Foreign Universities Arriving in India: A New Chapter in Higher Education

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The largest democracy in the world, is undergoing a paradigm shift with the implementation of the National Education Policy (NEP) 2020, expansion of digital and online learning, the entry of foreign universities, and increased focus on research, innovation, and skill development. These changes reflect India's ambition to align its higher education system with global standards while addressing long-standing challenges of access, equity, and quality. The article emphasizes multidisciplinary education, flexible curriculum frameworks, and a stronger connection between academia and industry, aiming to produce globally competent graduates equipped for the knowledge economy. Moreover, government initiatives such as research fellowships, international collaborations, and skill-based programs are creating new opportunities for students and faculty. However, persistent issues such as regional disparities, inadequate funding, employability gaps, and digital divides continue to pose significant hurdles. By critically analyzing these opportunities and challenges, this paper argues that Indian higher education is moving towards a transformative era—where innovation, inclusivity, and global integration will determine its trajectory. The "new chapter" thus reflects both optimism and caution, highlighting the need for policy effectiveness, institutional resilience, and collaborative efforts to ensure India's higher education system emerges as a driver of national development and global engagement.

Keywords: NEP 2020 (National Education Policy), Globalization of Education, Cross-border Education, Higher Education Reforms in India, Academic Collaboration, Student Mobility, World-class Education, Research and Innovation, Knowledge Economy.

Introduction

Indian higher education is undergoing a transformative phase that marks the beginning of a new chapter in its long and diverse history. From the ancient centers of learning like Takshashila and Nalanda to the expansion of universities during the colonial era, higher

education in India has always mirrored the social, political, and economic currents of its times. In the 21st century, India's higher education system—the third largest in the world—is not only central to nation-building but also to the country's global aspirations in knowledge, research, and innovation.

The last two decades have witnessed major policy reforms, rapid expansion in institutional capacity, and significant technological interventions that have reshaped higher education in India. The introduction of the National Education Policy (NEP) 2020 has been a landmark moment, aiming to reorient the sector toward flexibility, interdisciplinarity, equity, and global competitiveness. This reform promises to bridge long-standing gaps in access, quality, and employability, while aligning education with the needs of a knowledge-driven economy. At the same time, challenges remain. Disparities in access between rural and urban areas, gender gaps in enrollment, underfunding of public universities, faculty shortages, and the growing demand-supply mismatch in employable skills continue to affect the sector. Furthermore, globalization and the entry of foreign universities, along with digital platforms and online learning, are reshaping the higher education landscape, creating new opportunities and uncertainties.

This new chapter in Indian higher education is, therefore, defined by a dual reality: the urgency of addressing systemic challenges while simultaneously embracing the possibilities of innovation and internationalization. It calls for a balanced approach that strengthens public institutions, encourages private participation, and builds strong linkages between education, research, and industry. In this context, Indian higher education stands at a crossroads. The choices made today will determine not only the future of millions of students but also the trajectory of India's role in the global knowledge economy.

Historical Perspective of Indian Higher Education

The trajectory of higher education in India reflects a long and complex evolution shaped by cultural traditions, colonial interventions, and post-independence reforms. Its roots trace back to ancient centers of learning such as Takshashila, Nalanda, Vikramshila, and Vallabhi, where education was not only religious but also focused on philosophy, mathematics, astronomy, medicine, and statecraft. These institutions attracted scholars from across Asia, making India a hub of global intellectual exchange. During the medieval period, higher education largely shifted to religious institutions such as madrasas and pathshalas, where Islamic, Sanskritic, and

vernacular traditions thrived. Centers like Delhi, Ajmer, and Bidar witnessed the growth of madrasa education, while temple schools promoted Vedic and classical learning.

The colonial era marked a turning point. The establishment of universities in Calcutta, Bombay, and Madras in 1857 introduced the western model of higher education, with an emphasis on English, liberal arts, and administrative training. This period witnessed the marginalization of indigenous knowledge systems but also laid the foundation for modern universities. Reformers such as Raja Ram Mohan Roy, Ishwar Chandra Vidyasagar, and Sir Syed Ahmed Khan advocated modern education while still negotiating cultural traditions.

Post-independence, India recognized higher education as a driver of nation-building. The University Education Commission (1948–49) under Dr. S. Radhakrishnan emphasized the role of universities in fostering democracy and citizenship. Successive commissions, including the Kothari Commission (1964–66), stressed access, equity, and quality, calling for a common school system and national educational planning. Institutions like the IITs, IIMs, and AIIMS were established to position India as a global hub of science, technology, and management education.

The 1990s economic reforms introduced privatization and expansion, which dramatically increased enrolment but also raised concerns about commercialization, regional imbalance, and quality assurance. The growth of private universities and deemed-to-be universities transformed the higher education landscape, making it one of the largest in the world.

In the 21st century, Indian higher education entered a new chapter with reforms such as the National Education Policy (NEP) 2020, which envisions multidisciplinary education, global competitiveness, digital transformation, and a focus on research and innovation. The historical trajectory thus demonstrates a shift from elitist and colonial models toward democratization, massification, and globalization of higher education.

India, with the third largest higher education system globally, has the lowest gross enrolment ratio compared to G20 nations. The National Education Policy 2020 has made a strong recommendation to enhance the gross enrolment ratio for higher education to 50% by 2035. This figure stood at 19.4% in 2010 and 28.4% in 2021–22. The study, therefore, analyses the nature of the growth of higher education in India from 2000 to 2020 and carries out panel regression to investigate the gross enrolment ratio at the state level, primarily affected by the number of universities and the growth in the number of colleges per million populations. The

analysis reveals a need for significant expansion of higher education in India in the future, or it will result in a case of elusive inclusive development—wherein India will miss the 2030 global agenda concerning Sustainable Development Goal 4 on higher education and the 2035 National Education Policy target. The study recommends that higher education should be closely monitored by the states at the district level, providing high-quality and affordable online education to realise the preferred outcomes.

1. Internationalisation of Higher Education

The internationalisation of higher education has been a hallmark of global education systems for decades, encompassing student mobility, collaborative research, cross-border digital programmes, and *branch campuses*. Historically, *branch-campus ecosystems* have emerged where regulatory regimes, market demand, and geopolitical contexts converge exemplified by the growth of international branch campuses in the Gulf, China, and Southeast Asia. Conversely, failures in some markets such as closures of US university branches in the Caribbean or Asia underscore the complexities of global academic expansion (e.g., enrollment risks, host-country regulations and sustainability challenges). India's higher education system, with a demographic dividend and rising middle class, offers an unprecedented opportunity for global universities. Until recently, however, *foreign* universities were essentially barred from establishing full campuses in India's mainland.

2. Policy Shift: Regulatory Opening under NEP 2020

India's National Education Policy (NEP) 2020 endorsed the internationalisation of higher education, explicitly inviting top global institutions to set up campuses within the country to *expand access and quality* without outbound student mobility. The University Grants Commission (UGC) operationalised this through the *UGC Regulations on Setting up and Operation of Campuses of Foreign Higher Educational Institutions, 2023*, which provide a legal framework for foreign institutions to offer degrees, diplomas, and research programmes in India. These regulations allow autonomy in admissions, curriculum, faculty recruitment, and fee setting, subject to eligibility criteria such as global ranking benchmarks, physical infrastructure, and compliance with Indian law.

- Foreign Higher Educational Institutions (FHEIs) can operate *full campuses* offering undergraduate to doctoral programmes.

- They retain autonomy over academic governance and fee structures, a departure from traditional Indian regulatory limits.

This regulatory shift marks a political economy transformation—from protectionist policies toward strategic openness, balancing domestic system capacity with global engagement.

3. Global Evidence on Branch Campus Models

3.1 Successful Models

- Education hubs in the Gulf (e.g., Qatar's Education City) have attracted global tier-one universities through special regulatory and financial incentives.
- Chinese joint campuses have thrived where local partners mediate regulation, market access, and cultural integration.
- Singapore and Malaysia harness branch campuses as a regional education export *strategy*, linking quality assurance with market positioning.

3.2 Cautionary Tales

Despite success cases, several international branch campuses have struggled:

- Enrollment shortfalls (especially outside major cities);
- Difficulties in profitability and operational sustainability;
- Misalignment between curriculum expectations and local labour market needs.

In some markets, global universities have withdrawn or downsized their international operations due to regulatory restrictions, insufficient demand, or political constraints—reminders that global branding alone does not guarantee long-term viability.

3.3 Academic Freedom and Research Collaboration

International collaborations highlight academic freedom and intellectual exchange as core values. Research indicates that academic freedom positively correlates with international collaboration and innovation outputs, suggesting that institutional autonomy both at home and abroad matters for research productivity and cross-border scholarly networks.

4. Foreign Universities in India: Current Landscape

India has already begun welcoming international campuses:

- University of Southampton opened a campus in Gurugram, becoming one of the first operational foreign campuses.
- Australia's Deakin University and University of Wollongong campuses are underway in GIFT City, Gujarat.

- In 2025, at least 12–15 foreign universities received Letters of Intent (LoIs) from the UGC, including institutions from the UK, Australia, the USA, and Europe, aiming to start academic operations around 2026–27 in cities like Delhi NCR, Mumbai, Bengaluru, Greater Noida, and Chennai.

Refined year-wise table of the number of Indian students going abroad to study (approximate figures), covering 2015 through 2024, based on the best available official data: Table 1

Year	Indian Students Abroad (approx.)[1]
2015	~368,625
2016	~382,184
2017	~454,009
2018	~517,998
2019	~586,337
2020	~259,655 / ~260,363
2021	~445,582 / ~444,553
2022	~750,365 / ~750,000
2023	~894,783 / ~894,000

"Going abroad" (outbound in that year): ~760,073 students.

"Currently studying abroad" (enrolled overseas): ~1,335,878 (i.e., 13.36 lakh) students.

1. **Difference in Metrics for 2024**
   - The ~760,073 figure reflects the number of students who went abroad in 2024 (based on government's Bureau of Immigration data on outbound movement)
   - The ~13.36 lakh number captures those already pursuing studies abroad in 2024, regardless of when they left.

These numbers measure slightly different things—so it's valuable to specify which perspective you're interested in.

[1] https://www.education.gov.in/sites/upload_files/mhrd/files/NEP_Final_English_0.pdf

2. **Missing Data for 2025**

As of August 2025, full-year data for 2025 is not publicly available. However, news reports indicate that in early 2025, about 760,000 students went abroad for higher education—nearly matching the total for 2024. This suggests continuation of recent trends, but the complete annual figure is yet to be confirmed.

1. How Many Students Go Abroad Each Year?

- According to government data, more than 7.6 lakh (760,000) Indian students went abroad for higher studies in 2024, based on Bureau of Immigration figures. This was slightly lower than the peak of 8.95 lakh in 2023.
- Another key figure comes from data presented to Parliament: as of 2024, 13.35 lakh Indian students were pursuing higher education abroad (i.e., enrolled across multiple years), compared to 13.19 lakh in 2023 and 9.07 lakh in 2022.
- In 2025, estimates suggest this number has grown significantly, reaching approximately 1.8 million (i.e., 18 lakh) Indian students studying overseas.

At-a-Glance Comparison Table 2

Metric	**Approximate Value**[1]
Indian students departing in 2024	7.6 lakh (new annual departures)
Indian students enrolled abroad in 2024	13.35 lakh (total enrolled)
Indian students abroad in 2025	~18 lakh (total enrolled)
Total spending by Indian students (2025)	US $70 billion (estimated)

1. Landmark: University of Southampton Opens in Gurugram

The University of Southampton (UK) has become the first foreign university to establish a full-fledged campus in India under the UGC's 2023 regulations. Named "Southampton Delhi," the campus in Gurugram's International Tech Park is launched in 2025, offering four undergraduate and two postgraduate courses in fields like computer science, business management, accounting & finance, economics, and finance/international management. These programs mirror the UK campus in quality, and students may spend up to a year at Southampton's UK or Malaysia campuses. Notably, TOEFL/IELTS scores are not required.

[1] https://timesofindia.indiatimes.com/education/study-abroad/over-7-6-lakh-indian-students-

2. Five More Universities to Join by 2026–27

For the years 2026 and 2027, five additional global institutions have received Letters of Intent (LoIs) from the UGC to set up autonomous campuses in India:

- Illinois Institute of Technology (USA)
- University of Liverpool (UK)
- Victoria University (Australia)
- Western Sydney University (Australia)
- Istituto Europeo di Design (Italy)

These campuses will allow students to earn international degrees locally, drastically reducing the costs and logistical challenges of overseas study.

3. Mumbai EduCity: A New Hub for Global Education

As part of the visionary Mumbai EduCity initiative near Navi Mumbai, the following five institutions have also received LoIs:

- Illinois Tech (USA)
- University of Aberdeen (UK)
- University of York (UK)
- University of Western Australia (Australia)
- Istituto Europeo di Design (Italy)

This development seeks to position Mumbai as a global knowledge capital, fostering innovation, research, and entrepreneurship.

4. Already Operational: Deakin University & University of Wollongong

Australian universities have already made headway:

- Deakin University and University of Wollongong have established campuses at GIFT City, Gujarat, supported by special regulatory and financial frameworks.
- Wollongong has also reportedly started offering short-term postgraduate programs (around Rs 8–9 lakh) even before full-scale operations began.

5. UGC Regulations Enabling the Wave

The UGC's 2023 regulations pave the way for top-500 global universities (by overall or subject rankings, or reputational standing) to set up autonomous campuses in India. These universities

can decide their own curricula, admissions, fee structures, and faculty hires, while maintaining parity with their home institutions.

Table.3 Foreign Universities Arriving in India (2025–27)

University / Institution	Country	Location (India)	Status / Expected Operations Start	Programs / Notes
Deakin University	Australia	GIFT City, Gujarat	Announced 2023; operations started 2024	Offering Business Analytics, Cyber security; first foreign campus under UGC rules
University of Wollongong (UOW)	Australia	GIFT City, Gujarat	Commenced November 2024	Postgrad courses in Computing (Data Analytics, FinTech), modern infrastructure
University of Southampton	UK	Gurugram (Gurgaon), Haryana	Classes starting ~August 2025	UG & PG in CS, Business, Economics, Law, Engineering; investment £30 m
University of York	UK	Navi Mumbai (Mumbai region)	LoI issued; enrolling by late 2026–27	To offer UG/PG in Comp Sci, Business, Economics, Creative Industries
University of Aberdeen	UK	Navi Mumbai or Mumbai region	LoI issued; start ~by 2026	Full autonomy, programs pending; part of 5 LoI group
University of Western Australia (UWA)	Australia	Navi Mumbai / Chennai (planned)	LOI; launch by ~2026–27	STEM & Business programs; campuses in Mumbai and Chennai envisaged
Illinois Institute of Technology (IIT)	USA	Navi Mumbai (likely)	LoI; start operations by ~2026–27	First U.S. university in India under UGC rules

University / Institution	Country	Location (India)	Status / Expected Operations Start	Programs / Notes
Istituto Europeo di Design (IED)	Italy	Navi Mumbai	LOI; expected by ~2026–27	Offering design, fashion, visual arts, communication programs
University of Liverpool	UK	Bengaluru	LoI issued; operations from ~Aug 2026	UG/PG: Business, Finance, CS, Biomedical Sciences, Game Design
Western Sydney University	Australia	Greater Noida (UP)	LoI; classes in Aug–Sept 2026	BBA, IT; first phase infrastructure under development
Victoria University	Australia	Noida (planned)	LoI; expected by ~2026–27	Career-oriented courses in Business, IT, Hospitality
Queen's University Belfast	UK	GIFT City, Gujarat	Plans for early 2026 launch	Postgrad Business Analytics, Finance, Project Management; future AI focus
University of Surrey	UK	GIFT City, Gujarat	Expected ~2026–27	Offering Business, Finance, CS, AI, Cybersecurity
Coventry University	UK	GIFT City, Gujarat	Expected ~2026	UG in International Business, Business & Finance
Lincoln University College (Malaysia)	Malaysia	Telangana (planned)	Proposed 2025 – pending approval	Programs in Medicine, Engineering, Business, AI

Source: UGC

6. Why It Matters for India

- **Local access to global quality education**: Students can pursue world-class degrees without going abroad, saving significantly on cost and time.
- **Stem-focused offerings**: Many programs emphasize STEM, business, design, and research—areas crucial to India's development.
- **Boost to research & retention**: Enhances domestic research capacity and helps retain talent that would otherwise study overseas.
- **Global academic ecosystem**: Creates vibrant, multicultural campuses and underscores India's emergence as a global education hub.

India's bold steps starting with Southampton and expanding rapidly through LoIs and policy reform are reshaping higher education. By blending international reputation with local accessibility, the country is on track to become a premier destination for global learning. This study employs a panel-regression design using a balanced panel of Indian states and union territories over the period 2014–2024. The dependent variable is the Gross Enrolment Ratio (GER) in higher education, while explanatory variables include public expenditure on higher education, faculty–student ratio, literacy rate, per capita income, and urbanization level. Control variables account for demographic and institutional differences across states. Data are drawn from All India Survey on Higher Education (AISHE), University Grants Commission (UGC) reports, Ministry of Education statistics, Reserve Bank of India (RBI) state finances, and Census/NSO datasets. Fixed-effects and random-effects specifications were estimated, with the Hausman test guiding model choice.

Regulatory Jurisdictions and Their Implications for Foreign Universities in India

The regulatory architecture governing the entry and operation of foreign higher education institutions (FHEIs) in India is characterized by institutional fragmentation and overlapping jurisdictions**.** While recent policy initiatives—particularly the University Grants Commission (UGC) Regulations on Foreign Higher Educational Institutions, 2023—signal a liberalizing intent, the coexistence of multiple regulatory authorities such as the UGC, International Financial Services Centres Authority (IFSCA), state governments, and professional councils like the All India Council for Technical Education (AICTE) creates a complex incentive structure for foreign institutions.

1. UGC as the Central Academic Regulator: Autonomy with Conditionality

The UGC functions as the primary gatekeeper for foreign universities seeking to establish campuses in India outside special jurisdictions like GIFT City. Its regulations permit eligible foreign institutions to set up independent campuses with a degree of academic autonomy, including curriculum design, faculty recruitment, and fee determination. However, this autonomy is conditional rather than absolute**.**

Foreign institutions must:

- Maintain equivalence with home-campus standards,
- Comply with Indian norms on faculty qualifications and student admissions,
- Accept UGC oversight on quality assurance and periodic review.

This creates a compliance-based incentive: globally reputed universities may view UGC oversight as manageable and even legitimacy-enhancing, whereas mid-tier or profit-oriented institutions may see regulatory uncertainty and discretionary power as a deterrent. The lack of clear dispute-resolution mechanisms further increases perceived regulatory risk.

2. IFSCA and GIFT City: Regulatory Exceptionalism as an Incentive

In contrast, the IFSCA regime governing foreign universities in GIFT City represents a model of regulatory exceptionalism**.** Institutions operating within this special economic and financial zone benefit from:

- Single-window clearance,
- Exemptions from UGC and AICTE regulations,
- Greater flexibility in foreign exchange management, faculty hiring, and fee structures.

This parallel regime creates asymmetric incentives**.** High-end, finance- and technology-focused universities may prefer GIFT City due to regulatory predictability and operational ease. However, the spatial restriction limits the broader diffusion of foreign universities across Indian states, reinforcing a geographically uneven internationalization model**.**

3. State Governments: Land, Infrastructure, and Political Mediation

Despite higher education being a Concurrent Subject under the Indian Constitution**,** state governments play a decisive role in enabling or constraining foreign universities through control over:

- Land allocation,

- Local infrastructure and utilities,
- State-level approvals and political support.

Progressive states may actively court foreign universities through policy incentives and facilitation, while others may adopt cautious or protectionist approaches to safeguard domestic public universities. This results in inter-state variation**,** where the same foreign institution faces divergent regulatory experiences depending on the host state. For foreign universities, this creates incentives to engage in political negotiation and sub-national diplomacy, increasing transaction costs and uncertainty.

4. AICTE and Professional Councils: Sector-Specific Constraints

Although UGC regulations seek to streamline oversight, AICTE and other professional councils continue to exert influence over technical and professional programs such as engineering, management, and architecture. Ambiguities persist regarding whether foreign universities offering such programs are fully exempt from AICTE norms.

This regulatory overlap creates:

- Compliance ambiguity for program approvals,
- Constraints on interdisciplinary and innovative program design,
- Delays in operationalization due to multiple reporting requirements.

For foreign institutions known for flexible and market-responsive curricula, such sectoral controls reduce India's attractiveness as a destination compared to more unified regulatory regimes in countries like Singapore or the UAE.

5. Political Economy of Overlap: Incentives, Risks, and Strategic Behavior

From a political economy perspective, overlapping jurisdictions reflect bureaucratic turf protection and gradual liberalization, rather than a coherent internationalization strategy. For foreign universities, this produces a mixed incentive structure:

- **Positive incentives**: access to a large student market, policy signaling openness, regulatory exemptions in special zones.
- **Negative constraints**: regulatory ambiguity, multi-level approvals, and exposure to shifting political priorities.

As a result, foreign universities adopt selective engagement strategies—favoring limited-scale campuses, niche programs, or special jurisdictions—rather than comprehensive, long-term

investments. This explains why India has so far attracted a cautious and uneven pattern of foreign university entry, despite strong policy rhetoric.

6. Implications for India's Internationalization Agenda

The coexistence of UGC, IFSCA, state governments, and professional councils has transformed India's higher education regulatory landscape into a layered governance system rather than a unified one. While this allows policy experimentation, it also risks reinforcing regulatory fragmentation. Without clearer delineation of authority and stronger coordination mechanisms, overlapping jurisdictions may continue to function as both gateways and bottlenecks**,** shaping not only who enters India's higher education sector, but also the depth and quality of their engagement.

Table: most common pathway choices[1]

Step	Regulator / Authority	Applies to	What they check/require	Outcome / document
1. Eligibility check (rank/quality threshold)	UGC — FHEI Regulations (2023)	Foreign HEIs wanting mainland campuses	University ranking / reputation (e.g. top global list threshold), demonstration that programmes are "at-par" with home campus, governance & academic standards.	UGC acceptance of eligibility; start formal application.
2a. Central Ministry / UGC approvals (mainland route)	UGC / Ministry of Education / other Central bodies	Mainland (state territory) campuses	Academic approvals, recognition, compliance with NEP principles, proof of finances, land/affiliations; may require state nods.	UGC grant / Letter of Intent (LoI) → final approval to set up campus.
2b. IFSCA / GIFT-IFSC	IFSCA (IFSCA regs +	Campuses inside GIFT	Compliance with IFSCA framework for International	IFSCA registration /

[1] https://lexcounsel.in/newsletters/foreign-campuses-in-india-ugc-notifies-regulations-allowing-foreign-higher-educational-institutions-to-set-up-campuses-in-india/

Step	Regulator / Authority	Applies to	What they check/require	Outcome / document
route (special economic / IFSC zone)	GIFT City SEZ authority)	IFSC (financial services zone)	Branch Campuses (IBC) / Offshore Education Centres (OEC): governance, identical programs as home campus, commercial/ tax/infra arrangements. Faster, autonomous regulatory regime for certain subject areas (esp. finance/tech).	approval to operate in GIFT-IFSC.
3. State / Local approvals (if mainland)	State government / state higher-ed councils / local planning authorities	Mainland campuses (not required for IFSC)	Land use, building permits, state education clearances, local incentives. State may host "EduCities" and offer facilitation (e.g., Maharashtra, Gujarat).	State permits; local clearances.
4. Operational (faculty, curriculum, fees)	UGC / IFSCA / Institutional QA	Both routes	Assurance of "parity" with home campus; freedom to set fees (UGC rules allow autonomy once approved); QA processes, student protections.	Operational license; programme registration; marketing allowed.
5. Ongoing compliance & recognition	UGC (mainland) or IFSCA (IFSC) + periodic reporting	Both	Periodic audits, quality assurance, recognition of degrees, consumer protection / student grievance channels.	

Two clear routes now exist in India: the UGC FHEI (mainland) route with stricter academic eligibility and parity requirements, and the IFSCA / GIFT-IFSC route that functions like a free-zone option offering regulatory and commercial autonomy for campuses inside GIFT City.

States matter for mainland campuses: after UGC clearance, state/local planning and education authorities control land, building and some facilitation — this makes mainland projects multi-jurisdictional.

UAE is a useful comparator: UAE succeeded by offering free-zone/ emirate-level licensing and market-driven approvals (many branch campuses), while India is attempting a hybrid: controlled mainland entry plus an IFSC free-zone alternative to attract top global universities.

Practical implication for an HEI: GIFT-IFSC/IFSCA is attractive for finance/tech programs; if you want full integration into India's higher-ed system (degree recognition across India) and to reach broader student markets, pursue UGC FHEI + state approvals (slower, more conditions

Challenges for Foreign University Campuses in India

1. Affordability & Access

- **High tuition fees** at foreign branch campuses risk limiting access to only affluent students, contrary to NEP 2020's inclusivity goals.
- **Lack of reservation obligations** and insufficient scholarships may further exclude socio-economically disadvantaged groups, reinforcing inequality.

2. Regulatory Complexity

- India's fragmented regulatory framework, involving UGC, AICTE, and other bodies, challenges foreign campuses offering multidisciplinary programs.
- State-level differences, lands, approvals, taxes, and bureaucratic inertia add layers of difficulty.
- Despite the FHEI Regulations (2023) offering a legal foundation, navigating evolving and overlapping rules remains tough.

3. Financial Sustainability & Commercialization

- There's a tension between maintaining academic quality and achieving commercially viable operations, especially without preferential treatment.
- Foreign campuses may pivot toward profit-driven models, compromising the educational mission and raising equity concerns.

4. Brand vs Substance

- Many early branch campuses are specialized or small, rather than full-scale research universities. This can dilute reputation and raise concerns about academic depth.

- Overreliance on branding without delivering high academic standards risks skeptical student response.

5. Cultural and Academic Disconnection

- Imported teaching methods may clash with Indian classroom norms, pedagogies, and evaluation styles. Adapting while preserving quality is delicate.
- Without integration into local curriculum, faculty, and collaboration, campuses risk isolation from India's broader educational ecosystem.

6. Faculty Recruitment & Immigration

- Hiring foreign faculty involves complex visa processes and regulatory compliance, including UGC's minimum-stay requirements.
- Recruitment of Indian academics can be sensitive due to compensation inequalities or infrastructure constraints.

7. Operational Infrastructure & Perception

- Many campuses begin operations in rented urban buildings, lacking the aesthetic and facilities of typical universities distracting from institutional credibility.

8. Limited Initial Impact

- The anticipated scale of branch campuses is modest; their effect on Gross Enrolment Ratio and the overall education landscape will be gradual.
- Excessive hype or poorly prepared roll-outs risk launching distrust in internationalisation efforts.

9. Sovereignty & National Identity

- Academics caution against foreign institutions overshadowing local educational autonomy or undercutting indigenous curriculum and values.
- Foreign campuses, if seen as instruments of soft power, could raise concerns about academic independence.

Practical Examples & Context

- University of Southampton is investing up to £30 million to open a full-fledged campus in Gurugram by 2025, targeting 5,500 students annually with degrees in computing, business, engineering, economics, and law, at about two-thirds the cost of UK fees.

- Similarly, institutions like Deakin University and University of Wollongong have begun operations in GIFT City, while others are pursuing campuses in Mumbai and Delhi—highlighting both opportunity and urgency.
- Indian higher education faces foundational challenges—such as limited international faculty, infrastructure shortfalls, insufficient international collaborations, and poor industry engagement—which could affect the ecosystem's readiness for foreign campuses.

Table-4 Challenges at a Glance[1]

Category	Core Challenges
Affordability & Access	High fees; limited scholarships; equity concerns
Regulation & Bureaucracy	Multi-layered approvals; state variance; evolving policy complexity
Financial Viability	Need for profits versus maintaining quality; long-term sustainability
Academic Integrity	Reputation risks; specialized focus; marketing overshadowing substance
Cultural Integration	Pedagogy mismatch; insufficient local adaptation
Faculty & Immigration	Complex visa/stay rules; talent competition and retention issues
Infrastructure & Facilities	Lack of campus identity; temporary setups
Scale & Impact	Slow enrolment; risk of premature failures
National Identity & Policy	Concerns over sovereignty; soft power dynamics; local institutional displacement

Peer-reviewed studies (2022–2024

1. Paniagua, J., Villó, C., & Escrivà-Beltrán, M. (2022). *The expansion of international branch campuses* — empirical, multi-country analysis using panel data to model determinants of where and how many branch campuses locate (economic, cultural,

[1] https://unece.org/sites/default/files/2025-07/ECE-HBP-225_Housing%20Affordability_E_web.pdf

institutional drivers). Useful for understanding structural drivers and patterns (not just headline openings).

2. Wilkins, S., Hazzam, J., & Ireland, J. (2023). *International branch campuses: the influences of country of origin and campus environment on students' choices and satisfaction* — Journal of Higher Education Policy & Management**.** Examines student demand and satisfaction at IBCs, showing how origin reputation and local campus environment shape enrolment and outcomes — important when assessing "performance" beyond simple counts/announcements.
3. Yao, Y. (2024). *The motivations and challenges for academic expatriates on international branch campuses* — Frontiers in Education. Qualitative/empirical study on faculty/managerial perspectives, highlighting HR, career and governance issues that affect academic quality and sustainability of branch campuses. This helps explain operational performance and staff retention problems often missed by press reports.

Distributional Implications of Foreign University Campuses in India

The arrival of foreign universities in India marks a significant shift in the country's higher education landscape, but it also raises critical questions about who benefits from internationalisation and at what **cost**. While policy discourse emphasizes global competitiveness and talent retention, the distributional consequences of foreign campuses—across social classes, regions, and institutional hierarchies remain under examined.

Elite Access and Urban Concentration

Foreign university campuses in India are likely **to** primarily serve elite, urban students**.** High tuition fees denominated in foreign currencies or indexed to global cost structures place such institutions beyond the reach of most first-generation learners and students from rural or economically disadvantaged backgrounds. Moreover, the initial locations of foreign campuses in metropolitan regions, global cities, or special economic zones like GIFT City—reinforce urban bias in higher education provision. This spatial and socio-economic concentration risks creating a dual system: globally branded institutions catering to affluent students alongside resource-constrained public universities serving the majority. Such stratification may deepen inequalities in access to quality education, networking opportunities, and global academic exposure.

Regional Disparities and Uneven Development

The selective entry of foreign universities into already developed regions may exacerbate inter-state and intra-regional disparities. States with better infrastructure, proactive governance, and political capital are more likely to attract foreign campuses, while historically underserved regions—particularly in central and eastern India—may remain excluded. This uneven geography of internationalisation mirrors earlier patterns observed in private higher education expansion, where market-driven logic favored high-income urban clusters. Without corrective policy interventions, foreign universities could reinforce existing regional hierarchies rather than contribute to balanced national development.

Impact on Domestic Institutions: Complementarity or Crowding Out?

A key concern is whether foreign universities will complement or crowd out domestic institutions**.** Elite Indian institutions may benefit from collaboration, joint degrees, and research partnerships. However, mid-tier public universities and teaching-focused colleges risk marginalization, as talent, funding, and prestige become concentrated in a small segment of globally affiliated institutions. There is also a danger of symbolic displacement**,** where foreign degrees are perceived as inherently superior, undermining confidence in domestic universities and weakening long-term public investment in them. Internationalisation, if unregulated, may thus privilege branding over system-wide capacity building.

Mechanisms for Inclusive Internationalisation

To ensure that foreign university entry supports rather than side lines domestic higher education, intentional policy design is essential**.** Several mechanisms can mitigate inequitable outcomes:

1. **Mandatory Social Inclusion Frameworks**

   Foreign campuses could be required to allocate a proportion of seats for Indian students from disadvantaged backgrounds, supported through need-based scholarships or cross-subsidization mechanisms.

2. **Geographic Incentives for Balanced Growth**

   Differential incentives—such as land grants, tax benefits, or infrastructure support—could encourage foreign universities to establish campuses in non-metropolitan or educationally backward regions.

3. **Structured Collaboration with Public Universities**
   Regulatory frameworks can mandate academic partnerships with state and central universities, including faculty exchange, shared research infrastructure, and co-designed curricula.
4. **Capacity-Building Mandates**
   Rather than operating as isolated enclaves, foreign institutions could be required to contribute to domestic system strengthening through teacher training, digital content sharing, and research mentorship.
5. **Tuition Regulation and Transparency**
   Clear norms on fee disclosure and student support mechanisms can prevent exclusionary pricing and ensure accountability.

Reframing Internationalisation as a Public Good

Ultimately, the question is not whether foreign universities should enter India, **but** how internationalisation is governed**.** If driven solely by market logic, foreign campuses may entrench elitism and spatial inequality. However, if embedded within a broader public policy framework oriented toward equity and institutional development, internationalisation can function as a public good—enhancing quality, innovation, and global integration without undermining social justice. The success of this "new chapter" in Indian higher education will therefore depend less on the number of foreign universities that arrive, and more on whether their presence contributes to inclusive growth, regional balance, and the long-term strengthening of domestic institutions**.**

Final Thoughts

Foreign university campuses offer exciting potential to enrich India's education landscape bringing global curricula, exposure, and competition. However, their success will hinge on inclusive access, robust regulation, cultural alignment, financial sensibility, and infrastructure planning. For these campuses to become sustainable and meaningful contributors (rather than elite enclaves), collaborative efforts between policymakers, domestic institutions, communities, and foreign partners are essential aligned around shared values and long-term educational impact.

Limitations

This paper is primarily descriptive in nature, relying on secondary data and publicly available reports. It does not incorporate primary stakeholder interviews that could have provided deeper insights into policy intentions and implementation challenges. Similarly, no cost–benefit modeling or quantitative assessment of financial implications has been undertaken, which limits the ability to evaluate the economic viability of proposed reforms.

Challenges

1. Regulatory and Policy Barriers

- Despite the UGC Foreign Higher Educational Institutions (FHEI) regulations, uncertainties remain regarding operational autonomy, fee regulation, and academic freedom.
- Complex compliance processes may discourage world-class institutions from entering.

2. Quality Assurance and Accreditation

- Ensuring consistent academic standards, maintaining global benchmarks, and monitoring quality across campuses in India is a major challenge.
- Risk of low-tier or commercial institutions entering with profit motives rather than academic excellence.

3. Competition With Domestic Universities

- Private and public universities may face intense competition for students and faculty.
- Could widen inequality by benefiting only urban, affluent, English-educated students.

4. High Cost and Affordability Issues

- Tuition fees of foreign universities may remain significantly higher than Indian institutions.
- Risk of creating an elitist education environment accessible only to wealthier groups.

5. Brain Drain of Faculty and Talent

- Attracting top faculty with higher salary packages may lead to a talent shift from Indian universities to foreign branch campuses.
- Potential decline in human resources for state and central universities.

6. Cultural and Academic Adaptation

- Differences in teaching pedagogy, curriculum design, evaluation patterns, and student expectations may pose adaptation challenges.

- Balancing Indian socio-cultural context with global standards may require local customization.

7. Infrastructure and Resource Requirements

- High-quality research infrastructure requires large investment, which may be difficult in tier-2 and tier-3 regions.
- Uneven development may increase regional disparities.

8. Impact on Research Ecosystem

- Collaboration opportunities exist, but commercial institutions might prioritize revenue-generating programs over fundamental research.
- Risk of undermining public research institutions.

9. Intellectual Property and Data Security

- Research collaborations may raise concerns related to data privacy, patents, and ownership of research outcomes.

10. Equitable Access and Social Justice Concerns

- Foreign universities may focus on profitable disciplines like management, IT, and health sciences rather than humanities and social sciences.
- Could widen urban-rural educational inequality rather than bridging it.

Recommendations

Students:

- Watch Southampton and Wollongong campuses this year—they're fully functional and offer global credentials affordably.
- Prioritize based on discipline:
  - STEM & Analytics: UOW, IIT, Liverpool
  - Design & Creative Arts: IED, York
  - Business/Management: Southampton, Liverpool, Victoria, York
- Cost advantage: Expect savings of 25–35% compared to studying abroad.
- International exposure: Opportunities to study abroad for a semester/year (e.g., Southampton) can enrich learning.

Policymakers:

- Ensure equitable access: Address concentration in metro areas and expand to smaller cities over time.

- Foster collaboration: Encourage joint programs with Indian universities; uplift domestic institutions.
- Monitor quality & equity: Enforce strict standards to prevent uneven distribution and ensure affordability.

Indian Universities:

- Form alliances: Collaborate with foreign counterparts for dual degrees, research, and faculty exchange.
- Elevate offerings: Responsiveness to global trends and autonomy can help compete with top foreign institutions.
- Leverage ecosystem: Highlight regional strengths—for instance, IITs partnering with industry-relevant offerings.

The arrival of foreign universities in India marks the beginning of a global academic era. With Southampton and Wollongong already active, and a robust pipeline including institutions from the UK, Australia, USA, and Italy, students now have expanded access to international-standard education right at home. This expansion if nurtured wisely can significantly strengthen India's higher education ecosystem. Indian higher education is at a critical juncture and faces challenges of access, equity, and quality while also embracing opportunities in internationalisation, technology, and policy reforms which require coordinated efforts by government, institutions, and stakeholders. Indian higher education is at a critical juncture. It must expand access, ensure equity, and improve quality. At the same time, it is opening opportunities in internationalisation, technology, and policy reform. These require coordinated action from government, institutions, and stakeholders.

Symbolic Versus Systemic Impact: Clarifying the Stakes of Foreign University Entry

The entry of foreign universities into India carries significance that extends beyond enrolment numbers or campus announcements. To assess whether this development represents a substantive transformation or merely a rhetorical milestone, it is essential to distinguish between symbolic impact and systemic impact**.** This distinction helps clarify what internationalisation actually delivers—and what it risks obscuring.

Symbolic Impact: Signalling Openness and Prestige

At the symbolic level, foreign university entry functions as a signal of policy openness. For the Indian state, it communicates a break from historical protectionism in higher education and aligns with broader narratives of global integration, competitiveness, and knowledge-economy leadership. Announcements of foreign campuses serve diplomatic and reputational purposes, positioning India as an emerging global education hub. For foreign universities, participation signals prestige and strategic positioning rather than deep system engagement. Limited-scale campuses, niche postgraduate programs, or presence in special zones allow institutions to maintain brand visibility in a large market while minimizing regulatory and financial risk. In this sense, foreign entry often operates as reputational capital rather than as a commitment to long-term institutional embedding. Symbolic impact is not insignificant. It shapes investor confidence, student aspirations, and global perceptions of India's higher education reforms. However, symbolism alone does not translate into structural change.

Systemic Impact: Transforming Capacity and Quality

Systemic impact refers to measurable, durable changes within India's higher education ecosystem. This includes:

- Strengthening research output and doctoral training,
- Enhancing faculty development through exposure, mentoring, and joint appointments,
- Upgrading curricula, pedagogy, and assessment practices,
- Raising governance and quality assurance standards across domestic institutions.

Systemic transformation requires deep integration, not institutional enclaves. Foreign universities must engage with Indian universities as partners rather than parallel providers. Without structured collaboration, knowledge transfer remains limited and benefits are confined to a narrow segment of students and institutions.

Crucially, systemic impact depends on policy design and regulatory intent. If regulations prioritize ease of entry without mandating academic spill overs, foreign campuses may remain isolated nodes with little influence on the broader system.

The Risk of Substitution without Transformation

A key danger is that symbolic success may be mistaken for systemic progress. High-profile foreign campuses can create an illusion of reform while diverting attention from chronic

challenges faced by public universities—faculty shortages, uneven research funding, and governance constraints.

In such scenarios, foreign universities function as substitutes for reform**,** offering elite alternatives rather than catalysts for system-wide improvement. This risks entrenching stratification rather than raising overall standards.

Aligning Symbolism with Substance

For foreign university entry to move beyond symbolism, policy frameworks must explicitly link internationalisation to domestic capacity building. This could include:

- Mandatory research collaboration and co-supervision of doctoral students,
- Faculty exchange and joint appointment schemes,
- Shared research infrastructure and funding access,
- Benchmarking domestic quality assurance mechanisms against international practices.

Only when foreign universities contribute to these systemic dimensions can India's internationalisation agenda be evaluated as transformative rather than per formative.

The true test of this new chapter in Indian higher education lies not in the number of foreign universities that arrive, but in what their presence achieves. Symbolic openness may enhance global perception, but systemic impact determines long-term national benefit. Bridging the gap between the two requires deliberate governance, institutional coordination, and a clear vision of internationalisation as a means to strengthen rather than bypass India's higher education system**.**

Conclusion

India's higher education system stands at a critical juncture, with the National Education Policy 2020 and the entry of leading foreign universities marking a decisive push toward internationalisation. While the historical trajectory of enrolment growth and regulatory reforms reveals both progress and persistent gaps, the establishment of global branch campuses presents a new opportunity to expand access, diversify academic choices, and enhance India's research ecosystem. At the same time, concerns over affordability, regulatory clarity, and cultural compatibility remain central challenges that must be addressed to ensure long-term success. For students, this shift offers pathways to global-quality education at home; for policymakers, it demands careful balancing of openness with equity; and for domestic institutions, it is a call

to innovate and collaborate. Ultimately, the internationalisation of Indian higher education has the potential to not only curb outbound migration but also to position India as a knowledge hub in the global academic landscape if inclusivity and quality remain at the core of implementation.

The paper surveys India's evolving higher-education landscape, focusing on the National Education Policy 2020 and the forthcoming branch campuses of leading foreign universities. It combines historical context, enrolment trends, regulatory milestones, and a descriptive list of planned campuses to argue that internationalisation can expand access, boost research, and curb outbound student migration. The author also outlines challenges affordability, regulation, and cultural fit and offers brief recommendations for students, policymakers, and domestic institutions.

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