

**GOVERNMENT OF INDIA
HUMAN RESOURCE DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:5328

ANSWERED ON:28.04.2010

ENTRY OF CORPORATE SECTOR IN EDUCATION

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

- (a) whether the Government is considering a proposal to allow corporate sector to set up educational institutions;
- (b) if so, the details thereof;
- (c) whether the Government has constituted any Committee to study the feasibility of such a proposal;
- (d) if so, the details thereof;
- (e) whether due to privatisation of education, the needy and the brilliant poor students of SC/ST/OBC categories are unable to proceed for higher education;
- (f) if so, the details thereof and the action taken by the Government in this regard; and
- (g) the steps being taken by the Government to effectively monitor the private educational institutes in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT(SMT. D. PURANDESWARI)

(a) to (g): Government favours the active support and involvement of the not-for profit private participation for funding and management of educational institutions subject to reasonable surplus earned being ploughed back into the development of institutions. The 11th Plan document as approved by the National Development Council, also mentions the need to explore private sector initiatives and various forms of public-private-partnerships (PPPs) in the education sector. There is a phenomenal growth in higher education with active participation by private peers.

Government had recently convened a Round Table on Higher Education on 21st October, 2009 to advise on important areas of growth in the education sector including the finances to meet the demands of expansion and quality of higher education. During discussion, it was felt that in the matter of skill development and vocational education, a different model needs to be evolved which grants a greater role to the private sector and where the structural requirements of setting up institutions are far more flexible than that for other higher educational institutions. It was decided that alternative models that provide structural flexibility and financial freedom need to be evolved.

The Right of Children to Free & Compulsory Education Act, 2009, which has become effective from 1.4.2010, provides for Free & Compulsory Education at elementary level.