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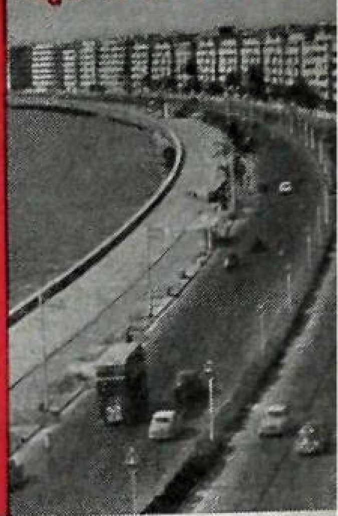

the indian roads and transport development association ltd

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597

"ALLOT Rs. 1,500 CRORES FOR ROADS IN FOURTH PLAN"

Mr. M. R. MASANI'S PLEA IN PARLIAMENT

ROADS GIVE A QUICK YIELD ON EVERY RUPEE INVESTED

TAX RELIEF FOR ROAD TRANSPORT URGED

"Roads continue to be treated as the Cinderella of transport. They are made to play second fiddle to the favoured form of transport—the railways. This, sir, is a travesty of planning. The whole world is moving on to superior forms of transportation. We in our country talk a great deal about technological change, but in practice we are reactionary. We support and pour more money into a wasteful and inefficient form of transportation from which the world is turning away, namely, the railroad, and we are starving of funds an up and coming form of transportation like roads, not to mention aviation." So stated Mr. M. R. Masani, M.P., in the Lok Sabha on 14th April, 1965, during the discussion on the Transport Ministry's demands, while moving cut motions drawing attention to the failure of Government to develop roads, road transport and tourism.

In the context of the parsimonious allotments made during the successive Five-year Plans, Mr. Masani pointed out that while during the current year, the revenue to be derived from road transport was estimated at Rs. 232 crores for the Centre alone, the outlay earmarked for road improvement works was only Rs. 66.44 crores. In other words, he said, we put back in roads about one-fourth of what we get out of them. He inquired whether there was any other economic activity in the country which was treated in so shabby a manner. No wonder, he concluded, that our National Highways are in a shabby condition. In view of the unparalleled burden of taxation on road transport he urged an allocation of at least twice the proposed outlay of Rs. 750 crores in the Fourth Plan, out of due justice to the industry.

Coming to the automobile industry, the speaker remarked that this industry which constituted a vital part of our infrastructure and in fact a part of the very foundation of our economic structure, was similarly crippled and hamstrung. As very often 45 per cent of the on-the-road price of a commercial vehicle represented direct or indirect taxes levied by the State or Central Government, it virtually amounted to half the vehicle being pawned to Government before it was made. He recommended a removal of the shackles on motor vehicle production and among other things urged that the moratorium on the nationalisation of goods transport by road be allowed to continue to protect the industry in its service to the people.

With a judicious person like Mr. S. K. Patil currently holding the Railway portfolio, Mr. Masani hoped that the opportunity would not be lost in viewing both sides of the fence and in keeping abreast of world trends in understanding that roads must inevitably replace railways in due course.

Reproduced below is the text of Mr. Masani's speech :—

Mr. Speaker, Sir, I wish to speak in support of my cut motions Nos. 1 to 4, the first three of which deal with failures in regard to road and road transport and the last with the neglect of tourism in this country.

Last year, on 23rd March, I had ventured to draw attention to the inescapable shortages in transport capacity that seemed to be overtaking the country. I had also challenged the unjustifiable assumption regarding excess capacity on the railways, which was then the official thesis. It is no comfort to me that that warning has, unfortunately, come true and that, far from having any excess capacity on the railways, today there is an acute wagon shortage which is hurting our coal industry and our textile industry among others.

Shortage of wagons is paralysing our coal industry. I quote from the Financial Express dated 2nd April, 1965. It says:

> "It is learnt that the shortage of wagons began to be felt from January last. In February it became so serious that industries of high priority including a steel plant are reported to have failed to obtain wagons to move the required coal. . . The shortage of wagons is felt not only in West Bengal, North Bihar and U.P. It has spread to other areas in Southern and Western India."

Only yesterday I received from a place near my own constituency, from a place called Patri in Surendranagar, a protest and a complaint from the Small-scale Salt Manufacturers, that their salt is lying stacked up there because the railways are unable to supply wagons. This shows that all this complacency which is shown before us year after year by the railways and the Transport Ministry is not justified, and that this country is suffering from a transport bottleneck.

In spite of all this, the roads continue to be treated as the Cinderella of transport. They are made to play second fiddle to the favoured form of transport—the railways. This, Sir, is a travesty of planning. The whole world is moving on to superior forms of transportation. We in our country talk a great deal about technological change, but in practice we are reactionary. We support, and pour more money into, a wasteful and inefficient form of transportation from which the whole world is turning away, namely, the railroad, and we are starving of funds an up and coming form of transportation like roads, not to mention aviation. In Britain, France and Germany, for instance, put together, the percentage of freight by rail has declined during the years between 1930 and 1954 from 75 to 24 per cent while that by road had increased during the same period from 10 to 34 per cent. On the other hand, here we find that the railways are given more and more foreign exchange and the starvation of roads continues.

In the Third Plan, there was a parsimonious allocation of Rs. 454 crores. In the Second Plan there was an allocation of Rs. 272 crores. The 20-year road development plan which was prepared many years ago had prescribed a figure of Rs. 590 crores. Even that is not being touched. In the current year's budget the outlay for roads is only Rs. 66.44 crores against a revenue of Rs. 232 crores derived by the Centre from road transportation. In other words, we put back in roads about one-fourth of what we get out of them. Is there any other economic activity in this country which is treated in this shabby manner?

No wonder our National Highways are in a shabby condition. Today, nearly 20 years after the Central Government took over our so-called National Highways, trucks in Vidarbha have to unload half their loads to cross certain sub-standard sections of so-called National Highways. The progress of numerous road schemes lags sadly behind. On the 25-mile by-pass from Calcutta to Saptagram on National Highway No. 2, barely 15 per cent progress of what was estimated has been recorded during the last year. Similarly, on the Ghodbunder-Manori section of National Highway No. 8 in Maharashtra, only 16 per cent of the work has been completed compared to what was expected, and not more than 4 per cent on the Bassein Creek project. What do you propose to do about it?

In the Fourth Plan, whose outline has been placed before us, the present allocation for roads is Rs. 750 crores for the period 1966-71. For the same period, the *Chief Engineers had recommended* an allotment of Rs. 1,065 crores, while only recently a Working Group within my hon. friend's own Ministry of Transport had recommended an allocation of Rs. 1,150 crores. I am told that even the Sub-Committee on Transport and Industries of the National Defence Council found that this allocation in the Fourth Plan is altogether inadequate. But, judging by past performance of this Ministry, I have very little hope that anything will be done. I am not referring to their efforts; I am referring to their capacity to deliver the goods.

Considering that road transport is plagued by excessive taxation year after year, which has no parallel in the world today—for 1965-66 the Centre and the States between them are going to get Rs. 317 crores from roads—would I be wrong in asking that this proposed allocation of Rs. 750 crores in the Fourth Plan should at least be doubled if any justice is to be done to road transport? Nothing less than that can possibly be acceptable to anyone who wants to go by the merits.

It has been rightly said that every country pays for its roads, and it pays for those which it does not possess more than what it pays for the roads it possesses! We have not yet learnt the truth of this elementary proposition.

We shed crocodile tears about priority for Agriculture. How can agriculture thrive if the country is not opened up by a system of road transport? The Prime Minister talks of quick-yielding projects. Are not roads and road transport quick-yielding projects? Don't they give a quick-yield on every rupee that we sink in them? Yet, we starve them.

I would like to know from the hon. Minister on what principles these allocations are made and who makes them. I would be very happy if he enlightens this House about the manner in which these allocations for the Fourth Plan have been made. Is it left to the bookish intellectuals in the Planning Commission to queer the pitch for this country in this manner, or does he and his Ministry have any say in this matter? If the Ministry is really as helpless as it seems to be, let him admit it to this House and we will support him.

Although this is primarily a matter that pertains to the Ministry of Industries, may I also point out how the automobile industry is similarly crippled and hamstrung? The automobile industry is prevented from developing in this country by two causes. One is the very high level of excise and import duties on cars, tyres and parts—it is about 50 per cent *ad valorem*—and the other is the denial of necessary foreign exchange for essential parts to be imported.

It is wrong to look upon the automobile industry as a luxury. It is part of our infrastructure; it is part of the foundation on which the economic structure of the country today rests. Not only trucks, but even tourist cars are a necessity, and not a luxury. But, leaving aside tourist cars, let us see the progress with the manufacture of trucks. As against the installed capacity of 41,000 trucks in this country, in 1964 only 33,000 trucks were produced, because the people who manufacture the trucks were not given the raw materials and the imported components which were needed to work to capacity. By the end of the Fourth Plan, it is estimated that this country will need 120,000 commercial vehicles. How does the hon. Minister propose to see that this target may be met within the next six years?

It is the Government alone which is responsible for the high prices of trucks and automobiles and for crippling this essential industry by denying it the high priority that it deserves. Yet we see the ironic spectacle of this Government coming before this House, Ministers coming before the House and blaming the manufacturers for not doing what they have themselves failed to do. This is an example of the old saying: "*Ulta chhor kotwal ko dante.*"

The remedy is not a small car in the State sector. The remedy is that these shackles on car and truck production should be removed and that more people should be allowed to produce more cars to bring the prices down.

Then, we had hoped that the moratorium on nationalisation of road transport for goods at least would protect the industry from further damage and would help it to continue to serve the consumers. Now it is seen that the moratorium, which was to last at least till the end of the Third Plan, has already been violated or is being-violated.

How is this done? In November 1962 in the face of the Chinese aggression, a Central Road Transport organisation was created in Assam with half a dozen trucks. The purpose then mentioned was that, since this was the only possible way for transporting defence needs, these trucks would ply between the frontier and the supply bases. Now all that is forgotten. That little organisation has been converted into a limited company or corporation and this corporation now has 90 trucks. It has nothing to do with defence. Many of its trucks are entering into the transport trade. The transport industry is carrying goods between Assam on one side, Calcutta on the other and Delhi on the third. This is the danger that, after promising that the State would not enter the field of goods transport at least, even that field is now going to be invaded and a State capitalist monopoly is sought to be asserted there. The Minister will say that there is no threat of establishing a monopoly, that this corporation is entering in a small way to supplement what private operators are doing; but the danger is always there that when the Government enters a field, competition is given a go-by and a monopoly is established. **Therefore, I would like an assurance from the hon. Minister when he replies that this transport organisation of the Government will merely function as a private carrier for civilian and defence needs of the Government itself and that it will not enter the general market for goods transport on hire.** If this assurance is given, I would agree that there is no threat to transportation development in this country.

In Britain too the first Labour Government tried to nationalise goods transport, and what happened? Every big and middle-sized enterprise bought its own trucks and lorries and converted itself into a private carrier. Do we want this to happen in this country? That is exactly what will happen if you try to establish an inefficient State monopoly of goods transport. Then all the go-ahead people will buy their own buses and trucks and will do their own servicing, which is not a healthy development because a public carrier serves the general public. That should be encouraged. There is no dearth of entrepreneurship in this country. These are small people. We always talk about helping the small men. Is the truck operator a big man—a man who has one, two, five or six trucks? Yet, these are the people we are hitting, and are unnecessarily putting up a big bureaucratic apparatus and calling it socialism! So, I would like to suggest that rather than do this, it is for Government to encourage the small entrepreneur with one, two or five buses to carry on his trade in the national interest.

Many of these things were said in a report submitted to Government and Parliament in 1960 by the Road Transport Reorganisation Committee. I had the privilege to be the Chairman of that Committee and I see at least one member—my hon. friend, Shri Mathur—sitting there, who was one of my colleagues.

Shri Surendranath Dwivedy: After all, it was a report of a committee.

Shri M. R. Masani: We made a unanimous report. Not only was the report unanimous, but this House unanimously in 1960 endorsed the wholehearted acceptance of its conclusions. My hon. friend there and his then chief, Shri S. K. Patil, who patted us all on the back, said what a wonderful report it was and Government would be only too happy to carry it out.

Shri Surendranath Dwivedy: What more do you expect?

Shri M. R. Masani: The House gave the Minister the green light to go ahead. I am very sorry to say that with a few exceptions most of the recommendations of that Committee still await implementation although five years have passed.

The first blow was struck by appointing the Neogy Committee. The Neogy Committee was appointed five years ago. The Chairman has resigned the Committee somehow is still supposed to exist and the report has not been made. This is how a good piece of work done by some of us at the instance of the hon. Minister has been wasted, and we still await the report of the Neogy Committee. I have a suspicion that one of the main purposes of appointing that committee was to see that our report was not implemented and that the inspiration for this came from the big vested interest in our country, the biggest vested interest and lobby, the Railway Board.

Shri Bade : The Neogy Committee has also gone underground.

Shri D. C. Sharma : What are you talking of lobbies ?

Shri M. R. Masani : This year's Budget has given no relief to roads or road transport. We hoped that the Transport Ministry, which is aware of these problems, would have pulled their weight. Unfortunately, while taxation on motor cars remains where it was, taxation on tyres has gone up to the extent that the tyre industry will now have to pay an additional charge of Rs. 35 lakhs and the most efficient units which make tyres are particularly mulcted. Then there is the regulatory customs duty of 10 per cent which is going to send up and has already sent up the price of motor cars and will send up the price of trucks very shortly. One car manufacturer claims that 45 per cent of the on-the-road price of commercial vehicles represents direct or indirect taxes levied by the State or Central Government. So half a truck is pawned to Government before it is made. **The man who buys the truck thinks he is paying the manufacturer's price. He is paying half to the manufacturer and half to the Government.**

Our Committee recommended single-point taxation. I am sorry to state that even now no legislation has been brought here to implement that recommendation that there should be single-point taxation.

We recommended the abolition of octroi duties. Only a few days ago we read that the Bombay Municipal Corporation has been allowed to levy an octroi with the result that it is expected a 30 per cent cut in the transportation by road into Bombay will take place. We talk of export promotion. Bombay is the biggest export centre. Castorseed and other seeds come into Bombay to be converted into oil and exported and here a big blow has been struck at our export industry by allowing an octroi duty to be levied by the Bombay Municipal Corporation, because this has not been prohibited, as we desired, by legislation.

Licensing restrictions continue to be as harassing as before. All this goes on.

Formerly, one thought that the hon. Minister had political difficulties and that powerful Ministers were in charge of the Railway portfolio before whom he had to give way in the bargaining that goes on between the Ministries at the Cabinet level. But the fact is that the present Railway Minister is a great champion of road transport development. His whole record is there. He has said that as Railway Minister he will do nothing to come in the way of the legitimate development of road transport and road development in this country. I would like my hon. friend to tell us what he has taken up with Mr. S. K. Patil, what have been his demands on the Railway Minister, which have been accepted and which of them have been turned down. I think a very fine opportunity is being lost when we have a fair and judicious person who has now seen both sides of the fence and who has shown by his modernity, by keeping abreast of world trends, that he understands that roads must replace railways in due course. I am quite sure that the Railway Minister, in spite of being in charge of that portfolio, will be statesmanlike and big enough to take a detached view and co-operate with my hon. friend, and that my hon. friend and his Ministry would throw their weight, would assert themselves, which I regret to say they have not been doing in the last few years.

Now, I turn to the other topic to which I referred, that is, tourism. Tourism is a matter of tremendous potentialities for this country. Quite apart from anything else, it is a great earner of foreign exchange and foreign exchange is the one thing that we need desperately today, since we are practically bankrupt in so far as our balance of payments position is concerned.

What is the position about tourism ? In 1964, only 156,000 foreign tourists came into India. It is not a very big number by world standards. It is a miserable number. The interesting thing is that 71 per cent of this number came from distant and prosperous countries like United States, Canada, Western Europe, Australia, New Zealand and, in Asia, only Japan. The reason for this is that our neighbours, like us, are following a shortsighted policy of stopping their people travelling and, therefore, we are not able to have that kind of interchange of people and culture that would be so desirable in our region. So, most people come from long distances and when you come from long distance, you spend a lot in coming. All the same, these people spent an estimated Rs. 23 crores in India, and Rs. 23 crores spent in India means Rs. 23 crores of foreign exchange obtained abroad. That is a big amount. Now, that excludes the foreign exchange earned by Air India by booking passages of people coming into this country and going back. It also excludes a crore of rupees which the I.A.C. gets on the Indian sector of international air tickets. So, let us say that at least Rs. 25 crores are brought into this country by foreign tourists, if not more. Why then are only 156,000 coming and not six or seven times that number, as could happen if we were doing our job properly ?

There are various factors that deter the growth of tourism from abroad in our country. The first is the travel restrictions that we place on our own people. These are stupid, foolish restrictions. The amount of money that is saved by stopping our people travelling freely is infinitesimal compared to the problem. By doing *this, we hurt the influx of foreign* tourists into this country. All life is a two-way traffic; all human relations are reciprocal. You cannot have it all your own way. You cannot have a one-way traffic in human relations or in international relations. We think we can; we are going to pay for it. We have a feeling that, despite the amount of money that we throw away, a much larger amount of foreign exchange would come; but that would come in only if we allow unrestricted travel both ways. That is the first deterring factor.

The second deterrent factor is the neglect of essential steps to foster tourism through the shortage of facilities of various kinds. There is shortage of aircraft with the I.A.C. There is shortage of good hotel accommodation, there is shortage of good *restaurants; there is shortage of good* automobiles for long journeys and of tourist coaches. There is also the difficulty in obtaining, for foreign tourists, such things as camera films, mineral water and liquor permits.

Then, there are unsatisfactory arrangements at airports. I am not blaming the staff. I think the airport staff and the customs staff are good people. My own experience with them has been excellent. But they are hamstrung by rules. They have to make us fill up umpteen forms, give ridiculous information, and they have to ask impossible questions. A few days back or a few weeks back, a foreign tourist had come, whose main interest was photography; he came with 250 flash-bulbs. They had marked it and when he was taking off from India he was asked to produce the 250 exploded *flash-bulbs! Imagine the absurdity of this, as if a man puts* the exhausted or exploded flash-bulbs in his bag and comes with that bag and says "Here are the 250 exploded flash-bulbs!" Everyone throws them away as soon as they are used. But this is the kind of churlishness with which we receive people, the suspicion being that he had sold them in the black market.

So, the reception of people at the airports, customs facilities and airport arrangements leave a great deal to be desired. Then, finally, there is the squalor and the insanitary conditions, the horrible slums and the horrible sights that are to be seen when people drive from airports into the city, in Bombay, Calcutta and other big cities.

The measures that are required to put this right are the following. There must be adequate funds allocated for publicity abroad, for promotion and for advertisement, both for Air India and for the Tourist Department. Both these agencies are starved today in so far as allocation of foreign exchange for promotion, publicity and advertisement is concerned. There should be a concerted effort here.

I, therefore, welcome the setting up of the India Tourism Corporation, one of the two corporations proposed to be set up, as I find from the annual report of the Department. I think the terms of reference of that corporation are reasonable, and they will create a climate in which foreign tourism can function. But I do hope that this corporation will not enter the market as a travel agent. It should only create a climate for foreign tourists to come. Let the travel agencies do their legitimate work. I must sound this warning because, unfortunately, even when Government start by doing the right thing, they slip into the habit of a State capitalist monopoly; that is their nature. Therefore, I am warning the Hon'ble Minister to stop short of entering the travel market and not to destroy the travel agencies by getting bigger and better cars and competing with them on unequal terms.

The second thing is to encourage more charter flights to India. This is a growing phenomenon all over the world. In 1964, 12 million tourists were carried by charter flights, that is, non-scheduled flights, throughout the world. How many came to India? Not even 20 came to India out of those one thousand or more flights that took place.

Thirdly, the I.A.C. must be given money to get more planes. The I.A.C. earns about Rs. 3 crores of foreign exchange every year. Cannot at least that money be given to them to buy planes every year, to the extent of Rs. 2 or 3 crores?

Finally, there is the question of hotels. There is a shortage of good hotels. But I must oppose the establishment of the Hotels Corporation. I do not think that it is any part of Government's business to run hotels.

Shri Ranga: Let them become caterers also.

Shri M. R. Masani: Yes, because they will cater in the hotels. It is not any part of Government's duties to run and manage hotels; hoteliering is not part of their functions.

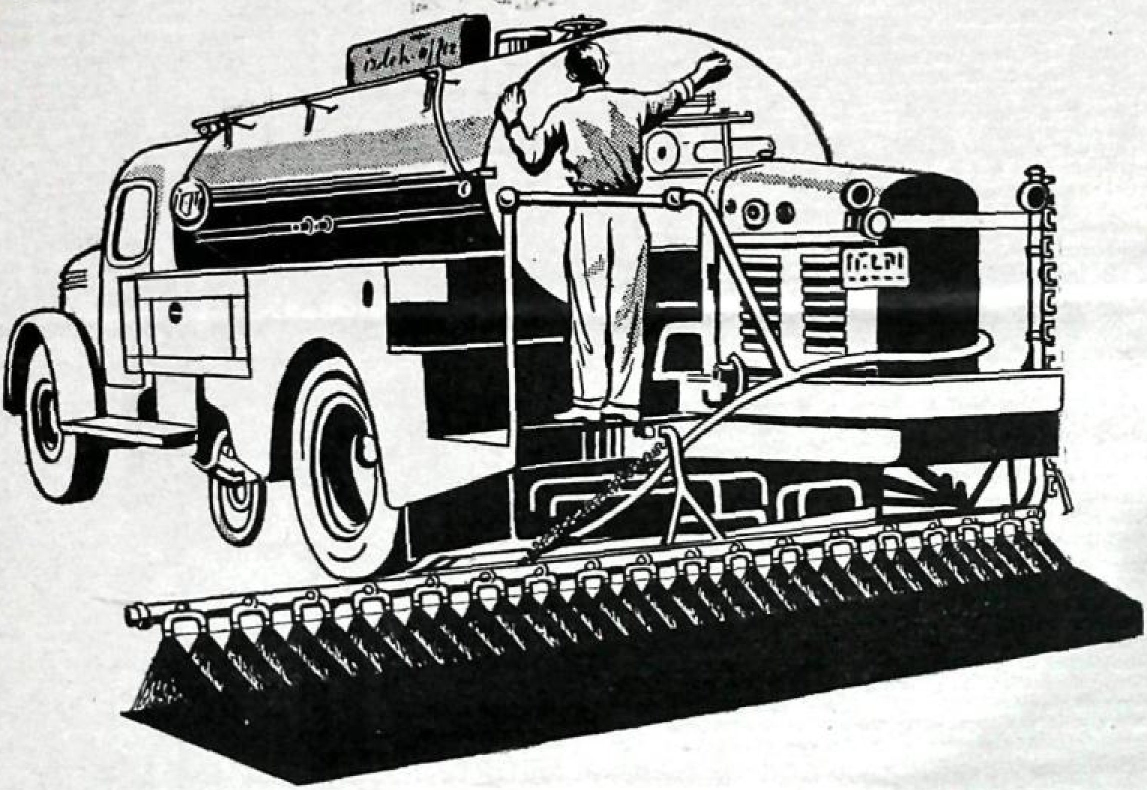
So, Government should see to it that those who want to build hotels are given opportunities to do so. I make hold to say that far from encouraging people to build hotels, every obstacle is put in their way today. In Chowringhee in Calcutta, in the Fort area in Bombay, and in New Delhi, it is Government which owns the land, and when the hotel people want to build hotels, and go to Government for land, every obstacle is put to deny them that facility. I was told only this morning by somebody who knows that one of these parties was asked to pay a ground rent of Rs. 2,600 either per sq. yard or sq. foot. I am sorry I am not sure which it is. I am told that, while this is the ground rent for other people, Government are given similar land very much cheaper. This discrimination against those who want to build hotels should be given up......

I do not wish to be unfair to the hon. Minister and his Ministry. I admit that a lot of good work is being done by Air India and by the Tourist Department. I travel a fair deal abroad and I must say that the prestige of the Indian tourist offices is high and the standard of service and courtesy they give in foreign countries is also efficient.

I am very happy that our Director General of Tourism is respected abroad and has been given many marks of appreciation. I am told that only the other day he has been made *President of the Pacific Area Travel Association in the* Far East, one of the biggest international travel associations. We are glad about it. But no one man and no one department even can beat this problem.....

Mr. M. R. Masani

I am quite sure that, if my hon. friend will bestir himself, in place of the 156,000 people, we can get four or five times that number and instead of Rs. 23 crores that are brought into this country, we can get Rs. 100 crores in foreign exchange every year. But for that, I think the whole Government must make up its mind. My hon. friend should take this up at Cabinet level. He should get a decision of the Cabinet that tourism is a matter of national priority. And, if I may make a suggestion without any offence, I would like the Prime Minister to come here and make that announcement, so that the Finance Ministry and the other Ministries take it seriously. That, I think, is something that the Transport Ministry can and should do. I hope they will bestir themselves more actively in the months to come.



IMPROVEMENTS TO NATIONAL HIGHWAYS IN 1964/65

1,080 MILES OF LOW GRADE SECTIONS UPGRADED

REPORT OF THE MINISTRY OF TRANSPORT

During 1964-65 sixteen major bridges and 200 miles of missing road links were constructed on National Highways and 1,080 miles of existing sections were improved, states the report of the Ministry of Transport. The total outlay on road development for the whole country during the Third Plan ending 31st March 1966 is likely to be Rs. 454 crores, against which the expenditure during the first four years is Rs. 329.33 crores, the report adds.

Besides giving details of road development in the Central sector including inter-State and border roads, the report deals with all other activities of the Transport Ministry including steps to promote road transport, shipping, inland waterways, tourism and transport research.

Below are extracts from the report.

Progress of Road Development

Achievements.—At the commencement of the First Five-year Plan, there were 2,48,512 miles of roads in the country. Work done during the First and Second Five-year Plan periods increased this length by 1,92,114 miles or nearly 77 per cent as indicated below :

	Mileage as on the 31st March		*Increase in mileage over that in 1951*	*Increase as a percentage of mileage in 1951*
	1951	*1961*		
Surfaced roads ..	97,567	1,46,513	48,946	50
Unsurfaced roads ..	1,50,945	2,94,113	1,43,168	95
Total ..	2,48,512	4,40,626	1,92,114	77

During the Third Five-year Plan, 25,000 miles of surfaced roads were proposed to be added to the road network of the country. By the end of December 1964, nearly 18,800 miles or about 75 per cent of the original target are estimated to have been constructed. Of the unsurfaced roads, the net addition has been about 70,000 miles from the beginning of the Third Five-year Plan (1-4-1961) upto the end of December 1964.

In terms of financial outlay, it was indicated in the Report for 1963-64 that following the mid-plan appraisal in the light of the various additions made to the Plan since its commencement in April 1961 the total outlay on road development in the country had gone up to Rs. 416 crores as against Rs. 324 crores envisaged at the commencement of the Plan. Following some further adjustments made in State Plans, the total outlay for road development in the current Plan now stands at Rs. 454 crores. Against this revised provision of Rs. 454 crores, the progress of expenditure has been as under :

	(Rs. crores)
1961-62	63.76
1962-63	72.43
1963-64	91.42
1964-65 (revised estimates)	101.82
Total ..	329.73

Fourth Five-year Plan.—It was indicated in the last year's report that in order to facilitate the formulation of an integrated road programme for the Fourth Five-year Plan, a Working Group on Roads consisting of the representatives of the various authorities concerned had been set up at the Centre. During the year under review the Working Group completed its deliberations and submitted its recommendations to Government of India. The Group has recommended a total outlay of Rs. 1,150 crores for road development under both the Central and State sectors of the Fourth Five-year Plan as under :

		(Rupees in crores)
Central Sector		
National Highways	425.00	
Central Aid for State Roads	76.00	
		501.00
State Sector		
Union Territories	45.00	
States (including rural roads and those required for various industrial and mining installations, etc.)	600.00	
		645.00
		1,146.00
		or, say Rs. 1,150 crores.

According to the indications available from the Planning Commission, against the aforesaid total outlay of Rs. 1,150 crores recommended by the Working Group, a sum of Rs. 750 crores only is likely to be provided for roads in the Fourth Five-year Plan. A final decision about the Fourth Plan allocation is, however, yet to be taken by the Planning Commission.

National Highways

Roads of a total length of 14,925 miles are included in the present National Highway System. Due to financial limitations, there is no provision in the Third Five-year Plan for the expansion of the existing National Highway System. Attention is, therefore, being concentrated mainly on the development of the existing National Highway System by constructing missing road links, bridging unbridged river crossings and improving the existing low-grade sections. During the year under review, about 200 miles of missing road links and sixteen major bridges were constructed and 1,080 miles of existing sections were improved.

Expenditure on Original Works.—A sum of Rs. 35.04 crores was spent on original works on National Highways during 1963-64 as compared to Rs. 17.42 crores spent during 1962-63. The anticipated expenditure during 1964-65 is Rs. 34.30 crores including the expenditure on certain selected works on National Highways covered by the credit of 60 million dollars extended by the International Development Association.

Expenditure on Maintenance and Repairs.—A sum of Rs. 6.83 crores was spent on the maintenance and repairs (including flood damage works) of National Highways during 1963-64 as compared to Rs. 6.19 crores spent during 1962-63. The anticipated expenditure on this account during 1964-65 is Rs. 6.60 crores.

Works Financed from the Development Credit extended by the International Development Association.—As indicated in the report for the year 1961-62, in June 1961 the International Development Association, an affiliate of the World Bank, provided a Development Credit of $60 million (Rs. 28.57 crores) for meeting a part of the cost of certain selected road and bridge works on National Highways in the States of Bihar, Maharashtra, Orissa and West Bengal as also the Eastern Expressway in Bombay City. The credit also included a sum of $395,000 (Rs. 18.81 lakhs) for a techno-economic study of the traffic problems of Bombay City.

The credit covers the construction/development of 660 miles of road and 18 major bridges in the four States. According to the latest indications, the estimated cost of these works, including the cost of the traffic study of Bombay, would be roughly Rs. 50 crores. The credit of $60 million will meet about 55 per cent of the cost of road and bridge works, and 70 per cent of the cost of machinery required for these works, the balance being met by the Government of India from within the provision made in the Third Five-year Plan for National Highways.

Schedule of Completion.—According to the agreement entered into with the International Development Association, the works covered by the aforesaid Development Credit were scheduled to be completed by the end of September 1964, the accounts being settled by the end of March 1965. However, according to the latest position, these works are now likely to be completed by June 1966, except for the bridge across the Bassein Creek in Maharashtra and that over the Rupnarayan in West Bengal which are likely to be completed by December 1966. The extension in the period of completion is due to (i) the late arrival of a number of items of imported machinery, e.g., earthmoving machinery, compaction equipment, soil stabilisers, etc., (ii) difficulties in the acquisition of land, (iii) time involved in carrying out detailed investigations, collection of hydraulic data, finalisation of designs, etc., for major bridges, and (iv) constructional delays due to the difficult site conditions.

Progress.—Estimates for most of the works have been sanctioned and the progress achieved on road works is roughly 61 per cent and that on bridges, 65 per cent. In terms of length, about 322 miles of road, out of a total of 660 miles, have been constructed/developed, while work on the remaining length is in various stages of progress. The bridges across the rivers Mahananda and Burhi Gandak in Bihar, Birupa and Mahanadi in Orissa, Tansa in Maharashtra and Kangsabati in West Bengal, have been completed, while work on the remaining bridges is in various stages of progress.

Road and bridge building machinery worth Rs. 4 crores was required for the execution of the aforesaid works financed from the Development Credit afforded by the International Development Association. Against this requirement, machinery costing Rs. 2.61 crores has already been procured. The remaining machinery is expected to be procured shortly.

Techno-Economic Traffic Study of Greater Bombay.—The traffic study which was designed to provide a basis for framing a long range road plan for Greater Bombay has been completed. Messrs. Wilbur Smith and Associates of U.S.A. who undertook this study in conjunction with Messrs. Freeman Fox and Partners of U.K. have submitted their report. They have recommended a system of freeways, expressways and major streets estimated to cost Rs. 96 crores to provide for the traffic requirements of Greater Bombay upto 1981. The report is at present under study of the Government of Maharashtra and the Bombay Municipal Corporation who are primarily concerned with it.

Other Roads

The Ministry of Transport (Roads Wing) are responsible, *inter alia*, for the construction, improvement and maintenance of roads other than National Highways in the Union Territories, N.E.F.A. and certain roads in Sikkim under the charge of the C.P.W.D.

As a result of the coming into force of the Government of Union Territories Act, 1963 with effect from the 1st July, 1963, the expenditure on roads other than National Highways in the Union Territories of Himachal Pradesh, Manipur, Tripura, Goa, Daman and Diu and Pondicherry is debitable to the Consolidated Fund of the concerned Union Territory and is, therefore, not reflected in the budget of this Ministry. Like-wise with the constitution of Nagaland with effect from the 1st December, 1963 as a full fledged State of the Union, the expenditure in regard to the construction, improvement and maintenance of roads other than National Highways in that area also ceased to be reflected in the budget of this Ministry.

The Third Five-year allocation for roads other than National Highways in the Union Territories, including Nagaland and Sikkim but excluding Goa, Daman and Diu, Pondicherry and Dadra and Nagar Haveli, was Rs. 2,718 lakhs. Against this, the actual expenditure on original works during the first two years of the Third Five-year Plan, i.e., 1961-62 and 1962-63 was Rs. 893.41 lakhs. The

expenditure on original works debitable to the budget of this Ministry during the year 1963-64 was Rs. 176.17 lakhs and that during the year under review is expected to be Rs. 103.23 lakhs.

As regards maintenance and repairs of roads other than National Highways in the Union Territories, the expenditure incurred during the years 1961-62 and 1962-63 was Rs. 215.18 lakhs. The expenditure on this account debitable to the budget of this Ministry during the year 1963-64 was Rs. 66.08 lakhs and that expected to be incurred during the year 1964-65 is Rs. 33.46 lakhs.

In physical terms, nearly 1,016 miles of roads are expected to be constructed or improved in *Himachal Pradesh, Manipur, Tripura, Pondicherry*, Andaman and Nicobar Islands and N.E.F.A. during the year 1964-65.

Roads in Delhi.—Roads in the Union Territory of Delhi are constructed and maintained by the following three different bodies: (i) the Delhi Administration; (ii) the Municipal Corporation of Delhi; and (iii) the New Delhi Municipal Committee. Roads under the charge of Delhi Administration are a few National Highway links and some roads financed from the Central Road Fund. Funds for their development and maintenance are provided by this Ministry. A majority of the roads are under the charge of the two municipal bodies, the Delhi Municipal Corporation and the New Delhi Municipal Committee. Roads under the charge of the Delhi Municipal Corporation are constructed and maintained by the Corporation and grants-in-aid to the Corporation for the purpose are made by the Ministry of Home Affairs. Roads under the charge of the New Delhi Municipal Committee are developed and maintained by them and funds are provided by the Ministry of Health.

Bridges over the Yamuna River in Delhi.—Among the various road and bridge works undertaken in Delhi, special mention needs to be made of the steps being taken to provide several bridge crossings over the river Yamuna to cater to the growing traffic requirements of the capital. Apart from the road bridge over the Wazirabad barrage which was recently completed and the other road bridge near Humayun Tomb under construction, it has been further decided that the following two more bridges be constructed over the river Yamuna in Delhi in order to relieve the congestion on the existing rail-cum-road bridge and to meet the needs of the developing town of Shahdara:

(i) bridge over the barrage near the 'C' Power Station; and

(ii) bridge near Rajghat.

Both these bridges are expected to be completed during the Fourth Five-year Plan.

Centrally Aided State Roads of Inter-State or Economic Importance.—As indicated in the last year's report, this Ministry approved in 1954 for Central financial assistance a programme of certain selected State roads of inter-State or economic importance to promote the improvement of inter-State communication facilities and help in the development of backward areas. This programme is being continued in the Third Plan although most of the work being done under this programme at present relates mostly to projects carried over from the previous plans.

During the year under review, sixty-four miles of new roads were constructed in the various States under this programme. The expenditure on the various works under this programme during the year 1963-64 was Rs. 374.52 lakhs and that during the year 1964-65 is anticipated to be Rs. 424.47 lakhs. These amounts are inclusive of the expenditure on the special projects of West Coast Road and the Passi-Badarpur Road which also form part of this programme and are discussed separately below.

Fresh Projects Approved.—A grant-in-aid of Rs. 7.5 lakhs was offered to the Government of Andhra Pradesh during the year under review for the construction of a tunnel across the Indrakeeladri Hill at Vijayawada so as to provide a new link connecting National Highways No. 5 and 9.

In addition, it was also agreed during the year under review to provide, as a special case, funds for preliminary work pertaining to survey, collection of hydraulic data, fixation of site, etc., being undertaken in the current Plan on the following works, the construction of these bridges being considered in the Fourth Five-year Plan:

(1) Conversion of causeways on the Koilpatti-Ettayapuram-Tuticorin road into bridges in the Madras State.

(2) Bridge over the river Krishna near Kolhar in the Bijapur District of the Mysore State.

(3) Bridge over the river Subernarekha on the Kharagpur-Balasore road near Jaleswar in Orissa.

(4) Bridge over the river Sutlej between Dattanagar and Rampur Bushehr in Punjab.

(5) Bridge over the river Chambal on the Swai Madhopur-Sheopur road in Rajasthan.

(6) Bridge over the Banas River on the Shivpuri-Swai Madhopur-Daosa road in Rajasthan.

(7) Bridges over the Kalisindh and Charnadi on the Jaipur-Kota-Jhalawar-Biaora road in Rajasthan.

West Coast Road.—Intended for improving road communication facilities for the people living in coastal belt along the West Coast, the West Coast Road runs from Panvel in Maharashtra to Challisseri in Kerala where it is connected to N.H. No. 47-A. The Government of India have agreed to provide requisite funds for the development of this road as a single-lane all-weather road with black-topped surface.

The road was originally designed to pass through the States of Maharashtra, Mysore and Kerala only. After the integration of Goa into the Indian Union, it has been decided to take it through the Goa territory also. The total length of the road is 763 miles including the portion lying in Goa.

The road was initially estimated to cost Rs. 10.54 crores. But according to the revised estimates, the construction of the road is likely to involve a total outlay of Rs. 23.15 crores. This includes a sum of Rs. 5.50 crores on account of the change in alignment so as to pass through Goa territory. The rest of the increase is contributed by the rise in the cost of material and labour.

Expenditure aggregating Rs. 4.27 crores was incurred on the road upto the end of the Second Five-year Plan and that incurred during the first three years of the Third Plan was Rs. 5.58 crores. The expenditure on the road in the current Plan will be limited to the provision of Rs. 7.50 crores made for the purpose and the balance will be carried forward to the Fourth Plan.

The entire portion of the road in Maharashtra has been practically completed including all the major bridges except the portion of the road between Akeri and Sawantwadi (Goa border) which is yet to be taken up.

The construction of the bridge across the river Mandovi in Goa was sanctioned in March 1964 at an estimated cost of Rs. 79.29 lakhs and is expected to be completed within 2 years. The work on the road portion in Goa has also been taken up.

As regards the portion of the road lying in the Mysore State, out of a total length of 177 miles, 50 miles have been completed. The work is in progress in the remaining sections of the road. As regards bridges, out of 29 major bridges, 17 have been completed.

In Kerala, widening has been completed in a length of 155 miles out of a total length of 198 miles and black topping has been completed in a length of 145 miles. Of the total number of 32 bridges in Kerala, 13 have been completed, 10 are in progress and 9 are yet to be taken up.

Passi-Badarpur Road.—The Passi-Badarpur road is an important road which is being developed out of the funds provided by the Government of India for the purpose of establishing an all-weather link between Agartala (Tripura) and the rest of India. The road is 82 miles long. Originally estimated to cost Rs. 1.40 crores, the road according to the present estimates is expected to cost Rs. 2.22 crores. Estimates amounting to Rs. 1.39 crores have so far been sanctioned. Against this, an expenditure of Rs. 1.20 crores was incurred upto the end of 1963-64.

The work on the road portion has been completed except for surfacing and improvements to the geometrics in certain sections. There are, however, five major bridges across the rivers Gumra, Kakrakhal, Baleswar, Apha and Lubha. Substantial progress on these bridge works could not be achieved so far because of their location in a remote area and the dearth of suitable contractors to undertake the work. In spite of these handicaps, the Gumra and the Kakrakhal bridges have been practically completed. Work on the Baleswar bridge was awarded to a contractor in June 1964 and is expected to be completed by June 1965. As regards Lubha, only one tender was received for the work which is under examination.

Lateral Road Project.—With a view to meeting the economic and other needs of the northern border of the country, it has been decided to develop a Lateral Road connecting Bareilly (U.P.) to Amingaon (Assam) *via* Siliguri (West Bengal) and four link roads, viz., Kasia-Padrauna (U.P.), Sagauli-Bettian (Bihar), Muzzaffarpur-Darbhanga (Bihar) and Araria-Forbesganj-Maricha (Bihar). The total length of this lateral road and the four link roads is about 1,300 miles. It will, however, be necessary to develop about 967 miles only because the remaining sections have already been developed.

In addition to the development of the road portion, about 21 major bridges (length over 500 ft.), 131 medium bridges (length between 100 and 500 ft.) and hundreds of minor bridges having waterway between 20 and 100 ft. are also to be constructed on this road. The total cost of the road and bridge works is estimated to be about Rs. 110 crores, which would be met entirely by the Government of India.

It is proposed to complete the major portion of the work within a period of four years commencing from 1-4-1964, and the balance in another year, i.e. by 31-3-1969.

Technical approval and financial sanction has already been accorded to preliminary estimates aggregating about Rs. 29 crores for the various road and bridge works pertaining to this project. In addition, further estimates amounting to Rs. 16 crores have also been sanctioned for the procurement of road rollers and other road and bridge building equipment required for this project. Procurement of this equipment is in progress.

Central Road Fund

As indicated in the last year's Report, the Central Road Fund was constituted in 1929. It is a non-lapsing Fund which derives its revenue from the levy of an additional duty of customs and excise on non-aviation motor spirit at 2½ annas per gallon. Twenty per cent of the proceeds from this additional levy is kept as a Central Reserve, which is utilised in meeting the cost of administering the fund and thereafter upon such schemes of research and intelligence, special enquiries connected with roads, and grants-in-aid for projects connected with roads as may be approved by the Central Government. The balance of 80 per cent of the annual revenue of the Fund is provided to States by way of allocations on the basis of the actual quantity of motor spirit consumed in each State.

(*To be continued*)

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