSF serving personnel entitled for BSF Education Loan facility would be responsible for repayment of principal as well as applicable interest.**

8. Procedure for applying & scrutiny of Loan Applications

- (i) Proforma for education loan application form is attached with this circular.
- (ii) Personnel applying for **BSF Education Loan should fill up the form alongwith latest Pay slip duly signed by himself/herself as well as sureties and submit alongwith requisite documents as per para-13 to his Bn HQr/Ftr HQr/Instns or as the case may be latest by 20th May of every year.**
- (iii) Applications for BSF Education loan received by Units/HQrs will be forwarded to **FHQ Adm Dte : Adm-I Section through their respective HQrs/Institutions immediately after due scrutiny and duly checked by the concerned Units/HQrs and recommendation of Unit Commandant/Sector DIG, OIC of institutions concerned as the case may be.**
- (iv) **Education loan will be sanctioned twice in a year i.e. in the month of June & August of every year.**
- (v) All HQrs/Institutions should submit loan application forms in respect of applicants to **FHQ Adm Dte : Adm-I Section in two lots by 31st May & 31st July every year.**
- (vi) On receipt of BSF Education Loan applications, FHQ Adm Dte : Adm-I Section to make the entry of each loan application on seniority & loan sanction register of BSF Education Loan.

9. Sanction of loan and priority

- (a) BSF Education Loan will be sanctioned on basis of seniority i.e. on the basis of date of receipt of application. However, Board of Officers will give priority while preparing the board proceeding for education loan as follows :-
 - (i) Personnel deployed in the field i.e. Units/Arty Regts.
 - (ii) Personnel deployed in the extreme hard & hard areas i.e. Units/Arty Regts & SHQrs.
 - (iii) To girl students.
 - (iv) Wards of personnel who have not got any other loan from any other source.
- (b) Following Board of Officers will scrutinize the loan application forms and connected documents of **loanee and prepare a list of eligible candidates by June and August every year** and submit to DIG(Wel) with their recommendation.

Composition of Board of Officers

Presiding Officer	:	DIG(Adm)
Member – 1	:	2IC/DC (Adm/DDO/Edn/Wel)
Member – 2	:	Senior Accountant (Adm – III)
Member – 3	:	DA of BSF Edn loan (Adm – I)

- (c) **IG(Adm) will be competent financial authority for sanction of Education Loan.**

10. Re-payment of Loan

- (i) Entire amount of advance together with interest is **repayable in maximum 5 years, 48 monthly instalments for principal and 12 instalments for interest.**
- (ii) **Deduction of installments of Education loan recovery will commence immediately from the following month of release of loan amount.**
- (iii) **After disbursement of education loan, FHQ Adm Dte : Adm-I Welfare Cash Section will be responsible for changes for edn loan recovery to FHQ (IT Wing) through IPP and for monitoring due recoveries with interest through their pay bill.**

- (iv) Advance payment in the form of lump sum payment/more than the quantum of installment is permissible.
- (v) **The BSF serving personnel is fully responsible for re-payment of loan amount before leaving the Force.**
- (vi) In case of outstanding loan amount/interest at the time of retirement/dismissal/discharge/resign/death of loanee, concerned Unit/HQ is authorized to recover principal as well as interest amount from the dues like pay & allowances, leave encashment, DCRG payable to the retiree/dismissed/deceased personnel.
- (vii) **Any personnel proceeding on retirement/dismissal/discharge /resign, No Dues certificate should be obtained from FHQ Adm Dte : Adm-I Welfare Cash Section by the Units/HQrs/Instns.**
- (viii) **Recovery of BSF Education Loan will be made from the pay of the loanee through FHQ BSF IT Wing.**
- (ix) **DIG(IT) to introduce a system for effecting monthly recovery as well as interest of Education Loan & to insert required columns in monthly pay slip of the NGOs.**
- (x) **Recovery schedule of Education loan/interest will be provided by FHQ IT Wing to FHQ Adm Dte : Adm-I Section along with pay roll for updating the record of recovery of education loan.**
- (xi) Each Unit/HQ will maintain a register at their HQ for monitoring the recovery of Education loan/interest in respect of personnel on their posted strength.

11. Sureties for Loan:

Every person applying for a loan must furnish names of two (02) sureties who are eligible to borrow from the funds. Sureties will be responsible for the payment of balance loan amount with interest in case of loanee is found to be defaulters due to various reasons. The sureties must be of the equal or higher status of the loanee and not having any outstanding Education loans against them.

12. Documents to be maintained by FHQ Adm Dte : Adm-I Section

- (a) Separate Cash Book for BSF Education Loan.
- (b) Loan Recovery Register.
- (c) Seniority-cum-Sanction Register of Loan applications. **Seniority number should be endorsed on each application on right top by red ink with date of receipt.**
- (d) File regarding applications submitted by the individuals.
- (e) File regarding posting of pers in waiting list.
- (f) **FHQ Adm-I Section to ensure incorporation of changes to FHQ IT Wing immediately on disbursement of education loan.**

13. Following documents must be attached with loan application form:-

- (i) Attested copy of 12th class mark sheet.
- (ii) Attested copy of 10th class mark sheet for verification of DOB.
- (iii) Bonafied regular studentship certificate/documents in support of selection of student to be issued by the concerned Registrar/Dean/Principal of College/Institution mentioning course for which loan applied.
- (iv) Certificate of recognition of College/University/Institutions etc. by the UT/State/Central Govt./recognized regulatory body.
- (v) Serving certificate to be issued by the concerned Head of Office.
- (vi) Supporting documents like fee structure, Boarding & Lodging charges etc.
- (vii) Latest Pay Slip of Loanee as well as sureties.

Encl :- Application form.

FRESH/RENEWAL

APPLICATION FORM FOR "BSF EDUCATION LOAN"
OUT OF BSF CENTRAL EDUCATION FUND

NOTE : - FULL & CORRECT INFORMATION BE FILLED /EDUCATION LOAN IS APPLICABLE TO ONLY ONE CHILD

1	<u>Details of BSF serving person applying for Education Loan</u>	
(a)	Regt. No ,Rank of BSF serving personnel	
(b)	Name(In Block letters)	
©	Date of birth with age	
(d)	Date of appointment	
(e)	Date of superannuation	
(f)	Name of Unit/HQrs/Instns where presently posted	
(g)	Location of Unit/HQrs/Instn	
(h)	Whether location in Normal/Hard/Extreme hard area	
(i)	Complete permanent home address of serving BSF personnel	
2.	<u>Details of student for whom loan required</u>	
(a)	Name of student(In Block letters)	
3.	<u>Details of Education/Institution</u>	
(a)	Name of degree/diploma courses	
(b)	Name of College/University/Institutions	
©	Date of commencement of degree/diploma course	
(d)	Duration of degree/diploma courses	
4.	<u>Name of Banker of Unit/HQ/Instn Welfare Fund</u>	
(a)	Amount to be credited into SB A/C of indvl or BC/BD/DD to be prepared in favour of loanee	
(b)	Name of Bank	
©	Bank Account Number of Welfare Fund	
(d)	IFSC Code/Bank Correspondence address with Pin Code	

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5.	<u>Amount applied for loan</u>		<u>Rs.</u>
	(i) Fresh		
	(ii) Details of Renewal cases year wise		
	Year	Amount	
6.	No of monthly installments in which the amount of loan & interest should be recovered(Max limit-----5 years)		
7.	Details of Education loan availed earlier		
(a)	Name of Student		
(b)	Date of sanction of Edn loan		
©	Amount Sanctioned		
(d)	Whether recovery completed or not		

22. Name of Sureties(In Capital letters) to be filled by the applicant.

(i) Regt No. _____ Rank _____

Name _____ Units/HQrs _____

(ii) Regt No. _____ Rank _____

Name _____ Units/HQrs _____

23. I hereby certify that I have no outstanding Education loan against me.

24. I certify that I am member of the BSF Central Education Fund and contributing monthly subscription towards BSF Central Education Fund.

25. I also hereby undertake to repay the money with interest as to be levied in accordance with the BSF Education Loan Scheme rules. I authorize FHQ/HQrs/Instns/Bns to deduct account of instalments and interest due to this loan as may be recoverable with the BSF Education Loan Scheme. I further authorize to FHQ/HQrs/Instns/Bns in the event of my death/termination of my service etc., due there on above been full repaid to deduct the money due to me or standing to my credit or due to my estate or any gratuity or pension to which I may become entitle, such amount as will be sufficient to liquire the balance of the loan and interest there on to in satisfaction of this loan.

Certified that particulars given in the application are correct and any false statement made by me will disqualify me for sanction of BSF Education Loan out of BSF Central Education Fund.

Place : _____

(Signature of applicant BSF serving personnel)

Date: _____

26. We hereby undertake to be severally and jointly liable for the due repayment of BSF Education Loan with interest and that our liability as sureties shall not be impaired or discharged at any time or for any other cause whatsoever till the entire amount of BSF Education Loan with interest if the loanee for any reason whatsoever does not repay or is unable to repay the same or in case the applicant leave the service, deserts the force, or is dismissed or dies before he repays the whole amount of loan and interest.

Signature of Surety-1

Name
Regt No.
Rank _____ Unit/HQr _____

Signature of Surety-2

Name
Regt No.
Rank _____ Unit/HQr _____

27. Following documents checked and found correct

- (i) Attested copy of 12th class mark sheet.
- (ii) Attested copy of 10th class mark sheet for verification of DOB.
- (iii) Bonafied regular studentship certificate to be issued by the Registrar/Dean/Principal of College/Institution mentioning course for which loan applied.
- (iv) Certificate of recognition of College/University/Institutions etc, by the UT/State/Central Govt/recognized regulatory body.
- (v) Serving certificate to be issued by the concerned Head of Office.
- (vi) Supporting documents like fee structure, Boarding & Loading charges etc.
- (vii) Latest Pay slip of applicant as well as sureties.

Signatures of DDO of concerned Qtr

28. Remarks of the Head of office concerned:

- 1. Whether the applicant is likely to be pensioned off before making the amount of loan applied for : _____
- 2. Whether the applicant has applied for Discharge : _____
- 3. Recommendation showing amount : _____

Signature of Head of Office
with office stamp

29. Recommendation of Sector DIG:

Recommended/Not recommended

Signature of
Recommending authority

30. Recommendation of Frontier IG:

Recommended/Not recommended

Signature of
Recommending authority

31. Amount sanctioned by the IG(Adm)

Amount sanctioned Rs. _____ (In words Rupees
_____)with recovery of
_____Nos of instalments(Principal & Interest).

Signature of IG(Adm)