

Government of India
Ministry of Finance
Department of Expenditure

LOK SABHA
UNSTARRED QUESTION NO.1168

TO BE ANSWERED ON FRIDAY, THE 9th February, 2018
Magha 20, 1939 (Saka)

EDUCATION CESS

1168. SHRI RAM MOHAN NAIDU KINJARAPU:

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

- (a) The details of the expenditure of education cess since it is being levied by Government, State/UT-wise;
- (b) Whether the entire amount of fund collected as education cess is spent on education related programmes and activities, if so, the details thereof and if not, the reasons therefor;
- (c) Whether the fund collected under education cess has not been fully utilized, if so, the details thereof and the reasons therefor; and
- (d) Whether the education cess has contributed in a positive manner to any of its objectives, if so, the details thereof?

ANSWER

MINISTER OF STATE FOR FINANCE

(SHRI P. RADHAKRISHNAN)

For (a) to (c): The Education Cess comprises of 2% Primary Education Cess and 1% Secondary & Higher Education Cess. The Primary Education Cess is credited to Prarambhik Shiksha Kosh (PSK) and is used to meet part of expenditure on Sarva Shiksha Abhiyan (SSA) & part on Mid Day Meal (MDM) Scheme. The proceeds of Secondary and Higher Education Cess (SHEC) is credited to a single non-

lapsable pool known as "Madhyamik and Uchchatar Shiksha Kosh" (MUSK) that has been created in the year 2017. Primary Education Cess collected from the period 2004-05 to 2016-17 is Rs.1,93,828 crores. The utilisation from PSK towards SSA during the above mentioned period is Rs.1,20,239 crores and towards MDM is Rs.58,503 crores. Collection of Secondary & Higher Education Cess from the period 2004-05 to 2016-17 is Rs.83,489 crores. The proceeds of the Secondary & Higher Education Cess are considered to have financed part of the expenditure of higher education through the demands for grants of the M/o Human Resource Development (HRD).

For (d): Yes Sir, Education Cess has contributed in a positive manner to its objectives. While the implementation of SSA programme has resulted in near universal access at primary level, the Mid Day Meal programme has benefitted in providing hot-cooked meals to 9.78 crore children studying in 11.40 lakh institutions during 2016-17.

Government of India
Ministry of Finance
Department of Expenditure

LOK SABHA

UNSTARRED QUESTION NO.1168

TO BE ANSWERED ON TUESDAY, THE 9th February, 2018

Magha 20, 1939 (Saka)

EDUCATION CESS

1168. SHRI RAM MOHAN NAIDU KINJARAPU:

QUESTION	ANSWER
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Will the Minister of
FINANCE be pleased to
state:

- a) The detail of the expenditure of Education Cess since it is being levied by Government, State/UT wise;
- b) Whether the entire amount of fund collected as Education Cess is spent on education related programmes and activities, if so, the details thereof and if not, the reasons therefore;
- c) Whether the fund collected under Education Cess has not been fully utilized, if so, the details thereof and the reasons therefore;

MINISTER OF STATE FOR FINANCE
(SHRI JAYANT SINHA)

For (a) to (c) The Ministry of Finance is the Nodal Ministry for collection of Education Cess. Regarding Question (a) to (c) it is to state that the Education Cess comprises of 2% Primary Education Cess and 1% Secondary & Higher Education Cess. The Primary Education Cess is credited to Prarambhik Shiksh Kosh (PSK) and is used to meet part of expenditure on Sarva Shiksha Abhiyan (SSA) & part on Mid Day Meal (MDM) Scheme. The proceeds of Secondary and Higher Education Cess (SHEC) is credited to a single non-lapsable pool known as "Madhyamik and Uchchatar Shiksha Kosh" (MUSK) that has been created in the year 2017. Also details of Primary Education Cess collected from the period 2004-05 to 2016-17 as intimated by CBDT & CBEC is Rs.1,93,828. The utilisation from PSK towards SSA during the above mentioned period is Rs.1,20,239 and towards MDM is Rs.58,503. Collection of Secondary & Higher Education Cess as intimated by CBDT & CBEC from the period 2004-05 to 2016-17 is Rs.83,489 and utilisation from MUSK for the

d) Whether the Education Cess has contributed in a positive manner to any of its objectives, if so, the details thereof?

above period is "NIL"

For (d) 'Yes', Education Cess has contributed in a positive manner to its objectives. While the implementation of SSA programme has resulted in near universal access at primary level, the Mid Day Meal programme has benefitted in providing hot-cooked meals to 9.78 crore children studying in 11.40 lakh institutions during 2016-17.