FAQs related to PM Vidyalaxmi Scheme

What are the Features of PM-Vidyalaxmi Scheme?

PM-Vidyalaxmi is central sector scheme aims to provide financial support to meritorious students pursuing higher education in Top Quality Higher Educational Institutes as identified by Ministry of Higher Education. The broad contours of the scheme are:

1. A special loan product will enable collateral free, guarantor free education loans.
2. Simple, transparent, student-friendly and entirely digital application process.
3. 3% interest subvention during moratorium to One Lakh students with family income up to Rs 8 Lakh.
4. Full interest subvention during moratorium for loans up to Rs. 10 Lakh for students with family income up to Rs 4.50 Lakh.
5. Loan amounts up to ₹ 7.5 lakhs will be provided a 75% credit guarantee by the Government of India through NCGTC.
6. Education Loans under Management Quota not Eligible
7. The Scheme is applicable for all Scheduled Banks/Regional Rural Banks (RRBs)/Cooperative Banks

What is process for selection of students under 3 % Interest subvention scheme?

In a year, a maximum of One lakh student shall be eligible for 3 % interest subvention scheme during moratorium. If number of fresh applicants exceeds One lakh, a sequential method will be used as Below:

1. Preference to candidate who got admission in a government HEI.
2. Then preference given to technical/ professional courses.
3. Then, preference to candidate who passed higher secondary (10+2) board examination from a government school.
4. Next preference to candidate who passed secondary (10th standard) board examination from a government school.
5. Next preference to candidate who passed higher secondary from a rural school
6. Next preference will be given to girl students.

What are the documents to be uploaded for PM-Vidyalaxmi scheme in portal?

Following Documents to be uploaded by the student in portal:

1. Marksheet for Class X.
2. Marksheet for Class XII /Last qualifying Examination/Diploma
3. Proof of admission to the course.
4. Schedule of Expenses for the course as given by institution
5. Proof of income issued by public authority/ College authority
6. Applicant photograph.
7. Parent photograph.
8. Co- obligant/Guarantor photo should be uploaded if collateral security is given.

What are the features of PM-Vidyalaxmi Portal?

PM-Vidyalaxmi portal is a unified portal that has the following features

1. Information about PM-Vidyalaxmi and other Education loan Scheme of member Banks
2. Facilitates students to apply for Education Loan from their preferred Bank.
3. Option to students to select three Banks while applying Education Loan
4. Facility to students to apply for Interest subvention on PM-Vidyalaxmi portal
5. Facility for students to upload required documents for interest subvention
6. Status of the loan application available in Track Loan Application Tab
7. Online Grievances redressal mechanism
8. Real time updates on application status, bank responses and document requests.

How to apply for education loan on PM-Vidyalaxmi Portal?

1. The student shall register and login to PM-Vidyalaxmi portal and fill-up the respective Education Loan Application Form by providing all the necessary details
2. After Completion of form and uploading of necessary documents student can select the Bank from where he/she wants to avail the loan facility as per his/her needs, eligibility and convenience.
3. Review all entered details and submit the application

What is Two-page Education loan application form?

Two-page Education loan application is Common loan application form used for applying loan under PM-Vidyalaxmi scheme

What is Sign up/Registration process on Vidyalaxmi portal?

Students are required to access www.pmvidyalaxmi.co.in and complete sign-up process by providing the necessary details such as Mobile number and E mail ID. Students already completed "Sign up" / "Registration" process can log in with their credentials and apply for educational loan through Vidyalaxmi portal.

Is Aadhaar mandatory for applying under PM-Vidyalaxmi?

Submission of Aadhaar is mandatory for availing benefits under the PM Vidyalaxmi Scheme, including education loans, interest subvention, and credit guarantee coverage. Further Aadhaar is also a mandatory requirement for students to avail interest subsidy under the PM-USP scheme.

What if student forget his/her password?

1. On PM- Vidyalaxmi portal student can click Forgot password on student login page
2. Follow the instruction and reset the password

How the student can track status of his/her Education Loan application?

1. Student can view the updated status i.e., Closed/Disbursed/In process/PF-Eligible/Rejected/Reqinfo/Sanctioned/Submitted by clicking "Track Loan Application" Tab provided in PM-Vidyalaxmi portal.
2. In case of rejection of Education loan application student may contact the respective member Bank for further clarification.

How the educational loan is disbursed by member Banks?

1. Education loan disbursement will be initiated by Banks based on the disbursement request of the student.
2. The Bank verifies all the documents and do needful Due-Diligence before sanction.
3. After sanction, the amount will be directly remitted to the account of Educational Institution.
4. The PM-Vidyalaxmi portal doesn't release funds, it is only a processing channel for education loan.

Details of Banks where student can apply for educational loan through PM-Vidyalaxmi portal?
List of Member Banks integrated with PM- Vidyalaxmi portal is available at HOME Page of the portal.

How many applications for Educational Loan can be submitted by a student?
One active application can be submitted by the student at a time on the portal, in which Student can apply to maximum three Banks for Education Loan.

How can student Withdraw/Re-apply for Education Loan?

1. Students can withdraw their application if it is in the "Submitted" status by clicking on the "Track Loan Application" tab, where the "Withdraw Application" option is available. However, if the status of the application has been changed or updated by any of the preferred banks selected by the student, they are required to contact the respective bank branch for closure/rejection of the application.
2. Once the application gets Closed/Rejected from all preferred banks selected by the student, 'Apply for education loan" tab would get enabled.

What is rate of interest rate charged on educational loan?
Individual Bank charge different Rate of interest. Hence students are advised to check the latest Rate of interest on Banks website.

In which format documents to be uploaded?
Documents can be uploaded in PDF and JPEG format with a file size of max 200 kb.
How student can search their school/college/institute?
Student will find a field to search their school/college. Enter a few letters of your School /College name, select state & District to get suggestions. Select the correct name from the dropdown list that appears. The listing is based on UDISE (for schools) and AISHE (for higher education institutes) data from the Ministry of Education.

How to claim interest subvention of education loan?
Loan applications sanctioned and disbursed in the current financial year (from 01/04/2025 to 31/03/2026), interest subsidy claim process through financing bank will only start in the next financial year i.e., after 31/03/2026 subject to the eligibility criteria. Additionally, on the student's part, the option for submitting the intent for availing interest subvention for loans sanctioned and disbursed in current financial year is enabled in the portal. For more information regarding the eligibility criteria for interest subvention under PM-Vidyalaxmi and CSIS scheme, kindly visit: https://www.education.gov.in/scholarships-education-loan-4

Is it mandatory for a student to have an account in the selected bank, where she/he is taking education loan?

No, it is not mandatory for a student to already have a bank account in the branch or bank from which they are availing the education loan. However, once the loan is sanctioned, banks will require the student (or jointly with the parent/co-applicant) to open a savings account in the same bank branch for disbursement and repayment purposes.