

From Finance to Futures: Why NEDFi Matters to the Northeast



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When Shri **PVSLN Murty**, Chairman and Managing Director of the North Eastern Development Finance Corporation Ltd. (NEDFi), speaks about entrepreneurship in the Northeast, it does not sound like the language of a banker. It sounds more like the voice of someone who has walked the muddy lanes of remote villages, spoken with women artisans at their looms, and listened to farmers struggling to sell their produce.

In his recent television interview, Murty painted a picture of a Northeast alive with ideas, but constrained by access. His reflections move beyond institutional reports and into a larger vision: **finance not merely as credit, but as liberation, dignity, and futures being rewritten.**

Breaking Free from Exploitation

The reality Murty describes is sobering. In many districts, there are only a handful of bank branches. For ordinary villagers, especially women, access to formal finance is nearly impossible. Into this vacuum step private moneylenders who charge as much as **60 percent annual interest**. The result is an endless cycle of debt and dependency.

Against this backdrop, NEDFi offers a radically different proposition. Loans are extended at **7 to 9 percent**, with additional subsidies and support. “You will be surprised to know,” Murty remarked, “that in some areas women get loans at 60%. We are able to bring this down to 7-8%. That difference is life-changing.”

This is not just about numbers. It is about breaking the grip of moneylenders, about a woman in a tea garden not having to surrender her Sunday wages to a loan shark on Monday morning. It is about **freedom from financial exploitation.**

Women at the Center of Change

If there is one theme Murty returns to again and again, it is the role of women. Nearly **half of NEDFi’s beneficiaries are women entrepreneurs**. From piggery and poultry to weaving and food processing, women-led enterprises are quietly transforming household economies.

Murty points to Assam's celebrated **State Rural Livelihood Mission (ASRLM)** as an example that has become a model for the country.

Women's self-help groups here have not only accessed credit but also carved out strong bargaining power with banks. "Now," Murty notes, "ASRLM women are in a position to negotiate interest rates. That is how powerful this scheme has become."

In states like Mizoram, Sikkim, and Nagaland, women-led micro-enterprises are thriving with NEDFi's support. The approach is incremental: seed assistance of ₹1 lakh to get started, followed by larger loans of ₹3-5 lakh as ventures stabilize. The message is clear: **women are not beneficiaries of charity but leaders of business.**

Seeding a Startup Culture

The Northeast is often spoken of as a frontier region. Murty, however, sees it as a **frontier of ideas**. Through grants, angel funding, and venture capital, NEDFi is building a startup culture in the hills and valleys.

So far, NEDFi has invested in **64 startups** and mentored more than **1,000 young entrepreneurs**. Its support covers the entire spectrum:

- **Grants** of ₹5-25 lakh through STPI and NRL for proof-of-concept.
- A **₹40 crore Angel Fund** with NRL for early-stage ventures.
- A **₹100 crore Growth-Stage Fund** to help startups scale.

Even state governments are joining hands. The **Manipur Startup Fund of ₹30 crore**, co-financed by NEDFi and the state government, is one example of how local ecosystems are being nurtured.

Here lies the quiet revolution: an entrepreneur in Imphal or Aizawl today has access to the kind of ecosystem support once reserved for Bengaluru or Mumbai.

Beyond Credit: Linking to Markets

Murty is candid that credit alone cannot transform lives. Entrepreneurs need markets as much as money. He cites examples of ginger farmers in Nagaland who once sold raw produce at throwaway prices. With NEDFi's support, they began processing ginger into dried products for export. Similarly, honey producers and bamboo artisans have tapped into wider markets with guidance and funding.

NEDFi has also created platforms like **NEDFi Haat**, a physical marketplace, and the **NEDFi e-Shop**, a digital platform to connect artisans and entrepreneurs to buyers across India and abroad. These are modest initiatives, but they represent a crucial shift: from **subsistence to scale, from isolation to integration**.

A Vision Rooted in Equity

What makes Murty's vision compelling is its rootedness in equity. Having worked earlier as a senior banker in the State Bank of India, he brings both institutional knowledge and a human touch. His dream is clear:

“My vision is to reach every district, to take affordable credit to people in remote areas, to eliminate the moneylender, and to empower women and youth. The Northeast has the talent; what it needs is opportunity.”

It is a call for justice through finance — not as charity, but as a rightful tool for prosperity.

The Road Ahead

For too long, the Northeast has been seen through the lens of its challenges: insurgency, underdevelopment, and isolation. NEDFi's story under Murty's leadership offers a counter-narrative: one of **possibility, resilience, and progress.**

By financing small dreams with the seriousness of big ventures, by recognizing women as entrepreneurs, and by building startup ecosystems in unlikely places, NEDFi is redefining what development looks like.

Finance, in this telling, is no longer about loans and ledgers. It is about futures. And if Murty's vision is realized, the Northeast will no longer be viewed as India's periphery but as one of its most dynamic hubs of innovation and enterprise.

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