

## **The education sector wants a higher allocation of funds and a reduction in taxation**

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The education sector is auspicious about Union Budget 2022. The education space has altered significantly since the outbreak of the COVID-19 pandemic in 2020. In two years, the sector witnessed escalation growth driven by education technology that discard the traditional education system in the country. The education budget for 2022 has been allotted Rs 1,04,278 crore -- a rise of Rs 11,054 crore from the previous year. The education budget allocation for 2021-22 was Rs. 93,223 crores, which was reduced by 6% as compared to the year before. The education budget-focused mainly on digital education, the creation of a digital university, job creation, agricultural universities, skill development of programmers, etc. With the prolonged effect of the pandemic necessitating renewed periods of e-learning, there is a pressing need to focus on nationwide accessibility. The government has been emphasizing the setting up of the National Digital Educational Architecture (NDEAR) and is focusing on the development of the country's digital infrastructure for the implementation of the National Education Policy 2020. Nirmala Sitharaman Said in her budget speech held on February 1st That "Due to the pandemic-induced closure of schools, our children, particularly in the rural areas, and those from scheduled castes and scheduled tribes, and other weaker sections, have lost almost two years of formal education," And the need to impart supplementary teaching and to build a resilient mechanism for education delivery is essential and the government's efforts through the Union Budget 2022 can play a significant role in this regard.

Highlights of the Union Budget for the Education are categorized under school education and Higher education

### **School education**

One class-one TV channel program of PM e-VIDYA will be expanded from 12 to 200 TV Channels. High-quality e-content in all spoken languages will be developed for delivery via the internet, mobile phones, TV, and radio through digital teachers. The expansion of the PM e-VIDYA Programme will help to ensure all children especially those from marginalized sections such as SC/ST and rural areas also have educational content to supplement and bridge the learning gaps induced by the pandemic and too in their regional languages. A big issue that many experts have highlighted is the learning gap accentuated by the pandemic. To address this, specific measures include long-term ones such as enhancing digital infrastructure, etc.

### **Higher education**

The government is going to establish a digital university "to provide access to students across the country to world-class quality universal education, with the personalized learning experience, Agricultural Universities will revise syllabi to meet the needs of modern-day farming. Allocation for world-class institutions increased to INR 1700 crore for the year 22-23. The establishment of digital varsity, centres of excellence for urban planning and upgrade of syllabi of agriculture universities are all steps in the right direction. However, a big missing piece is the lack of an announcement on financing research.

### **Taxation in education sector**

There is no deduction available for health & education cess forming part of tax liability and application of income is allowed only on actual payment, not on an accrual basis irrespective of the accounting method followed. Rationalization of compliances for educational institutions including accumulation, payments to specified persons, return filing, and taxes on accreted income. Educational institutions including schools, colleges and universities operating with various service level arrangements with related parties will be under heavier scrutiny due to the introduction of specific penalties on such related party transactions where the undue benefit is derived.

## **Skill development**

Skilling programs and partnerships with the industry will be reoriented to promote continuous skilling avenues, sustainability and employability. Digital Ecosystem for Skilling and Livelihood -the DESH-Stack e-portal will be launched. DESH stands for Digital Ecosystem for Skilling and Livelihood. This portal will be launched for empowering citizens to skill, upskill or re-skill through online training. Start-up will be promoted to facilitate Drone Shakti through varied applications and for Drone As-A-Service. As part of the Union Budget, Finance Minister Nirmala Sitharaman had said that the government would encourage start-ups to facilitate drone-as-a-service. Drone-as-a-service enables enterprises to avail of various services from drone companies. This removes the need for them to invest their own money in drone hardware and software, pilots, and pilot training programmes. (DrAAS)National Apprenticeship Promotion Scheme (NAPS) has been allocated a sum of INR 170 crore in 2022-23.

Overall, there are some laudable initiatives especially the big push for digitalisation across the school, skill development and higher education, and an increased budget allocation across various initiatives. However, what is missing is the implementation plan for the NEP, adequate funding across the sectors to counter the impact of the pandemic, and thrust on research measures to bridge the learning gaps due to pandemics which are crucial for the development of the sector.

## **Building education infrastructure**

The education budget for children seems to have missed an opportunity to reverse the negative impact of the pandemic on children. While the budget proposal assures scaling up the 'One Class, One Channel' initiative under the Pradhan Mantri e-VIDYA initiative, it is not clear whether there will be enough resource provisions to match the promise.

To realize the vision of PM e-VIDYA, the government should have ensured that every child has access to a television set or other electronic/digital device in the household. While the Bharat Net Scheme to bridge the digital infrastructure divide, especially in rural areas, is expected to get completed by 2025, children mustn't lose out on learning in the interim years.

NEP 2020 has proposed the integration of an online/hybrid model in higher education. Online and hybrid learning models have been widespread during and will continue to be so post-pandemic. However, slow network connections affect its effectiveness. Additionally, data charges are becoming costlier. The government must look at ways and means of providing access to a high-speed internet connection to everyone at a reasonable rate.

Last year's Budget allocation was Rs. 93,223 crores, a decline of 6 percent over the previous year's budget. With the pandemic situation improving, the hope is that the government increases its spending on the education sector. The last two years have severely impacted both institutions and students when teaching and learning went online and many of them lacked access to technology infrastructure, connectivity, and computers.

The blended form of education has become an integral part of pedagogy at higher education institutes and will continue to coexist with the traditional classroom in the future. The government can provide a kind of 'Technology Infrastructure Advancement' fund allocation to higher education institutions that will enable institutes to invest in the latest technology tools, software, and high-speed connectivity that will enable them to deliver a seamless high-quality learning experience to their students. In addition, they can support students with laptops at affordable costs.

The government can design a scheme for moderate and accessible student loans which will allow parents and students to fulfill their higher education aspirations. The most important aspect of this scheme would be the ease of accessibility, disbursement, and repayment terms which will support students from the lesser privileged strata and the remotest parts of the country to benefit from this scheme. This step will encourage parents who have been hit hard by the economic slowdown to support the educational choices of their children. The institutions will benefit by getting a talented and diverse student body into their classrooms.

The government can create a fund and mechanism to award research grants to higher education institutions to advance their research agenda. The NEP 2020 has a clear mandate for creating a culture of research at higher educational institutes in the country. Under the aegis of the National Research Foundation, the Government can work out a mechanism for the allocation of research grants to higher education institutions based on a rigorous, action-oriented, competitive process and requirements. This has the potential to become a game-

changer and an accelerator of sorts for knowledge creation in India. More investment in India's education sector is critical to remain competitive globally.

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