

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

UNSTARRED QUESTION NO:2442
ANSWERED ON:28.03.2012
COMMERCIALISATION OF EDUCATION
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Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

- (a) whether the Government has reviewed its various steps taken to check the growing trend in commercialization of education;
- (b) if so, the outcome thereof;
- (c) whether some private educational institutions are being operated in the country in the garb of Right to Education with a view of earning profit;
- (d) if so, the number of such educational institutions operated in the country, Statewise; and
- (e) the action taken by the Government to put a check on such institutions?

Answer

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

(a) to (e) : All policy initiatives in the education sector are discussed in the Central Advisory Board of Education (CABE) which is the highest advisory body in the field of education to advise Central Government and State Governments/UTs. The CABE consists of Education Ministers of States/UTs and eminent educationists.

The Government has consistently held the view that education in India is not regarded as a commercial activity and all educational institutions have to be set up in the "not for profit" mode. The National Policy on Education, 1986 (as modified in 1992) encourages non-governmental and voluntary efforts in Education, while preventing the establishment of institutions which intend to commercialize Education. The Policy envisages that in the interest of maintaining standards and for several other valid reasons, the commercialization of technical and professional education will be curbed. An alternative system will be devised to involve private and voluntary efforts in Education, in conformity with accepted norms and goals.

At present, private sector participation exists in the funding and management of educational institutions as long as surplus earned is reasonable and the same is ploughed back for development of institution. Several pronouncements of the Supreme Court of India have also cautioned against commercialization of education, even though reasonable surplus for institutional development is permissible. The 11th Plan document as approved by the National Development Council, also mentions the need to further explore private sector initiatives and various forms of Public Private Partnerships (PPPs) in the education sector.

The Government has taken several initiatives to curb commercialization of education. Section 13 of the Right of Children to Free and Compulsory Education (RTE) Act, 2009 clearly prohibits collection of any capitation fee. As regards higher educational institutions, a legislative proposal namely "The Prohibition of Unfair Practices in Technical Educational Institutions, Medical Educational Institutions and Universities Bill, 2010" has already been introduced in the Parliament.