

GOVERNMENT OF INDIA
MINISTRY OF EDUCATION
DEPARTMENT OF HIGHER EDUCATION
RAJYA SABHA
UNSTARRED QUESTION NO- 366
ANSWERED ON- 06/12/2023

HIGHER EDUCATION FINANCING AGENCY (HEFA)

366 DR. KANIMOZHI NVN SOMU:

Will the Minister of *Education* be pleased to state:

- (a) whether the Higher Education Financing Agency (HEFA) was tasked to mobilize one lakh crore rupees to meet the infrastructure needs of higher educational institutions by 2022;
- (b) whether the mission was accomplished by 2022 and if so, the details thereof; and
- (c) the current status of HEFA and the work done in the last four years?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF EDUCATION

(DR. SUBHAS SARKAR)

(a): To step up the investment in research and related infrastructure in premier educational institutions, a major initiative named “Revitalising Infrastructure and systems in Education (RISE)” was launched with total investment target of Rs. 1.00 lakh crore. HEFA was suitably structured for funding these initiatives.

(b): Due to outbreak of COVID-19, all infrastructure projects were adversely affected and the pace of funding from HEFA slowed down. Further, two financing windows, which had provision of 100% repayment of principal and interest through grants were closed, in consultation with Department of Expenditure. Institutions falling under these two windows were advised to be funded through budgetary grants. Closure of two windows resulted into lower demands of HEFA loan.

(c): HEFA was set up in May 2017 as a non-profit company under Section-8 of the Companies Act 2013 and registered as a Non-Banking Finance Company (NBFC) with RBI. HEFA has sanctioned loans of Rs. 36,644.76 crores to 101 institutions till date. Out of which Rs. 18,714.85 crore has been sanctioned during the last four years. In Third Party Evaluation conducted by National Institute of Public Finance and Policy (NIPFP), faster implementation of infrastructure projects has been observed because of availability of finances through HEFA.
