

**GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1281

ANSWERED ON:16.11.2010

UTILISATION OF CESS

Patil Shri Sanjay Dina ;Sugumar Shri K.

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether the latest statistics reveals that Rs.2862.67 crores of funds collected as cess are yet to be utilised by the Government.
- (b) if so, the reaction of the Government thereto;
- (c) whether for every litre of petrol, people pay Rs. 2 cess for development and maintenance of highways in the country;
- (d) if so, the details thereof;
- (e) whether despite allocating funds to States and Union Territories every year, the funds have remained unutilised and were spent at the end of the second quarter in the current financial year;
- (f) if so, the reasons therefor;
- (g) whether 14 out of 28 States have not been able to use Central road funds at all; and
- (h) if so, the name of States and Union Territories who have failed to utilise the cess funds?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI R.P.N. SINGH)

(a) and (b): The duty of excise and customs levied as a cess on petrol and high speed diesel (HSD) oil as per the Central Road Fund (CRF) Act, 2000 is collected by the Ministry of Finance. This Ministry does not have any information regarding the details of cess collected and utilised. However, as on 31-10-2010, out of the amount earmarked for development of State roads (other than rural roads) under CRF, an amount of Rs.3139.42 crore is yet to be utilised by the State Governments and Union Territories (UTs). Out of total fund of Rs.14,728.30 crore accrued for development of State roads (other than rural roads) for the period from 2000-01 to 2010-11 as per CRF Act, 2000, an amount of Rs.11,588.67 crore has been released to States and UTs upto 31-10-2010. The fund under CRF is non-lapsable and stands in the account of the respective State and unspent balance can be retrieved in future for the purpose.

(c) and (d): Funds under CRF are presently allocated as per the provisions of the CRF Act, 2000, amended by the Finance Act, 2005 for the cess collected and levied on both petrol and HSD oil at the rate of Rs. 2 per litre for development and maintenance of National Highways (NHs), Rural Roads, State roads and construction of roads either under or over railways by means of a bridge and for erection of suitable safety work, at unmanned rail-road level crossings.

(e) to (h): The funds allocated to the States under CRF for development of State roads (other than Rural roads) are released on the basis of utilization certificates (UCs) received from the respective States. No fund under CRF has been released to the States of Arunachal Pradesh, Chhattisgarh, Jharkhand, Kerala, Manipur, Mizoram, Nagaland, Sikkim, Tamilnadu, Tripura and Uttar Pradesh upto 31-10-2010 during the current financial year. The State and UT-wise details of funds remaining unutilised (i.e the unspent balance) as on 31.10.2010 are annexed.