

**GOVERNMENT OF INDIA
HUMAN RESOURCE DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:1088
ANSWERED ON:07.12.2004
EDUCATION CESS
Rao Shri Sambasiva Rayapati

Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

- (a) whether the amount collected from the 2 per cent education cess imposed in this year's Union budget will actually go towards financing primary education;
- (b) if so, whether the Prime Minister has decided to set up a dedicated non-lapsable fund for the purpose;
- (c) the extent to which this fund has been utilized by the Ministry so far; and
- (d) the steps taken by the Government to utilize this fund in developing the education? A ANSWER

Answer

MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT (SHRI M.A.A.FATMI)

(a): Yes, Sir.

(b) to (d): It has been decided, in principle, to create a non-lapsable Fund for elementary education into which proceeds of the Education Cess will be credited and will be available on rollover basis. Even as the modalities for the establishment and operation of the Fund are worked out, the Plan allocation for Sarva Shiksha Abhiyan and Mid-Day Meal Scheme is expected to be enhanced through the First Supplementary Demand for Grants.