

GOVERNMENT OF INDIA
MINISTRY OF EDUCATION
DEPARTMENT OF HIGHER EDUCATION
RAJYA SABHA
UNSTARRED QUESTION NO. 2917
ANSWERED ON- 26/03/2025

PM-VIDYALAXMI SCHEME

2917 SHRI YERRAM VENKATA SUBBA REDDY:

Will the Minister of EDUCATION be pleased to state:

- (a) the extent to which the recently approved PM-Vidyalaxmi Scheme for students help in getting collateral-free loans;
- (b) whether it is a fact that ₹ 3,500 crores have been allocated for the current year for this purpose;
- (c) aims and objectives of the scheme; and
- (d) whether any preference is given to students from SC/ST and OBC and, if not, the reasons thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF EDUCATION

(DR. SUKANTA MAJUMDAR)

(a) to (d): The PM Vidyalaxmi, a new central sector scheme has been launched on 6th November 2024. The main objective of the scheme is to ensure that no student is denied the opportunity to pursue higher education due to financial constraints. Under the scheme, collateral-free and guarantor-free education loan is provided to all the students who get merit-based admission in top Quality Higher Education Institutions (QHEIs) and who desire to avail the education loan.

Further, for students with annual family income up to ₹ 8 lakh, the scheme provides 3% interest subvention on loans up to ₹ 10 lakhs. Up to one lakh fresh students not getting any other scholarship or interest subvention on education loan will get this interest subvention. In case number of fresh applicants for availing the benefit of interest subvention exceeds one lakh, all-India slots will be distributed across States based on population to ensure equitable inter-state representation. An outlay of Rs. 3,600 Crore has been made from 2024-25 to 2030-31, for providing 3% interest subvention benefit for up to 7 lakh fresh students during this period.

To improve awareness, the scheme guidelines have already been provided in the website of Ministry of Education at [https://www.education.gov.in/sites/upload_files/mhrd/files/document-](https://www.education.gov.in/sites/upload_files/mhrd/files/document-reports/PM_Vidyalaxmi_Scheme_Guidelines.pdf)

[reports/PM_Vidyalaxmi_Scheme_Guidelines.pdf](https://www.education.gov.in/sites/upload_files/mhrd/files/document-reports/PM_Vidyalaxmi_Scheme_Guidelines.pdf). Further, the Indian Banks Association has been requested to circulate the guidelines to all the member banks.

The objective of PM Vidyalaxmi scheme is to provide financial support to meritorious students so that financial constraints do not prevent anyone from pursuing higher studies. PM Vidyalaxmi is another key initiative stemming out of the National Education Policy, 2020, which had recommended that financial assistance should be made available to meritorious students through various measures in both public and private HEIs. Under the PM Vidyalaxmi scheme, any student who gets admission in quality Higher Education Institution (QHEIs) will be eligible to get collateral free, guarantor free loan from banks and financial institutions to cover full amount of tuition fees and other expenses related to the course. The scheme will be administered through a simple, transparent and student-friendly system that will be interoperable and entirely digital.

A dedicated online platform, PM Vidyalaxmi portal has been developed on which students can apply for the education loan as well as interest subvention, through a simplified application process to be used by all banks. The Portal is for all Public Sector Banks, Private Banks, Regional Rural Banks and Cooperative banks. All these measures aim to create widespread awareness about the scheme and help eligible students, including those from rural and underprivileged areas to avail the benefits of PM-Vidyalaxmi.

All students (including SC/ST and OBC), getting admission in the QHEIs for degree/ diploma programmes can avail this benefit. There is no limit on number of students getting such loans.