



Union Budget-2023 : A Roadmap for Re-shaping whole Education Sector in India

Dr. Rakesh Kumar Tiwari

Assistant Professor, Department of Economics, Mahatma Gandhi KashiVidyapith, Varanasi,U.P., India

ABSTRACT

The Union Budget can set new benchmarks in the field of education. The proposal to set up Centres of Excellence in Artificial Intelligence in educational institutions primarily focuses on “quality of education for all” with special emphasis on teacher training and upskilling students with Industry 4.0 skills is progressive and encouraging. However, while initiatives such as a National Digital Library and support for Eklavya Model Residential Schools are steps in the right direction to address the massive learning loss from the pandemic, well-designed PPPs are the need of the hour to create innovation at scale for millions of school going students in India. This will make high-quality learning more accessible and affordable, especially for students in small towns who lack resources, and will result in a long-lasting impact at scale. GST rebates on printing of books, assessment material and educational hardware can further enable affordability and access to high-quality, multimodal education in schools. The plan to establish Skill India international centres across states for our youth to tap international opportunities is another novel move. Continued spending on skills through PradhanMantriKaushalVikasYojna 4.0 is also a welcome move to continue the good work on skill programs over the next few years. It has increased allocation for school education by 8%. Overall, India can become a torchbearer of new standards in global education. If we can provide innovative ways to enable better access to educational funds, that add impetus to our growing reputation as a highly-skilled workforce.

Keywords : Budget, Union Budget-2023, Roadmap, Education Sector in India, Pradhan Mantri Kaushal VikasYojna 4.0 , Centres of Excellence,Global knowledge superpower etc.

Introduction : Education is an essential component of a nation’s development and is crucial for creating an informed and skilled workforce. Hence, the education sector’s involvement in defining the national budget is crucial as it helps allocate resources to improve the quality of education and



ensure access to education for all. The government has consistently increased its investment in the education sector over the years. According to the Ministry of Education, the government's allocation for education in the Union Budget of 2021-22 was INR 93,224 crores, which is a significant increase from previous years. The government has also launched various initiatives to improve the quality of education, such as the SarvaShiksha Abhiyan, the Right to Education Act, and the National Skill Development Corporation. Historically, India's investment in education has increased from 2.7% of the Gross Domestic Product (GDP) in 1950-51 to 4.43% of the GDP in 2020-21. However, it is still below the global average of 4.9% and falls short of the government's goal of 6% of the GDP for education. Nevertheless, the government's continued efforts and increased allocation for education in the national budget show a commitment to improving education in the country.

Budget 2023 has been primarily positive for the education sector. With its highest ever allocation towards the sector, the Government has made its intentions clear that the education sector is certainly a priority. In such a scenario, the share prices of companies related to the education sector have been increasing for a while in anticipation. The Union Budget 2023 promises to bring positive and revolutionary changes to the higher education. It has provided for important infrastructure upgrades and technological advancements in education. This could improve the quality of teaching and learning and open up new opportunities for students and entrepreneurs. Union Minister for Education and Skill Development and Entrepreneurship Shri Dharmendra Pradhan said that by "giving a boost to education, skill development, entrepreneurship, R&D, digital infrastructure, green growth and job creation, the Budget draws a meticulous blueprint for India at 100 and lays a solid foundation for transforming India into a technology-driven knowledge-based economy."

The Union Budget 2023 Expectations :

There were lots of expectations from this budget, especially lower taxes, job creation, boosting manufacturing, a rise in expenditure on research and education, and also increasing tax revenue receipts for the government. The main concern in the education sector is to enhance the budget share to at least 6% of the total GDP, which is also acknowledged in the NEP 2020, but unfortunately it stands at around 3% of the total GDP. There were many focus areas where the education industry expected some rebate in terms of subsidising edu-tech companies and



educational products, with a greater emphasis on the development of digital infrastructure, building on online educational tools and software, and long-term policies to improve skills and leadership. Other expectations included increased funding for teacher training and development, research and innovation, scholarships and schemes, and internationalisation of Indian universities and institutes.

The Union Budget 2023 Reality :

The budget met some of the expectations, mostly focusing on two verticals: first, the Department of School Education and Literacy, and second, the Department of Higher Education. The 2023-24 budget outlines INR 44,094.62 crore for the Higher Education Department and INR 68,804.85 crore for the Department of School Education and Literacy. Here's look at the statistics of budget 2023 and key mainstream areas of the education budget.

Department of School Education and Literacy:

In the Union Budget 2023 the allocation for school education has increased by 8 percent from Rs 63,449 crore (Budget Estimate) in 2022-23 to Rs 68,804 crore in 2023-24. For SamagraShikshaAbhiyaanRs 37453.46 crore has been allocated. The percentage of share allocated to-

- 36% for SamagraShiksha (Rs 37,383 crore).
- 19% for autonomous bodies like KendriyaVidyalayaSangathan, NavodayaVidyalayaSamiti, National Council of Educational Research and Training (NCERT), Central Tibetan School Administration, and National BalBhawan.
- PM Poshan (Midday Meal Scheme): Rs 11,600 crores (up 13.36% from last year).
- Budget allocation for financial year 2023-24 for the World Bank aided Scheme of STARS has increased by Rs. 250.00 crore (45.45 per cent) from Rs. 550.00 crore in budget estimate 2022-23 to Rs. 800.00 crore in budget estimate 2023-24.
- One class, one TV channel' program of PM eVIDYA will be expanded from 12 to 200 TV channels. This will enable all states to provide supplementary education in regional languages for classes 1 to 12



-
- A National Digital Library will be established for children and young adults, making quality books accessible regardless of geography, language, genre, level, or device.
 - To foster a reading culture and to compensate for learning loss during the pandemic, the National Book Trust, Children’s Book Trust, and other entities will be encouraged to supply regional language and English books along with other materials to physical libraries.
 - **Special Emphasis on Early Childhood Education:** Focus on early childhood education and providing support for the development of age-appropriate digital learning resources is a must. Early childhood education can have a significant impact on a child’s cognitive, emotional, and social development, which can set the foundation for their future success in school and in life. Additionally, investing in early childhood education can also have a positive impact on the economy, as it can lead to increased productivity and reduced poverty. Furthermore, it would be beneficial to see initiatives aimed at training teachers and caregivers in the effective use of ed-tech tools, so that they can effectively support children’s learning in the digital age.

What’s there for Department of Higher Education?

In the allocation higher education has received Rs 44,094 crore in Union Budget 2023-24, an increase of 7.9 percent from Rs 40,828 crore in 2022-23. The further bifurcations of the budget focusing on-

- Digital India e-learning has been allocated Rs 420 crore,
- Research and innovation have been allocated Rs 210 crore which has increased 51 per cent over last year. The Scheme for Promotion of Academic and Research Collaboration (SPARC) which has been one of the funding sources for the Indian government to fund the UK-India Education Research Initiative programme gets a seven time increase from 10 crores to 74 crores.
- Central Universities: Rs 11,528.90 crores (up 4.48% from last year).
- Research & Innovation: Rs 210.61 crores (down 3.68% from last year)
- University Grants Commission has been allocated Ra 5360 crore,
- Indian Institute of Technology has been allocated Rs 9661 crore while Indian Institute of Management has been allocated Rs 300 crore.



-
- An additional INR 4235.74 crore (an additional increase of 12.8% of last year's allocation) for the best institutions and universities, under the central government, to 'implement the NEP 2020 in true spirit'.
 - An increase in grants to Chandigarh University, Deemed University, the Indian Institutes of Technology and the National Institutes of Technology compared to budget estimates for 2022-23.
 - To achieve the goals of “Make AI in India” and “Make AI Work for India”, three centres of excellence for artificial intelligence will be established in top educational institutions.
 - Centres of Entrepreneurship to implement the NEP 2020 vision of multidisciplinary research in agriculture, health and sustainable cities.
 - World-class universities will be allowed to offer courses in financial services and technology free of Indian regulations
 - AICTE will take lead in improving urban planning courses
 - 5 academic institutions on urban planning to be made centers of excellence. The institutions will get an endowment of Rs 250 crore each.
 - A digital university will be established to provide access to students across the country for world-class quality universal education with a personalized learning experience at their doorstep. This will be made available in different Indian languages and ICT formats. The university will be built on a network hub and spoke model.
 - High-quality e-content in all spoken languages will be developed for delivery via the internet, mobile phones, TV, and through radio and digital teachers. The competitive mechanism for the development of quality e-content by the teachers will be set up to empower and equip them with digital tools of teaching and facilitate better learning outcomes
 - Agricultural universities will revise syllabi to meet the needs of modern-day farming
 - Skilling programs will be reoriented, and ITIs will start courses on skilling. The Digital DESH e-portal will be launched for skilling, upskilling& reskilling of the youth .
 - To ensure a skilled workforce for future medical technologies and research, existing institutions will offer dedicated multidisciplinary courses for medical devices.



-
- An integrated online training programme will be set up to enhance skills for Civil Servants and government employees.
 - Selected ICMR lab facilities will be made accessible for outside research, and a programme to boost pharmaceutical research and innovation will be launched. Additionally, 157 new nursing colleges will be established alongside the 157 medical colleges established since 2014.
 - The fourth edition of PM KaushalVikasYojana 4.0 will be launched.
 - 30 Skill India International Centers will be established across various states to equip the youth for international opportunities.
 - The government will offer an R&D grant to one of the IITs to promote the production of domestically-grown laboratory diamonds and decrease imports.
 - The finance minister announced the launch of cutting-edge courses for Industry 4.0, including coding, AI, IoT, mechatronics, drones, and other crucial soft skills. Additionally, 30 Skill India International Centers will be established across the country.

Union Minister for Education and Skill Development and Entrepreneurship

ShriDharmendraPradhan said that by "giving a boost to education, skill development, entrepreneurship, R&D, digital infrastructure, green growth and job creation, the Budget draws a meticulous blueprint for India at 100 and lays a solid foundation for transforming India into a technology-driven knowledge-based economy."



Key Focus Areas of Higher Education in Union Budget-2023:Here are some Key Focus Areas of Higher Education in Union Budget-2023 :

- 100 Labs To Be Set Up in Engineering Colleges To Develop Apps Using 5G: 100 labs will be established in engineering institutions with partnerships between various organisations such as regulators, banks, and businesses to develop 5G-based applications. These labs will focus on innovative areas such as smart classrooms, precision agriculture, intelligent transportation systems, and healthcare, with the aim to maximise the potential for new business models and job opportunities.
- National Digital Library To Be Set Up :With the sudden shift to digital learning, FM Nirmala Sitharaman has announced to set up a national digital library for children and adolescents. This will help in improving the accessibility of quality books across various locations, languages and devices. Also, physical libraries will also be urged to be set up in the states at the Panchayat level so that children have the infrastructure to access the National Digital Library resources.
- Multidisciplinary Courses For Medical Devices and Research :Finance Minister also announced multidisciplinary courses for medical devices will be supported in existing institutions to ensure the availability of skilled manpower for futuristic medical technologies, high-end manufacturing and research. Facilities in selected ICMR Labs will be made available for research by public and private medical college faculty and private sector R&D teams for encouraging collaborative research and innovation. Total 157 new nursing colleges will be established along with 157 medical colleges in India.
- Recruitment of Teachers for Tribal Schools :To boost education for tribal students, the government will recruit 38,800 teachers within the next three years to the 748 modern residential schools, serving 3.5 lakh tribal students. The budget for Eklavya Model Residential Schools (EMRS) has seen a significant increase of INR 581.96 crore, rising from INR 1418.04 crore in 2021-22 to INR 2,000 crores in the 2022-23 financial year. This initiative will provide support to residential schools aimed at educating tribal students.

Devyani Jaipuria, Chairperson of Dharav High School, Pro- Vice Chairperson- DPS International Gurugram, & DPS Jaipur, shared - *"Reimagining teacher education and plans to develop the district education institution as a vibrant center for teacher training will re-envision innovative*



pedagogy, curriculum transaction, continuous professional development dipstick survey, and iCT implementation."

- **Make AI in India and Make AI Work for India:** The Finance Minister announced plans to boost Artificial Intelligence in India as well as to establish three Centres of Excellence in some of the country's top educational institutes. This would help in realising the vision of 'Make AI in India and Make AI Work for India'. Over here, interdisciplinary research will be conducted by leading industry partners, and cutting-edge AI applications would be developed to ensure scalable solutions in the areas of agriculture, health, and sustainable cities.
- **PM KausalVikasYojana 4.0 For Skill Development :** Under the Mission Karma Yogi initiative, the centre, states, and Union Territories are executing capacity-building programmes for Civil Servants. Additionally, an integrated online training platform has been launched to provide continuous learning opportunities and upgrade the skills of numerous government employees, promoting a people-centric approach. Indian youth will get access to courses that can skill them in coding, robotics, drones, mechatronics, IoT, 3D printing, and essential soft skills so that they are ready for the global job industry.

DevyaniJaipuria, Chairperson of Dharav High School, Pro- Vice Chairperson- DPS International Gurugram, & DPS Jaipur, stated - "To start with, the clear commitment to setting up 30 India International Skill centers across states under PradhanMantriKaushalVikasYojana 4.0 will not only train and build skills among children but also help in channelising the efforts to make India the source of skilled manpower for the world. "

The finance minister proposed the launch of a unified Skill India digital platform that will facilitate formal skilling as per demands, provide access to entrepreneurship schemes, and also link job-seekers with employers including MSMEs. DevyaniJaipuria further stated - *"Additionally, the focus on traditional artisans and micro-entrepreneurs and linking them to the MSME chain and providing them a forward linkage to their products and craft will further have a positive impact on both the skill and entrepreneurship development in the rural areas."*

- **Multidisciplinary Courses for Young Professionals:** The government is planning to start a new scheme Multidisciplinary Education and Research Improvement in Technical Education (MERITE) with the borrowing of World Bank under IDA replacing earlier



project of the World Bank called the Technical Education Quality Improvement Programme which ran for nearly 19 years. It will be implemented across India in about 350 government aided engineering institutions and affiliated technical universities.

- **Teacher’s Training and Development:** The National Mission on Education through Information and Communication Technology (ICT) allocation of 400 crore is five times more than the previous year. The increase spending is for prominent teachers’ training and development, revising the curriculum, and developing ICT and research labs. The training of teachers will be revamped through innovative pedagogy, curriculum delivery, ongoing professional development assessments, and the implementation of information and communication technology. The District Institute of Education and Training (DIET) will be transformed into a dynamic institute of excellence for this purpose.
- **Artificial Intelligence Centre:** The Centre will establish three Advanced Centre of Excellence for Artificial Intelligence in top educational institutes to vouch for the vision of “Make in India” and “Make AI work for India.”

Impact of the Budget on the Education Sector :

The 2023 Union Budget heavily focuses on teacher training, capacity-building programmes, and promoting a culture of reading. The lack of quality teachers has been a long-standing issue in the Indian education system. And so, the current focus on hiring many teachers and developing a sustainable training programme via innovative methods, curriculum transformation, professional development, and ICT implementation will significantly enhance the quality of education in Indian schools.

Empowering young people through nationwide apprenticeship programmes like the PM KaushalVikasYojana4.0, will offer promising career prospects. The budget also announces 30 new Skill India International Centers to offer cutting-edge programmes in coding, AI, IOT, mechatronics, and drones and enhance soft skills. This is a phenomenal initiative for the growth and advancement of vocational education in the education sector.

A major achievement of this budget is the creation of a National Digital Library for children and young people, offering high-quality resources in multiple languages. This will boost the government’s efforts to promote digital learning in rural and remote areas and contribute to India’s goal of becoming a tech powerhouse in the coming years.



Conclusion : The Indian government has promoted the 2023 national education budget as the country's highest ever with an 8% increase in educational allocation, this year's budget focuses on upskilling the youth and increasing digitization while addressing education disparities. The budget outlines initiatives such as establishment of a National Digital Library, hiring of teachers for tribal schools, training programmes for Civil Servants and government employees, and the development of 5G-based applications in engineering institutions. Additionally, the National Education Policy 2020 has emphasised the use of technology in multiple ways to enhance the teaching-learning experience and make quality education accessible to the masses. NEP has made a significant mark in the budget session. The Finance Minister stated that the education budget needs to be at least 6% of the total GDP. Many developing nations even invest as much as 15% of their total GDP in education. Giving preference to Eklavya Model in her speech, the hon'ble Finance Minister said that the centre would recruit 38,800 teachers and support staff for the 740 Eklavya Model Residential Schools, which are serving 3.5 lakh tribal students. Despite the budget allocation remaining at 2.9% of GDP, the highest-ever allocation for the education sector of INR 1.12 lakh crore demonstrates the government's commitment to improving the education system in India.

Reference :

- Aithal, P. S.; Aithal, Shubhrajyotsna (2019). "Analysis of Higher Education in Indian National Education Policy Proposal 2019 and Its Implementation Challenges". International Journal of Applied Engineering and Management Letters. 3 (2): 1–35. SSRN 3417517
- Annual Report 2020-21. Department of School Education & Literacy and Department of Higher Education, Ministry of Education: Govt. of India. Retrieved on February 1, 2023 from https://dsel.education.gov.in/sites/default/files/annual_reports/AR_2020_21.pdf
- Annual Report 2021-22. Department of Expenditure, Ministry of Finance: Govt. of India. Retrieved on February 1, 2023 from <https://dea.gov.in/budgetdivision/annual-reports>
- Chopra, Ritika (2 August 2020). "Explained: Reading the new National Education Policy 2020". The Indian Express.
- Climate Summit for Enhanced Action: A Financial Perspective from India (2019). Department of Economic Affairs, Ministry of Finance: Govt. of India. Retrieved on February 1, 2023 from <https://dea.gov.in/discussion-paper>



-
- Jebaraj, Priscilla (2 August 2020). "The Hindu Explains | What has the National Education Policy -2020 proposed?". The Hindu. ISSN 0971-751X
 - Krishna, Atul (29 July 2020). "NEP 2020 Highlights: School And Higher Education". NDTV.
 - Major Initiatives & Schemes. Department of Financial Services, Ministry of Finance: Govt. of India. Retrieved on February 1, 2023 from <https://financialservices.gov.in/>
 - Naidu, M. Venkaiah (8 August 2020). "The New Education Policy 2020 is set to be a landmark in India's history of education". Times of India Blog.
 - Nandini, ed. (29 July 2020). "New Education Policy 2020 Highlights: School and higher education to see major changes". Hindustan Times.
 - National Policy on Skill Development and Entrepreneurship -2015.Ministry of Skill Development and Entrepreneurship: Govt. of India. Retrieved on February 1, 2023 from <https://www.indiabudget.gov.in/>
 - Rohatgi, Anubha, ed. (7 August 2020). "Highlights | NEP will play role in reducing gap between research and education in India: PM Modi". Hindustan Times.
 - Union Budget& Economic Survey-2023. Department of Economic Affairs, Ministry of Finance: Govt. of India. Retrieved on February 1, 2023 from <https://www.indiabudget.gov.in/>
 - Union Budget 2023-24: Budget at a Glance. Ministry of Finance: Govt. of India. Retrieved on February 1, 2023 from <https://www.indiabudget.gov.in/>
 - Union Budget-2023. Ministry of Finance: Govt. of India. Retrieved on February 1, 2023 from <https://www.indiabudget.gov.in/>