

Foreign varsities shelve India plans

Delay in passing the Foreign Educational Institutions (Regulations of Entry and Operations) Bill dampens interest

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Mumbai, 10 October

When the Foreign Educational Institutions (Regulations of Entry and Operations) Bill was introduced in Parliament in 2010, no less than 50 foreign universities

evinced interest in setting up operations in India.

Two years down the line, their interest seems to have dwindled, and the reason is not hard to fathom — the Bill is still gathering dust.

"Delay in passing the Bill has affected sentiments. People no longer come to us showing interest to be part of the Indian higher education system," said an official of the ministry of human resource development (MHRD).

"Earlier, we would receive about 10 enquiries from foreign players a month; nowadays, we hardly get any. There is a limit to which people can wait. People who mean business will certainly not hold on for ever,"

added another ministry official.

MHRD officials said following Parliament's standing committee's recommendations on the Bill, the ministry had finalised its view. However, it is holding on till some other Bills get through.

"We do not know if the plans of foreign players still stand. It is the overall atmosphere that matters. Besides, right now we are not worried about the interest of foreign players. The priority is passing the Bill," the officials said.

Several international education institutions, including Massachusetts Institute of Technology, Yale University, Virginia Tech, Columbia University, University of Southern California and University of Alabama, had earlier expressed interest to have an India presence.

Meanwhile, the MHRD has reviewed certain clauses in the Foreign Education Providers (Regulation) Bill to attract more foreign institutions looking to set up shop in India.

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The recommendation by the standing committee has led to a revision in the minimum corpus of ₹50 crore for a foreign institution to set up campus in India. However, the corpus will not be ₹50 crore for every institution as envisaged earlier.

Instead, the corpus will be based on certain classifications. For instance, for engineering, vocational and other programmes, it could be less than ₹50 crore, whereas for medical programmes, the corpus could be more than that, which the

health ministry will decide.

The norms have been tweaked after education institutions, including community colleges, vocational training institutions, professional colleges, general education institutions and medical institu-

tions had expressed interest in setting up operations.

MHRD will also review the pre-condition stipulating that a foreign education institution can't utilise more than 75 per cent of the corpus fund towards development of the institution in India. The ministry might allow these institutes to invest the surplus in growth of the institution after a certain lock-in period.

"A clause in the Bill said you create a corpus, which will see an accretion. But at no point will the institutes be able to utilise more than 75 per cent for development of the institution. Besides, no part of your revenues can be repatriated. You can, however, use 100 per cent of the same for further investment on the institute," explained an official.

Several important Bills, such as the Educational Tribunals Bill, Foreign Education Institutions (Regulation of Entry and Operations) Bill, 2010, and National Council for Higher Education and Research, 2011, among others, are still pending before Parliament.

MHRD is hopeful that some Bills will be passed in coming winter session.