

The amount of Rs. 48 lakhs provided for payment of war damage compensation was constituted as follows:

(i) arrear debits in respect of compensation paid in the Naga Hills District (Assam), during 1951-52, but not adjusted in the Central Government's accounts for that year...Rs. 24 lakhs.

(ii) the amount expected to be paid as compensation in the Naga Hills District (Assam) during 1952-53 ...Rs. 4 lakhs.

(iii) part provision for payment of compensation in Assam Relief Measures areas of Manipur...Rs. 20 lakhs
The amount of Rs. 20 lakhs at (iii) was since surrendered leaving a balance of Rs. 28 lakhs only, for adjustment and payment.

Out of the total amount of Rs. 28 lakhs, Rs. 24 lakhs was provided for adjustment of payments already made during the previous year, leaving a provision of Rs. 4 lakhs only for future payments. I regret the names of persons who have preferred their claims are not readily available nor do I think that the detailing of this information will serve any useful purpose.

(c) No.

(d) These claims were filed before the Deputy Commissioner, Naga Hills, during the years following the termination of the war. The matter was pending before the then Adviser to the Governor of Assam till it came to the notice of the Assam Government in 1951 who in turn referred it to this Ministry the same year. A majority of the claims have however been settled since then.

(e) These claims relate to damages caused to properties during the war by the allied forces. So far as Government are concerned the payment of compensation was sanctioned on an *ex-gratia* basis. The question of application of the law of limitation does not, therefore, arise.

(f) Yes. All payments made in respect of claims relating to the pre-

partition period are to be shared between India and Pakistan in the ratio of the unallocated debt.

PAYMENT OF INTEREST

144. SHRI P. C. BHANJ DEO: Will the Minister for FINANCE be pleased to state:

(a) whether interest is paid by the Damodar Valley Corporation and the State Governments from their revenues or from further borrowings;

(b) whether the rate of interest charged from the State Governments and the Damodar Valley Corporation has been increased in recent years; and

(c) the names of those States which pay interest on their loans out of the Central loans?

THE MINISTER FOR FINANCE (SHRI C. D. DESHMUKH): (a) and (c). The Damodar Valley Corporation is paying interest now from its capital.

The State Governments pay interest on loans from their revenues except in the case of River Valley Projects of Damodar Valley, Hirakud, Harihke and Bhakra Nangal. In the case of these projects, the participating Governments, namely, West Bengal, Bihar, Orissa, Punjab, Rajasthan and PEPSU borrow funds from the Central Government to meet the entire capital expenditure, including interest during the period of construction.

(b) Yes. Interest on each loan is fixed at the time it is given with reference to market conditions, the prevailing rate for loans of the same maturity, etc.

FINANCE AND APPROPRIATION ACCOUNTS

145. SHRI P. C. BHANJ DEO: Will the Minister for FINANCE be pleased to state:

(a) the year to which the latest published Finance and Appropriation Accounts of Patiala and East Punjab States Union Government relate:

(b) the year of the latest published Appropriation Accounts of the PEPSU