



Role of UGC in funding higher education with special reference to North-east India

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Abstract

Funding of higher education is an important issue. Development of an education system depends on the allocation of fund. The education system in India is predominantly state funded and a directed activity. Although Indian higher education system has been considerably expanded during the last few decades, but the major issue concerning higher education is financial allocation. University Grants Commission (UGC) has been playing major role in financing higher education in India. UGC is also funding higher educational institutions in the North Eastern Region through its North Eastern Regional Office. This paper is an attempt to analyse the role played by UGC in finding higher education in the North Eastern Region. The discussion covers the various schemes implemented by UGC-NERO in the region.

Keywords: college, funding, grants, higher education, UGC, universities

1. Introduction

In the last six decades since independence the Indian higher education system has undergone a remarkable transformation from an elite system nurtured by colonial roots to a mass system attempting to meet the demands of a vibrant democracy. The number of University level Institutions has gone up from 18 in 1947 to 252 at the beginning of this millennium, and touching 307 by the end of 2004. At the same time number of colleges has increased from 591 to over 13,150 in 2001. Today we have 636 degree granting higher educational institutions and 33,023 number of colleges (Higher Education in India at a Glance , February 2012, UGC). Out of this figure 297 are State universities, 43 Central Universities, 100 are Private Universities, 65 are Institutions of National Importance and other university level Institutions and 129 are Deemed Universities. While talking about the students enrolment, in 1950 the total number of students enrolled in higher education institutions was 3, 97, 000. The

growth witnessed is steady till 2001 and stood at 83, 99, 000 but saw an unprecedented surge in next 10 years. In 2010-11 it stands at 1, 69, 75, 000 a figure that has almost doubled in the last decade. The Indian higher education system is the third largest system in the world after USA and China. Higher education in India has made significant contribution to the development of nation since independence.

2. Financing Higher Education in India

Higher education has been given top priority in the present context of globalization. As such financing higher education has been an important issue in India since long. Obviously, higher education is one of the prime areas of expense in any national budget. It is the same also in India. The education system in India is predominantly state funded and a directed activity. India finds it difficult to cope with the ever increasing financial requirements of an expanding system. Although we are talking about the quality development of higher education in India but one of the major issues

concerning higher education in India is financial stress. The various sources of finances for higher education in India are government sector including central government and state government, non government sector including students, parents or families and corporate sector. However it should be noted that government has made huge investment in higher education in independent India. But the rate of investment is not able to cope up with the increasing needs stemming up from population growth. Currently India is spending 4.1% GDP on education and out of which, just 1% GDP on higher education, is too small for a country like India.

Higher education in India directly affects future of about 20 million youth in the age group 18 to 23 years enrolled in colleges and universities and institutions of higher learning. Therefore it is very important to discuss the financial allocations made for higher education in India. These allocations will largely determine how we are going to attain higher education target under 12th Five Year Plan. The Approach paper for 12th Five Year Plan says, “during the plan period an additional enrolment of 10 million could be targeted in higher education – equivalent to 3 million additional seats for each age cohorts entering the higher education system. This would significantly increase the Gross Enrolment Ratio (GER), bridging it broadly in with the line of global average.” It has been proposed by the UGC that under the 12th Five Year Plan, the GER in higher education should be increased to 25%.

2.1. Role of University Grants Commission(UGC)

The University Grants Commission which came into existence on 28.12.1953 became statutory body of Government of India by an Act of Parliament in 1956. The **Section 12** of the UGC Act provides that the Commission shall in consultation with the concerned universities, take all such steps as it may think fit for the promotion and coordination of university education and for the maintenance of

standards in teaching, examination and research. Apart from teaching and research, extension was also added as the third dimension of education by the Commission. For the purpose of performing its functions, the Commission may –

1. Allocate and disburse, out of the Fund of the Commission, grants to universities and colleges for the maintenance and development.
2. Advise Central Government, State Governments and Institutions of higher learning on the measures necessary for the promotion of university education.
3. Make Rules and Regulations consistent with the Act, etc

The UGC continued to support the universities and colleges for their development by making budgetary plan provision for various programmes during XI Plan. Assistance to Central Universities, Deemed Universities and Colleges affiliated to Universities of Delhi and Banaras Hindu University is being provided both under plan and non plan budgetary expenditure. Assistance to State universities and their affiliated colleges is being provided only under plan schemes. There are 44 Central universities at present of which 39 are being fully funded by UGC while Indira Gandhi National Open University (IGNOU) and Indian Maritime University are directly funded by Ministry of Human Resource Development and Central Agricultural University, Imphal is funded by Ministry of Agriculture, Govt. of India. Among the State universities and colleges, only those recognised by UGC under 12(B) of the UGC Act are entitled to get UGC fund. At the end of the financial year 2011-12, the total number of colleges recognized under Section 2(f) and 12(B) of the UGC Act, 1956 was 8288 as compared to 7208 in the previous year. Out of these 8288 colleges, 1501 colleges are still not eligible to receive Central Assistance under Section 12 (B) of the UGC Act, 1956.

Table 1 : Number of Colleges under UGC purview

Position as on	Total number of colleges in the country	Number of colleges under section 2(f)	Number of colleges under section 2(f) & 12(B)	Number of colleges not eligible to get central grants under 12(B)
31.03.2010	31,812	7450	6028	1422
31.03.2011	33,023	7802	6417	1385
31.03.2012	35,539	8288	6787	1501

Source: www.ugc.ac.in

The details are as under : and 12 B of the UGC Act, 1956, as on 31.03.2012, in
 Number of Colleges included under Section 2(f) the North Eastern Region is as under :

Table 2 : Number of Colleges in NE Region under UGC purview

Sl. No.	States	Colleges under section		Total	Total number of colleges	% of colleges recognised by UGC
		2(f) & 12(B)	2(f) only			
1	Ar. Pradesh	8	2	10	16	62%
2	Assam	229	30	259	507	51%
3	Manipur	50	7	57	76	75%
4	Meghalaya	29	6	35	64	55%
5	Mizoram	21	4	25	28	89%
6	Nagaland	26	2	21	55	38%
7	Tripura	18	-	18	39	46%
	Total	381	51	425	785	54%

Source: Annual Report UGC 2011-12

As seen from the table that about half of the colleges of North Eastern Region are not recognised by UGC and not eligible for central grants. Although in Manipur 72% colleges are recognised by UGC but in Nagaland only 38% colleges have been recognised. It indicates that a considerable number of colleges of North Eastern Region are not able to fulfil the UGC norms and conditions for which they have been deprived from UGC grants.

2.2. Types of UGC Funding

The UGC has been disbursing a substantial amount as non plan and plan grants to the institutions of higher education in the country and that the amount of grants has been increasing year after year. General Development Grants are being provided to the Central, State and Deemed Universities for their overall

development, covering aspects like enhancing access, ensuring equity, imparting relevant education, improving quality, making the administration effective, enhancing facilities for students, augmenting research facilities and any other plans of universities. Maintenance Grants are also being provided to limited number of universities to meet their recurring expenditure on salaries of both teaching and non-teaching employees, maintenance of labs, libraries, buildings and also for obligatory payments such as taxes, telephone & electricity bills, postage, etc. The Central and a few Deemed Universities are being paid both plan and non-plan grants where as the State Universities are being paid only plan grants. The budget for the year 2005-06, 2010-11 and 2011-12 is given in the following table -3.

Table 3 : UGC Plan and Non-Plan Budget for 2005-06, 2010-11 & 2011-12

Budget head General	Plan allocation		Non-plan allocation	
	BE	RE	BE	RE
2005-06	785.40	786.30	1218.35	1389.61
2010-11	4390.00	4176.80	3450.86	3903.59
2011-12	5244.00	5495.00	4118.89	4370.60

Source: Annual Reports UGC , 2005-6, 2010-11, 2011-12

The table shows that the plan allocation for the year 2005-06 was 785.40 and non plan allocation was 1218.35, however the amount has considerably increased during the year 2010-11 which is 4390.00 crores in Plan allocation and 3450.00 crore under Non

plan allocation. The figure has again increased to 5244.00 crores and 4118.89 crores during the year 2011-12. The Plan and Non plan grants released to the different types of Institutions by UGC during the year 2011-12 is also presented in the table- 4 and table-5.

Table 4 : Plan Grants Allocated to the Institutions by UGC 2011-12

Types of Institutions	Plan Grants Released (in crore)	% of Plan grants released
State Universities	956.25	20.25%
Colleges to State Universities	298.68	6.33%
Central Universities	2211.60	46.84%
Colleges to Central Universities	27.72	0.59%

Source: Annual Reports UGC 2011-12

Table 5 : Non Plan Grants Allocated to the institutions by UGC 2011-12

Types of Institutions	Non-Plan Grants Released (in crore)	% of Non-Plan grants released
1. Maintenance to		
(a) Central Universities	2915.80	67.58%
(b) Colleges to Delhi	982.08	22.76%
(d) Colleges to BHU	20.94	0.48%
(e) Deemed Universities	218.58	5.07%
(f) Colleges to Central Universities	61.37	1.42%
(2) State Universities	7.17	0.17%
(3) Inter University Institutions	50.88	1.18%
(4) State Colleges	1.174	0.04%

Source: Annual Reports UGC 2011-12

From the Table-4 and Table -5 it is to be noted that majority of the UGC grants goes to the Central Universities as during the year 2011-12 , 46.84% of Plan grants goes to Central Universities while only 20.25% for State Universities, 6.33% for Colleges under State Universities and 2.44% for Deemed universities. Out of the Non plan grants 67.58% allocated for Central Universities, 23.24% for Colleges of Delhi and Banaras Hindu University and 5.07% for Deemed Universities. The share of State Universities is only 0.17% and State Colleges 0.04% of the Non Plan grants.

3. Financial Allocation During the 11th Plan

Government of India had taken a number of

ambitious plans during the 11th Five Year Plan. The 11th Five Year Plan recognized the dual problem of higher education namely low enrolment rate and the regional imbalance. It is recognized that 11% enrolment rate is too low in compared to 23% of world average or 36% for countries in transitions or more than 55% for developed countries. The 11th Five Year Plan (2007-12) reflects the desire of Central government to effect structural change in higher education system in India and Prime Minister of India has described it as knowledge investment plan.

During the 11th Five Year Plan the total allocation in higher and technical education was increased to ninth time more than 10th Five Year Plan. In relative

terms the share of education in total plan outlay was increased from mere 7.7% in the 10th FYP to 19.4% in the 11th FYP of which nearly 30% was allocated for higher and technical education. Thus, the allocation for higher education during the 11th FYP was raised to an

unprecedented of Rs. 84,943 crores (as compared to 9,600 crores in the 10th Plan). The allocation in higher education sector was 46,449 crores. Fund allocation to UGC during the 11th FYP and the corresponding expenditure is presented in the Table-4.

Table 6 : Fund allocation during the 11th FYP

Year	Fund received from MHRD	Actual Expenditure by UGC	% of expenditure
2007-08	1,80,510.00	1,88,495.28	104.42%
2008-09	3,16,595.00	3,15,768.35	99.74%
2009-10	3,67,693.00	3,73,086.00	101.47%
2010-11	4,31,580.00	4,20,369.84	97.40
Total	12,96,378.00	12,97,720.07	100.10%

Source: *Inclusive and Qualitative Expansion of Higher Education, 12th Five Year Plan 2012-17, University Grants Commission*

It is seen that although a considerable amount of fund was allocated to UGC by MHRD during the 2007 to 2011, but the actual expenditure by UGC during the year 2007-08, 2009-10 was more than the allocated fund. Considering the increase of fund allocation during the 11th FYP the UGC has implemented various schemes for development of the universities and colleges.

- Central Universities: There are 43 number of Central universities of which 38 Central Universities are funded by University Grants Commission. They are being given both maintenance and development grants.
- State Universities: Out of 383 State universities including the self financed universities only 133 State universities are getting UGC grants. The Medical and Agricultural Universities are getting grants from the Ministry of Health and Agriculture.
- Deemed to be Universities: there are 130 deemed to be universities all over the country of which 10 are getting both maintenance and development grants from UGC while 25 are getting only development grants from UGC.
- General Development grants to the Colleges : Total 6417 colleges out of about 33,000 colleges are recognized by UGC under section 12(B) and 2(f) of the UGC Act (2011). Only these colleges are eligible to

get grants from UGC. However UGC is giving grants to 6285 colleges during the year 2010-11 only as the remaining colleges even though recognized by UGC , do not receives as they are unaided/self financed colleges.

- Establishment of Model Colleges in Educationally Backward Districts: To increase the access of higher education in 374 identified EBD of India in which Gross Enrolment Rate is lower than the National average of 12.4% UGC has decided to establish model colleges in each district. 64 proposals were received during the 2011-12 year of which 48 proposals have been approved. Grants for 23 colleges were released by UGC while the grants for 25 colleges will be paid by MHRD Govt. Of India. As per information made available by the University Grants Commission (UGC), a total of 153 proposals have been received, of which 86 have been approved and 33 have been rejected on grounds of ineligibility. So far, 50 Model Degree Colleges have become functional and the UGC has released Rs. 52.06 crores for their functioning.
- 4. Fund Allocation to the Central Universities of North East India**
University Grants Commission provides both development grant and maintenance grants to the

central universities. Out of total 44 number of central universities 39 central universities are funded by UGC, while the others are funded by Ministry of Health and Ministry of Agriculture directly. In the North Eastern Region there are 10 Central universities of which 9

are funded by UGC. The Central Agriculture University, Imphal is funded by Ministry of Agriculture. Grants allocated by UGC to the Central Universities of North Eastern Region is presented in the Table-5.

Table 5 : Fund allocated to the Central Universities of NER 2011-12, (in crore)

Universities	Total Development Grants	Total Maintenance Grants
North Eastern Hill University	39.60	121.37
Assam University	32.95	38.74
Tezpur University	63.00	26.99
Nagaland University	26.25	44.60
Mizoram University	42.13	44.13
Manipur University	34.97	53.38
Rajiv Gandhi University	13.75	21.78
Tripura University	22.25	22.50
Sikkim University	20.00	-

Source: *Annual Reports UGC 2011-12*

4.1. Funding Higher Education in NER through UGC-NERO

University Grants Commission has decentralized its functioning through establishment of seven regional offices for implementation of various schemes of UGC relating to the colleges since 1994. The North Eastern Regional Office (NERO) was established in Guwahti on 01.04.1995 covering the states Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. Sikkim also has been transferred to UGC-NERO on 14.11. 2011. Since its establishment UGC-NERO has been playing significant role in providing financial grants to the colleges of North Eastern Region recognized under section 2(f) and 12(B). The University Grants Commission has taken a number of schemes related to the college development which are implemented through the regional offices. Some of the schemes are :

(a) General Development Grants

The UGC provides General Development

Grants to the colleges which are recognized by UGC under 2(f) and 12(B). The financial assistance ranging from '10.00 lakhs to '21.00 lakhs for Under Graduate colleges and '5.00 lakhs for departments of Arts, Humanities and Social Sciences and '8.00 lakhs for departments of Sciences of Post Graduate Colleges is provided depending on the type of college, faculty strength, student enrolment, etc. The assistance is for strengthening basic infrastructure and meet their basic needs like books and journals (including Book Banks), scientific equipment and their maintenance, examination reforms, educational innovation, campus development, teaching aids which are needed for proper instruction, extension/renovation of existing building and construction of new buildings, extension activities, connectivity, etc.

General Development Grants allocated to the Colleges in the North Eastern Region during the year 201-12 is presented below.

Table 6 : General Development Grants to the Colleges in NER, 2011-12

States	No. Of colleges assisted during 2007-12 (XIth plan)	No. of colleges assisted during 2011-12	Total Grants approved under 11 th Plan College Development Scheme (in crore)
Arunachal Pradesh	06	1	0.90
Assam	214	57	31.77
Manipur	52	9	6.44
Meghalaya	27	5	3.92
Mizoram	24	7	2.87
Nagaland	24	4	2.13
Tripura	16	2	2.58
Sikkim	2	0	0.29

Source: Annual Reports UGC 2011-12

(b) Construction of Women Hostels

To increase the women's enrolment UGC has introduced a scheme during the year 1995-96 for construction of women hostel in the eligible colleges. 100% financial assistance is given under this scheme.

(c) Faculty Improvement Programme

To enhance the academic and intellectual environment in the colleges faculty members are given opportunity to pursue research degree under this scheme. Under the Programme, a Teacher Fellow is eligible for actual contingency expenditure subject to a maximum of Rs.15,000/- p.a. and salary of the substitute teacher is paid by UGC in the minimum pay scale.

(d) Minor Research Project

The objective of the Scheme is to promote excellence in research in higher education by supporting research programmes of college teachers in various disciplines.

(e) Research Workshop/Symposia & Conferences

The Scheme intends to promote high standards in colleges by way of extending facilities to teachers and researchers by providing a forum for sharing their knowledge, experiences and research.

(f) Autonomous Colleges

(g) Development of sports Infrastructure and Equipments

(h) Jubilee/Centenary grants

(i) Grants for 14 Schemes merged with Development Grants schemes as mentioned below

- Rejuvenation of Infrastructure in old colleges
- Catch up Grant for young colleges
- Colleges with relatively higher proportion of SC/ST & Minorities
- Colleges in Backward Areas
- Colleges located in Rural/Remote/ Hill/ Borders areas
- Special Grant for Capacity Building initiative in colleges
- Establishment of UGC Network Resource Centre
- Establishment of Day Care Centre
- Remedial Coaching of SC/ST/OBC and Minorities
- NET/SLET Coaching
- Coaching Classes for entry in services for SC/ST and minorities
- Schemes for person with disabilities
- Career and Counselling cell
- Equal Opportunity Centre

The grants allocated to the Colleges of North Eastern Region through the UGC-NERO is presented in the Table-7 and Table-8.

Table 7 : Grants Allocated Under various Schemes by UGC-NERO (11th Plan)

Schemes	Colleges assisted during 2011-12	Colleges assisted during 2007-2012	Total grants 2011-12 (in crore)	Total grants 2007-2012 (in crore)
Construction of Women's Hostel	117	363	23.08	125.00
Faculty Development Programme	81/191	105/238	3.55	7.82
Minor Research Project	351 proposals approved	852 proposals approved	3.66	10.75
Workshop/Symposia/ Conferences	217 proposals approved	570 proposals approved	2.86	7.27
Jubilee/Centenary grants	8	22	2.50	5.47
Development of Sports infrastructure & equipments	140	271	63.11	168.13
Additional assistance to cover 12(B) colleges	65	365	54.66	75.18

Source : Annual Reports UGC 2011-12

Table 8 : Grants Allocated for 14 Schemes merged with Development Grants in NE Region

Schemes	Colleges assisted during 2011-12	Colleges assisted during 2007-2012	Total grants 2011-12 (in crore)	Total grants 2007-2012 (in crore)
One Time Catch up grants to uncovered (non 12B) colleges	13	25	14.52	27.51
Rejuvenation of Infrastructure in old Colleges	07	12	-	2.89
Catch up grants to young colleges	52	357	-	9.43
Colleges with relatively higher proportion of SC/ST & Minorities	106	363	-	14.06
Colleges in Backward Areas	53	363	-	11.31
Colleges located in Rural/Remote/ Hill/ Borders areas	100	363	-	19.06
Special Grant for Capacity Building initiative in colleges	143	363	-	19.23
Establishment of UGC Network Resource Centre	91	363	-	7.48

Establishment of Day Care Centre	07	-	-	3.18
Remedial Coaching of SC/ST/OBC and Minorities	97	363	-	35.00
NET/SLET Coaching	01	25	-	1.37
Schemes for person with disabilities	12	179	-	7.52
Career and Counselling cell	144	367	-	17.18
Equal Opportunity Centre	46	363	-	3.13

Source : *Annual Reports UGC 2011-12*

As seen from the tables that majority of the state colleges in North Eastern Region are able to get grants from UGC under various schemes. During the 11th Five year Plan it is observed that majority of the colleges could developed their infrastructure and academic environment. During the plan period 238 teachers from 105 colleges received Grants under Faculty Improvement Programme to pursue research degree. Similarly 852 Minor Research Projects were approved during the plan period and an amount of Rs. 10.75 crores were allocated under this scheme. It indicates a developing trend towards research activities by the teachers. There has been also an increasing trend in organizing seminars/workshops/ conferences by the colleges during the last Five Year Plan as total 570 proposals were approved during the year 2007-2012. Colleges are also getting grants under different schemes and could develop their infrastructure.

5. Concluding remarks

Higher education has been given highest priority in the present context of globalization. As such financing higher education has been a very significant and complex issue which should be tackled in a holistic manner. India certainly needs to improve the public expenditure and investment in higher education sector to meet the challenges in the 21st century. Government funding on higher education needs to rise as the public demand for higher education is also rising. North Eastern Region is one of the educationally backward regions in the country in which Gross Enrolment Ratio in higher education is less than the national average. Therefore this region needs special attention from the government as well as University Grants Commission.

Although most of the Universities in this region are central university and funded by UGC, but the financial condition of the state universities is not at all satisfactory. University Grants Commission is the largest stakeholder as well as the implementer of planned resources to universities and colleges. However it is noted that there are 44 central universities and 297 state universities in the country. During the year 2011-12 UGC allocated 46.84% plan grants and 67.56% no-plan grants to the central universities while only 20.25% plan grants and 0.17% non-plan grants allocated for state universities. For the state colleges 6.33% plan grants and only 0.04% non plan grants allocated. Considering the huge number of state universities and colleges this amount is not at all adequate. The affiliated colleges should be given adequate emphasis which enrolls nearly 80% of the higher education students in the country. Again another important point to be noted that out of 35,539 colleges in India only 6787 and North Eastern Region out of 785 colleges only 381 colleges are recognized by UGC under section 2F and 12B and eligible for financial grants from UGC. A vast majority of the colleges are still deprived from UGC grants, therefore it is necessary that government should launch some schemes for the deprived colleges to get financial grants. However it is matter of satisfaction that under the Rastriya Uchchar Shiksha Abhiyan (RUSA) all the higher educational institutions irrespective of UGC recognition under section 2F and 12B will be getting fund. But the conditions under RUSA must be fulfilled by the concerned universities and the state governments.

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