



## A QUANTITATIVE STUDY OF EDUCATIONAL PRIVATIZATION IN INDIA AND NEP 2020 IMPLICATIONS

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### Abstract:

This study examines the accelerating trend of privatization in the Indian education sector, focusing on the period between 2018 and 2025. Utilizing the latest data from the Unified District Information System for Education Plus (UDISE+) and the All-India Survey on Higher Education (AISHE), the research reveals a significant "enrolment mirror-shift": while total school enrolment hit a seven-year low of 24.68 crore in 2024–25 due to demographic transitions, private school enrolment surged to 39% of the total share. In higher education, private institutions now manage nearly 78.6% of all colleges. The article analyzes these trends against the backdrop of the National Education Policy (NEP) 2020, identifying key drivers such as perceived quality gaps and infrastructure deficits in the public sector. The findings suggest that while privatization expands access, it poses critical risks to educational equity and the realization of universal secondary education by 2030.

**Key Words:** Privatization, NEP 2020, UDISE+ 2024-25, Higher Education, Educational Equity.

### 1. Introduction:

The role of education as stated by Nelson Mandela is "Education is most powerful weapon you can change the world". Education is a fundamental pillar for the development of any nation. In India, the education system has undergone significant transformation over the past few decades, with privatization emerging as a major trend. Privatization of education refers to the increasing role of private individuals, institutions, and organizations in providing educational services, which were traditionally managed by the government. While this shift has brought certain advantages, it has also raised serious concerns regarding equity, accessibility, and quality. But, in present scenario, access to education is becoming increasingly limited and costly for certain sections of society due to Privatization of the system.

One of the primary reasons for the growth of private education in India is the inability of the public education system to meet the rising demand. With a rapidly growing population and increasing aspirations among people for quality education, government institutions often struggle with inadequate infrastructure, lack of resources, and teacher shortages. Private institutions have stepped in to fill this gap by offering better facilities, modern teaching methods, and a wider range of courses. As a result, many parents prefer private schools and colleges, believing they provide superior education and better career opportunities. The presence of competition encourages institutions to maintain standards and improve their performance. In higher education, private universities and professional colleges have expanded access to technical and professional courses such as engineering, medicine, and management. Private institutions tend to adopt advanced technologies, updated curricula, and industry-oriented training, which can enhance students' employability.

However, the privatization of education has also led to several challenges. One of the most serious concerns is the commercialization of education. Many private institutions operate with a profit motive, leading to high fees that are unaffordable for a large section of society. This creates inequality, where only students from economically privileged backgrounds can access quality education, while others are left with limited options in underfunded government institutions. Such disparities undermine the principle of education as a fundamental right.

Another issue is the lack of proper regulation and accountability. Some private institutions prioritize profit over quality, resulting in substandard education, unqualified faculty, and poor infrastructure. In certain cases, unethical practices such as capitation fees and admission irregularities have been reported. Although regulatory bodies exist, their effectiveness is often questioned due to weak enforcement mechanisms.



Cover Page



## 2. Trends in privatization:

**2.1 School Education:** The structure of school education in India has undergone a noticeable transformation in recent decades, with privatization emerging as a defining trend. According to UDISE+ 2021–22 data, private unaided schools now constitute approximately **32.8% of all schools in India**. This national average, however, conceals a sharper reality in urban areas. In cities such as Hyderabad, nearly **70% of schools are privately managed**, highlighting a significant shift from public to private provision of education. This growing presence of private institutions raises important questions about access, quality, and equity in the Indian education system.

**2.2 Higher Education:** Unlike school education, where both public and private institutions coexist in relatively balanced proportions, higher education is now overwhelmingly dominated by private players. Recent data indicates that approximately **78.6% of colleges in India are privately managed**, of which nearly **65.2% are entirely unaided by the government**. These figures underscore the rapid and extensive expansion of private participation in the higher education sector. The most pressing issue is **affordability**. Since a large proportion of private colleges are unaided, they depend heavily on tuition fees, which are often high. This creates barriers for students from economically weaker backgrounds, limiting their access to quality higher education. Consequently, socio-economic inequalities are reproduced and, in some cases, intensified within the education system. While some private colleges maintain high academic standards, others may compromise on faculty qualifications, infrastructure, and research output in pursuit of profit. The rapid expansion of private institutions has sometimes outpaced the capacity of regulatory bodies to ensure consistent quality and accountability.

**2.3 University Education:** The increase in the share of private universities from **28.6% in 2011–12 to 40% in 2018–19** reflects a significant and ongoing transformation in India’s higher education system. In **2024**, India has **around 482 private universities**, and when private deemed universities (around 85) are included, the total number of privately managed university-level institutions rises to **over 560**. The rapid increase in their numbers has sometimes outpaced the capacity of regulatory bodies to ensure consistent standards. This uneven quality raises questions about the overall effectiveness and credibility of the higher education system. Promoting inclusive policies will be crucial to ensuring that the expansion of private universities contributes positively to the overall development of higher education in India.

**2.3 NEP 2020 Influence:** NEP 2020 presents a complex and somewhat paradoxical approach to privatization. While it promotes private participation under the ideal of philanthropy and seeks to streamline governance through self-regulation, it also raises legitimate concerns about commercialization, equity, and accountability. The success of this model will ultimately depend on how effectively the principles of transparency, inclusiveness, and public responsibility are upheld in practice.

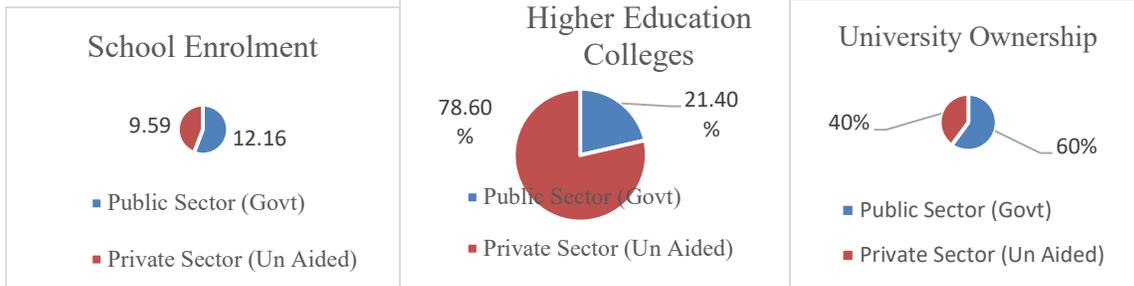
## 3 Data trends:

The following is the summary of data trends in Indian Educational landscape

S. No	Metric	Public Sector (Govt)	Private Sector (Un Aided)	Key Insight
1	School Enrolment (2024-25)	12.16 Crore (Decline)	9.59 Crore (Increase)	Private schools gained 60 lakh students in one year.
2	Share of Institutions	69% of Total Schools	22.5% of Total Schools	Private schools serve 39% of students with 22.5% of schools
3	Higher Education Colleges	~21.4%	78.6%	Private colleges now dominate the tertiary landscape.



4	University Ownership	~60%	~40%	Rapid growth in State Private Universities (SPUs).
5	Teacher-Student Ratio	1:26 (Secondary)	1:19 (Secondary)	Private schools maintain lower ratios, driving perceived quality.



The data reveals a clear and accelerating shift towards **privatization across both school and higher education sectors in India**. At the school level, government institutions still dominate in terms of infrastructure, accounting for **69% of total schools**, yet they are witnessing a **decline in enrolment (12.16 crore)**. In contrast, private unaided schools, though constituting only **22.5% of institutions**, have experienced a significant **increase in enrolment (9.59 crore)**, gaining nearly **60 lakh students in a single year**. This indicates a strong parental preference for private schooling despite their smaller institutional base. A striking disparity emerges in the **distribution of students**, where private schools serve **39% of the total student population with just 22.5% of schools**, suggesting higher capacity utilization and perceived efficiency. One contributing factor is the **better teacher-student ratio in private schools (1:19)** compared to **1:26 in government schools**, which enhances individualized attention and reinforces perceptions of superior quality.

In higher education, privatization is even more pronounced. Nearly **78.6% of colleges are privately managed**, compared to just **~21.4% in the public sector**, demonstrating the overwhelming dominance of private institutions in tertiary education. Similarly, while government universities still hold a majority share (**~60%**), private universities have expanded rapidly to account for **~40%**, largely driven by the growth of State Private Universities (SPUs).

#### 4 Weighing Advantages and Disadvantages:

The rapid growth of private participation in India's education sector has raised serious concerns about equity, quality, and the social purpose of education. A balanced assessment requires examining both its advantages and disadvantages in a nuanced manner.

One of the most significant advantages of privatization is innovation. Private institutions are generally more flexible and responsive to change, enabling them to adopt educational technology, digital classrooms, and modern pedagogical approaches at a faster pace. In contrast, public institutions often face bureaucratic delays that hinder rapid reform. Private schools and colleges frequently emerge in underserved or rapidly urbanizing areas, filling critical gaps left by the state. This expansion increases educational opportunities for students who might otherwise lack access to nearby institutions. Many private institutions offer well-equipped classrooms, libraries, laboratories, and sports facilities, creating a more conducive learning environment. Additionally, the growth of private institutions helps in reducing the fiscal burden on the government, allowing it to allocate resources to other priority sectors or focus on strengthening core public institutions.

However, these advantages are accompanied by significant drawbacks. The most critical issue is inequity. Private education often involves high tuition fees and additional costs, making it inaccessible to students from lower-income and marginalized backgrounds. This creates disparities in educational opportunities, where quality education becomes a



Cover Page



privilege rather than a right. As a result, socio-economic inequalities are reproduced within the education system. Closely related to this is the problem of commercialisation. Many private institutions operate with a profit-oriented approach, treating education as a business rather than a public service. This shift in orientation can lead to practices such as excessive fee structures, capitation fees, and a focus on revenue generation over academic excellence. Such trends undermine the ethical and social foundations of education. Another concern is quality variability. While some private institutions maintain high standards, a large number of low-cost or “budget” private schools lack qualified teachers, proper infrastructure, and effective academic practices. This uneven quality challenges the assumption that private education is inherently superior and raises questions about regulatory oversight. Furthermore, privatization contributes to social segregation. The coexistence of expensive private institutions and under-resourced government schools creates a two-tier education system divided along economic lines. Students from affluent backgrounds gain access to better resources and opportunities, while those from disadvantaged groups remain confined to less-equipped institutions. This divide not only affects individual outcomes but also has broader implications for social cohesion and equality.

## 5. Conclusion:

In conclusion, privatization of education in India presents a complex mix of benefits and challenges. While it promotes innovation, improves infrastructure, and expands access, it also deepens inequality, encourages commercialisation, and creates social divisions. Privatization also impacts the social purpose of education. Education is not merely a commodity; it plays a crucial role in promoting values, social justice, and national integration. Excessive privatization may shift the focus from holistic development to market-driven goals, thereby neglecting the broader objectives of education. Therefore, a balanced approach is necessary. The government must strengthen public education, ensure strict regulation of private institutions, and promote policies that make quality education accessible and affordable to all. Only then can education truly serve as a tool for inclusive growth and national development.

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