Periodic Research **Public Expenditure and Education in** India

Abstract

In any economy out of three main indicators of development, education is the main determinant. If any country wants socio-economic development, that is possible through structural changes in the economy, with the change in attitude of the people. Education is a vital instrument for such changes. Education is the most crucial input for empowering people with skills and knowledge and in giving them access to productive employment in future. India need well skilled and highly educated people who can drive our economy forward. India provides highly skilled people to other countries therefore; it is very easy for India to transfer country from a developing nation to a developed nation. Higher education in India receives a relatively high level of investment. Public and private investment in higher education constitutes about 4% of India's gross domestic product. Experts believe that the government spending on higher education in India is very low as compared to the requirements of the sector and the population. In this paper attempt has been made to analyse expenditure on education by the government, both plan and nonplan expenditure.

Keywords: Development, Education, Public Expenditure, GDP, Skills and Knowledge, Education Loan.

Introduction

Education is the base of economic, social and cultural development of a country. It has emerged as the most important driving force for the progress and development of a nation. The Human Development Report (HDR) 2011, published by the United Nations Development Programme (UNDP) estimates the HDI in terms of three basic capabilities: to live a long and healthy life, to be educated and knowledgeable and to enjoy a decent economic standard of living. The socio-economic development of country depends on economic growth modernization, self-reliance and social justice. These attributes can be achieved only through structural changes of economy, socio-cultural change in attitude and motivation of the people. Education is a vital instrument for such changes. Physical capital in the form of plants, machines, roads etc. is essential for economic development but growth of physical capital depends on the rate of human capital formation which includes investment in education. Education is critical input for investment in human capital.

The constitution of India preaches a liberal democratic system. It gives certain rights to citizens and provides for directive principles to state. The right provided in the third part of our constitution protects the freedom of citizens, while directive principles enacted in the fourth part provide quidelines to the states for the welfare of the citizens. A citizen can fight for rights in courts but cannot do so for directive principles. While enacting the constitution, our national leaders felt that "Education for all" can be achieved by including it in directive principles (In Article 45)

Education is the corner stone of economic, social and cultural development of a country. It has emerged as the most important single input in promoting human resource development, achieving rapid economic development and technological progress. An appropriate education system cultivates knowledge, better skills, positive values and attitudes among the people especially for those who acquire it (Annual Plan 2008 of Government of Punjab). "Education is the core sector for achieving the objective of employment, human resource development and bringing about much needed change in social environment, leading to overall progress, through efficient use of resources. An appropriate education system cultivates knowledge, skill, positive attitude, awareness and sense of

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responsibility towards rights and duties and imparts inner strength to face oppression, humiliation and inequality" (Ninth five year plan). The role of education in facilitating social and economic progress is well recognized. It opens up opportunities leading to both individual and group entitlements. Education is the most crucial input for empowering people with skills and knowledge and in giving them access to productive employment in future (Sreeramamurty. K. et.al, 2012). India need well skilled and highly educated people who can drive our economy forward. India provides highly skilled people to other countries therefore; it is very easy for India to transfer our country from a developing nation to a developed nation (Sheikh, 2017). Higher education in India receives a relatively high level of investment. Public and private investment in higher education constitutes about 4% of India's gross domestic product. There is no dearth of demand for higher education in India. In fact, the share of the population enrolling on higher education courses in the country is higher than that in countries comparable with levels development. But the quality of that higher education is a concern. The intrusion of the profit-making private sector into higher education is another issue.

In terms of the share of students who complete secondary school and enter higher education, India may have a figure that is higher than that of some developed countries. In a country like the United Sates, the share of people who take up work with a high school diploma (without enrolling in higher education) is sizable and can decide electoral outcomes. This is the situation in newly industrialised countries too. (V Santhakumar, 2018)

Objectives of the Study

- (1) To examine Public expenditure on education.
- (2) To analyse plan and non- plan expenditure on education.

Methodology

Study is based on secondary data collected primarily from Economic Survey of India, Statistical Abstract, Census of India, Annual Plan of Government, Ministry of human development report, AISHE reports and ASHE of India. The data have been analyzed by percentage value and growth rate.

Public Expenditure on Higher Education

In developing countries where people do not have enough resources to spend on education, there government spend on social services. Being a federal state there expenditure is incurred by both centre as well as state governments. Government spending on higher education has been in the range of 30-35% of the total spending on education, with almost 50% spending on elementary education. Currently public sector or government investment in education is less than 3% of GDP, including a share of higher education at 0.4 per cent or around 12% of the aggregate education budget. The central government spends slightly more than 25% of total public expenditure and the state governments spend the remaining three-quarters. About 50 per cent of the central government's technical education budget went to the Indian Institutes of Technology and Indian

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Institutes of Management in 2001-02. Real public expenditure per student has declined drastically since 1990-91 from Rs. 7676 to Rs. 5500 in 2002-03, coming down by nearly 28 percentage points. This would be even lower if the 50% expenditure on national institutes of excellence is left out. (ICIER, CII, 2006). Experts believe that the government spending on higher education in India is very low as compared to the requirements of the sector and the population. Table 1 shows that the total amount of budget provisions on the revenue account made for education for the year 2014-15 by education departments for the States/UTs and the Centre works out to Rs. 404591.30 crore (Rs.321820.20 crore in State Sector and Rs. 82771.10 crore in the Central sector) which is 15.14% more than the revised estimates of Rs.351404.08 crore for 2013-14. This amount constitutes 11.86% of the total budget provisions made on the revenue account in the States and at the Centre. Apart from the revenue account, the Education Departments also make some provisions for capital works. The total budget estimates on the capital accounts (including loans) accounted for only Rs.12763.28 crore. Taking into account both the revenue as well as the capital account, the total budget estimates for education for 2014-15 of the State Education Departments and the Education Departments of the Centre works out to Rs.417354.57 crore, which is 10.42% of the total budget estimates. The total budget provisions (Revenue Account) for 2014-15 made by the departments other than Education works out to Rs. 98338.05 crore. As i

When all the three financial years were compared then not much variations are seen, decline can be seen in 2014-15, as in 2012-13 expenditure by education department of centre was 5.31 increased to 5.34 and then declined to 5.28 in 2014-15. In the case of states total expenditure on education was 22.02, reduced to 21.67 in 2013-14 further reduced to 20.63.

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Table 1 Expenditure on education by education and other departments

	A	ctuals (2012-13	3)	Revis	ed Estimates (2	013-14)	Budget Estimates (2014-15)			
	Expend	diture on Edu	cation	Exper	nditure on Edu	ıcation	Expenditure on Education			
	Education	Other		Education	Other		Education	Education Other		
	Department	Department	Total	Department	Department	Total	Department	Department	Total	
1	2	3	4	5	6	7	8	9	10	
Centre										
Plan	55559.59	15301.26	70860.85	61857.00	17860.42	79717.42	68728.00	29839.43	98567.43	
	(16.88)	(4.65)	(21.52)	(16.63)	(4.80)	(21.44)	(15.15)	(6.58)	(21.73)	
Non Plan	10528.03	8368.72	18896.75	12809.30	9067.54	21876.84	14043.10	9878.81	23921.91	
	(1.15)	(0.92)	(1.52)	(1.25)	(0.88)	(2.13)	(1.26)	(0.89)	(2.15)	
Total	66087.62	23669.98	89757.60	74666.30	26927.96	101594.26	82771.10	39718.24	122489.34	
	(5.31)	(1.90)	(7.22)	(5.34)	(1.92)	(7.26)	(5.28)	(2.53)	(7.81)	
States/Uts										
Plan	39651.30	19788.50	59439.80	54259.03	26648.72	80907.74	70261.32	25812.94	96074.26	
	(13.67)	(6.82)	(20.49)	(13.73)	(6.75)	(20.48)	(12.80)	(4.70)	(17.51)	
Non Plan	193473.62	25461.78	218935.40	222478.76	28659.83	251138.58	251558.88	32806.87	284365.75	
	(19.86)	(2.61)	(22.47)	(19.57)	(2.52)	(22.09)	(19.42)	(2.53)	(21.95)	
Total	233124.92	45250.28	278375.21	276737.78	55308.54	332046.33	321820.20	58619.81	380440.01	
	(18.44)	(3.58)	(22.02)	(18.06)	(3.61)	(21.67)	(17.45)	(3.18)	(20.63)	
Total(Centre	+ States/Uts)									
Plan	95210.89	35089.76	130300.65	116116.03	44509.14	160625.17	138989.32	55652.36	194641.68	
	(15.37)	(5.67)	(21.04)	(15.14)	(5.80)	(20.94)	(13.87)	(5.55)	(19.42)	
Non Plan	204001.65	33830.50	237832.15	235288.06	37727.37	273015.43	265601.98	42685.68	308287.66	
	(10.80)	(1.79)	(12.59)	(10.87)	(1.74)	(12.61)	(11.02)	(1.77)	(12.79)	
Total	299212.54	68920.26	368132.81	351404.08	82236.51	433640.59	404591.30	98338.05	502929.34	
	(11.93)	(2.75)	(14.68)	(11.99)	(2.81)	(14.79)	(11.86)	(2.88)	(14.74)	

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It is observed from the table 2 that the States/UTs are contributing about 75.64% of the total revenue expenditure on education in the country while centre contributes about 24.36% to the education

sector as a whole. The total revenue account of Rs.502929.34 crore constitutes 14.74% of the total budget of the Centre and the States/UTs for 2014-15.

Table 2 Expenditure on Education (2014-15 Budget Estimates Revenue Account)

Rs in crore

	Centre	States/UT	Total
Expenditure (Rs. in crore)	122489.34	380440.00	502929.34
Share with respect to total (%)	24.36%	75.64%	100%

Public expenditure on education and gross domestic product (GDP) is shown in table 3. In 1951-52, expenditure on education by education and other departments was 64.46 crores and it was 0.64 percent of the total GDP. Public expenditure kept on increasing from1951-52 to 2013-14, on the other hand variations can be seen in percentage of GDP. Till 2000-01 there is continuous increase in GDP as it

was 4.14 percent, in 2005-06, there is increase in expenditure but percentage of GDP declined to 3.34 The public expenditure on education as percentage of GDP was less than 4 percent till 2010-11. In 2010-11 it grows to 4.05 percent, then declined to 3.82 in 2011-12, after that there is increase in public expenditure on education as percentage of GDP.

Table 3: Public Expenditure on Education and Gross Domestic Product (GDP)

(RS in Crore)

Year	GDP at Current price (at Factor cost) (Rs. crore)	Total Expenditure on Education by Education & other Departments (Rs. crore)	Expenditure on Education by Education & other Departments as % of GDP
1951-52	10080	64.46	0.64
1960-61	16220	239.56	1.48
1970-71	42222	892.36	2.11
1980-81	130178	3884.2	2.98
1990-91	510964	19615.85	3.84
2000-01	1991982	82486.48	4.14
2005-06	3390503	113228.71	3.34
2006-07	3953276	137383.99	3.48
2007-08	4582086	155797.27	3.40
2008-09	5303567	189068.84	3.56
2009-10	6108903	241256.02	3.95
2010-11	7248860	293478.23	4.05
2011-12*	8736039	333930.38	3.82
2012- 13(RE)*	9951344	408421.71	4.10
2013- 14(BE)*	11272764	465142.80	4.13

RE: Revised Estimate BE: Budget Estimate

Data Source: Ministry of Human Resource Development, Government of India (website: http://mhrd.gov.in/statist)

* Base year has been revised from 2004-05 to 2011-12

The plan expenditure on higher education during five plan has been shown in table 4. The table revealed that the total expenditure on education has been continuously increasing during the five year plan. It can be seen from the table that Rs. 153 core was spend on education during the first five year plan and this was increased to Rs 273 crore in second plan, Rs.589 crore in third plan and there was big jump during seventh five year plan when the expenditure on education was increased to Rs. 8500 crore from Rs. 2043 crore during sixth plan after that expenditure on education was increased whereas the share of total expenditure on higher education has

very small since the first five year plan till date. During first five year plan only Rs 14 crore was spend on higher education and it increased to Rs.48 crore during second plan. It can be seen from the table that there are fluctuations in the expenditure of total education on the higher education. during the first five year plan only 9 percent of total expenditure was spend on higher education and during second plan there was 2 times increase in expenditure on higher education that was 18 percent after that there was slight fall in expenditure to 15 percent, expenditure again increase to 25 percent in fourth plan and fall continuously to 22 percent in fifth plan, 18 percent in

sixth plan, 14 percent in seventh plan, 12.2 percent in eighth plan, 10 percent ninth plan , 9.5 percent in tenth plan and increase in eleventh plan to 15.5 percent.

Table 4 Plan Expenditure on Higher Education during Five Year Plan

Five year plans	Total expenditure on education (in crores)	Expenditure on higher education (in crore)	Percentage of total expenditure on higher education
	153	14	9
II	273	48	18
III	589	87	15
IV	786	195	25
V	912	205	22
VI	2043	530	18
VII	8500	1201	14
VIII	8521.9	1055.8	12.4
IX	24908.5	2500	10.0
Х	-	-	9.5
ΧI	269873.00	39646.82	15.5

Source: Compiled from the Various Reports of GOI According to MHRD Report 2016-17 have gone up to Rs.515692.62 crore (Rs.502929.34 crore under the Revenue Account, Rs. 12686.08 crore under the capital Account and Rs. 77.20 crore under Loans and Advances), forming 12.87% of the total budget provisions. Percentage provisions for education and training for the respective accounts are 14.74% under the Revenue Account, 2.27% under the Capital Account and under Loans and Advances is 0.22%.

The Budget Estimates 2014-15 for education by the Education Departments of the Centre and the States under all the three accounts rose to Rs. 417354.58 crore (Rs. 82771.10 crore for the Centre and Rs. 334583.48 crore for the States). This amount consists of Rs. 404591.30 crore under the Revenue Account, Rs.12686.08 crore under the Capital Account and Rs. 77.20 crore under Loans & Advances. The corresponding percentage of these accounts to the respective total budget provisions works out to 11.86%, 2.27% and 0.22%.

The Revised Estimates of 2013-14 for expenditure on education by the Centre and States/Union Territories amounted to Rs.441629.04

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crore (Rs.433640.58 crore under Revenue Account, Rs.7963.75 crore under Capital Account and Rs. 24.70 crore under Loans & Advances), comprising Rs.101594.26 crore by the Centre and Rs.340034.78 crore by the States/ UTs. The total Revised Estimates for education formed 12.87% of the total Revised Estimates of expenditure.

The budget estimates for 2014-15 (Revenue Account) for expenditure on education of the Centre States/Union Territories amounted Rs.502929.34 crore comprising Rs.404591.30 crore by the education departments and Rs. 98338.05 crore by the other departments. The total budget for education constitutes 14.74 % of the total respective budget under the Revenue Account. The Central budget provision (Revenue Account) for education and training is Rs.122489.34 crore, comprising Rs.98567.43 crore for Plan and Rs.23921.90 crore for Non- Plan. This amount constituted 7.81% (21.73% for Plan and 2.15% for Non-Plan) of the total central budget (Revenue Account) for the year 2014-15.

In 2014-15 a major share of Rs. 42446.28 crores or 51.28% of the total budget of the Department of Education is provided for Elementary Education. The second priority is given to University & Higher Education which is Rs. 16724.26 crores or 20.21%. The third priority is given to Secondary Education which is Rs.12104.01 crore or 14.62%; Rs.10217.35 crore or 12.34% for Technical Education and Rs.564.81 crore forming 0.68% for Adult Education and Rs.376.68 crores or 0.46% for Language Development Programmes and Rs.337.71 crores or 0.41% for general purposes including research, scholarships, international co-operation. (MHRD Report 2016-17)

The total expenditure on education as percentage of GDP was highest (4.14%) in 2000-01 but this level could not be sustained in the following year and comes down to 3.26% in the year 2004-05. After that it again started increasing but at a very slow rate. The total expenditure on the Revenue Account at the all India level during 2014-15 formed 27.44% of the total Gross Domestic Product (GDP) and only 3.25% of the GDP was provided in the budgets for education departments. When the provision for education for all departments including education departments is taken into account this percentage works out to be 4.04%.

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Table 5 Education expenditure on different levels of education (Plan and Non-Plan expenditure)

		A	Actuals (2012-13)			Revised Estimates (2013-14)			Budget Estimates (2014-15)		
S.No.	Sectors	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
		2	3	4	5	6	7	8	9	10	
	Department of School Education	and Literacy (SE	&L)	•	•	•			•		
I	Elementary Education	359223100	64300	359257400	396143100	76600	396219700	424380000	52500	424462500	
	,	(64.66)	(0.06)	(54.36)	(64.04)	(0.06)	(53.07)	(61.75)	(0.04)	(51.28)	
2	Secondary Education	64449800	28006700	92456500	70630000	30115500	100745500	55290000	32750100	121040100	
		(11.6)	(26.6)	(13.99)	(11.42)	(23.51)	(13.49)	(8.04)	(23.32)	(14.62)	
3	Adult Education	4658100	27300	4655400	4516900	30900	4547500	5610000	35100	5645100	
		(0.84)	(0.03)	(0.7)	(0.73)	(0.02)	(0.61)	(0.82)	(0.02)	(0.68)	
	TOTAL (SE&L)	428331000	28098300	456429300	471590000	30223000	501813000	518280000	32871000	551151000	
		(77.09)	(26.69)	(69.06)	(76.24)	(23.59)	(67.21)	(75.41)	(23.41)	(66.59)	
	Department Of Higher Education	(HE)									
1	University Education	51129758	48636755	99766516	56978300	67093600	124071900	63730300	73672300	137402600	
		(9.2)	(46.2)	(15.1)	(9.21)	(52.38)	(16.62)	(9.27)	(52.46)	(16.6)	
2	Language Development	2273617	936740	3210357	2573200	1166600	4039500	2490000	1276800	3766800	
		(0.41)	(0.89)	(0.49)	(0.42)	(0.91)	(0.54)	(0.36)	(0.91)	(0.46)	
3	Technical Education	59264351	25525049	85092400	64376700	25057900	92434600	71359700	30783800	102173500	
		(10.67)	(24.24)	(12.88)	(10.41)	(19.56)	(12.38)	(10.38)	(21.92)	(12.34)	
4	Book Promotion	159770	303247	493017	357500	255200	616000	290000	319500	609500	
		(0.03)	(0.29)	(0.07)	(0.06)	(0.2)	(80.0)	(0.04)	(0.23)	(0.07)	
5	Planning & Administration	254453	902639	1187092	772000	1230500	2002500	1340000	1427300	2767300	
		(0.05)	(0.86)	(0.18)	(0.12)	(0.96)	(0.27)	(0.19)	(1.02)	(0.33)	
6	Student' Financial Aid	11154685	4571	11159256	19522000	9900	19531900	23260000	10000	23270000	
		(2.01)	(0)	(1.69)	(3.16)	(0.01)	(2.62)	(3.38)	(0.01)	(2.81)	
7	Distance Learning	2968255	570000	3538255	2100000	53300	2153300	6500000	70000	6570000	
		(0.53)	(0.54)	(0.54)	(0.34)	(0.04)	(0.29)	(0.95)	(0.05)	(0.79)	
	TOTAL Higher Education	127264889	77182004	204446893	146980000	97870000	244850000	169000000	107560000	276560000	
		(22.91)	(73.31)	(30.94)	(23.76)	(76.41)	(32.79)	(24.59)	(76.59)	(33.41)	
	GRAND TOTAL (SE&L + HE)	555595889	105280304	660876193	618570000	128093000	746663000	687280000	140431000	827711000	
		(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	

Source: MHRD Report

Table 6 shows the absolute statement indicating public expenditure on Education as percentage of Gross Domestic Product (GDP) sector wise as well as with the breakup of States/UTs and Center for the year 2012-13(Actual), 2013-14(Revised Estimates) and 2014-15 (Budget Estimates). The expenditure on elementary education is about 1.82% of GDP which is maximum among all other sub

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sectors of education followed by secondary education which is hovering around 0.99% of GDP. Contribution made by adult education (0.01) as percentage of GDP is lowest among all the sub sectors followed by university & Higher Education and Technical education for which it is around **0**.65% and 0.57% respectively.

Table 6 Public Expenditure on Education as percentage of GDP (sector-wise)

SNo.	Sector	Expen	diture (Rs in cr	Expenditure(As % of GDP)						
		States/Uts	Centre	Total	States/Uts	Centre	Total			
	Year 2012-13(Actual) GD	P :- Rs. 994663	36 crore(Pro	ovisional)						
1	Elementary Education	121151.37	38324.94	159476.31	1.22	0.39	1.60			
2	Secondary Education	80075.82	9862.27	89938.10	0.81	0.10	0.90			
3	University & Higher Education	43637.18	18810.58	62447.76	0.44	0.19	0.63			
4	Adlut Education	478.91	468.54	947.45	0.00	0.00	0.01			
5	Technical Education	33031.93	22291.26	55323.19	0.33	0.22	0.56			
	Total (Education)	278375.22	89757.59	368132.81	2.80	0.90	3.70			
	Year 2013-14(RE) GDP:-	Rs. 11236635	crore(Provi	sional)						
1	Elementary Education	140573.41	42866.80	183440.21	1.25	0.38	1.63			
2	Secondary Education	96134.59	10899.60	107034.19	0.86	0.10	0.98			
3	University & Higher Education	54853.76	22698.13	77551.89	0.49	0.20	0.69			
4	Adlut Education	570.12	484.78	1054.90	0.01	0.00	0.01			
5	Technical Education	39914.44	24644.95	64559.39	0.36	0.22	0.57			
	Total (Education)	332046.32	101594.26	433640.58	2.96	0.90	3.86			
Year 2014-15(BE) GDP :- Rs. 12433749 crore (Provisional)										
1	Elementary Education	177101.91	49600.60	226702.51	1.42	0.40	1.82			
2	Secondary Education	108477.13	14144.14	122621.27	0.87	0.11	0.99			
3	University & Higher Education	54232.46	27064.00	81297.05	0.44	0.22	0.6			
4	Adlut Education	891.31	564.81	1456.12	0.01	0.00	0.0			
5	Technical Education	39737.20	31115.20	70852.40	0.32	0.25	0.5			
	Total (Education)	380440.01	122489.34	502929.35	3.06	0.99	4.04			

The share of state government in total expenditure has declines from 88% in 2000-01 to 74% in 2013-14 (table 7). Percentage Share of central government has increased significantly during the same period from 12 percent in 2000-01 to 26 percent in 2013-14. we found an increasing trend over the years the percentage of GDP spend on education

gone up from 0.51% in 2000-01 to1.19% in 2013-14, The percentage of GDP spend by state government shows a declining trends state's share has declined from 3.63% in the year 2000-01 to 2.53% in 2007-08 thereafter it has increases and reached at 3.26 percent in 2013-14.

Table 7 Education Expenditure of Centre and State

Years	Expenditure on Education		Total	Growth rate	% Share of centre	% Share of state	State as % of GDP	State+Centre as % of GDP
	Centre	State						
2000-01	10195	72290	82486	-	12	88	3.63	4.14
2001-02	14119	65746	79865	-3.17	18	82	3.03	3.68
2002-03	16156	69350	85506	7.06	19	81	2.97	3.66
2003-04	17101	71798	89079	4.61	19	81	2.74	3.40
2004-05	18026	78668	96694	8.54	19	81	2.65	3.26

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2005-06	23209	90019	113228	17.09	21	79	2.66	3.34
2006-07	34236	103143	137384	21.23	25	75	2.61	3.48
2007-08	39919	115878	155797	13.40	26	74	2.53	3.40
2008-09	48728	143667	192395	23.49	25	75	2.66	3.56
2009-10	54146	188636	246782	28.26	24	76	2.90	3.95
2010-11	80661	212817	293478	18.92	28	72	2.94	4.05
2011-12	86074	251008	337082	14.85	26	74	2.95	3.98
2012-13	103312	311426	414738	23.03	25	75	3.25	4.35
2013-14	124118	347893	472011	13.80	26	74	3.26	4.44

Source: Ministry of Human Resource Govt of India. (Budgetary Analysis) various issues

The analysis shows that share of planned expenditure in the total expenditure on education incurred by centre, state and UTs has increased whereas the share of Non- plan expenditure has declined. At state level the planned expenditure has shown increasing trends its share has gone up from 12.45 percent to 25.23 percent. The share of non-planned expenditure shows a declining trend its share has declined from 87.55 percent to 74.77 in 2013-14. Planned and Non planned expenditure incurred by the centre also show some trends the share of planned expenditure has increased and share of non-planned has declined from 76.55 to 61.66 percent in 2013-14 (table 8).

Table 8 Plan and Non-Plan Expenditure on Education

Years	Centre			State	Total centre and state		
	Plan	Non-plan	Plan	Non-Plan	Plan	Non-Plan	
2004-05	71.43	28.57	12.45	87.55	23.88	76.55	
2005-06	76.97	23.03	15.32	84.68	27.92	71.08	
2006-07	81.04	18.94	16.48	83.52	32.52	67.48	
2007-08	82.42	17.58	16.71	83.28	33.55	66.45	
2008-09	79.67	20.33	16.47	83.53	32.51	67.49	
2009-10	74.19	25.81	16.56	83.48	31.86	68.14	
2010-11	80.22	19.78	20.54	79.46	35.92	64.08	
2011-12	73.40	26.60	24.28	75.72	36.70	63.30	
2012-13	73.33	26.67	23.52	76.48	37.00	63.00	
2013-14	74.41	25.59	25.23	74.77	38.34	61.66	

Source: Calculated from Analysis of Budgeted Expenditure on Education, Ministry of HRD, Govt. of India various issues

Conclusion

The main task of education sector is to produce high quality human resources. In fact this is a great economic challenge as it involves providing of huge amount of resources to education sector. Contribution made by adult education as percentage of GDP is lowest among all the sub sectors followed by university & Higher Education and Technical education The share of state government in total expenditure has declines from 2000-01 to 2013-14. Share of planned expenditure in the total expenditure on education incurred by centre, state and UTs has increased whereas the share of Non- plan expenditure has declined.

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