

THE MINISTER OF FOOD AND CIVIL SUPPLIES (RAO BIRENDRA SINGH) : (a) No, Sir. The present ratio between levy and freesale sugar is 65:35 of the production during the season.

(b) and (c) Under the incentive Scheme, new sugar factories and expansion factories are given the benefit of higher free sale quota thereby increasing the freesale entitlement and reducing the levy entitlement of such factories. Such conversion of levy sugar as free sale is about 4 to 5% of total production, in each of the last 3 seasons.

(d) As a result of higher freesale releases given to the incentive and expansion factories, the freesale availability increased to that extent with corresponding reduction in the levy availability of sugar during the season.

Change in Proportion of Levy Quota of Sugar

3103. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government are considering a change in the proportion of levy quota of sugar or to raise the levy price in order to help proper planning for the survival of the sugar industry ;

(b) whether costing of levy price was on the basis of statutory cane prices and this does not reflect the actual costs;

(c) whether nearly two-third of the sugar industry is sick; and

(d) if so, Government's reaction thereto ?

THE MINISTER OF FOOD AND CIVIL SUPPLIES (RAO BIRENDRA SINGH) : (a) At present no such proposals are under the consideration of the Government.

(b) The ex-factory prices of levy sugar are determined under the statutory provisions of Section 3(3C) of the Essential Commodities Act, 1955, which inter-alia stipulates that the minimum statutory

sugarcane price should be taken into account in fixing the levy price. The actual cost of production depends upon the cane price actually paid by each factory.

(c) and (d) The sugar industry, being a seasonal industry which is subjected to fluctuations on a number of factors including agro-climatic factors, parameters for quantifying sickness in the industry concretely have not evolved. However, on a quick survey made by the Government, 107 sugar mills out of a total of 356 factories installed in the country have been found to be technically weak.

Apart from taking over the management of weak sugar units by the concerned State Governments under various Acts, the Sugar Development Fund and the Soft Loan Scheme run by the Industrial Finance Corporation of India and the Industrial Development Bank of India is meant for modernisation and rehabilitation of such technically weak mills, to make them viable and strong. The concerned State Governments as well as such technically weak mills, should therefore, take advantage of the assistance available under the Sugar Development Fund and the Soft Loan Scheme.

Transport System in the Country

3104. SHRI B.V. DESAI : Will the Minister of WORKS AND HOUSING be pleased to state :

(a) whether Government are in favour of both International assistance and domestic financing to assist transport system as a whole instead of private and corporate sectors;

(b) whether it is a fact that an International gathering was called to discuss integrated urban transport ;

(c) whether the main thrust of the conference was to identify action to be taken and priority to be fixed in solving transport problem ;

(d) whether Government are considering to get the foreign aid for transport system in the country; and