

the consultant for comments and modification of the report if required which are awaited. In other words, the Government of Madhya Pradesh and Gujarat have so far not concurred with the Phase-1 report. In view of this the decision on taking up of the Phase-2 study is yet to be taken.

Withdrawal of cabotage laws

1044. SHRI N. K. SINGH :

Will the Minister of SHIPPING be pleased to state :

- (a) whether Government is withdrawing the cabotage laws which prevent trans-shipment in India by a foreign vessel;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor;
- (d) whether such a law has curtailed investment in the port sector in the country; and
- (e) whether countries like Sri Lanka and Dubai are benefiting with larger throughput volumes being handled in their ports?

THE MINISTER OF SHIPPING (SHRI G. K. VASAN) : (a) to (c) No, Sir. Cabotage laws are not being withdrawn. However, there are strong interest groups in favour of and against cabotage laws.

- (d) No such information is available.
- (e) Ministry of Shipping has not conducted any study in this regard.

Undue privileges to flying schools

1045. SHRIMATI KUSUM RAI :

Will the Minister of CIVIL AVIATION be pleased to state :

- (a) whether undue privileges were granted to 28 flying schools which led to a loss of Rs. 128 crore to public exchequer recently;
- (b) if so, the details thereof along with the details of fraudulent flying clubs;
- (c) the details of persons held responsible for granting undue privileges to these flying clubs; and
- (d) the details of action taken by Government to prevent these types of irregularities in future?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH) : (a) to (d) Based on the investigation report submitted by the Chief Vigilance Officer in the Directorate General of Civil Aviation (DGCA) regarding alleged irregularities in various flying