

EDUCATION SECTOR IN INDIA – FUTURE PROSPECTS

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ABSTRACT

The education sector in India is poised to witness major growth in the years to come as India will have world's largest tertiary-age population and second largest graduate talent pipeline globally by the end of 2020. Higher education system in India has undergone rapid expansion. Currently, India's higher education system is the largest in the world enrolling over 70 million students while in less than two decades. India's IT firms are also working with academic institutions and setting up in-house institutes to groom the right talent.

The Government of India has taken several steps including opening of IIT's and IIM's in new locations as well as allocating educational grants for research scholars in most government institutions. Furthermore, with online modes of education being used by several educational organisations, the higher education sector in India is set for some major changes and developments in the years to come. Government has also taken several measures to improve the literacy rate in villages and towns of India. State Governments has been directed to ensure and improve literacy rate in districts and villages where people are very poor. There has been a good improvement in literacy rate of India in last 10 years but there is still a long way to go.

Key Words: Higher education, Government of India, changes and developments

INTRODUCTION:

As the human body needs a proper meal for nourishment in the same way education is needed for the nourishment of human mind. Education is the sole factor to the difference between animals and human. Historically, education in India only restricted to a certain caste that dominates the majority of the population. Alas, till the date things are more or less same. It is highly unfortunate that almost seven decades has come to complete after the enforcement of Indian Constitution but education has not become the national interest subject under the Constitution.

India holds an important place in the global education industry. The country has more than 1.4 million schools with over 227 million students enrolled and more than 36,000 higher education institutes. India has one of the largest higher education systems in the world. However, there is still a lot of potential for further development in the education system.

India has become the second largest market for e-learning after the US. The sector is currently pegged at US\$ 2-3 billion, and is expected to touch US\$ 40 billion by 2017. The distance education market in India is expected to grow at a Compound Annual Growth Rate (CAGR) of around 34 per cent# during 2013-14 to 2017-18. Moreover, the aim of the government to raise its current gross enrolment ratio to 30 per cent by 2020 will also boost the growth of the distance education in India.

Regulatory Framework Of Higher Education In India



Market Size:

The education sector in India is poised to witness major growth in the years to come as India will have world's largest tertiary-age population and second largest graduate talent pipeline globally by the end of 2020. In FY 2015-16, the education market was worth about US\$ 100 billion and is expected to reach US\$ 116.4 billion in FY 2016-17. Currently, higher education contributes 59.7 per cent of the market size, school education 38.1 per cent, pre-school segment 1.6 per cent, and technology and multi-media the remaining 0.6 per cent.

Higher education system in India has undergone rapid expansion. Currently, India's higher education system is the largest in the world enrolling over 70 million students while in less than two decades, India has managed to create additional capacity for over 40 million students. At present, higher education sector witnesses spending of over Rs 46,200 crore (US\$ 6.93 billion), and it is expected to grow at an average annual rate of over 18 per cent to reach Rs 232,500 crore (US\$ 34.87 billion) in next 10 years.

Future Investments:

The total amount of Foreign Direct Investments (FDI) inflow into the education sector in India stood at US\$ 1,383.62 million from April 2000 to December 2016, according to data released by Department of Industrial Policy and Promotion (DIPP).

The education and training sector in India has witnessed some major investments and developments in the recent past. Some of them are:

- International Finance Corporation (IFC) has invested US\$ 15 million in education venture Byju's for a minority stake, which is expected to help the test-preparation platform to expand domestically and internationally.
- India and Germany have signed an agreement on vocational education and skill development with a budget of US\$ 3.37 million, which will help create and improve cooperative workplace-based vocational training in India's industrial clusters.
- Cisco Systems plans to invest US\$ 100 million in India over the next 2 years, will be used to fund early-stage and growth-stage companies in the country, open six new innovation labs, three centres of expertise and train around 250,000 students by 2020.

- Neev Knowledge Management Pvt. Ltd, which offers online and classroom-based certification courses under the brand name EduPristine, has raised US\$ 10 million from Kaizen Management Advisors and DeVry Inc., which will be used to increase its course offerings, and increase its presence to 15 cities across the country.
- US based multinational technology major Intel Corporation, has partnered with Extramarks Education, a digital learning solutions provider, to tap the US\$ 40 billion private school sector in India and thereby provide optimised learning solutions and extend computing technologies to students and schools in the country.
- EdCast, a technology education start-up based in Silicon Valley, plans to invest up to US\$ 50 million in education based technology and tie-up with around 500 educational institutions to build digital content and curriculum for educational institutions in India.
- Tata Trusts, part of the Tata Group, has entered in to a strategic partnership with web-based free learning portal, Khan Academy, and seeks to use technology to provide free education to anyone, anywhere in India.
- Venture capital fund Acumen has invested in two Hyderabad-based education start-ups—Ignis Careers (US\$ 250,000) and SEED (US\$ 650,000)—working in the low-cost school education space.

Government Initiatives:

Some of the other major initiatives taken by the Government of India are:

- The Union Budget 2017-18 has made the following provisions for the education sector:
- The Budget has pegged an outlay of Rs 79,685.95 crore (US\$ 11.952 billion) for the education sector for financial year 2017-18, up from Rs 72,394 crore (US\$ 10.859 billion) in 2016-17—a 9.9 per cent rise.
- The Government of India has allocated around Rs 17,000 crore (US\$ 2.55 billion) towards skilling, employment generation, and providing livelihood to millions of youth, in order to boost the Skill India Mission.
- The Government of India and the World Bank have signed a US\$ 201.50 million International Development Association (IDA) credit agreement for the Third Technical Education Quality Improvement Programme (TEQIP III), aimed at improving the efficiency, quality and equity of engineering education across several focus states.
- Mr Radha Mohan Singh, Union Minister of Agriculture and Farmers Welfare, has announced that the Central Government will open at least one KrishiVigyan Kendra in all districts of the country, which will provide advanced agriculture technical assistance to the farmers near their farms itself.
- The Ministry of Shipping has sanctioned Rs 10 crore (US\$ 1.5 million) as part of the first instalment to the Gujarat Maritime Board under the Sagarmala project, which will be used for capacity building and safety training of 20,000 workers involved in the ship recycling activities at Alanag- Sosiya recycling yard in Bhavnagar district in Gujarat.
- The Ministry of Skill Development and Entrepreneurship has launched the PradhanMantriYuvaYojana, which will provide entrepreneurship education and training to over 700,000 students in 5 years through 3,050 institutes.
- The Cabinet Committee on Economic Affairs has approved opening of one JawaharNavodayaVidyalaya (JNV) in each of the 62 uncovered districts with an outlay of Rs 2,871 crore (US\$ 430.6 million), which is expected to benefit over 35,000 students in rural areas and provide direct permanent employment to 2,914 individuals.

- The Catalyst initiative by the Government of India and United States Agency for International Development (USAID) is expected to create awareness about digital payments across 60 million traders and merchants in the country.
- The Ministry of Labour and Employment will set up Model Career Centres (MCC) across the country. Out of the 950 employment exchanges in India, 100 would be developed as model centres with an investment of Rs 350 crore (US\$ 52.5 million). The Union Government also plans to set up 100 driver training institutes across India.
- Mr Ravi Shankar Prasad, Minister for Law and Justice and Information Technology, has stated that the Government of India will likely educate over 10 million people on e-payments in rural India, through the newly-launched DigiDhanAbhiyan or digital financial literacy programme.
- The Union Cabinet chaired by the Prime Minister ShriNarendraModi has approved 'PradhanMantriGramin Digital SakshartaAbhiyan' (PMGDISHA) to make 60 million rural households digitally literate. The outlay for this project is Rs 2,351.38 crore (US\$ 353.70 million) to usher in digital literacy in rural India by March, 2019.
- The Government of India has signed a financing agreement with The World Bank, for International Development Association (IDA) credit of US\$ 300 million, for the Madhya Pradesh Higher Education Quality Improvement Project, which aims to improve student outcomes, especially of disadvantaged groups in selected Higher Education Institutions (HEIs) and increase the effectiveness of the higher education system in Madhya Pradesh.
- Prime Minister Mr NarendraModi launched the Skill India initiative – 'Kaushal Bharat, Kushal Bharat'. Under this initiative, the government has set itself a target of training 400 million citizens by 2022 that would enable them to find jobs. The initiatives launched include various programmes like: PradhanMantriKaushalVikasYojana (PMKVY), National Policy for Skill Development and Entrepreneurship 2015, Skill Loan scheme, and the National Skill Development Mission.
 - PMKVY is the flagship program under the Skill India Initiative and it includes incentivising skill training by providing financial rewards on completion of training to the participants. The Union Government plans to set up skill development centres across India with an investment of Rs 12,000 crore (US\$ 1.8 billion) to create job opportunities for 10 million individuals by 2020 under PMKVY, as per Mr BandaruDattatreya, Minister of Labour and Employment.
 - National Policy for Skill Development and Entrepreneurship 2015 is India's first integrated program to develop skill and promote entrepreneurship simultaneously. The Union Government plans to provide Rs 7,000 crore (US\$ 1.05 billion) to states to spend on skill development, and thereby accelerate the ambitious task of skilling 500 million Indians by 2022, and encourage creation of an ecosystem of entrepreneurs.
 - Skill Loan Scheme is designed to disburse loans of Rs 5,000 (US\$ 75.3) to Rs 150,000 (US\$ 2,260) to 3.4 million Indians planning to develop their skills in the next five years.
 - The National Skill Development Mission has created an elaborate skilling ecosystem and imparted training to 7.6 million youth since its launch in 2015 and the government now plans to set up 1,500 Multi Skill Training Institutes across the country.

CONCLUSION:

Various government initiatives are being adopted to boost the growth of distance education market, besides focussing on new education techniques, such as E-learning and M-learning.

Education sector has seen a host of reforms and improved financial outlays in recent years that could possibly transform the country into a knowledge haven. With human resource increasingly gaining significance in the overall development of the country, development of education infrastructure is expected to remain the key focus in the current decade. In this scenario, infrastructure investment in the education sector is likely to see a considerable increase in the current decade

Moreover, availability of English speaking tech-educated talent, democratic governance and a strong legal and intellectual property protection framework are enablers for world class product development, as per Mr Amit Phadnis, President-Engineering and Site Leader for Cisco (India).

The Government of India has taken several steps including opening of IIT's and IIM's in new locations as well as allocating educational grants for research scholars in most government institutions. Furthermore, with online modes of education being used by several educational organisations, the higher education sector in India is set for some major changes and developments in the years to come.

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