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Title: Regarding Private Universities.

**13.05 hrs.**

**STATEMENT BY MINISTER**

(ii) Private Universities \*\*

MR. SPEAKER: Now, we will take up Supplementary List of Business. Shri Arjun Singh to make a statement regarding Private Universities. Since it is a long statement, you can lay it on the Table of the House.

...(Interruptions)

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT (SHRI ARJUN SINGH): Sir, with your kind permission, I would like to lay, on the Table of the House, a statement which arose out of Starred Question No. 163, raised by the hon. Members, Shri Baleshwar Yadav and Shri Badiga Ramakrishna on 15.3.2005 regarding Private Universities. The hon. Speaker was pleased to direct that a comprehensive statement on this subject, which affects a large number of students, should be made. Accordingly, I seek your kind permission to lay the Statement on the Table of the House.

\*Recently, the Supreme Court of India, *vide* its Order dated 11 February, 2005 in Writ Petition (Civil) No.19/2004: Prof. Yash Pal & Ors. Vs. State of Chhattisgarh & Ors., has declared the provisions of Sections 5 and 6, of the Chhattisgarh Niji Kshetra Vishwavidyalaya (Sthapana Aur Viniyaman) Adhiniyam, 2002, to be ultra vires of the Constitution. The Supreme Court has further directed the State Government that, in order to protect the interests of the

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\* Statement was laid on the Table

\*\* (Placed in Library. See No. LT 1816/05)

students who may be actually studying in the institutions established by such private Universities, it should take appropriate measures to have such institutions affiliated to the already existing State Universities in Chhattisgarh and, that the affiliation of an institution shall be made only if it fulfills the requisite norms and standards laid down for such purpose.

As the Hon'ble Members are aware, the subject of the "incorporation, regulation and winding up of universities" is within the legislative competence of States. However, the powers of the state legislature are circumscribed by the powers of the Parliament particularly in regard to the "coordination and determination of standards in institutions for higher education or research and scientific and technical institutions", as well as the entry in the Concurrent List pertaining to the subject of Education including technical and medical education and universities.

The trend towards supplementing public investment in higher education, with private investment, points to the need for particular focus on the issues of quality and standards with regard to private institutions. While Parliament has created the necessary statutory framework through the creation of bodies such as the University Grants Commission (UGC), the All India Council of Technical Education (AICTE) and other similarly mandated Councils, in order to bring a legislation with regard to establishment and regulations of the private universities in the country, the Union Government introduced "The Private Universities (Establishment And Regulations) Bill, 1995" in the Rajya Sabha on August 25, 1995. After its presentation in the Upper House, the Bill was referred to the Department related Parliamentary Standing Committee and the Committee submitted its Report, along with certain suggestions, to the Chairman, Rajya Sabha on 26.3.1996. Some of the specific recommendations made by the Committee were incorporated in the Bill. However, the Government decided in February 1999 that, instead of pursuing the Private Universities Bill pending in the Rajya Sabha, it should be "subsumed within overall ambit of the Dr. Amrik Singh Report" on 'Amendment to the UGC, Act, 1956'. Some State Legislatures have created private universities through their State Acts and, accordingly, private universities were established in the States of Uttar Pradesh (2001), Himachal Pradesh (2002), Uttaranchal (2002), Chhattisgarh (2002) and Gujarat (2003) after promulgation of the respective Acts for establishment of private universities in the respective states.

The State of Chhattisgarh enacted the Chhattisgarh Niji Kshetra Vishwavidyalaya [Sthapana Aur Viniyaman] Adhiniyam, 2002. Section 5 of the State Act, originally, provided that the State Government may, by notification in the gazette, establish a University by such name and with such jurisdiction and location of campus as may be specified therein, having regard to "the desirability to establish a University" [section 5(1) (a)], and also having regard to "recognition or authorization as may be required under any other law for the time being in force, to conduct the syllabus and to grant degrees or diplomas or awards." [section 5 (1) (b)]. The Government of Chhattisgarh initially gave its "in principle" approval to 108 proposals for setting up private universities, out of which 97

'universities' were notified by it. The State Act put the onus on the private universities "to ensure that the standard of degrees, diplomas, certificates and other academic distinctions are not lower than those laid down by AICTE/NCTE/UGC/MCI and Pharmacy Council etc." [Section 3 (11)], no prior recognition or authorization was sought by any of the 'universities' from statutory authorities such as the UGC, the AICTE, NCTE etc. as provided under the State Act itself. The State Government had not also referred the proposals to the UGC. The State Act also provided that the private universities could "affiliate any college or other institution or set up more than one campus", with the prior approval of the State Government. However, given that the jurisdiction of the State Act extended "to the whole of Chhattisgarh", by implication the affiliation of any college or any institution, or the setting up of more than one campus had to be lawfully only within the State of Chhattisgarh.

In order to prevent the mushrooming growth of private universities and commercialization of education, the UGC, in exercise of its powers conferred under section 26(1)(f) and (g) of the UGC Act, 1956, notified the University Grants Commission (Establishment of and Maintenance of Standards in Private Universities) Regulations, 2003, on 27.12.2003. One of the objectives of the aforesaid regulations is to provide an effective regulatory mechanism for maintaining the standard of teaching, research, examination and extension services in the private universities. The Regulations were laid before this House on July 13, 2004 and in the Rajya Sabha on August 19, 2004.

The State of Chhattisgarh amended its Act of 2002, and the Chhattisgarh Niji Kshetra Vishwavidyalaya (Sthapana & Viniyam) Sansodhan Adhiniyam, 2004 came into force with effect from the 18<sup>th</sup> February, 2004. The amended Act provided for the establishment of "Off-campus centre" and "Off-shore campus. The other salient features of the amended State Act were : the establishment of an endowment fund for use as a security deposit to ensure that the universities function as per the provisions of the Act, Statutes and Ordinances made thereunder and the setting up of a Regulatory Commission for monitoring the working of private universities; the Regulatory Commission could take "all such steps as it considers necessary for determination and maintenance of standards of teaching, examination and research in universities", "in consultation with the universities and/or other bodies concerned with regulatory function of higher education system in the country such as the UGC, AICTE and NCTE, MCI, Pharmacy Council, and such agency/agencies established by the Central Government for regulation of education."(Section 24 (9) (a))

Out of the 97 Universities notified under the original State Act of 2002, as many as sixty were denotified by the State Government on the 1<sup>st</sup> July, 2004 for not meeting the provisions of the amended Act. On the 23<sup>rd</sup> March, 2004, the University Grants Commission decided to inspect all private universities in the country in terms of the powers under the Regulations of 2003, mentioned earlier. The Commission set up inspection committees for the purpose. Based on the inspection of all notified universities in Chhattisgarh, the Commission conveyed its reports to the State Government on the 22<sup>nd</sup> September, 2004 for its comments. The UGC drew the attention of the State Government on the 30<sup>th</sup> October, 2004 to the provisions of the UGC Regulations relating to the opening of off-campus centres and off-shore centres and study centres. The State Government informed the Commission on the 20<sup>th</sup> December, 2004 for the inclusion of 17 private universities in the list universities under Section 2 (f) of the UGC Act. In view of certain discrepancies noted by the UGC in the proposal, the Commission invited the State Government for a joint meeting on the subject. In the meanwhile, the Hon'ble Supreme Court of India gave its verdict in the Writ Petitions referred to at the opening of this Statement. The Supreme Court also held that "the impugned Act which specifically makes a provision enabling a University to have an off-campus centre outside the State is clearly beyond the legislative competence of the Chhattisgarh legislature."

As per the information furnished by the Chhattisgarh Government and the UGC, out of the 37 notified universities, 19 universities were providing class room teachings and, approximately 23 thousand students were enrolled with these erstwhile private universities. A majority of the students were enrolled with the Off-campus centres outside the State of Chhattisgarh.

Sir, as this House is aware, the incorporation of universities within the State of Chhattisgarh, is well within the legislative competence of the state legislature; and therefore, while it is for the State Government to take appropriate corrective steps in the light of the observations of the Supreme Court in regard to the constitutionality of the State Legislation; however, the State Legislation would not be able to come to the rescue of the affected students enrolled in the off-campus centres and off-shore centres of the erstwhile private universities. Sir, I would like to assure the House that my Ministry is extremely concerned about the future of the thousands of students, who were studying in these now defunct private 'universities', particularly those outside Chhattisgarh.

Immediately after the Hon'ble Supreme Court's decision on the Writ Petitions, the Government of Chhattisgarh were asked by my Ministry, whether any specific intervention was required to be taken by the Government of India in the matter. The UGC was also requested to examine the judgment and its implications and, to be in readiness in regard to the bonafide students enrolled with these erstwhile private universities so that, should the need arise, the Commission could be requested to take appropriate steps in the matter.

In order to find a way out and, to protect the future of the affected students, I had invited the Hon'ble Chief Minister of Chhattisgarh for discussions. H.E. the Governor in his capacity as the Chancellor of the existing State Universities, who is also the

Visitor to the private universities under the State Act, was kind enough to attend the meeting. They briefed me about the steps being contemplated at their end, and wanted the statutory bodies, such as the UGC and the AICTE, to guide them in the matter. We have promised expeditious action on whatever procedural obligations are expected under the relevant laws governing these bodies, so that the standards of higher education are maintained in the State. Sir, we have also asked the State Government to give us institution-wise detailed information in regard to the syllabus, courses of study, degrees, fee structure, and the physical infrastructure in the institutions that were part of the erstwhile private universities. We expect the State Government to provide all relevant information so that the central agencies could intervene effectively, wherever it is so felt by the State Government. We have also pointed out to the State Government that, in terms of the Hon'ble Supreme Court's directions, the affected institutions could seek affiliation to the existing State universities, for which the State Universities at Raipur and Bilaspur were themselves competent under the relevant State Universities Act, and the Statutes and the Ordinances under the State Act. The UGC and the other statutory bodies would willingly provide any technical or academic assistance for determining the standards of education or equivalence of degrees or other awards.

Sir, since a majority of the affected students enrolled in the off-campus centres are reported to be from the National Capital Region (NCR) of Delhi, the Chief Minister of Delhi, who is also deeply concerned, discussed the problems such students. As a follow up of my meeting with her, officials in my Ministry and representatives of the UGC and the AICTE have held discussions with the Vice-Chancellor of the Guru Gobind Singh Indraprastha University, Delhi for the affiliation of the affected off-campus centres. The Vice-Chancellor of the Guru Gobind Singh Indraprastha University has, in principle, agreed that requests received before the 31<sup>st</sup> March, 2005 would be considered for affiliation as 'special cases', provided such institutions met the required standards of higher and professional education. The GGSIP University has also agreed to constitute evaluation and inspection committees, where ever required, jointly with the AICTE, to inspect the affected institutions expeditiously, in order to ensure that quality is not compromised with; and, subject also to such institutions obtaining the necessary NOC from the 'jurisdictional' state governments wherein these off-campus centers may be located.

The GGSIP University has also agreed to work out a system of credit-transfer for the students who are in enrolled in courses and programmes that could be equated with the existing degrees offered by the University. My Ministry has written to all the state governments to furnish complete details about the private universities and off-campus centers functioning in their respective states and, considering that in some cases more than one State may be involved, we would use our good offices to request the States to expedite the various formal processes involved in the best interests of the affected students. Sir, we now expect that the sponsors of the erstwhile private universities, who manage the affected institutions, to show the same alacrity with which the central and the state governments are approaching the issue – these managements must initiate action to approach the local universities in the States in whose jurisdiction the affected institutions are situated, for seeking affiliation; and where the local State government is to be approached for the formal No Objection Certificates, they must do so. They must furnish all the relevant information to the appropriate authorities including the appropriate State governments so that the involved processes could be expedited – through this august House, Sir, I would like to send out a clear message to all such private sponsors that they must cast aside all considerations, other than the interests of the affected students. Nothing should come in the way that would affect or add to the anxiety of students.

From the information made available to my Ministry by the Government of Chhattisgarh, it has been noticed that the nomenclatures of several programmes and degrees offered by the private universities are not the same as the degrees offered by the existing State universities or those approved by the UGC; in order to work out possible equivalence of the course curricula and degrees, these would have to be looked into by the appropriate statutory bodies, which, I am sure, they would attend to. Sir, I would like to inform the Hon'ble Members that we have already issued instructions to the officials of all concerned statutory authorities to cut down all procedural delays and to inspect the affected institutions, on priority.

Sir, I must return to the issue of the pending central legislation on private universities, which I had mentioned very briefly at the outset. Sir, without in any way promoting the commercialization of higher and professional education, we have to address all the relevant issues in financing higher education and the university system. There are several involved issues that need to be debated – some are easy to discern: should the central law be an all encompassing one in the form in which it was introduced earlier, or should it be confined to a framework for regulation and maintenance of standards of private universities without providing for their establishment, which could be left to the states as it is within the State legislatures' competence. There are several other issues, particularly those affecting equity – for example, that of the representation to the weaker sections of the society in private universities. Sir, this House would agree with me that the entire issue of private universities has several public policy dimensions and, calls for a wider national debate. As the Hon'ble Members are aware, we had taken the initiative to revive the process of consultation by constituting the Central Advisory Board of Education (CABE), which has started functioning through its various Committees. Sir, the CABE is the highest policy advisory body in our federal structure, with representation from distinguished personalities, eminent academics, educationists and the Ministers in charge for Education in the States. A Committee of the CABE, under Prof. B.L. Mungekar, Member of the Planning Commission, is specifically looking into all issues relevant to the financing of higher and technical education. The terms of reference of the Committee are: to examine the adequacy of investments and to find ways of augmenting the resource flow in Higher Education; to examine the question of a fair share of 6 percent of the GDP to Higher Education; and to suggest the ways of

encouraging and regulating private participation and investments in Higher/Technical Education.

Under our constitutional scheme, the States have to be active partners in all matters of public policies in education. Therefore, any formulation on what should be the discipline for private participation in higher education, should be arrived at only after a meaningful dialogue with the State Governments. I find that no such consultation was held, in respect of the central bill pending with Parliament, either at the level of the CABE (which was revived after nearly a decade) or with the States. Recently, my Ministry had organized a conference of Ministers of Higher & Technical Education of all the States. We have heard the States on their anxieties in regard to the issue of private universities. There was no clear consensus on whether there should be a central legislation, as some States felt otherwise. States of Uttar Pradesh, Gujarat, Himachal Pradesh and Uttaranchal have also established private universities. We have drawn the attention of all States to the Supreme Court's decision in the Chhattisgarh matter and, have asked for information on whether off-campus centres have been established by their respective State Acts.

Sir, I am clear in my perception of the problem. In the short term, we have to assure help to the affected *bona fide* students, even though the Hon'ble Supreme Court has asked the State Government to see that all remedial measures are taken in terms of the provisions of the State Act. I have already described the efforts being made in bringing the various stakeholders together. All our central bodies such as the UGC, the AICTE, the NCTE would, without compromising with the quality and standards of higher education and technical education, collapse the processing time required, in the best interests of the affected students. Also in the short run, we have to see that those who obstruct a practical and just solution to the problem, only because their commercial interests are uppermost in their minds, are dealt with sternly and appropriately. Let me assure the Hon'ble Members that I would not allow fly-by-night operators to trifle with the sanctity of our temples of learning – the university system. And, this goes for not only the domestic ones. Sir, One of the issues discussed at the conference of State Ministers was about the entry of foreign universities and, it was decided to form a committee under Prof. C.N.R. Rao to examine all relevant issues pertaining to the entry of foreign universities in India. The wide range of consultations that we have held so far would, I am sure, lead us to a pragmatic long term solution through strengthening the regulatory mechanism. Sir, I thank you for the opportunity to present the Government's views on this sensitive issue.

MR. SPEAKER: The House stands adjourned to meet at Two o' clock.

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**13.06 hrs.**

*The Lok Sabha then adjourned for Lunch till Fourteen of the Clock.*

**14.02 hrs.**

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*The Lok Sabha re-assembled after Lunch at two minutes  
past Fourteen of the Clock.*

( Mr. Deputy-Speaker *in the Chair*)

## **MATTERS UNDER RULE 377 \***

MR. DEPUTY-SPEAKER : Matters under Rule 377 listed for today may be treated as laid on the Table of the House.