

**Non-utilisation of Surat, Kandla and Porbandar airports for flights**

\*280. SHRI AHMED PATEL: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Surat, Kandla and Porbandar airports in the State of Gujarat though operational are not being utilised for flights by Indian Airlines and other popular airlines;

(b) if so, the reasons therefor; and

(c) what remedial action Government propose to take to ensure Indian Airlines and other airlines operate their flights to and from these airports to other parts of the country?

THE MINISTER OF CIVIL AVIATION (SHRI C.M. IBRAHIM): (a) Yes, Sir.

(b) and (c) These airports are not suitable for Indian Airlines Jet aircraft of Boeing 737/Airbus 320 type and therefore Indian Airlines is not in a position to operate any flights at present. So far as private airlines are concerned, Operation of 50 seater aircraft is possible, but due to commercial considerations no operator is operating flights to Surat. NEPC airlines have included both Kandla and Porbandar in their winter 1996 schedule.

**WRITTEN ANSWERS TO UNSTARRED QUESTIONS**

**News item regarding privatisation of Life Insurance sector**

1810. SHRI SURYABHAN PATIL VAHADANE: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn towards a newsitem published in the Hindustan Times, Delhi dated the 25th October, 1996 titled "Life Insurance may be opened to Private Sector";

(b) what are the details of the subject and what will be the impact of this move on the revenue of Government; and

(c) what type of facilities and benefits are expected for the general public by this scheme?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) Yes, Sir. The Government have seen the said report in 'The Hindustan Times', Delhi date lined 25th October, 1996. The policy of the Government for the insurance sector has been laid down in the Common Minimum Programme (CMP) of the Government which states as follows:

"There is room for public sector companies and private sector companies to co-exist and compete in the financial sector. We have gained considerable experience in the working of the banking sector. The said experience will be applied to the restructuring of the insurance industry, but at the same time, public sector companies like LIC, GIC etc. will be strengthened."

During the Budget Speech in July, 1996, it had been stated that:

"An interim non-statutory Insurance Regulatory Authority was set up in January, 1996. I now propose to introduce a Bill to make it a statutory body and to empower it suitably. When I return to the subject of insurance in the next Budget, I shall address some of the policy parameters outlined in the CMP, including the sequence of steps for the restructuring of the insurance industry."

The Government is currently processing a Bill for giving statutory basis to the Insurance Regulatory Authority. Other measures for reform of the insurance sector are being examined in consultation with the Insurance Regulatory Authority.