

**Compensation to State Electricity Boards
for Losses on Rural Electrification
Schemes**

*37. SHRI BALASAHEB VIKHE PATIL : Will the Minister of ENERGY be pleased to state :

(a) whether it is a fact that the greatest impediment in the way of rural electrification is that the State Electricity Boards suffer losses on rural electrification schemes which are not compensated;

(b) if so, whether any indepth study has been made to pin-point the maladies.

(c) if so, the findings thereof; and

(d) the steps being taken to give a boost to Rural Electrification Schemes ?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER (SHRI ARIF MOHAMMAD KHAN) : (a) to (d). The rural electrification work has considerable impact on the financial performance of State Electricity Boards. For the Boards who suffer losses on account of this work, it has been suggested to the concerned State Governments that they should subsidise the losses and rationalise the tariff structure.

To give a boost to the rural electrification work, the State Electricity Boards have been advised to tone up their agencies for material management, introduce commercial system of accounting and monitor the progress more effectively. A committee to review the performance of rural electrification programme and organisation arrangements for this programme has also been set up.

**Allocation of Funds for Exploration of Oil
in Cauvery Basin**

*38. SHRI C. MADHAV REDDY : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether it is a fact that the Cauvery basin is very prospective for oil;

(b) if so, the funds allocated for this in 1985-86; and

(c) the provision made in the Seventh Five Year Plan for exploiting this rich sources ?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI NAWAL KISHORE SHARMA) : (a) Cauvery basin is considered to be prospective for oil.

(b) An amount of Rs. 47.22 crores have been allocated for exploratory efforts in this basin during 1985-86.

(c) The provision made for the Seventh Plan is as follows :—

(Rs. In crores)	
Surveys	24.87
Exploratory Drilling	144.44
	169.31

**Policy of liberalisation in Automobile
Industry**

*39. SHRI H. M. PATEL :
SHRI THAMPAN THOMAS :

Will the Minister of INDUSTRY be pleased to state :

(a) whether Government are having a second thought on the policy of liberalisation in automobile industry;

(b) whether Government have assessed the progress of indigenisation of manufacture and particularly the passenger car industry;

(c) if so, the results thereof; and

(d) whether any further protection has been thought of in the near future ?

THE MINISTER OF INDUSTRY (SHRI NARAYAN DUTT TIWARI) : (a) No, Sir.

(b) to (d). Indigenisation is progressing as per schedule in the 2-wheeler and commercial vehicle sectors. However, in case of passenger cars, there have been some shortfalls in ancillary development. Government is giving full support for setting up of new ancillary units as well as for modernisation and expansion of existing units with a view to improving the availability of good quality automobile components. Besides, automotive ancillary industry has been de-licensed for non-MRTP units.