

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

**LOK SABHA
UNSTARRED QUESTION No. 1197
TO BE ANSWERED ON 11.02.2019**

Allocation of Budget

1197. SHRI RAJESHBHAI CHUDASAMA:

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

- (a) the total budget allocated and spent on education during the last three years, its percentage in terms of Gross Domestic Product (GDP) and the action plan of expenditure to be hiked on education in terms of percentage of GDP during the last three years;
- (b) the time by which Higher Education Financing Agency (HEFA) would be set up to increase research facilities in centrally aided institution and higher education; and
- (c) the amount likely to be provided to HEFA, the rate on which loan would be provided to teaching institutions through HEFA and the ways through which this interest would be borne?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT
(DR. SATYA PAL SINGH)**

(a) As per analysis of Budgeted Expenditure on Education published by MHRD for the Year 2014-15 to 2016-17, Expenditure on Education by the Government over education and as percentage of GDP is as follows:

2014-15		2015-16 (RE)		2016-17 (BE)	
Expenditure (Rs. Crore)	As % of GDP	Expenditure (Rs. Crore)	As % of GDP	Expenditure (Rs. Crore)	As % of GDP
506849.14	4.07	587439.55	4.27	668395.12	4.39

Government expenditure on education both in absolute terms as well as %age of GDP has been increasing over the last three years. As far as the hike in education expenditure is concerned, the budget for education in India is finalized and decided by Ministry of Finance and the State Governments.

(b) & (c) Higher Education Financing Agency (HEFA) has been set up with Government equity of Rs.6000 crore with Canara Bank as joint promoter and is operational. Incorporated as a Section 8 Company, the entity, with a total authorized equity capital of Rs.10,000 crore, would leverage additional resources from the market, to finance projects for development of world class facilities and Labs in higher, school and medical education institutions. HEFA has, so far, approved projects of higher, school and medical education institutions amounting to Rs.31207.02 crore with total sanctioned loan amount of Rs.15819.74 Crore. The present rate of interest is 8.5% per annum, subject to revision from time to time. The interest obligation on the loan from HEFA by the institutions is borne by the Government.
