



## PM Vidyalaxmi Loan Scheme- Students seeking education loans and financial Aid

### PM Vidyalaxmi Loan Scheme: A Lifeline for Student Education Financing for Meritorious Students

Higher education is a powerful tool for personal and societal growth, but the financial burden is a significant barrier for many aspiring students. Recognising this challenge, the Indian government has launched the PM Vidyalaxmi scheme, a government of India initiative offering collateral-free and guarantor-free education loans available for all meritorious students who are getting admission in Jamia Hamdard and are desirous of availing an education loan to pursue higher education. You can visit the portal <http://pmvidyalaxmi.co.in>. The portal does not charge any amount from the applicant.

### Key Features of the PM Vidyalaxmi Scheme

#### 1. Collateral-Free and Guarantor-Free Loans

- Students admitted to Quality [Higher Education](#) Institutions (QHEIS) can get loans to cover full tuition fees and other course-related expenses.
- No collateral
- No guarantor

#### 2. Interest Subvention (Discount on Interest)

- Students with an annual family income of up to ₹8 lakh can avail of a 3% interest subvention on loans up to ₹10 lakh.
- For loans above ₹10 lakh, the subsidy applies only to the first ₹10 lakh.
- Students with family income up to ₹4.5 lakh get full interest subvention during the moratorium period (course duration + 1 year after studies).

#### 3. Credit Guarantee for Banks

- For loans up to ₹7.5 lakh, the government provides banks a 75% credit guarantee.
- This means if a student defaults, the government covers 75% of the outstanding amount, reducing the risk for banks

#### 4. Simplified Application Process

- A single platform called the PM-Vidyalaxmi Portal <http://pmvidyalaxmi.co.in> allows students to apply for loans and interest subsidies.
- The process is streamlined and works across all participating banks.
- Interest subvention is disbursed through E-vouchers and CBDC wallets for transparency and efficiency.

#### **PM-Vidyalaxmi – example of an education loan**

Collateral-free, guarantor-free education loans

In **Jamia Hamdard**, the MBA course fee for 2 years is INR 5,20,000

Add hostel, mess, and other out-of-pocket expenses: INR 2,60,000

A collateral-free, guarantor-free education loan is available for up to ₹30 lakhs, depending on the student's requirements. Disbursements will be made according to the institutions and students' requirements.

No ceiling on family income (₹ 8 lakhs) for education loans

No ceiling on loan amount (₹ 10 lakhs) for education loans

#### **Who is Eligible?**

- Students admitted to Quality Higher Education Institutions (QHEIS).
- Annual family income should be up to ₹8 lakh for interest subvention.
- Students not receiving any other Central/State Government scholarships, fee reimbursements, or interest subsidies.

#### **Who is Not Eligible?**

- Students who discontinue their studies due to disciplinary or academic reasons.
- Students who are already receiving other government scholarships or financial aid.

- Exception: Discontinuation due to medical reasons is allowed with proper documentation.

### **Benefits at a Glance**

- No collateral or guarantor is required for loans.
- 3% interest subvention on loans up to ₹10 lakh.
- 75% credit guarantee for loans up to ₹7.5 lakh.
- Easy online application through the PM-Vidyalaxmi Portal.

### **Why is This Scheme Important?**

- It ensures that financial constraints do not hinder a student's dream of higher education.
- It encourages students to pursue courses in top-ranked institutions (NIRF-ranked).
- It supports low- and middle-income families by reducing the burden of education loans.

### **A Brighter Future: Empowering Students**

The PM Vidyalaxmi Scheme is a powerful initiative that empowers students to focus on their education without worrying about finances. By offering collateral-free loans, interest subsidies, and a simplified application process, the government is making higher education accessible to all.

If you're a student with big dreams, this scheme is your stepping stone to a brighter future. Dream big, apply for the PM Vidyalaxmi Scheme, and let nothing hold you back!