

Title: Combined discussion on the disapproval of the Central Road Fund Ordinance, 2000 and consideration of the Central Road Fund Bill, 2000. (Not concluded).

15.37 hrs.

MR. CHAIRMAN: Now, the House would take up Item Nos.13 and 14 together.

Shri Y.S. Vivekananda Reddy.

SHRI Y.S. VIVEKANANDA REDDY (CUDDAPAH): Sir, I move:

"That this House disapproves of the Central Road Fund Ordinance, 2000 (No.5 of 2000) promulgated by the President on 1 November, 2000."

I would like to move this Resolution because the Government, has after passing a Resolution, collected the cess on diesel and petrol in the year, 1998-99, and have started collecting cess on diesel from April, 1999. Since then, we had the Budget Session and the Monsoon Session. The Government did not bother to bring this Bill. We know that this Session is due on 20th of this month, and so the Government hurriedly brought this Ordinance, which is not the right convention. So, we thought it fit to bring this Resolution to disapprove the Central Road Fund Ordinance, 2000. This is only to dissuade the Government from the practice of bringing the Ordinances when the Parliament Session is due in the near future.

सड़क परिवहन और राजमार्ग मंत्रालय के राज्य मंत्री (मेजर जनरल (स्वानिवृत्त) भुवन चन्द्र खण्डूरी) :

सभापति महोदय, आपकी अनुमति से मैं बिल पेश करने से पहले कुछ कहना चाहूंगा। (व्यवधान)

I beg to move:

"That the Bill to give statutory status to the existing Central Road Fund governed by the Resolution of Parliament passed in 1988, for development and maintenance of national highways and improvement of safety at railway crossings, and for these purposes to levy and collect by way of cess, a duty of excise and duty of customs on motor spirit commonly known as petrol, high speed diesel oil and for other matters connected therewith, be taken into consideration."

SHRI PRIYA RANJAN DASMUNSI (RAIGANJ): We welcome him as Minister.

SHRI SOMNATH CHATTERJEE (BOLPUR): As Minister, he is making a maiden speech. We welcome him.

MAJ. GEN. (RETD.) B.C. KHANDURI: Thank you.

Sir, the Central Road Fund has been in existence from 1929. It was being governed subsequently by a Resolution of Parliament of 1977, as per which, 3.5 paise per litre of petrol was to be collected, and to be distributed among the States and Centre in the ratio of 80:20.

This was revised in May, 1988 and it was decided that not less than 5 per cent of the basic cost petrol and diesel would be set apart for distributing among the States, Union Territories and the Centre in the ratio of 64:35.5 per cent, 0.5 per cent being kept for the administration of the Fund. However, this decision could not be implemented. This was never implemented because it was under examination and no decision was taken. The amount of money that would have accrued to the States was around Rs.25 crore to Rs.30 crore per year as per 1977 resolution.

In 1998-99, the Government decided to levy a cess of one rupee per litre of petrol and in 1999-2000, a cess was levied on diesel also at the same rate, that is, one rupee per litre. The allocation norms for this were also decided and as per the norms, the cess on diesel was to be divided in the ratio of 50:50; 50 paise cess per litre of diesel was to go entirely for the development of the rural roads, that is, it would be given to the States and the amount would be used by them in consultation with the Centre. The balance of 50 paise cess per litre of diesel and the full cess of one rupee per litre on petrol would be pooled together and its distribution would be like this, that is, 30 per cent of this would go to the States for the development of State Highways and other roads in the States, 12.5 per cent would go to the Railways for construction of overhead bridges and manning of unmanned level crossings so that road safety is improved and smooth flow of traffic is ensured on the Highways. Then, the remaining 57.5 per cent was to be utilised for the development and maintenance of the National Highways. This was the proposal made. The total allocation under this formula is Rs.5,800 in 2000-01 for the Centre including Rs.990 crore for the States. Earlier, the States were getting about Rs.25 crore to Rs.30 crore per year, but now they will be getting Rs.990 crore per year.

Now, a very valid point has been made by the hon. Member, Shri Y.S. Vivekanand Reddy that we have issued an Ordinance for this purpose. I entirely agree with the hon. Member that it is not good to issue an Ordinance when the Parliament is about to meet. But I would like to submit that we were required to issue this Ordinance in order to give statutory status to the Central Road Fund so that it could be distributed to the States immediately. We wanted it to distribute funds to the States immediately because the working season was on, the rainy season was just over, the roads needed repairs and, so, money was required to be distributed immediately. If we had not issued this Ordinance and come to the House to pass this Bill, it would have taken time. As I have mentioned, we have already allotted Rs.325 crore out of Rs.990 crore to the States during the month of November. Many Chief Ministers have met me in this connection and I have informed them about the distribution of money. They are very happy that they can start using this fund immediately. Therefore, this was the reason for which we had promulgated this Ordinance. I would request the House to see the intention behind issuing this Ordinance, because it was done purely to start using this Fund, so that the whole process is not delayed.

Sir, with your permission, I now move that the Central Road Fund Bill be taken into consideration.

MR. CHAIRMAN: Motions moved:

"That this House disapproves of the Central Road Fund Ordinance, 2000 (No.5 of 2000) promulgated by the President on 1 November, 2000."

"That the Bill to give statutory status to the existing Central Road Fund governed by the Resolution of Parliament passed in 1988, for development and maintenance of national highways and improvement of safety at railway crossings, and for these purposes to levy and collect by way of cess, a duty of excise and duty of customs on motor spirit commonly known as petrol, high speed diesel oil and for other matters connected therewith, be taken into consideration."

SHRI PRIYA RANJAN DASMUNSI (RAIGANJ): Mr. Chairman, Sir, this Bill which has come before the House, through an Ordinance, deserves, at least, our support because we looked forward for such a legislation for a long time. I remember a dear friend of mine, Shri Rajesh Pilot, who is no more with us now, who gave a very serious thought to this issue. He raised this matter many times in the House and argued in favour of such a legislation in the party forum also. At the outset, I would request the hon. Minister to think very sincerely in terms of our target and requirement.

We do have a Plan target in every Plan year between the States and the Centre. In the meeting of the National Development Council, we prepare a target and go ahead. We have also additional requirements which we meet through the Budget of the Ministry of Rural Development.

As I understand it, against clause 7, you say:

"The Fund shall be utilised for the –

- i. development and maintenance of national highways;
- ii. development of the rural roads;
- iii. development and maintenance of other State roads including roads of inter-State and economic importance;
- iv. construction of roads either under or over the railways by means of a bridge and erection of safety works at unmanned rail-road crossings; and
- v. disbursement in respect of such projects as may be prescribed."

Now, as you have just now stated, the share in revenue would be around Rs. 985 crore for the States and a little over Rs. 5,000 crore in your hands. Very recently, the Gadkari Commission had given its Report to the Ministry of Rural Development. We do not know the factual position because nothing has been disclosed in the Parliament. That Report also says that in every Block, the rural road connectivity, that is, a road of an international standard and size, shall be looked into. Since that Report was given, I do not know what action has been taken or what programme has been adopted.

Now, under the Rural Road Development Programme also, we are told that not less than Rs. 2,500 crore are placed at the disposal of the Department of Rural Development. There is a debate going on as to how that money

should be distributed. Some Members of the House feel that they are getting Rs. 2 crore under the MPLAD Programme and that is a meagre amount. Instead of burdening the Exchequer for more money for the MPLAD Programme, whether a road in one of the rural development projects in each constituency of the Lok Sabha and the Rajya Sabha be projected before this Government for sanction from the Rural Development Fund which will be augmented for the road connectivity. It can help the Government.

There is another point of view that each district should be given a sizeable amount of money and the *Panchayats* in a district shall formulate a plan out of that fund.

Now, you say that rural road development programme will come under the State Governments and they would spend from Rs. 985 crore for some programme and plan in regard to that.

While you talk about the rural road development, there is no clear definition which district will get the priority. Would these be backward districts? There are districts having different kinds of terrain, like the hilly terrain. There are also districts where systematic drought has made them to be shown as drought-prone like the Jaisalmer District of Rajasthan. So, it would have been more appropriate if the priority would have been mentioned as to which are the rural roads which will get priority in terms of their present classification. However, I understand that all that cannot be explained in the Act itself. It requires an understanding of the States and the Centre.

But I would like to seek a clarification from the hon. Minister. While he says about the development of the rural roads, does it mean this from fund? Does it mean some other fund - tagged with this fund - at the disposal of the State Government so that we can understand what role we shall play in this regard as Members of the public in our respective States and the constituencies?

The other point stated by the hon. Minister in the Bill is about the construction of roads either under or over the railways by means of a bridge which you call road overbridge. The road-overbridge programmes are normally being sanctioned by the Railways with the support of the State Governments because they are the authorities to encroach upon the land and make an approach road, etc., etc. I understand from your statement and the provisions of the Act that now if the Ministry of Railways approves a road overbridge, the connecting road of that bridge or the approach road should also be managed from this fund. Will the Ministry ask for funds from the State Government within that amount of Rs. 985 crore or will the Ministry get a separate fund from your Department which is the Central Pool over and above Rs. 5,000 crore? That point also has got to be clarified while you reply so that we understand that when you submit a proposal to the Ministry of Railways, where should we run for that part - to the State Government or the foolproof part, that is, the Union Government?

Similar is the case of unmanned level crossings. Thousands of thousands of unmanned level crossings, throughout the length and breadth of the country, are causing lot of harassment and accidents, etc. The Railway Ministry took a unique proposal that if one MP agreed to provide support for one unmanned level crossing to a manned level crossing, the Railways will provide another one as an incentive.

As far as the road management is concerned, I would like to ask again whether these funds will be shifted to the State and the Railway will have to initiate to the State or some part of the money on demand of Railways will be shifted to Railways or who will support the road overbridge. That point also needs to be clarified.

1551 hours (Mr. Speaker *in the Chair*)

The most important gap is in 7(v). This is where, I think, the discretion of the Government is applied, "Disbursement in respect of such projects as may be prescribed." Who will prescribe -- the State or his Ministry? If they say the State will prescribe and they say that they would not do that, there will be a State-Centre confrontation. So, it would be better if there is a clarity. Now with regard to "such other projects which are prescribed by the State", either they say "by the State" or they say "such other States which will be prescribed by them consulting the Planning Commission." Otherwise, nobody knows, whose share is it. Where will it come? This also requires a kind of clarity in so far as Clause 7 is concerned.

Now, I come to the management aspect. It deals with Section 9(i) and also Section 10 -- Functions of the Central Government. I will not go into the details of this clause. Powers of the management of the Central Road Fund are there. What is happening actually? Now, Shri Sontosh Mohan Dev will speak after me. He is from one part of the country. We have heard that from Saurashtra to Silcher, a very long four-lane road is proposed to be built at the behest of the Surface Transport Ministry. It is the Prime Minister's declaration. I found that some part of the road was being planned and Silcher to Saurashtra means a substantial part of it will have to go from my constituency. I was told that the work had started and suddenly some instructions had gone and the work is stopped. All the old banyan and other trees are got uprooted and taken away. The road was expanded, local villagers were involved to broaden the road and suddenly it was stopped.

I would like to know has the scheme got abandoned or has the money flow stopped or has something else happened. I would request the hon. Minister to explain that point also because it will provide strong infrastructure to entire North-East and East so far as the future of economy of our country is concerned. Road is one of the important points where the future of our economic development rests.

In West Bengal, I remember, there is one road, that is, Express Highway Panagarh to Morga. I personally happened to be there many a times. It is one of the unique models made by some company and it is one of the unique roads I found, though in the recent floods that also got damaged. If similar kind of Express Highway type of roads where it can carry containers in two lanes and buses carrying passengers in other two lanes can be accommodated in a bigger dimension, East, West, North and South. I may like to inform you that the investment opportunities of the companies, about whom we are all shouting in seminars, will be more and infrastructural attraction will be more effective and economic development will be more than what we are expecting now.

Therefore, this Department of his Desk and this concept of this Bill and the augmentation of resources, if not merely linked to repair and management, have a longer vision and will provide a positive infrastructure for the country. So, we are supporting this Bill, especially for that count. But in terms of sharing the money, I would plead that if they could share some more resources after a review with the State, it would be better. Because the States have got to manage their State Express Highways.

The States have got to look after the Panchayat rural roads. The States have got to take care of the requirements of the old roads of PWD. Having taken altogether, hardly there will be anything left in the State coffer for planning any bigger road, that is State highways, where the State on their will decide and say, "this is my priority". Therefore, I feel that you can review the position in regard to Resource Division part, not now but later on, and give a little more share to the States so that the States will be competent enough and confident enough to plan their own action. With this money, hardly in a year or five years, they cannot think of one or two major express highways. If the States get strength, build up their own plan of action with this fund, then, I think, that will give more strength to infrastructure.

I conclude by saying that please strengthen the National Highway Authority. I tell you that it is in shamble. I belong to a constituency, where the national highway becomes the casualty every year due to floods. The National Highway Nos. 33, 34, and 35 are the lifeline of Sikkim, the lifeline of the entire North-East, bordered with Bangladesh for border trade, bordered with Nepal for border trade, and bordered with Bhutan for border trade. Every flood destroys these highways and the DM becomes helpless. The National Highway Authority people hardly come. I approached 20 times. I found nobody there, no officer was there, and only a guesthouse. When I carried a paper with the DM, no one was there to acknowledge that paper. Therefore, kindly make a Zone. For every State where the National Highway is operating, there should be a Zone to look after and respond to the issues in consultation with the State Government. Otherwise, PWD people will say, "This is not our task. We cannot encroach upon the National Highway Authority." The District Collectors also will say, "We cannot encroach upon the National Highway Authority." Then, where do we go? We cannot explain to the people. The National Highway Authority is under your control. This is my last request.

At the end, I would like to say that while awarding contracts, tenders and other things, please do not look into any political consideration, give it to the best companies with best specifications, who can do the job well. I gave you one example, Panagarh Express Highway of Bengal. I am not pleading for "A" company or "B" company but you give to the best and highly sophisticated companies, who would be able to do well. ...(*Interruptions*)

MR. SPEAKER: Only one hour has been allotted to this Bill. You have already taken 15 minutes.

SHRI PRIYA RANJAN DASMUNSI : Sir, this Bill cannot be passed within one hour. The entire House will agree with me. Every Member will agree with me. ...(*Interruptions*)

MR. SPEAKER: In the BAC meeting, we have allotted one hour for this Bill.

SHRI PRIYA RANJAN DASMUNSI : After allotting one hour to this Bill in the BAC meeting, the Members shouted at me, "Why have you agreed for only one hour? This is the Road Bill - Rs.5,000 crore."

With these words, I conclude and I thank the Minister for his good journey in the Ministry. As he ran in the battlefield as a Major General, in the battle of infrastructure also, he will succeed.

THE MINISTER OF STATE OF THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (MAJ. GEN. (RETD.) B.C. KHANDURI): Thank you.

MR. SPEAKER: Now, Shri Kharbela Swain.

SHRI KHARABELA SWAIN (BALASORE): Sir, I rise to support the Central Road Fund Bill, 2000. As everybody knows, roads constitute a vital part of the infrastructure like telecommunication, ports, airports and railways. So, it is a vital part of the infrastructure.

I am very happy that at last the Government of India has come forward with such a proposal through a Bill, which will provide the most needed thing for the construction of roads. The most needed thing for the construction of roads is money.

Sir, for the last 53 years, the roads in this country are in appalling state. In a single year, the collection of cess from petrol, and collection of cess from diesel has come to about Rs.6,000 crore. ...(*Interruptions*)

SHRI M.V.V.S. MURTHI (VISAKHAPATNAM): Now, it is four o' clock. We have to take up the Discussion under Rule 193. ...(*Interruptions*)

MR. SPEAKER: I am also looking at the clock.

SHRI KHARABELA SWAIN : Sir, the way you are looking at the clock, I get frightened.

MR. SPEAKER: You can continue next time.

SHRI K. YERRANNAIDU (SRIKAKULAM): Sir, what about this Bill?

MR. SPEAKER: It will be taken up later.