

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

STARRED QUESTION NO:389
ANSWERED ON:21.12.2011
FDI IN EDUCATION SECTOR
Meghe Shri Datta Raghobaji;Vardhan Shri Harsh

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

- (a) whether Foreign Direct Investment (FDI) has been permitted in the education sector;
- (b) if so, the details thereof alongwith the details of foreign capital invested in the education sector in the country so far;
- (c) the number of universities which have sought permission so far in this regard;
- (d) whether Mauritius has invested huge amount in the above sector; and
- (e) if so, the names of the educational institutions in which the said amount has been invested?

Answer

MINISTER OF HUMAN RESOURCE DEVELOPMENT (SHRI KAPIL SIBAL)

(a) to (e) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF THE LOK SABHA STARRED QUESTION NO. 389 FOR 21.12.2011 ASKED BY S/SHRI HARSH VARDHAN AND DATTA MEGHE, HON'BLE MEMBERS OF PARLIAMENT REGARDING FDI IN EDUCATION SECTOR.

(a): Yes, Sir. The Government has allowed Foreign Direct Investment (FDI) up to 100% under automatic route in the Education Sector.

(b): According to information furnished by the Department of Industrial Policy and Promotion (DIPP), Ministry of Industry & Commerce, a statement indicating the financial year wise FDI inflows in the education sector in the country from April, 2000 to September, 2011 is given in the Annexure- I.

(c): The National Policy on Education supported by judicial pronouncements do not support commercialisation or profiteering in higher education, though the policy encourages private 'not-for-profit' participation with surplus revenues to be ploughed back for the growth and development of the institution. Universities are either set up by Central Government or State Governments through legislations or conferred the status of Deemed-to-be Universities under section 3 of the University Grants Commission Act, 1956. Only not-for-profit entities can establish and run universities. Therefore, the FDI does not come in any Central, State or Deemed-to-be University..

(d): According to information furnished by the DIPP, the amount of FDI inflow from Mauritius is Rs. 1600.63 crores.

(e): The Company-wise FDI equity inflows in the Education Sector, as furnished by the DIPP is given in Annexure-II.