

(b) Ford Foundation Consultants, different Departments of the State Government, the Central Road Research Institute and other Statutory and Non-statutory Bodies are being consulted. As the Plan is not yet ready, the question of execution does not arise.

(c) Study Groups have been set up to examine problems relating to traffic transportation, Socio-economic conditions, housing and land use.

(d) The Plan and the estimated cost thereof are under preparation.

Shri Dinen Bhattacharya: May I know whether the Bengal Legislative Assembly will have any control over this Metropolitan Planning Organisation that will be set up?

Shrimati Tarkeshwari Sinha: This organisation is being set up for preparing the plan, and over the preparation of the plan and the conducting of surveys, it will have control.

Shri Hem Barua: May I know whether any foreign collaboration for the execution of this plan has been received, because it had transpired that USA was offering financial assistance for this purpose?

Shrimati Tarkeshwari Sinha: The Ford Foundation is going to provide free funds as well as consultants. Also, the United Nations Special Fund has agreed to provide assistance for the survey of the water supply, sewage and drainage problems of Greater Calcutta.

Shri S. C. Samanta: May I know in what proportion the Central Government will share the expenditure with the State Government?

Shrimati Tarkeshwari Sinha: The West Bengal Government have set apart a sum of Rs. 1 crore in the Third Plan for the preparation of this plan, and for financing this Metropolitan Planning Organisation. Apart from that, the Central Government have made a provision in the Third Plan of Rs. 10 crores to be provided

for the execution of the plan, but the execution does not arise at present because the plan is not there. Also, the West Bengal Government are going to set up Rs. 10 crores in the Third Plan for this purpose.

Shri Indrajit Gupta: May I know to what extent the Central Government are being associated with the preparation of the plan itself?

Shrimati Tarkeshwari Sinha: I gave that information in the answer to the main question. The Central Government are being consulted.

Financing of Schemes

*705. **Shrimati Renuka Ray:** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that even after certain budgetary reforms, the money required for a very large number of schemes meant for implementation during the last financial year was given during February and March, 1962; and

(b) if the reply to part (a) above be in the affirmative, what steps Government are taking to prevent this last minute hurried expenditure in order to avoid the money budgeted from lapsing?

The Deputy Minister in the Ministry of Finance (Shrimati Tarkeshwari Sinha): (a) Normally money is made available for expenditure on schemes well in advance. In cases, however, where the details of the schemes are worked out in the later part of the year, late allocation of funds becomes unavoidable. In such cases also the money provided is limited to what can normally be expected to be expended during the remaining part of the year.

(b) There are rules prohibiting a rush of expenditure in the closing months of the year. The spending Departments have also been assured that in cases where they are unable, for valid reasons, to utilise fully during the year the funds provided for

approved projects, the Ministry of Finance would consider reallocation of funds in the succeeding year, provided the purpose of the original allotment continues to be operative.

Shrimati Renuka Ray: Is it a fact that in spite of the arrangements that the Deputy Minister has referred to in reply to part (b) of the main question, the position still continues that expenditure takes place during the last two months of the financial year, and, in fact, some of this expenditure does not actually take place but certificates are given by the people who contract with us; and the money is drawn before the contractor gives the service, and the actual expenditure takes place only later?

Shrimati Tarkeshwari Sinha: There may be a few cases, but we have no information about the number of cases in which funds were allotted like that. We see that except for unavoidable reasons, no allotment is made in the last two months of the financial year. We have also provided under the revised arrangements for budgeting and financial control that no lump sum provision can be made then except for minor works and petty temporary establishments. Provision in respect of new schemes can be made in the budget only after details pertaining to the schemes have been furnished, and accepted by the Ministry of Finance.

Shri Vidya Charan Shukla: Does the hon. Minister mean to say that this evil of spending in the last two months of the financial year has been completely eradicated because of the rules framed recently or it is still continuing?

Shrimati Tarkeshwari Sinha: I have answered it. There might be stray cases, but we see that this does not happen usually.

Shrimati Renuka Ray: Since we are having five year plans, is it not possible to let this money not lapse at the end of the year but continue it only in one or two specific cases,

but generally speaking so that wasteful expenditure is avoided?

Shrimati Tarkeshwari Sinha: We see to it that the minimum of wasteage takes place. Rules have been framed to see that this sort of spending money at the last moment does not happen.

Shri Hanumanthaiya: Are Government aware that this delay is due not so much to the rules as to the correspondence that takes place repeatedly and in a prolonged manner between State Governments, the Central Government and the various agencies?

Shrimati Tarkeshwari Sinha: I have already said that circulars have been issued assuring Ministries that where grants have not been spent or are not likely to be spent in the current year, we can re-allocate those very funds if the purpose is more or less the same. By that step, we hope that this expenditure in a hurry will be avoided considerably.

Mr. Speaker: The hon. Member wanted information on the point that more time is spent on correspondence between States and the Centre, thus taking a long time.

The Minister of Finance (Shri Morarji Desai): That is also sought to be minimised now.

Third Machine Tool Factory

*706. **Shri P. C. Borooah:** Will the Minister of Steel and Heavy Industries be pleased to state:

(a) whether a Third Machine Tool Factory is proposed to be set up in the public sector in Assam;

(b) if so, at what cost; and

(c) what steps have so far been taken to implement the scheme?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam): (a) to (c). Besides expanding the Machine Tool plant in Bangalore, Hindustan Machine Tools propose to set up another unit at Pinjore in Pun-