GOVERNMENT OF INDIA
MINISTRY OF HUMAN RESOURCE DEVELOPMENT
DEPARTMENT OF HIGHER EDUCATION

LOK SABHA

UNSTARRED QUESTION NO. 762
TO BE ANSWERED ON 23.07.2018

RISE Model

762. SHRI OM BIRLA:

Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

(a) the aims, objectives and salient features associated with the Government's Revitalising Infrastructure and System in Education (RISE) model;
(b) the details as to the allocation made to the different institutions under the model with special emphasis on the educational institutes of Rajasthan;
(c) whether the Government has earmarked 25% of the fund allocated to the RISE model for the Indian Institutes of Technology (IITs) only and if so, the details thereof along with the reasons therefor;
(d) the details as to mechanism to be followed under the RISE model;
(e) whether the Government acknowledges that there is a need to establish and upgrade the infrastructure of the Universities which specializes in courses other than engineering in the country and if so, the details thereof along with the action taken by the Government to tackle and mitigate such problems therein with special reference to Rajasthan; and
(f) if not, the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT

(DR. SATYA PAL SINGH)

(a) to (d): The aims, objectives, salient features and mechanism etc in respect of Revitalising Infrastructure and Systems in Education (RISE) is given in Annexure.

(e) & (f): The Government has recognized the need for establishment and upgradation of the infrastructure of the Central Universities both existing and new, which specialise in courses other than engineering in the country. Suitable models of financing have been designed, based on their age profile and financial capacity, which have also been given in Annexure.

Annexure

Annexure as referred to in part (a) to (d) of Lok Sabha Unstarred Question No.762 to be answered on 23.07.2018 by Shri OM Birla regarding “RISE Model”.

“A new Budget announcement at Para 51 of the Finance Minister’s Budget speech 2018-19 was made to step up investments in research and related infrastructure in centrally funded educational institutions, including health institutions, to launch a major initiative named ‘‘Revitalising Infrastructure and Systems in Education (RISE) by 2022’’ with a total investment of Rs.1,00,000 crore in next four years. Higher Education Financing Agency (HEFA) would be suitably structured for funding this initiative.”

2. The Government has approved the proposal of “RISE by 2022” on 4-7-2018.

3. The HEFA, a not for profit company established in 2017, through RISE by 2022 financing model, would service the requirements of educational institutions under higher education, school education and institutions under the Ministry of Health. In order to address the requirements of various categories of institutions to be financed, there would be five financing windows as below:

I. Technical Institutions more than 10 years old: Repay the whole Principal Portion from the internally generated budgetary resources.

II. Technical Institutions started between 2008 and 2014: Repay 25% of the principal portion from internal resources, and receive grant for the balance of the Principal portion.

III. Central Universities started prior to 2014: Repay 10% of the principal portion from internal resources, and receive grant for the balance of the Principal portion.

IV. Newly established Institutions (started after 2014), for funding construction of permanent campuses: Grant would be provided for complete servicing of loan through OH-31. Other Institutions of MHRD with no scope for fee revision or internal resource generation would figure in this category.

V. Other educational institutions and grant-in-aid institutions of Ministry of Health: Sponsoring Department/Ministry to give a commitment for complete servicing of the principal and interest by ensuring adequate funds in the OH-31 for the institution.

4. The Institutions in above Windows II/III/IV will have to improve their internal revenue generation and shall repay the outstanding Principal amount after a period of 2/3/5 years respectively from the date of completion of project period. HEFA will assess the performance of each institution on a continuing basis and with prior approval of MHRD, fix a moratorium period beyond which servicing of interest shall also be taken over by the institution in part or full. However, considering the limited possibility of generation of internal revenues by some institutions like IISERs and Central Universities etc, it is proposed that the above provisions would be made applicable only after due joint review by the Department of Higher Education and the Department of Expenditure.

5. In order to enable the HEFA for raising the required resources, the authorised share capital of Higher Education Financing Agency (HEFA) has been raised to Rs. 10,000 crore from the existing Rs. 2,000 crore. An additional Government equity of Rs. 5,000 crore would be provided, the actual provision of which would depend on the assessment of requirement of funds and subject to the leveraging and utilisation of funds by HEFA.

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