

FINANCING OF HIGHER EDUCATION IN UTTARAKHAND

Abstract

Higher education is vital to the economic and social growth of a state. However, in Uttarakhand, funding higher education has grown to be a major concern. In order to understand how higher education is funded in the state of Uttarakhand, this research paper looks at the funding agencies, revenue sources, and the relationship between the center and the state. Through the study, an overview of the financing process of higher education in Uttarakhand is presented.

In conclusion, this extensive research paper aims to shed light on the current landscape of financing higher education within the state of Uttarakhand by examining funding agencies, revenue sources, center-state relations, and potential challenges faced. The state of Uttarakhand government is dedicated to keeping opportunities for higher education within the means of aspirant students. They demonstrate their commitment by investing in R&D (Rs.2crore) and scholarships (Rs.10crore), as well as in innovations, skill development, and industrial initiatives (Rs.7.11 crore). 90% of the funds for plan support from the Central Government goes to Uttarakhand, the Northern Eastern Hilly State. Through this analysis, valuable insights will be gained into how higher education is financially sustained in Uttarakhand and offer constructive recommendations for optimizing both resource allocation and institutional support.

Keywords: Higher Education, Funding Agencies, Revenue Sources, Financing, Uttarakhand.

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I. INTRODUCTION

Higher education plays an important role in the social, economic, and cultural development of any region. It provides opportunities and scope for the all-round development of available human resources, particularly youth. By enhancing productivity and raising the national product, education contributes significantly to economic growth. In the context of India, higher education is defined as continuing education that begins after secondary school and is taught at colleges and universities. Higher education places a premium on students' knowledge growth and the development of fresh viewpoints in many fields to give them a broader perspective on the world. Higher education institutions strive to provide students with the knowledge, skills, and morals they need to live satisfying lives, have a positive effect on society, and promote human development and knowledge. Several regulatory bodies and research councils that come under the department of higher education are in charge of India's higher education system. Regulatory bodies are: the University Grant Commission (UGC), the Indian Council of Social Sciences Research (ICSSR), and the All India Council for Technical Education (AICTE), etc. Therefore, higher education is an essential part of the overall education system that aims to educate students and foster critical and logical thinking skills so that they can make the most meaningful contributions to the development of the country.

The smooth and efficient operation of the nation's higher education system depends on the proper management of educational financing. Finance plays a very important role in the development of higher education. In our country, both the central and state governments share their responsibility for education. The accomplishment of higher education's objectives and related objectives depends greatly on educational finance. Government funding, revenue from self-governing bodies, tuition fees, scholarships, and other sources are the main ways that higher education is financed in Uttarakhand.

II. REVIEW OF LITERATURE

1. In 2020, Bikashita Borah will undertake a study that focuses on the financing of higher education in India, the numerous problems associated with it, and some mitigation actions. Researchers claim that public funding for higher education is insufficient to create a quality higher education system.
2. A research paper on the funding of higher education in India was conducted in 2022 by Palakhi Kalita. The researcher focuses mostly on the center-state dynamic in Indian higher education as well as the function of various bodies in higher education funding. Researchers claim that issues like India's comparatively low gross enrolment ratio, poor infrastructure, and other factors continue to plague the country's higher education system. And in India, the funding allotted for higher education has decreased from Rs. 39,466 crore in 2020–21 to Rs. 38,350 crore for the following year.
3. Karan Oberoi, Swati Sharma, and Nitin Kumar discovered in their study "Role of Financial Management in Higher Education: Challenges and Opportunities" (April 2022) that raising both the quality and quantity of higher education in India is necessary to maintain the current rate of growth. It is urgently necessary to take another look at

financial resources, access and equity, quality standards, relevance, infrastructure, and, in the end, responsiveness in order to meet and exceed the expectations of the future.

III. OBJECTIVES OF THE STUDY

1. To discuss the centre-state relationship of higher education in Uttarakhand.
2. Discuss the role of various agencies in financing higher education in Uttarakhand.
3. To examine the various sources of funding for higher education in Uttarakhand.

IV. METHODOLOGY

This study's research design, which is descriptive in nature, describes how higher education is financed in Uttarakhand. The data for the study were gathered from secondary resources like journals, websites, etc. for review.

V. ANALYSIS AND INTERPRETATION

Uttarakhand State was carved out of the state of Uttar Pradesh on November 9, 2000 and is divided into two broad regions- Garhwal and Kumaun. Most of its area faces tough climate conditions because of its unique features, including its international borders, steep terrain and radically diverse socio economic development factors, the state of Uttarakhand is given special category status. Additionally, it faces geographic challenges in its efforts to develop its infrastructure. In the view of the above mentioned Uttarakhand is the northern eastern and hilly state get 90% of the central government funding in the form of grants for plan assistance. Though it is not much developed in industry and trade, yet it has inclination towards education. Uttarakhand is one of the first states to implement the provisions of the National Education Policy 2020 in higher education.

Table 1: Gross Enrolment Ratio in Higher Education (18-23 Years)

	All Categories			Scheduled Caste			Scheduled Tribes		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Uttarakhand	42.8	48.9	45.7	31.7	39.6	35.4	46.6	52.0	49.2
All India	26.7	27.9	27.3	22.4	23.9	23.1	18.8	19.1	18.9

(Source: AISHE report 2020-2021)

Table 1: Uttarakhand is rapidly growing in the field of higher education. The gross enrolment ratio (GER) of the state is 45.7%, against the national average of 27.3%. It is much ahead in all categories, such as GER for women, SC and ST categories, etc.

Education Infrastructure in Uttarakhand: After the establishment of the state of Uttarakhand, there has been a rapid development of higher education in the state in numerical terms over a period of 22 years. The breakdown of the state's number of universities on the basis of type of university is shown below:

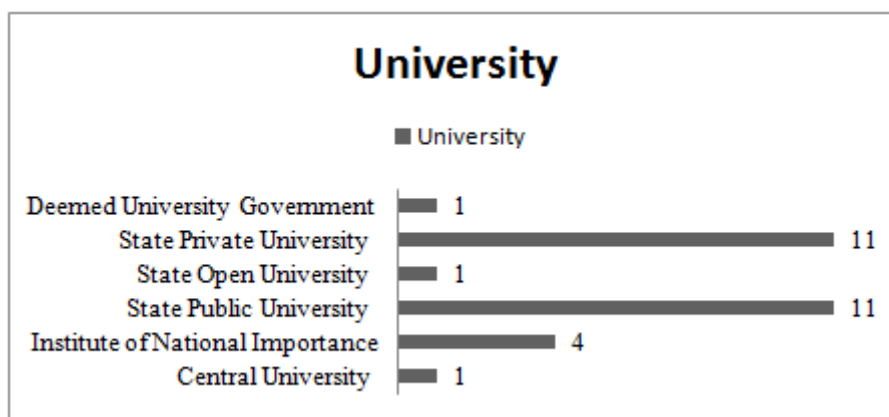


Figure 1

Source: All India Survey on Higher Education (2020-21)

Objective1. The Centre-State relationship of higher education in Uttarakhand:

The state list, the union list, and the concurrent list are the three lists covered by the seventh schedule of the Indian Constitution, which outlines and specifies the division of authorities and responsibilities between the national and state governments. The concurrent list, which is the division of responsibilities between the state and the centre, includes education. The state governments are mostly in charge of funding education. Education is one of the state list subjects in the Indian Constitution; hence it is the duty of the state government to meet the requirements of its citizens in this area. The Central Advisory Board of Education (CABE), the State Councils for Higher Education, and MHRD (formerly the Ministry of Education) are the main decision-makers for higher education policy in both the national and state governments. The CABE is in charge of coordinating and cooperating between the national government and the states with regard to education, while the MHRD establishes the country's educational policy. The State Councils for Higher Education also coordinate the responsibilities of the state's main regulatory bodies, universities, and the government in higher education. India has the third-largest higher education system in the world, after both China and the United States of America. In terms of enrolment, it is the third-largest education system in the world, and it has the most academic institutions overall. Through committees and commissions, the central government creates and administers higher education policy. Education programs sponsored by the national government are entirely funded by it, but the states carry them out.

Objective2. The Role of various agencies in financing higher education in Uttarakhand:

University Grants Commission (UGC) - The University Grants Commission is a statutory body established in 1956 by an act of parliament. The University Grants Commission offers funding to institutions of higher learning. The university grants commission assists the university's overall development in a variety of ways, including improving access, ensuring equity, expanding research capabilities, and other plans of the university.

Table 2: Statement of Grants released to universities/ institutions in Uttarakhand under revenue and capital grants from the years 2018-2019 to 2021-2022

(Rs. In lakh)				
Year	Grant in Aid	Capital Assets	Salary	Total
2018-2019	3767.662	2138.1	11523.14	17428.9
2019-2020	2506.10	1129.95	15552.49	19188.54
2020-2021	3144.97	717.77	16629.77	20492.51
2021-2022	4004.07	313.60	14304.36	18622.03

Source: UGC Annual Report

The above data clearly demonstrates that the grants received from the UGC to universities in Uttarakhand increased from the years 2018–2019 to 2020–2021 but declined in the years 2021–2022, as compared to the preceding year.

Table 3: Statement of Grants released to colleges in Uttarakhand under Revenue and Capital grants from the years 2018-19 to 2021-2022.

(Rs. In lakh)				
Year	Grant in Aid	Capital Assets	Salary	Total
2018-2019	143.57	43.98	0.00	187.55
2019-2020	4.38	20.68	0.00	25.06
2020-2021	-	-	465.00	465.00
2021-2022	1.05	0.00	0.00	1.05

Source: UGC Annual Report

The grants given to colleges in Uttarakhand from 2018-2019 to 2021-2022 fluctuate, as no sequential connection is seen. In the years 2020–2021 and 2021–2022, colleges in Uttarakhand received the largest grants from the UGC, totaling Rs. 465.00 lakh, while they earned the lowest grants, totaling Rs. 1.05 lakh.

- **Department of Science and Technology (DST)** – The Department of Science and Technology plays a pivotal role in the promotion of science and technology in the nation. DST gave funding to UCOST totaling Rs. 1,12,78,000 on July 21, 2020, for the assistance of the Science and Technology Secretariat, and on March 30, 2021, gave an amount of Rs. 21,82,191 in financial support for the carrying out of the activity of the Patent Information Center at UCOST.
- **Uttarakhand Council of Science and Technology (UCOST)** – It is an autonomous body of the Government of Uttarakhand, Department of Information, Science, and Technology. It was registered under the Registration of Societies Act 1860 in November 2002, and it started its activities in the last quarter of 2005. The Council is providing funding in many sections, like the Entrepreneurship Development Program, the Science Popularization Program, the R & D Program, etc.

- **Rashtriya Uchchar Shiksha Abhiyan (RUSA)** – The Department of Higher Education's RUSA initiative, which is centrally funded, intends to strategically respond to the perceived requirements of the state's higher education institutions in order to achieve academic and administrative improvements as well as the goals of equity, access, and excellence.

Table 4: RUSA approval Colleges in Uttarakhand (North Eastern Region State)

Model Degree Colleges (General)	New Colleges (Professional and technical)
3	1

Source: Govt. of India, Department of Higher Education Annual Report.

Table 4: Under RUSA, the following activities have been undertaken in Uttarakhand (North Eastern region state) from 2020 -2021 to 2021-2022

Year	Component	Component Total	Total
2020-2021	● Infrastructure grants to colleges	Rs. 2,19,58,560	Rs. 2,19,58,560
2021-2022	● Infrastructure grants to colleges	2,25,00,000	Rs. 7,65,00,100
	● Model degree colleges	5,40,00,100	

Source: Govt. of India, Department of Higher Education Annual Report

Reveals that Uttarakhand got infrastructure funding for colleges from RUSA in escalating amounts from the years 2020-2021 to 2021-2022; in the latter year, model degree colleges received grants totaling Rs. 5,40,00,100.

Objective3. The sources of funding for higher education in Uttarakhand:

- **Central Government:** The Central Government provides funding to both universities (central and state). For the purpose of providing funds, the central government developed various programs, policies, committees, and commissions. The Ministry of Education oversees the Department of Higher Education. For 2023-2024, the Department of Higher Education would get Rs. 44095 crore, an 8% increase over the revised estimate for 2022-2023. Additionally, the Department of Higher Education provides funding for UGC and AICTE, the two bodies that oversee.
- **State Government:** The state government provides funding to state universities. In the financial year 2023-2024, the government of Uttarakhand has set aside a fund of Rs. 10 crore for scholarships for students pursuing higher education. Additionally, Rs. 2 crore has been set aside for the higher education department's Research and Development cell. The government has set aside Rs 7.11 crore to encourage innovations, ideas, skills, and industrial initiatives.

- **Student Fees:** There are a variety of fees associated with student enrolment in universities and colleges, including tuition, library fees, lab fees, sports fees, etc. These fees are the source of revenue for higher education.
- **Income from other Operations:** The University also collects funds from various other sources, such as rent from university land and buildings, income from the sale of publications, interest on bank deposits, etc.

VI. FINDINGS

1. Uttarakhand has been experiencing significant progress in the domain of higher education. The state's Gross Enrolment Ratio (GER) surpasses the national average across all categories, signifying a noteworthy expansion in educational opportunities in recent years.
2. The region has been granted Special Category Status, which underlines its distinct developmental needs. As a North-Eastern Hilly State, Uttarakhand receives 90% of Central Government funding as grants for plan assistance, further bolstering its development.
3. During the period from 2018-2019 to 2020-2021, the University Grants Commission (UGC) increased the financial aid provided to universities in Uttarakhand. However, in 2021-2022, the grant amount witnessed a decline compared to the previous year.
4. Funding for colleges within Uttarakhand has experienced fluctuations from 2018-2019 to 2021-2022. Notably, between 2020-2021 and 2021-2022, colleges received their highest UGC grants, amounting to Rs. 465.00 lakh; during this same period, they also experienced their lowest grant allocation of Rs. 1.05 lakh.
5. Support for science and technology in the state is exemplified by the Department of Science and Technology's financial contributions to the Uttarakhand State Council for Science and Technology (UCOST). For instance, on July 21, 2020, UCOST received Rs. 1,12,78,000 for assistance to the Science and Technology Secretariat; subsequently, on March 30, 2021, it was granted Rs. 21,82,191 for its Patent Information Centre activities.
6. UCOST offers funding across various sectors such as Entrepreneurship Development Programs, Science Popularization Programs, and Research & Development programs. This extensive backing is indicative of Uttarakhand's dedication to promoting diverse educational advancements.
7. The state has also seen a considerable increase in infrastructure funding for colleges through RashtriyaUchchar Shiksha Abhiyan (RUSA) between the years 2020-2021 and 2021-2022. In particular, model degree colleges have been granted Rs. 5,40,00,100 in funding to augment their facilities and resources.
8. The Department of Higher Education falls under the jurisdiction of the Ministry of Education. For the financial year 2023-2024, a budget of Rs. 44095 crore has been allocated to the department, marking an 8% rise in comparison to the revised estimates for the preceding fiscal year.
9. In order to facilitate higher education opportunities for students in Uttarakhand, the state government has reserved a sum of Rs. 10 crore specifically for scholarships during 2023-2024. Additionally, it has earmarked Rs. 2 crore for the higher education department's Research and Development cell, and Rs. 7.11 crore to stimulate innovative ideas, skill development, and industrial initiatives.

10. In line with their mandate to enhance educational possibilities for students in the region, the Uttarakhand state government has consistently taken steps to channel resources towards this cause. They understand that investing in education paves the way for overall societal progress and creates a framework for future generations to thrive.
11. Preserving this commitment, scholarships have become an indispensable tool in facilitating higher education access for deserving candidates. The decision to reserve a sum of Rs. 10 crore towards student scholarships throughout the 2023-2024 academic year illustrates just how seriously these concerns are taken by their state government.
12. Another important aspect of higher education is research and development, which propels groundbreaking contributions and discoveries across numerous fields. Particularly mindful of this, authorities have allotted Rs. 2 crore expressly aiming at fortifying the higher education department's R&D cell - empowering researchers in their continued quest for knowledge.
13. To summarize, the 2023-2024 financial year sees an 8% increase in the budget allocation for the Department of Higher Education under the Ministry of Education's jurisdiction. The Uttarakhand state government is committed to ensuring higher education opportunities remain attainable for aspiring students. This commitment is underscored by their investment in scholarships (Rs. 10 crore), R&D (Rs. 2 crore), and innovation, skills development, and industrial initiatives (Rs. 7.11 crore). Altogether, these procurements confirm the state's unwavering dedication to progressing educational standards and reassert their dedication to fostering a well-rounded populace equipped for future challenges.

VII. CONCLUSION

The progress and advancement of a state's economy and society are significantly influenced by the quality and availability of higher education. Yet, in Uttarakhand, the challenge of adequately funding higher education has become a pressing issue. This comprehensive research paper delves into the financing bodies, revenue streams, and the relationship between the central government and the state in relation to higher education within Uttarakhand, in order to thoroughly assess how higher learning is financially supported throughout the state.

A pivotal factor in any state's economic growth and social progression lies in the strength of its higher education system. It serves as a catalyst for innovation, research and development, and overall improvement of living standards within a region. However, securing sufficient funding for such educational institutions has emerged as a crucial concern in Uttarakhand, a northern state in India.

An in-depth examination of the various financing agencies involved in supporting higher education within Uttarakhand will be undertaken. These organizations play a crucial role in allotting funds for universities, colleges, and other institutions that impart advanced knowledge and skills. By understanding their funding mechanisms and priorities, it becomes possible to analyze and critique the allocation of resources to different educational institutions throughout the state.

Furthermore, multiple revenue sources that contribute to funding higher education shall be explored. These might include public allocations from both central and state

governments, private investments from local or international sources, and fees collected from students themselves. Additionally, philanthropic donations or grants earmarked for supporting educational institutions may also be considered when investigating revenue streams related to Uttarakhand's higher education system.

Another key aspect that this comprehensive analysis seeks to unravel is how center-state relations affect the flow of funding for higher education establishments within Uttarakhand. The interplay between various levels of governance can significantly impact resource allocation for educational purposes. A deeper understanding of how central policies shape state-level actions or vice versa will provide insights into any potential barriers, bottlenecks, or opportunities for enhancing the finance structure supporting higher education in Uttarakhand.

Lastly, potential challenges and roadblocks in the ongoing journey to ensure adequate higher education funding within the state will be identified. In doing so, recommendations for optimizing resource allocation and enhancing overall efficiency.

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