Government of India  
Ministry of Finance  
Department of Economic Affairs

RAJYA SABHA  
UNSTARRED QUESTION NO. 1663  
to be answered on  
Tuesday, March 9, 2021/18 Phalguna, 1942 (Saka)

NON-SPENDING OF COLLECTED CESS

1663 # SHRI SUSHIL KUMAR MODI:  
Will the Minister of Finance (वित्त मंत्री) be pleased to state:

(a) whether it is a fact that the amount received from cess can be spent only on the objective for which it has been levied for;

(b) whether it is also a fact that Government received an amount of ₹2,74,592 crore from 35 types of cess in the year 2018-19, but over one lakh crore rupees remained unspent in the Consolidated Fund; and

(c) if so, the details of rationale behind the same?

ANSWER

MINISTER OF STATE IN THE  
MINISTRY OF FINANCE  
(SHRI ANURAG SINGH THAKUR)

(a) The sums so collected are applied to achieve the objectives envisaged in the Finance Acts at the time of levy of such cesses;

(b)&(c) Report No. 4 of 2020 of the Comptroller and Auditor General (C&AG) of India on Union Governments Accounts for the year 2018-19 observes that an amount of ₹2,74,592 crore has been collected from 35 Cesses, ₹1,64,322 crore had been transferred to various reserve funds/boards. Certain amounts of cess collection were retained in CFI due to various reasons such as non-establishment of dedicated reserve funds in Public Account, limited capacity of Ministries/Departments to spend in a year and variations between estimated collection and actual realization.

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