

# Education Sector Hotline

April 12, 2018

## CAN INDIA BE THE PHILOSOPHER'S STONE FOR UK'S EDUCATION MARKET?

This article was originally published in the Higher Education Bulletin March 2018 edition of



From Oxford to Hogwarts, the UK is undoubtedly home to some of the most iconic schools, colleges and universities in the world. Naturally, it attracts students from across the globe, who make a bee-line to get admission in UK's top-notch institutes. However, just like getting across platform 9 s requires 'special' skill, admission to UK institutes is not a small feat. The brick and mortar model of education is the front and center of its success. This means that students have to personally come to UK to study. However, recent events such as 'Brexit', reduction in the number of scholarships and grant amounts, tightening of visa norms and the like have made UK education a distant reality for non-UK students. This coupled with the advent of Ed-tech, (much like a modern day 'Portkey'), is literally transporting classrooms of non- UK universities to students' houses. This means that even if issues of grants, scholarships, visa *et al.* are resolved, the number of students who get access to UK education would be far less in UK, compared to those who can enroll if the institutes, instead of waiting for students to come to them, venture outside the UK.

This raises some very critical questions – does it make sense for UK institutes to look at setting up base outside UK? If yes, when? If now, where? If where, how? The magic mirror's answer to all these questions lies within "India". Much like the 'room of requirements', it has something to offer to those who seek to find!

India – UK have since the time as long ago as 'time-turner' could tell, shared excellent educational and cultural ties. With the world's largest young population and its ambition to become a truly global economic superpower, India today is in dire need of high quality higher education to get her people future ready. Unfortunately, the present education system in India is far from meeting this urgent need. Barring a few institutes, schools, especially higher education institutes, are scarce, curriculum is dated, infrastructure is poor and teachers don't have the skills to do justice to their job. This is in contrast with the availability of leading education institutes and skilled academicians in UK. If only UK and India join hands, India may potentially be able to meet its education needs, and UK will be able to provide education to many more students, benefitting its education system and economy. While there is no wrong time, the imminent need of India demands that the time for UK institutes to enter in India is now! The requirement exists primarily in the Higher education and skilling sector. Further, the Indian government is also receptive to private and foreign participation in higher education and skill development projects. This is an added benefit for the foreign institutes.

Therefore, the only question to be answered is how should UK higher education institutes enter the Indian market?

Indian education sector appears to be a 'chamber of secrets' for those who see it from the outside, but is actually quite navigable once on the inside. One just needs to know the right spell to enter!

To put it simply, the Higher education and skilling sector in India can be broadly categorized under two heads – regulated and unregulated. Degree and diploma programmes are regulated, whilst test preps, certificate courses, skill development programmes and tutorials are largely unregulated. The regulated sector operates through not-for-profit entities. For-profit entities are permitted and prevalent in the unregulated space.

Foreign universities are currently not allowed to set up an independent campus in the country to offer a degree or diploma programme. However, this does not mean that there are no options for foreign institutes at all! On the contrary, and much against popular belief and perception, there are many models which work well for foreign institutes looking at India.

One such model is collaborations or twinning arrangements with Indian institutes. Collaboration in the field of technical and non-technical education is regulated. The laws require that students of the Indian institute spend certain duration of their tenure of their programme in the foreign institute to ensure legitimacy of intent of collaboration. The degree granted on completion of programme is that of an Indian university. While joint degrees are not permitted, the credits earned by the students in the programme are recognized by the foreign institutes. This could be used by foreign universities for granting degree to such students from abroad.

To reduce the regulatory bottleneck, the process of seeking approvals for collaborations is also being eased, and in some cases removed by the Indian education regulators for the world ranking institutes. As per recent policy changes, the soon to be set up "Institute of Eminence" in India (i.e 20 world class institutes of international standing) will be able to academically collaborate with top ranking foreign higher educational institutions, without the need to obtain approval from the Indian education regulators. The Institution of Eminence Deemed to be University will have complete flexibility in fixing of curriculum and syllabus, and can also offer inter- disciplinary courses in emerging areas. These institutes are also required to develop teaching and research collaborations with a reasonable number

## Research Papers

### The Tour d'Horizon of Data Law Implications of Digital Twins

May 29, 2025

### Global Capability Centers

May 27, 2025

### Fintech

May 05, 2025

## Research Articles

### 2025 Watchlist: Life Sciences Sector India

April 04, 2025

### Re-Evaluating Press Note 3 Of 2020: Should India's Land Borders Still Define Foreign Investment Boundaries?

February 04, 2025

### INDIA 2025: The Emerging Powerhouse for Private Equity and M&A Deals

January 15, 2025

## Audio

### CCI's Deal Value Test

February 22, 2025

### Securities Market Regulator's Continued Quest Against "Unfiltered" Financial Advice

December 18, 2024

### Digital Lending - Part 1 - What's New with NBFC P2Ps

November 19, 2024

## NDA Connect

Connect with us at events, conferences and seminars.

## NDA Hotline

Click here to view Hotline archives.

## Video

### Vyapak Desai speaking on the danger of deepfakes | Legally Speaking with Tarun Nangia | NewsX

April 01, 2025

of global universities featuring in the global rankings.

Similarly, universities which are graded as Category-I Universities<sup>1</sup> in India (the standards for which are extremely high) can also engage in academic collaborations with top ranking foreign educational institutions<sup>2</sup> without approval of the education regulatory bodies in India. They may also open research parks, incubation centers, and university society linkage centers, in self-financing mode, either on its own or in partnership with private partners, without approval of education regulatory bodies.

These policy changes open a plethora of opportunities for UK institutes, for whom their own brand reputation and the reputation of their collaborating partners is of prime importance. UK institutes can therefore associate with Indian institutes which are designated the best in the country by regulators, without regulatory issues.

This is not all.

The unregulated sector in India has way more to offer. To begin with, because these courses are not regulated, it is possible to decide the course structure, duration, fee etc as per the requirement of foreign institute. Secondly, the brand name of the foreign institute attracts students, and student enrollment is easy. Further, it is possible to find local partner to facilitate marketing, admissions, building and other support functions to make the process of implementation in India stress-free.

A common model used in this space is that the foreign institute grants a license of its brand, curriculum and know-how to the Indian institute/ service provider. The programme is controlled by the foreign institute, which enrolls students as per its policy. Courses are taught by the teachers of foreign institute from outside India (using technology), or on-ground through their teachers being present in India. Sometimes, teachers in India are trained to provide education through Indian institute, using licensed curriculum. Foreign institute grants degree, diploma or certificate to the student only after being satisfied of the results. This model not only helps foreign institute earns royalties and service fee from the Indian institute but also helps the foreign institute establish its brand and presence in India. The Indian institute benefits out of the use of brand name and curriculum of the foreign institute, thus resulting in a win- win situation for both.

In addition, independent research centers, executive education programmes, specialized training sessions conducted by well-known foreign institutes are also very popular in India and see good enrollments. Since this also falls within the ambit of unregulated sector, it gives foreign institute the freedom to offer these programmes the way they want and exercise control over it.

To sum up, India can definitely be the charm for UK institutes looking at cross border expansion. With correct market analysis, and sound legal and regulatory advice, UK may find a Philosopher's Stone in India, which can infuse new life in its dynamic education market.

— Aarushi Jain & Vivek Kathpalia

You can direct your queries or comments to the authors

---

<sup>1</sup> University Grants Commission (Categorization of Universities (only) for Grant of Graded Autonomy) Regulations, 2018.

<sup>2</sup> Featuring in top 500 of Times Higher Education World University Rankings or QS Rankings or top 200 of discipline specific ranking in Times Higher Education World University Rankings or QS Rankings.

---

## DISCLAIMER

The contents of this hotline should not be construed as legal opinion. View detailed disclaimer.

This Hotline provides general information existing at the time of preparation. The Hotline is intended as a news update and Nishith Desai Associates neither assumes nor accepts any responsibility for any loss arising to any person acting or refraining from acting as a result of any material contained in this Hotline. It is recommended that professional advice be taken based on the specific facts and circumstances. This Hotline does not substitute the need to refer to the original pronouncements.

This is not a Spam mail. You have received this mail because you have either requested for it or someone must have suggested your name. Since India has no anti-spamming law, we refer to the US directive, which states that a mail cannot be considered Spam if it contains the sender's contact information, which this mail does. In case this mail doesn't concern you, please unsubscribe from mailing list.