

Central Road Fund Act, 2000

Chapter 03 - CHAPTER 03: MANAGEMENT OF CENTRAL ROAD FUND

SECTION 09: POWERS OF CENTRAL GOVERNMENT TO ADMINISTER THE FUND(1) The Central Government shall have the power to administer the Fund and shall-(a) take such decisions regarding investment on projects of national highways and expressways as it considers necessary;(b) take such measures as may be necessary to raise funds for the development and maintenance of the national highways;(c) allocate and disburse such sums as are considered necessary, to the concerned departments responsible for the development and maintenance of-(i) national highways;(ii) rural roads;(iii) State roads; and(iv) construction of roads either under or over the railways by means of a bridge and erect suitable safety works at unmanned rail "road level crossings.

SECTION 10: FUNCTIONS OF THE CENTRAL GOVERNMENTThe Central Government shall be responsible for the-(i) administration and management of the share of Fund allocated to the development and maintenance of the national highways;(ii) co-ordination and complete and timely utilisation of all sums allocated out of the Fund;(iii) sanction of schemes for State roads of inter-State and economic importance in such manner as may be prescribed;(iv) formulation of criteria on the basis of which the specific projects of State roads of inter-State and economic importance are to be approved and financed out of share of State roads;(v) release of funds to the States for specific projects and monitoring of such projects and expenditure incurred thereon;(vi) formulation of the criteria for allocation of the funds for such projects which are required to be implemented by the National Highways Authority of India and also for other projects for the development and maintenance of the national highways;(vii) allocation of share of funds to each State and Union territory specified in the Sch.5 to the Constitution of India-;(viii) allocation of-(a) fifty per cent of the cess on high speed diesel oil for the development of rural roads in such manner as may be prescribed; and(b) the balance amount of fifty per cent of cess on high speed diesel oil and the entire cess collected on petrol as follows:-(i) an amount equal to fifty-seven and one-half per cent of such sum for the development and maintenance of national highways;(ii) an amount equal to twelve and one-half per cent for the construction of road either under or over the railways by means of a bridge and erection of safety works at unmanned rail-road crossings; and(iii) the balance thirty per cent on development and maintenance of roads other than national highways and out of this amount, ten per cent i.e. three per cent of the total share of State roads shall be kept as reserve by the Central Government for allocation to States for implementation of State road schemes of inter-State and economic importance to be approved by the Central Government in terms of clauses (iii) and (iv) of this section.

SECTION 11: ADMINISTRATION OF STATES' SHARE OF THE FUND(1) The share of the Fund to be spent on development and maintenance of roads, other than national highways, as specified under sub-clause (b) of clause (viii) of section 10-, after deducting the reserve kept by the Central Government for State road schemes of inter-State and economic importance, shall be allocated to various States and Union territories in such manner as may be decided by the Central Government.(2) The portion of the Fund allocated for expenditure in the various States and Union territories shall be retained by the Central Government until it is actually required for expenditure.(3) If in the opinion of the Central Government, the Government of any State or the administration of any Union territory has at any time-(a) failed to take such steps as the Central Government may recommend for the regulation and control of motor vehicles within the State or the Union territory; or(b) delayed without reasonable cause the application of any portion of the Fund allocated or re-allocated, as the case may be, for expenditure within the State or Union Territory, the Central Government may resume the whole or part of any sums which it may have at that time held for expenditure in that State or the Union Territory.(4) All sums resumed by the Central Government from the account of any State Government or Union Territory administration as aforesaid shall be re-allocated between the credit accounts of the defaulting and other State Governments and Union Territory administrations in the ratio of the main allocation for the financial year preceding the year in which the re-allocation is made.(5) The balance to the credit of the Fund in respect of any allocation shall not lapse at the end of the financial year.

SECTION 12:

POWER TO MAKE RULES(1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.(2) In particular and without prejudice to the generality of the foregoing powers, such rules may provide for all or any of the following matters, namely:-(a) specify the projects in respect of which the funds may be disbursed under section 7-;(b) the manner in which the accounts shall be maintained and the annual statement of accounts may be prepared including the profit and loss account and the balance-sheet under sub-section (1) of section 8-;(c) the manner in which the schemes for development and maintenance of State roads of inter-State and economic importance are to be formulated and sanctioned under section 10 -;(d) any other matter for which rule is to be made, or may be prescribed.**SECTION 13: RULES MADE UNDER THIS ACT TO BE LAID BEFORE**

PARLIAMENTEvery rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.**SECTION 14: PROVISIONS RELATING TO EXISTING CENTRAL ROAD FUND**

With effect from the appointed day the Central Road Fund governed by the Parliamentary Resolution dated the 13th May, 1988 (hereinafter referred to in this section as the existing Fund) shall be deemed to be the Fund established under this Act and,-(a) all schemes relating to development and maintenance of national highways and State roads sanctioned under the existing Fund in so far as such schemes are relatable to the schemes under this Act, shall be deemed to be the schemes sanctioned under this Act;(b) all funds accrued under the existing Fund including assets and liabilities shall be transferred to the Fund established under this Act.**SECTION 15: REPEAL AND SAVING**(1) The Central Road Fund Ordinance, 2000 (Ord. 5 of 2000) is hereby repealed.(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.(SeeSection 3-)

	Sl. No.	Name
of item Rate of duty (1) (2) (3)		
	1.	Motor
spirit commonly known as petrol Rupee one per litre	2.	High speed diesel oil Rupee one per litre
		Central Bare Acts