Higher Education Financing Agency

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About Higher Education Financing Agency:

- Higher Education Financing Agency provides financial assistance for the creation of **capital assets in premier educational institutions** in India.
- It is registered under **Section 8 as a Not-for-profit under the Companies Act 2013** as a Union Govt company and as Non–deposit-taking Systemically Important (NBFC-ND-SI) with RBI.
- It was established on 31st May 2017 and **is a joint venture** of **the Ministry of Education, GoI and Canara Bank** with agreed equity participation in the ratio of 90.91% and 09.09% respectively
- **What are the objectives?** The main aim of HEFA is for the development of India’s top-ranked institutions like IITs, IIITs, NITs, IISCs, and AIIMS into globally top-ranking institutions through **improvement in their academic and infrastructure quality**.
- It is particularly interested in financing the building of educational infrastructure, and R&D infrastructure and thereby enabling the institutions to reach top rankings globally.

Q1) What are capital assets?

Capital assets are assets that are used in any institute/company’s business operations to generate revenue over the course of more than one year.

Source: Speed up disbursal of loans sanctioned by HEFA: panel to Education ministry