

makes evasion, in spite of attendant risks, profitable and attractive. The Committee accordingly recommended that the marginal rate of income-tax, including surcharge, should be brought down from 97.75 per cent to 75 per cent with simultaneous reduction in tax rates at the middle and lower levels. This recommendation has been accepted by Government with minor modifications and implemented through Finance Act, 1974.

Alleged statement for providing legal protection to Shri Yusuf Patel

*568-A. SHRI BHOGENDRA JHA: Will the Minister of FINANCE be pleased to state:

(a) whether an ex-member of Lok Sabha has alleged through open statement in the Press that while a Member of the Fourth Lok Sabha he had approached the Prime Minister for providing legal protection to Shri Yusuf Patel in exchange for revealing smuggling operations; and

(b) if so, the facts thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE):

(a) and (b). The question presumably is based on the news item appearing in the "Motherland" dated 17th October, 1974, regarding a Press Conference held by Shri George Fernandes, an ex-Member of Parliament. This news item has been seen by the Government.

According to the news item Shri Fernandes had written to the Prime Minister and others "that Yusuf Patel who had fallen out with Mastan had met him (Shri Fernandes) in New Delhi and offered to tell all about the smuggling activities in the country, if, in return, he was protected from Mastan".

The records have been checked up and it has not been possible to trace any such letter from Shri George Fernandes.

Ex-Gratia Compensation for Enemy Properties

*569. SHRI SAMAR GUHA: Will the Minister of COMMERCE be pleased to state:

(a) whether most of the applications received from migrants from former West Pakistan for *ex-gratia* compensation for enemy properties have been expeditiously dealt with;

(b) if so, the reasons for inordinate delay in dealing with similar applications from the migrants from former East Pakistan;

(c) the total number of applications received, disposed of and still outstanding in regard to migrants from former West Pakistan and East Pakistan about such *ex-gratia* compensation;

(d) whether Government have set up a time limit for finally dealing with the issue of *ex-gratia* compensation in regard to migrants from former East Pakistan; and

(e) if so, facts thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH):

(a) and (b). No discrimination is made between migrants from former East Pakistan and West Pakistan in dealing with their applications for *ex-gratia* grant.

(c) About six thousand applications for *ex-gratia* grant have been received so far, of which nearly 80 per cent relate to the claims from East Pakistan and 20 per cent to that from West Pakistan. Out of these total claims, 882 claimants have been paid, of which 452 are from East Pakistan and 430 from West Pakistan.

(d) and (e). No, Sir. No time limit for dealing with the payment of *ex-gratia* grant have been fixed. However every effort is made to dispose of claims as expeditiously as possible.

Nationalisation of Jute Industry

*570. DR. RANEN SEN:

SHRI C. K. CHANDRAPAN:

Will the Minister of COMMERCE be pleased to state:

(a) whether the West Bengal Government are considering the question of nationalising the Jute industry; and

(b) if so, the Central Government's reaction thereon?

THE MINISTER OF COMMERCE (PROF. D. P. CHATTOPADHYAYA):

(a) Government have no information on this.

(b) Does not arise.

Subsidies to Organisations

*571. SHRI K. MALLANNA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to stop all subsidies to certain organisations to meet their losses;

(b) if so, whether Government have also considered that this slashing of subsidies will embrace even those organisations who are showing an overall profit, though they may be losing in certain operation; and

(c) if so, the salient features of the policy of Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE):

(a) to (c). In the context of the current difficult financial situation

Government have decided on various economy measures. On August 30, 1974 Government took certain additional measures to effect maximum economy in administrative and non-Plan expenditure of Government. These included instructions regarding grant of subsidies to public sector undertakings. It was decided that subsidies given specifically for carrying out certain special responsibilities which result in losses, even though such undertakings may be earning profits or breaking even on the whole, should be stopped and the undertakings should take the rough with the smooth. Similarly enterprises suffering cash losses were directed to eliminate such losses fully by the end of the next year and in the meantime it was considered desirable to impose a 10 per cent cut on subsidies to meet their cash losses in 1974-75. These instructions exclude the subsidies required to meet cash losses of enterprises which are in the construction phase or operate in certain key sectors like steel, coal, mines, fertilizers, etc. where the pricing policy is a major decision to be taken by the Government.

Increase in Iron-Ore Export

*572. SHRI SHRIKISHAN MODI:
SHRI P. GANGADEB:

Will the Minister of COMMERCE be pleased to state:

(a) whether there has been an increase in the iron ore export; and

(b) if so, by how much would the iron ore export go up in 1974-75?

THE MINISTER OF COMMERCE (PROF. D. P. CHATTOPADHYAYA):

(a) and (b). While exports in quantitative terms may be somewhat static, the export earning will register an increase. During 1973-74, our earnings from export of iron ore were Rs. 132.85 crores. The target for the current year, 1974-75, is Rs. 175 crores.