Pradhan Mantri Vidyalaxmi Scheme

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Pradhan Mantri Vidyalaxmi Scheme Latest News

The Pradhan Mantri Vidyalaxmi scheme is positively contributing to the goals of Sustainable Development Goal 4 and NEP 2020 by advancing inclusive and equitable quality education.

About Pradhan Mantri Vidyalaxmi Scheme

- It is a **flagship initiative of the Education Ministry** that seeks to make quality higher education accessible to deserving students facing financial constraints.
- **Eligibility Criteria for Students:**
  - It is available to students who have **secured merit-based admission** through competitive exams in any of the designated **Quality Higher Education Institutions (QHEIs) in India.**
  - The scheme provides education **loans for all degree and diploma courses.**
- **Eligibility Criteria for Higher Education Institutions**
  - **Top 100 ranked HEIs** in the overall/ category-specific and/or domain-specific rankings in the latest list of **National Institutional Ranking Framework** (NIRF) published by the Ministry of Education

- **Top 200 ranked HEIs** under the governance of State/Union Territories governments in the latest list of NIRF published by the Ministry of Education
    - All remaining HEIs under the governance of the Government of India.
- **Loan Repayment Period:** The repayment period of the education loan **would be up to 15 years** excluding the moratorium period (course period + 1 year).
- **Credit Guarantee:** Loans up to **₹ 7.5 lakhs are provided 75% credit guarantee** by Government of India.
- **Interest Subvention**
    - For students with up to **₹ 8 lakhs annual family income**, the scheme provides for **3% interest subvention** on loans up to ₹ 10 lakh.
    - This is in addition to the full interest subvention already offered to students with up to ₹ Rs. 4.5 lakhs annual family income.
- The educational loans are provided through **Scheduled Banks, Regional Rural Banks (RRBs), and Cooperative Banks** participating in the scheme.
- The scheme offers affordable education loans with interest rates capped at the bank's **Externally Benchmarked Lending Rate (EBLR) + 0.5%.**
- Under this, **interest subvention** and credit guarantee **benefits are available only once** for undergraduate, postgraduate, or integrated courses.

Source: PIB
