

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2590  
ANSWERED ON:11.03.2011  
COMPULSORY FINANCIAL PARTNERSHIP OF CORPORATES IN EDUCATION  
Agarwal Shri Rajendra

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Ministry of Finance has made efforts to ensure compulsory contribution from the private companies and high networth individuals, for development of education sector, particularly primary education sector in the country;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (c): The revenue received from the tax payers, including from the private companies and high networth individuals is used to fund the central plan outlay of different Ministries/ Departments of the Government of India including the Ministry of Human Resource Development. As announced in the Budget 2011-12, there is a proposal to allocate Rs.52,057 crore for education, which represents an increase of 24 per cent over the plan outlay of 2010-2011. To fulfill the commitment of the Government for universalisation of elementary education, a 2 per cent 'Education Cess' has also been levied on all major central taxes through the Finance (No.2) Act, 2004. The proceeds of this cess is utilized for (a) Sarva Shiksha Abhiyan and (b) Mid-Day Meal Scheme . Similarly, an additional 1 per cent 'Secondary and Higher Education Cess' was imposed in 2007 to fund new seats in Higher Education towards implementation of 27 per cent reservation of seats for Other Backward Classes (OBCs).