

GOVERNMENT OF INDIA
MINISTRY OF MINORITY AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 132
ANSWERED ON 21/07/2025

INTERNATIONAL SCHOLARSHIPS FOR MINORITY STUDENTS

132. SHRI MUZIBULLA KHAN:

Will the Minister of MINORITY AFFAIRS be pleased to state:

- (a) whether any scholarships or financial assistance are provided by Government to minority students pursuing higher education abroad; and
(b) if so, the eligibility criteria, number of beneficiaries and budget allocation?

ANSWER

THE MINISTER OF MINORITY AFFAIRS

(SHRI KIREN RIJU)

(a) & (b): Ministry of Minority Affairs, Government of India's Padho Pardesh initiative aimed to provide minority students with interest subsidies on educational loans to study abroad and pursue approved courses of study at the Masters, M.Phil., and Ph.D. levels. The scheme however got discontinued from FY 2022-23 as education loan is available at cheaper rates through various other Government interventions.

The National Minorities Development & Finance Corporation (NMDFC) a Government of India Undertaking under Ministry of Minority Affairs, offers financial assistance to minority students under its education loan scheme for pursuing technical and professional courses in abroad with maximum course duration of 5 years. The two different credit lines are as under:

- a) Credit Line-1 :- Families with Annual Household Income of upto Rs.98,000/- in Rural areas and upto Rs. 1,20,000/- in Urban areas are eligible for availing assistance under the NMDFC schemes. The Educational Loan of upto Rs.30.00 lakhs for courses abroad is available at an interest rate of 3% per annum
- b) Credit Line-2 :- Families with Annual Household Income limit of upto Rs.8.00 lakh has been introduced for greater coverage of beneficiaries under schemes of NMDFC. Interest @ of 8% per annum is charged from male beneficiaries & 5% per annum from female beneficiaries under Credit Line -2.

The eligibility criteria, number of beneficiaries and budget allocation of aforesaid scheme is as under:

- i. Muslims, Christians, Sikhs, Buddhists, Parsis & Jains notified as National Minorities by the Central Government under the National Minorities Commission Act, 1992 are eligible to avail benefit under NMDFC schemes including education loan scheme.
- ii. The annual family income eligibility criterion under Credit Line-1 is upto Rs. 3.00 lakhs p.a. for both rural & urban areas. Under Credit Line -2, persons with higher annual family income of upto Rs.8.00 lakhs p.a. can avail higher quantum of financial assistance at a higher rate of interest.

- iii. The applicant should be in the age group of 16-32 years.
- iv. Confirmed admission in the intended course in recognized institutes is the basis requirement for availing the loan. However, application for loan can be made in anticipation of admission to the recognized institutes. Similarly, loan can also be sanctioned in anticipation of admission to such institutes.
- v. Female & Physically challenged candidates would be given preference.
- vi. Selection out of the eligible candidates will strictly be on merit.

Education loan scheme of NMDFC is part of term loan scheme of NMDFC. 20% of the term loan extended by NMDFC to its State Channelizing Agencies (SCAs) during a financial year can be utilized by SCA for extending education loan to minority students based on field level demand. Out of this 20% funds, 10% funds are for fresh loan cases & balance 10% fund is for installments of old cases.

For the F.Y. 2025-26, NMDFC loan disbursement target is Rs. 750.00 cr. Out of Rs. 750.00 cr., 50% of loaning is to be earmarked for term loan scheme i.e. Rs. 375 cr. 20% of Rs. 375 cr. i.e. Rs. 75.00 cr. can be utilized by SCAs for extending financial assistance under education loan scheme based on field level demand.
