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News: Pradhan Mantri Vidyalaxmi scheme

- The Union Cabinet has approved the Pradhan Mantri Vidyalaxmi scheme, designed to provide financial assistance to meritorious students for higher education.

Pradhan Mantri Vidyalaxmi scheme

- Pradhan Mantri Vidyalaxmi scheme aligns with the National Education Policy (NEP) 2020 and aims to provide collateral-free, guarantor-free loans to students.

Eligibility Criteria

- Students enrolled in institutions ranked within the top 100 by the National Institutional Ranking Framework (NIRF), and those in the 101-200 range from state government and all central government governed institutions.

Beneficiaries

- It can benefit over 22 lakh students, with the list updated annually based on the latest NIRF rankings.

Procedure

- The Department of Higher Education will launch the "PM-Vidyalaxmi" portal for students to apply for education loans and interest subvention, with payments made via E-voucher and Central Bank Digital Currency (CBDC) wallets.

Supplementing Existing Schemes

- The scheme supplements the two components, Credit Guarantee Fund for Education Loans (CGFSEL) and Central Sector Interest Subsidy (CSIS), under the existing PM-Uchchatar Shiksha Protsahan (PM-USP) scheme.
- PM-USP CSIS offers full interest subvention for loans up to Rs 10 lakh to students with family income up to Rs 4.5 lakh, pursuing technical courses.