

Budget 2021 Expectations: Modi govt must look into these 5 suggestions from Education sector in Union Budget

Union Budget 2021 Expectations for Education: With just a fortnight to go for the Budget 2021, experts following the education sector have an array of expectations from Finance Minister Nirmala Sitharaman. Union Budget 2021-22 Expectations for Education: Covid pandemic has a detrimental impact on education even as there has been a paradigm shift in the mode of learning as well as the teaching method. Along with Coronavirus, the unveiling of National Education Policy 2020 by the [Narendra Modi](#) government has brought back discussions over the reforms in the education sector. With just a fortnight to go for the Budget 2021, experts following the education sector have an array of expectations from Finance Minister Nirmala Sitharaman. Here are the top five expectations from the Education sector in India for Budget 2021.

1. Technology in Education: “The COVID induced Pandemic has shown a real need for implementing technology in education. Higher education needs it more than ever as it is related to the career and future of the students. 40 million students, teachers, and all the stakeholders in the higher education ecosystem require quality access with affordability, which can be solved by leveraging technology. Bottoms up approach would be of great benefit for the students as they come close to finishing their formal education and look to upskill themselves for becoming industry-ready,” Sumeet Verma, Co-founder CEO, KopyKitab said. “Specific to the education sector, NEP’s implementation would be closely watched by all the stakeholders. However, in Budget 2021, we would like the FM to extend some relief to the sector in terms of GST and subsidy on education loans given for both formal and skill-based learning. Govt should also look at launching ed tech-focused fund of funds that will flow into the sector and help small and mid-size ed-tech companies and startups incubated inside campuses to raise the much-needed money for a faster scale-up and better experience using tech,” Verma said. “We would like to suggest designing a framework whereby some of our most prestigious institutes can collaborate with ed-tech companies in order to provide their students with international level of exposure and learning because technology has the capability to connect Indian students with the best of the teachers anywhere in India and the world. A structured framework around this can help top universities offer such opportunities to their students,” Verma said.

2. Online Teaching: “Online Teaching and Learning is a new reality, and very many organizations have invested time, money, and resources to deliver quality education to students: the government should take cognizance of this fact and must reduce the GST on online education service from the present 18 percent to 5 percent in Budget 2021, this will make online education accessible to more and more students,” Sudhir Sharma, Member of Advisory Council, Association of Indian Schools said.

“We have witnessed a huge transformation in the education system in past one year due to the advent of pandemic. We are optimistic and looking forward to some announcements in Budget 2021 in the education sector especially with respect to the New Education Policy with more focus for the K12 segment. We are also ready to have a collaborative approach where we as an edtech platform, can come forward and associate with the private and government institutions to scale up coding education. This will increase our contribution in the industry to provide education to more and more students across the nation. We expect focus on the skilling and STEM based education in schools and colleges will become even more significant than before,” said Ankush Singla, Co-Founder at Coding Ninjas and Captain Coder.

3. National Education Policy 2020: “The education sector in India is at the cusp of a deeper transformational shift to realize and utilize young India’s capabilities. The foundation and vision set by the government, through NEP 2020 will be vital in achieving the objectives of an effective and inclusive education system. The Union Budget 2021 should give guidelines on the ‘NEP implementation plan’ and further strengthen the focus and investment in Edu-tech to enhance experiential and immersive learning and reinforce the skill development process at par with the [global education](#) standards. The year 2021 will be significant as Indian schools steps up their preparations to participate in the PISA test in 2022. India will be part of the assessment for the second time after 2009, where it ranked 72 out of 73 countries. The improvement in ranking will help boost India’s confidence amongst OECD members and help us showcase our goal to achieve an effective and inclusive education system,” Ramananda SG, Vice President, Sales and Marketing, Pearson India said. “The need of the hour is to build a transparent and progressive ecosystem, that makes learning technologically advance, create room for training and development for educators, and conceives an increased focus on assessments. Hence, the allocation of budgets to promote holistic and scalable teacher training with a clear focus on digital learning to redefine teaching pedagogy, concentrated focus on vocational training in schools, and filling the learning vacuum created by COVID-19 in 2020 through blended learning will be monumental in driving the vision of making India a global knowledge superpower,” Ramananda SG said.

4. Rural, Primary Education: “The Covid pandemic has not only affected the health of our nation but has also left millions of our students struggling to cope up with their education. The impact has been particularly severe on the rural population as they don’t have access to the internet and rely heavily on government schools. The mid-day meal program and the inoculation drive has been disrupted and as a result our students find themselves not only missing out on their education but also their health and nutritional needs. The higher education on the other hand faced disruptions due to delays in results, competitive exams and the admissions process thereof. The students who were lucky enough and had the resources could start their degrees in the month of December but a large chunk of students have had to take a gap year,” Prateek Kanwal, Co-Founder of Kautilya School of Public Policy said. “As the union and the state governments now prepare the budget for this fiscal year, they must take into account the precarious conditions of our students. The focus should remain on ensuring 100 percent enrollment at the primary school level and also developing bridge courses which can be offered at the community level. The outlay towards ensuring internet connectivity in rural areas for educational needs should increase substantially. The government must ensure that health and nutritional assessment of

every child is carried out the school level and measures must be undertaken to ensure proper coordination between the health and education department. The central and state universities must get grants for technology upgradation to ensure seamless delivery of curriculum at scale. As a nation, there is no bigger priority than educating the future of this country and budget must ensure necessary support towards this endeavor,” Prateek Kanwal said.

5. Tax exemption: “In India, Degree or diploma granting authority is given to those institutions that operates as ‘not for profit’. They enjoy “Tax exemption” status. However, to obtain tax exemption, institutes needs to spend 85 per cent of the revenue earned. Only 15 per cent can be retained to manage future cash flows or crisis. COVID experience has shown that this 15% corpus built up over time is not sufficient to tide over crisis. Many students, takes loan to pay their tuition and hostel fee. Many a time banks are very slow to disburse the loan and also reject applications on flimsy ground. Students thus are not able to pay their tuition fee in time and even find it difficult to take admission. Some are forced to leave the course halfway,” Dr. Debashis Sanyal, Director, Great Lakes Institute of Management, Gurgaon said.

“In Budget 2021, the central government must reduce the 85 per cent expenditure limit to get tax exemption to 75 per cent. The additional 10 per cent may be invested in a fund specially created by the government for educational institutions. This fund should be attractive. May be at PPF rate. This fund should be available to the Institute ‘on tap’ during crisis (crisis may be well defined) or for sudden infrastructure development for big expansion (stand-alone institute becoming University),” Sanyal said.

“In Budget 2021, institutes, especially those having good NAAC or NBA score, be allowed to retain additional 10 per cent, over and above 25 per cent stated earlier, in an earmarked fund for providing short term loan to students having difficulty in obtaining loan. The student will be required to pay EMI that will include interest. Such interest received from students should not be considered as income for surplus calculation as interest so received will be required to be reinvested to the earmarked fund. Such a provision will go a long way in funding students that cannot provide collaterals to obtain loans,” Sanyal said.

The story can be read online, [here](#).