INDIAN ECONOMY 25 September 2026

India's Public Expenditure on Education: 6% GDP Target vs Reality

A recent economic analysis highlights that combined public spending on education in India remains below the long-standing 6% of GDP target.

An analysis of social sector financing in India evaluating the gap between recommended public expenditure on education and actual budgetary allocations.

KEY EXAM POINTS

- Combined public spending on education by the **Centre and States** has stagnated between **2.8% and 4.1%** of GDP over the last decade.
- The initial recommendation to allocate **6% of national income** to education was proposed by the **Kothari Commission** (**1964–66**).
- The **National Policy on Education** in both **1968 and 1986** endorsed the 6% GDP allocation formula.
- The **Tapash Majumdar Committee** (**1999**) estimated the financial outlay required for operationalizing universal elementary education over a **10-year period**.
- The **National Education Policy 2020** reiterated the commitment to increase public investment in education to reach **6% of GDP** at the earliest.

DID YOU KNOW..!?

Article 45 of the **Directive Principles of State Policy** originally directed the State to provide free and compulsory education for all children up to **14 years of age**.

The **86th Constitutional Amendment Act 2002** inserted **Article 21A**, making free and compulsory education a **Fundamental Right** for children aged 6 to 14 years.

The **Right to Education (RTE) Act** was enacted in **2009** and came into force across India on **April 1, 2010**.

Education was transferred from the State List to the **Concurrent List** by the **42nd Constitutional Amendment Act of 1976**.

Samagra Shiksha Abhiyan was launched in **2018** by integrating **Sarva Shiksha Abhiyan (SSA)**, Rashtriya Madhyamik Shiksha Abhiyan (RMSA), and Teacher Education (TE).

Tamil Nadu launched the '**Ennum Ezhuthum**' initiative in **2022** to ensure foundational literacy and numeracy for all children under age 8 by **2025**.

Tamil Nadu launched the '**Pudhumai Penn**' scheme in **2022** providing ₹**1,000** monthly assistance to female students from government schools pursuing higher education.

REVISION FLASHCARD

Kothari Commission (1964-66) first recommended allocating 6% of national income to education in India.

Syllabus Relevance: High relevance for Unit 6 (Indian Economy) and Unit 9 (TN Development Administration / Social Welfare Schemes).

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