

GOVERNMENT OF INDIA  
MINISTRY OF EDUCATION  
DEPARTMENT OF HIGHER EDUCATION

RAJYA SABHA  
UNSTARRED QUESTION NO. 1773  
ANSWERED ON 11.12.2024

**Funds to Higher Educational Institutions**

**1773 Shri Randeep Singh Surjewala:**

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

- (a) whether it is a fact that the grants by the Ministry to Higher Education have been stopped after the advent of Higher Education Financing Agency (HEFA), if so, the details thereof;
- (b) whether it is a fact that the Ministry has asked the institutions to raise the fees of courses to increase the internal revenue and reduce expenditure by 10 per cent after the stoppage of grants by the Ministry, if so, the details thereof; and
- (c) whether Government is aware that the loan repayment to HEFA by institutions is putting them under financial strain, if so, the steps taken by Government?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF EDUCATION  
(DR. SUKANTA MAJUMDAR)**

(a & b) Higher Education Financing Agency (HEFA) has been setup to substantially increase funding for creating quality infrastructure in Higher Educational Institution of Ministry of Education. Grants have not been stopped after the advent of HEFA. Higher Education Institutions (HEIs) under the preview of Ministry of Education are statutory autonomous organisation established under respective Central Acts of the Parliament and Governed by provisions of Acts/Statutes/Ordinances/Regulations made their under.

(c) Under the HEFA financing scheme, institutions are supported with substantial government funding to ease financial strain of the loan repayment. Depending upon the revenue generation capacity of the institution, Government contributes significantly in interest as well as principal repayment of loan. For example, for Central Universities, full interest and 90% of the principal repayment is made by the Government.

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