

CII EDUCATION SUMMIT CHANDIGARH, 2012

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Taking Higher Education to the Next Orbit



Confederation of Indian Industry



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Content of the Presentation



- **India – a large & fast growing higher education market**
- **Significant regional imbalances**
- **12th Five year plan**
- **Need for private funding**
- **India – A Potential Global Education Hub**
- **Actionable steps for the future**

India has a large & fast growing higher education market



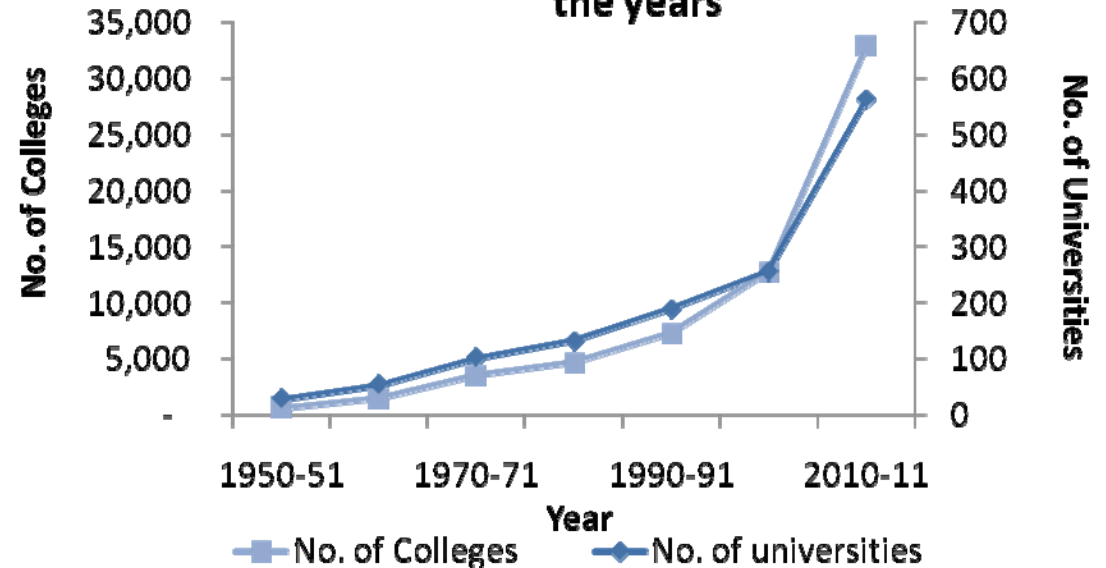
In terms of absolute number of colleges and universities, India is one of the pioneers of the higher education sectors in the world

Institutes in India, 2011	
Type of Institutions	No. of Institutions
Colleges	33,023
Universities	634
Total	33,657

Source: MHRD, UGC

Driven by government initiatives number of institutes have grown rapidly over the past decade

Growth of Higher Education Institutions over the years

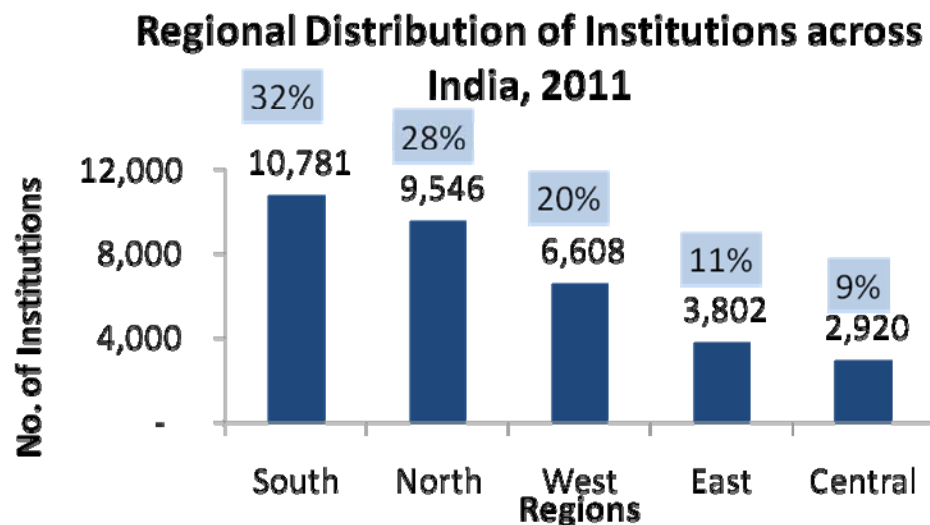


Source: MHRD, UGC

However, significant regional imbalances exists



South and North region dominate in terms of number of universities and colleges



Institutes in North India, 2011

States/UT's	No. of Universities	No. of Colleges	Total Institutions	Population (In Mn)	Literacy Rate (%)
Uttar Pradesh	58	3,859	3,917	200	70
Rajasthan	48	2,412	2,460	69	67
Haryana	22	902	924	25	77
Punjab	17	852	869	28	77
Uttarakhand	19	360	379	10	80
Himachal Pradesh	18	344	362	7	84
Jammu & Kashmir	11	328	339	13	69
Delhi	25	243	268	17	86
Chandigarh	3	25	28	1	86
Other States/UT's	413	23,698	24,111	842	75
Total	634	33,023	33,657	1,210	74

12th Five year plan has ambitious targets for the sector



Key Objectives for the education sector in the 12th Five Year Plan

Achieving higher access to education

Promoting parity at all levels and reducing regional/ disciplinary/ gender imbalances

Strengthening of infrastructure to provide greater access and retention

Promotion of quality through capacity building and capability enhancement initiatives

Support for curricular and academic reforms with an impetus to vocational education

Promoting private sector participation

Some Highlights

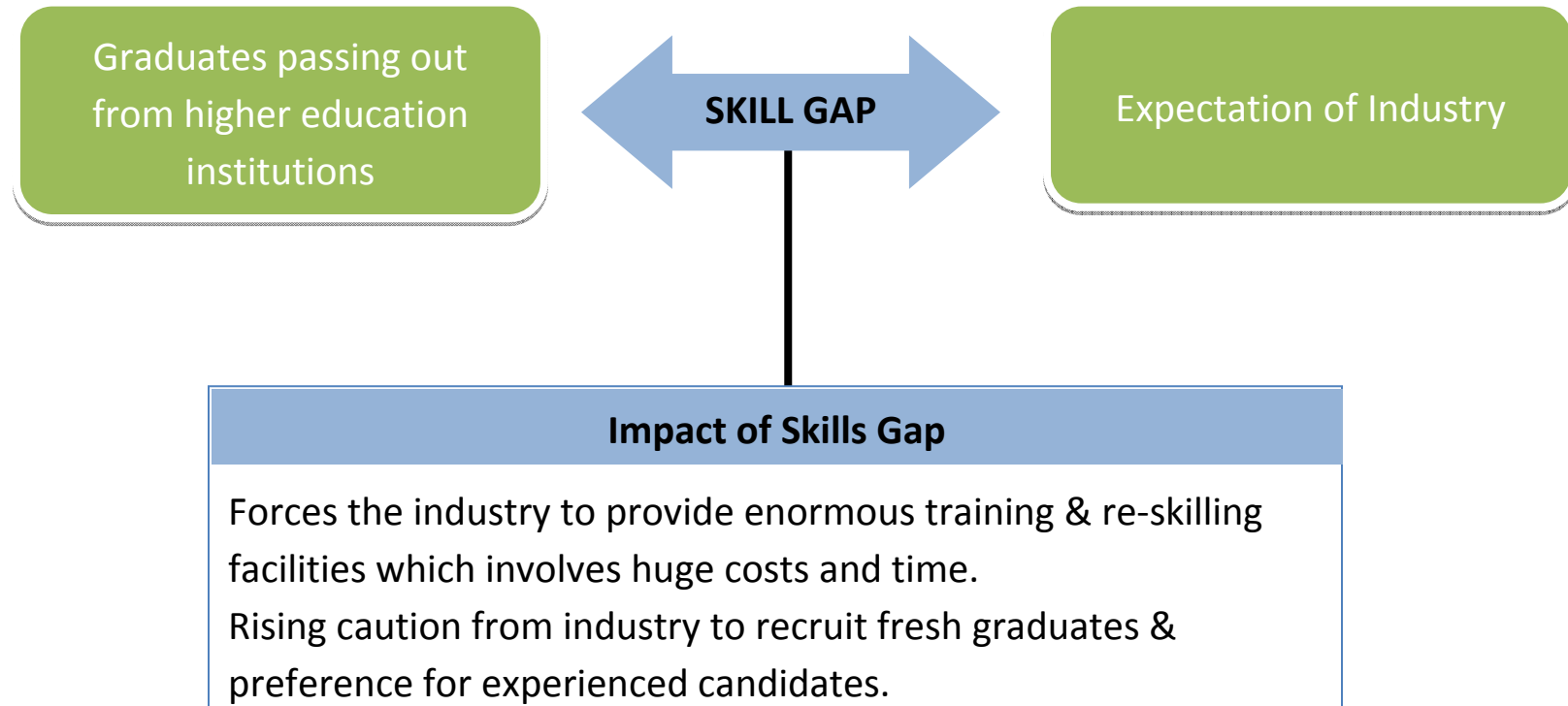
- Increase in outlay for education sector by 155% to Rs. 4,53,728 crores
- Distributing tablets including Akash, Akash-2 and mobile phones to increase accessibility of internet
- Construction of an Information highway connecting 2.5 lac villages through fiber optics
- Set up 1,000 Polytechnics, 800 colleges in existing 40 Central universities & 20 exclusive women universities

Prevalent skill gap in India that needs to be addressed



“Only a quarter of all graduates and post graduates are employable”

“~80% of the job seekers in employment exchange are without any professional skills”

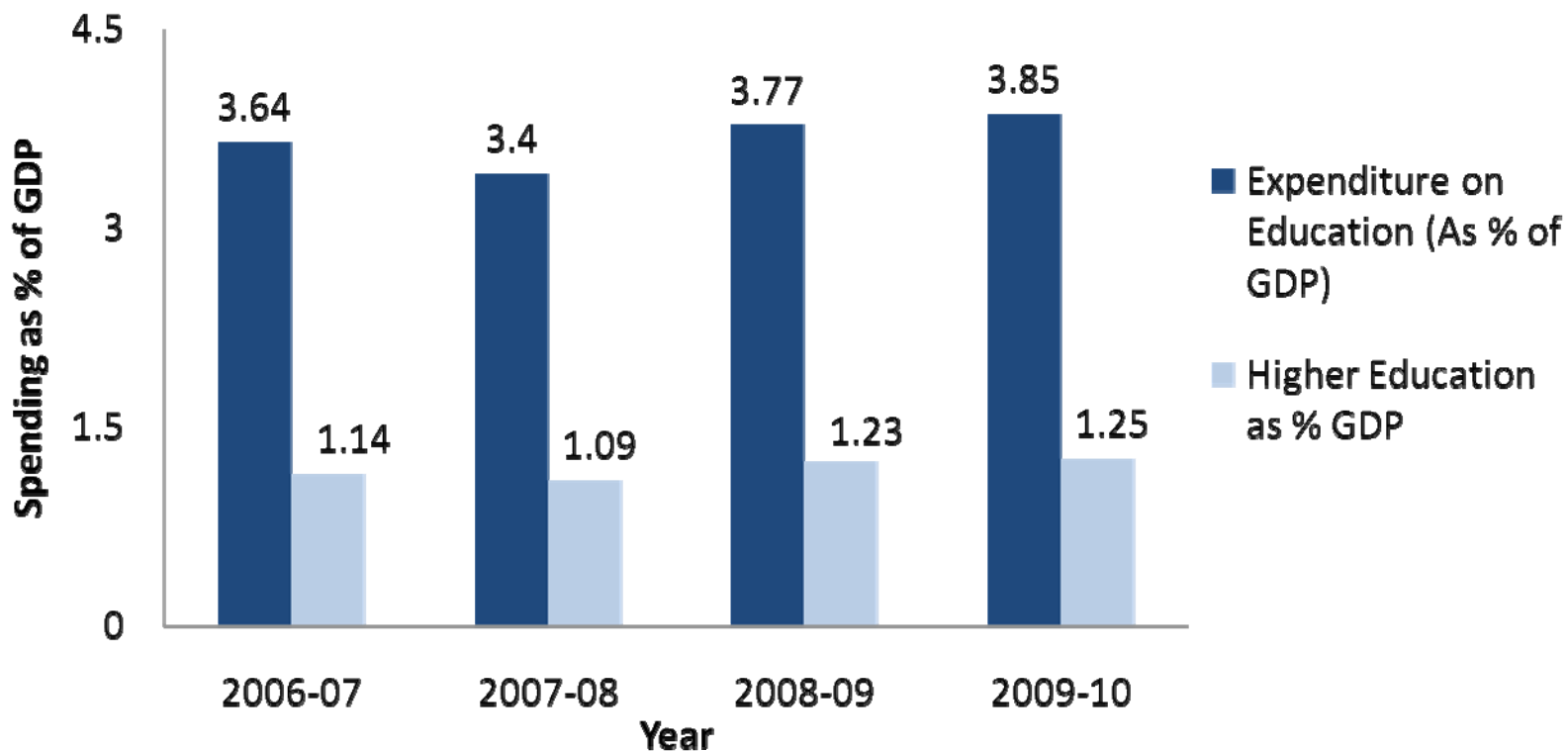


Pronounced need for private funding to bridge the gap



On the recommendation of Kothari Commission in 1966, the government decided to invest ~6% of the GDP in building up the country's education sector but this figure has never touched that level

Expenditure on Higher Education in India (As % of GDP)



Source: MHRD

Despite regulatory issues, private participation is rising



Some PE deals that have taken place in the sector in the past few years

PE Firms	Investee	Investee Type	Year of Investment/Deal	Deal Size (INR Crore)
Azim Premji Private Equity Fund	Manipal Global Education Services	University	June 2012	200
New Silk Route	Sri Chaitanya Educational Group	University	Jan 2011	131
Matrix Partners	FIITJEE Ltd.	Test Preparation	Feb 2011	100
India 2020 Opportunity Fund	iDiscovery Education	Training Program	Sep 2010	53
Norwest Partners	I-Prof Learning	E-Learning	Apr 2011	22
Mumbai Angels	DEXL Educational Services	Vocational Program	Dec 2010	5
Aavishkar India	Butterfly Edufields Pvt Ltd	Teaching & Training	Sep 2010	5
Times Private Treaties	DMC Education Limited	Training	Oct 2010	3

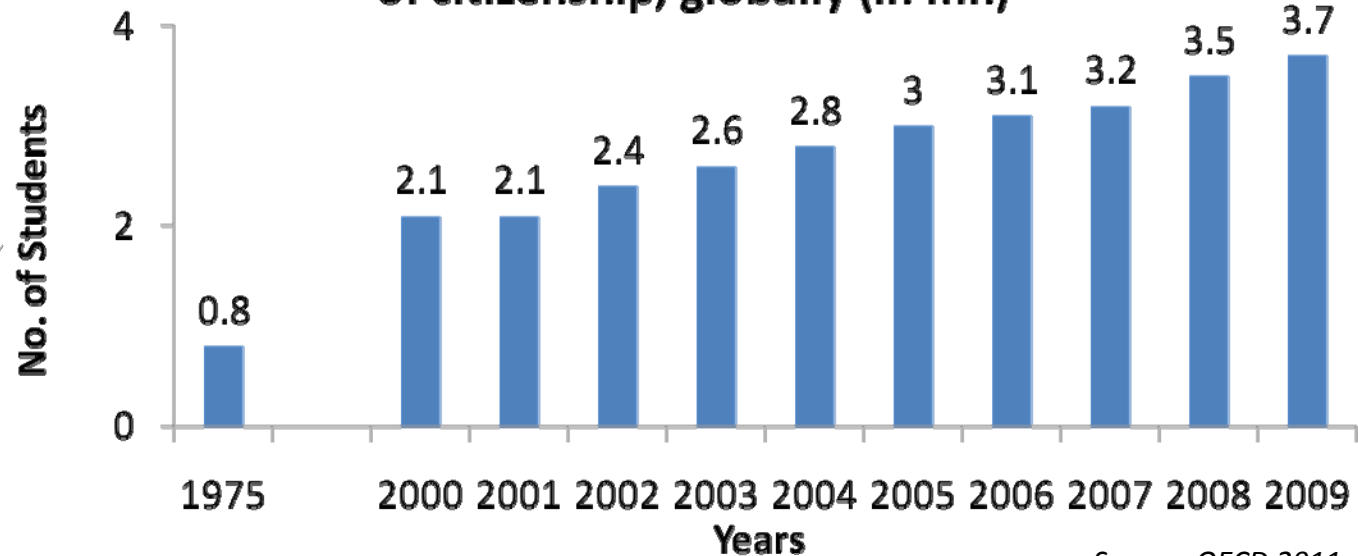
Global Education contributes billions to economies



Country	Contribution of international students to the economy (2010)
USA	USD 20.2 bn
UK	USD 7.7 bn
Australia	USD 9.7 bn
Canada	USD 6.9 bn

Student enrolled outside their country of citizenship has been constantly increasing

Number of students enrolled outside their country of citizenship, globally (in mn)



Source: OECD 2011

Huge potential for India as a global education hub



Potential steps to help India attain the position of a global Education Hub



Actionable steps for the future...



Funding

- FDI in Education
- Encouraging Private Sector Participation
- Encouraging PPP models and other newer models

Quality

- Weeding Out Inefficiency
- Creation of Centers of Excellence and Faculty Development Centers

Accessibility

- Establishment of NAVRATNA Universities
- Increasing the Budgetary Outlay

Accountability and Transparency

- Disclosure of Institutional Performance
- Making Institutional and Programme Accreditation Mandatory



Thank You for your time and attention!

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