

DR. R. P. DUBE: The question is very clear, Sir. I want to know the contribution of India.

SHRI M. C. SHAH: I said, Sir, that it was one crore of rupees or £750,000 were to be contributed by India during the period 1951-57 under the Technical Co-operation Scheme framed under the Colombo Plan.

INTEREST ON DEBT DUE FROM PAKISTAN

*595. DR. R. P. DUBE: Will the Minister for FINANCE be pleased to state the rate of interest carried by the debt due from Pakistan?

THE MINISTER FOR REVENUE AND DEFENCE EXPENDITURE (SHRI A. C. GUHA): About 2-7/8 per cent. per annum.

DR. R. P. DUBE: How much of this has been realised?

SHRI A. C. GUHA: The total debt is near about Rs. 300 crores. I think all hon. Members know that nothing has been realised out of this.

SHRI V. K. DHAGE: Not even interest?

DR. R. P. DUBE: How much has been realised, Sir?

SHRI A. C. GUHA: Nothing has been realised.

DR. R. P. DUBE: Neither principal nor interest?

SHRI A. C. GUHA: I think the hon. Member knows that we have been providing for a receipt of Rs. 3 crores from Pakistan in our Budget Estimates but this year we have dropped that. The Finance Minister has, in his Budget speech, said, "if, as I hope, settlement is reached in the coming year, I shall take that credit into account in the Revised Estimates" Nothing has been realised so far.

DR. RAGHUBIR SINH: What is the accumulated interest?

SHRI A. C. GUHA: It is not possible to give any idea of interest—the total amount has not been definitely fixed. I think it would be near about Rs. 300 crores. Interest can be worked out.

MR. CHAIRMAN: The total amount is Rs. 300 crores. Work out the interest at the rate of 2-7/8 per cent. per annum.

SHRI KANHAIYALAL D. VAIDYA: Is it not a fact that nothing has been mentioned in the Pakistan Budget so far as these debts are concerned and has the Government taken any notice of this?

SHRI A. C. GUHA: What notice can we take, Sir? We must have noticed that they have not made any mention about it.

DR. D. H. VARIAVA: Do we owe any amount to Pakistan, Sir?

SHRI A. C. GUHA: Yes, Sir, there are counter claims also on us.

MR. CHAIRMAN: All this is in the process of settlement.

CENTRAL AID FOR THE CONSTRUCTION OF STATE CAPITALS

*596. SHRI V. VENKATARAMANA: Will the Minister for FINANCE be pleased to state:

(a) the amount of financial aid given to the State of Punjab for the construction of its capital town;

(b) whether similar aid was given to any other States; and

(c) if so, how much aid was given in each case?

THE MINISTER FOR REVENUE AND CIVIL EXPENDITURE (SHRI M. C. SHAH): (a) A loan of Rs. 75 lakhs was sanctioned to the State of Punjab for the construction of the Chandigarh capital during 1953-54 and a further loan of Rs. 125 lakhs in 1954-55. This

is in addition to the expenditure of Rs. 3 crores incurred by the Rehabilitation Ministry on the capital project of the Punjab Government up to the year 1953-54.

(b) and (c). A grant of Rs. 132 lakhs was sanctioned to Orissa towards their capital project during the years 1948-49 to 1952-53; in the current year a loan of Rs. 50 lakhs has also been sanctioned to that State towards expenditure on their capital project.

A loan of Rs. 40 lakhs was sanctioned to the Composite State of Madras during the year 1953-54 for the construction of a temporary capital for Andhra at Kurnool. The actual expenditure incurred in this connection was Rs. 13.14 lakhs, and the balance amount of Rs. 26.86 lakhs was treated as a ways and means advance to the Andhra State.

SHRI V. VENKATARAMANA: Did the Andhra Government approach the Government of India for any financial aid after the formation of the State?

MR. CHAIRMAN: After the formation of the new capital?

SHRI V. VENKATARAMANA: After the formation of the new State.

SHRI M. C. SHAH: The Andhra Government had asked for Rs. 3.75 crores for expenditure on water supply, electricity, etc.

SHRI V. VENKATARAMANA: I want to know for the construction of the capital.

SHRI M. C. SHAH: They had asked for only Rs. 3.75 crores and we have agreed to that. This sum also includes provision for the capital; it is combined.

PROF. G. RANGA: It is only three lakhs of rupees.

SHRI M. C. SHAH: 3.75 crores.

SHRI T. V. KAMALASWAMY: Did they ask for a loan or a grant, Sir?

SHRI M. C. SHAH: They asked for a loan and we have given them a loan of Rs. 3.75 crores. Previously also, the amount of Rs. 40 lakhs which was given was given as a loan.

SHRI H. C. MATHUR: May I know whether other States also had made similar requests? If so, what was the fate of those requests?

SHRI M. C. SHAH: I have already said about Punjab and Orissa. They are the only States that had asked for loans for the construction of a capital.

DR. P. C. MITRA: May I know in how many instalments these loans are recoverable?

SHRI M. C. SHAH: These loans are recoverable. I am not quite sure about the period but ordinarily these loans are for periods of 30 or, even sometimes, 20 years. These loans are recoverable.

REPRESENTATION FROM INSURANCE EMPLOYEES

*597. SHRI S. N. MAZUMDAR: Will the Minister for FINANCE be pleased to state:

(a) whether Government have recently received any representation from Insurance Employees' Organisations drawing the attention of Government to their complaints about retrenchment and the working of the Insurance Act;

(b) if so, what are the points raised in the said representation; and

(c) what action has been or is being taken by Government in the matter?

THE MINISTER FOR REVENUE AND CIVIL EXPENDITURE (SHRI M. C. SHAH): (a) Yes, Sir. A representation has recently been received from