Rajkot, Jamnagar, Surat, Porbandar, Ahmedabad, Vadodra, Kandla, Bhuj and Bhavnagar. This Ministry has also granted initial No Objection Certificate to M/s Deccan Charters Ltd. to operate Scheduled Air Transport Regional Services in Gujarat (Western Region).

(b) Operations in domestic sector have been deregulated and flights are being operated by concerned airlines on the basis of commercial viability subject to adherence of Route Dispersal Guidelines. Government has laid down Route Dispersal Guidelines with a view to achieving better regulation of air transport services taking into account the need for air transport services of different regions of the country including North-East region. It is, however, up to the airlines to provide air services to specific places depending upon the traffic demand and commercial viability while complying with Route Dispersal Guidelines (RDG).

## Financial Surveillance of Airlines

- 1721. SHRIMATI SHOBHANA BHARTIA: Will the Minister of CIVIL AVIATION be pleased to state:
- (a) whether the Directorate General of Civil Aviation (DGCA) has undertaken detailed financial surveillance of all airlines from early November;
  - (b) if so, the details thereof;
- (c) whether this was planned to eliminate addition of additional aircraft without investigating in adequate safety measures by financially constrained airlines; and
  - (d) if so, the details of the examination done?

THE MINISTER OF CIVIL AVIATION (SHRI VAYALAR RAVI): (a) and (b) The Directorate General of Civil Aviation has ordered financial surveillance of scheduled airlines in accordance with the provisions of Civil Aviation Requirements (CAR) Section 3, Series S, part-1 which is available on DGCA website www.dgca.nic.in.

- (c) Surveillance is being done to ensure safety of operations by airlines.
- (d) The financial surveillance from the safety perspective is in progress.

## Feasibility study of ICAO

1722. DR. K.V. P. RAMACHANDRA RAO: Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether it is a fact that the International Civil Aviation Organisation (ICAO) has conducted a feasibility study for the establishment of a Civil Aviation Authority in India in place of DGCA;
  - (b) if so, the details of the study report;
  - (c) the suggestions made by the ICAO in its study report; and
  - (d) the present status of the proposal?

THE MINISTER OF CIVIL AVIATION (SHRI VAYALAR RAVI): (a) Yes Sir.

(b) and (c) ICAO conducted a feasibility study for the establishment study for the establishment of a Civil Aviation Authority (CAA) in place of Directorate General of Civil Aviation(DGCA) discharging regulatory functions.

The report of the study recommends the setting up of an autonomous Civil Aviation Authority (CAA) in India with financial and administrative flexibility to meet functional requirements of an effective safety oversight system. The report also lays down the legislative and administrative measures required for the establishment and operation of a CAA including the transformation of DGCA into CAA India.

(d) A Committee was set up by Government of India to review the ICAO recommendations. The Committee apart from the functions listed by the ICAO report has proposed additional functions relating to Economic Regulation, consumer protection and environment regulations. Based on the above, process for introduction of CAA Bill is in progress.

## Under utilisation of trainer aircrafts

1723. SHRIMATI VASANTHI STANLEY: Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether eleven Hansa Trainer Aircrafts procured from NAL were not utilised by flying clubs;
  - (b) if so, the details of costs incurred;
- (c) whether it is a fact that poor performance of aircrafts was the main reason for under utilisation:
  - (d) if so, the details thereof; and