

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:3091

ANSWERED ON:12.08.2005

RURAL ELECTRIFICATION

Ahir Shri Hansraj Gangaram; Pallani Shamy Shri K.C .

**Will the Minister of POWER be pleased to state:**

- (a) the number of villages in the country which are without electricity;
- (b) the hurdles in the electrification of these villages;
- (c) the steps being taken by the Government for electrification of villages of rural areas in the country;
- (d) the role of State Governments in this regard;
- (e) whether any time frame has been fixed for electrification of all the villages of rural areas in the country;
- (f) if so, the details of on going rural electrification programmes with the help of Union Government at present; and
- (g) the financial assistance provided to each State during the last three years?

**Answer**

THE MINISTER OF POWER( SHRI P.M. SAYEED )

(a) : There are 112401 balance unelectrified villages in the country as on 31.3.2004 as per OM No.44/19/2004-D (RE) dated 18-3-2004 of Ministry of Power (at Annexure-I).

(b) : The main hurdles in electrification of balance un-electrified villages have been:

- (i) Inadequacy of funds
- (ii) Commercial non-viability of projects making the states/utilities reluctant to take loans even on soft terms for project implementation.
- (iii) Inability of State Electricity Boards, in some States, to undertake large electrification jobs in a short period of time.

(c) : Government has been implementing various schemes for rural electrification from time to time like Kutir Jyoti Programme, rural electrification under Minimum Need Programme (MNP) and Pradhan Mantri Gramodaya Yojana (PMGY). To accelerate the pace of rural electrification, Govt. of India in May 2004 introduced a scheme 'Accelerated Electrification of One lakh Villages and One Crore Households.' Under this scheme there was a provision for about 40% capital subsidy for eligible projects and balance 60% of the project cost as loan assistance from REC on soft terms.

Subsequently, Hon'ble Prime Minister, Govt. of India, launched a new scheme 'Rajiv Gandhi Grameen Vidyutikaran Yojana - Scheme for Rural Electricity Infrastructure & Household Electrification' on 4th April, 2005 for the attainment of the National Common Minimum Programme (NCMP) goal of providing access to electricity to all households in the country in five years. This scheme merges the earlier scheme of 2004-05 'Accelerated Electrification of One Lakh Villages and One Crore Households' and Minimum Need Programme (MNP) for rural electrification. 90% capital subsidy of the project cost will be provided under the scheme by the Centre.

(d) : Under Section 6 of Electricity Act, 2003, the State Government shall endeavour to supply electricity to all areas including villages and hamlets.

(e) : It is targeted to electrify all villages and habitations in five years under 'Rajiv Gandhi Grameen Vidyutikaran Yojana'.

(f) : The details of the ongoing rural electrification programme i.e. 'Rajiv Gandhi Grameen Vidyutikaran Yojana' is at Annexure-I in the scheme document.

(g) : State-wise details of disbursements made under various rural electrification schemes during the last three years are at Annexure-II.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF UNSTARRED QUESTION NO.3091 TO BE ANSWERED IN THE LOK SABHA ON 12.08.2005.

(Ministry of Power Office Memorandum No. 44/19/2004-D(RE) dated 18th March 2005)

Sub: Rajiv Gandhi Grameen Vidyutikaran Yojna - Scheme of Rural Electricity Infrastructure and Household Electrification  
Approval of the President is conveyed for the `Rajiv Gandhi Grameen Vidyutikaran Yojna - Scheme of Rural Electricity Infrastructure and Household Electrification` for the attainment of the National Common Minimum Programme (NCMP) goal of providing access to electricity to all households in five years.

1. The scheme would be implemented through the Rural Electrification Corporation (REC).
2. Ninety per cent capital subsidy would be provided for overall cost of the projects under the scheme.
3. The present approval is for implementation of Phase I of the scheme for capital subsidy of Rs.5000 crores during the 10th Plan period.
4. States must make adequate arrangements for supply of electricity and there should be no discrimination in the hours of supply between rural and urban households.
5. For projects to be eligible for capital subsidy under the scheme, prior commitment of the States would also be obtained before sanction of projects under the scheme for :
  - i. deployment of franchisees for the management of rural distribution in projects financed under the scheme, and
  - ii. the provision of requisite revenue subsidies to the State Utilities as required under the Electricity Act, 2003.

#### 6. SCOPE OF THE SCHEME

Under the scheme, projects could be financed with capital subsidy for provision of -

##### 6.1 Rural Electricity Distribution Backbone (REDB)

- Provision of 33/11 KV (or 66/11 KV) sub-stations of adequate capacity and lines in blocks where these do not exist.

##### 6.2 Creation of Village Electrification Infrastructure

(VEI)

- Electrification of un-electrified villages.
- Electrification of un-electrified habitations.
- Provision of distribution transformers of appropriate capacity in electrified villages/habitation(s).

##### 6.3 Decentralised Distributed Generation (DDG) and Supply

- Decentralised generation-cum-distribution from conventional sources for villages where grid connectivity is either not feasible or not cost effective provided it is not covered under the programme of Ministry of Non-conventional Energy Sources for providing electricity from non- conventional energy sources under their remote village electrification programme of 25000 villages.

##### 6.4 REDB, VEI and DDG would also cater to the requirement of agriculture and other activities including

- Ã° irrigation pumpsets
- Ã° small and medium industries
- Ã° khadi and village industries
- Ã° cold chains
- Ã° healthcare
- Ã° education and IT

This would facilitate overall rural development, employment generation and poverty alleviation.

##### 6.5 Rural Household Electrification of Below Poverty Line Households :

Electrification of un-electrified Below Poverty Line (BPL) households would be financed with 100% capital subsidy as per norms of Kutir Jyoti Programme in all rural habitations. Households above poverty line would be paying for their connections at prescribed connection charges and no subsidy would be available for this purpose.

The over-all subsidy of components from paras 7.1, 7.2, 7.3, 7.5 taken together should be kept within 90% of the over-all project cost. The over-all cost estimate of different components for all villages and household are at the Annexure-A.

6.6 The project covers the entire country. The details of the un-electrified villages and households access to electricity as per census 2001 is in the Annexure-B and Annexure-C.

#### 7. Franchisees :

In the management of rural distribution through franchisees who could be Non-Governmental Organisations (NGOs), Users Association, Cooperatives or individual entrepreneurs, the Panchayat institutions would be associated. The franchisees arrangement could be for system beyond and including feeders from substation or from and including Distribution Transformer(s).

8. Revenue Sustainability Based on the consumer mix and the prevailing consumer tariff and likely load, the Bulk Supply Tariff (BST) for the franchisee would be determined after ensuring commercial viability of the franchisee. Wherever feasible, bidding may be attempted for determining the BST. This Bulk Supply Tariff would be fully factored into the submissions of the State Utilities to the State Electricity Regulatory Commissions (SERCs) for their revenue requirements and tariff determination. The State Government under the Electricity Act is required to provide the requisite revenue subsidies to the State Utilities if it would like tariff for any category of consumers to be lower than the tariff determined by the SERC. While administering the scheme, prior commitments may be taken from the State Government regarding -

a) Determination of bulk supply tariff for franchisees in a manner that ensures their commercial viability.

b) Provision of requisite revenue subsidy by the State Government to the State Utilities as required under the Electricity Act.

9. The capital subsidy for eligible projects under the scheme would be given through REC. These eligible projects shall be implemented fulfilling the conditionalities indicated above. In the event the projects are not implemented satisfactorily in accordance with the conditionalities indicated above, the capital subsidy could be converted into interest bearing loans.

10. The services of Central Public Sector Undertakings (CPSUs) have been offered to the states for assisting them in the execution of Rural Electrification Projects as per their willingness and requirement. With a view to augment the implementation capacities for the programme, REC has entered into Memorandum of Understanding (MOUs) with NTPC, POWERGRID, NHPC AND DVC to make available CPSUs' project management expertise and capabilities to states wishing to use their services. This is being operationalised through a suitable Tripartite Agreement.

11. Upto 1 per cent of the total subsidy under the scheme would be used for associated works / efforts of the programme linked to research, technology development, capacity building, information system development, awareness and other administrative and associated expenses and undertaking of pilot studies and projects complimentary to this rural electrification scheme.

12. This scheme merges the existing 'Accelerated Electrification of one lakh Villages and one crore Households' and the Minimum Needs Programme for rural electrification.

13. The scheme will be subject to evaluation and a view on modification required for implementation during 11th Plan will be taken after a comprehensive review towards the end of 10th Plan.

14. The expenditure involved on above scheme would be debitable to the following Head under Grant No. 73 - Ministry of Power for the year 2004-05 and corresponding head of account for the subsequent years.

2801 Power (Major Head)  
06.796 Rural Electrification -  
3-. Rural Electrification  
03.00.33 - Subsidies

15. This issues with the concurrence of Finance Wing vide their diary No. 3766/2055-JS&FA dated the 18th March, 2005.

- sd -

(Ajay Shankar) Additional Secretary to the Government of India Tel:23715378

To,

1. The Chief Secretaries of all States
2. The Secretary, Power/Energy of all States
3. Chairman of all States (Utilities)

4. Chairman & Managing Director, REC Scope Complex, New Delhi.

Copy to:

1. Prime Minister's Office, South Block, New Delhi.
2. Cabinet Secretary, Cabinet Sectt. Rashtrapati Bhawan, New Delhi.
3. Ministry of Finance, Deptt. of Expenditure (Plan Finance), New Delhi.
4. Chairman, Central Electricity Authority, R.K. Puram, New Delhi.
5. Secretary, Planning Commission, New Delhi.
6. Secretary, Ministry of Non-conventional Energy Sources, New Delhi.
- 7 Secretary, Ministry of Rural Development, Krishi Bhawan, New Delhi.
8. Secretary, Department of Panchayati Raj, New Delhi.
9. Secretary, Ministry of Programme Implementation, New Delhi.
10. Department of Development of North Eastern Region, New Delhi.
11. CMDs of NHPC, NTPC, POWERGRID, DVC.
12. PPS to Secretary (P)/PS to SS (P)/ AS(GC)
13. All JSs / All Directors / DS in the Ministry of Power.

- sd -

(Ajay Shankar) Additional Secretary to the Government of India Tel:23715378

#### ANNEXURE-A

#### SCHEME ON RURAL ELECTRICITY INFRASTRUCTURE AND VILLAGE ELECTRIFICATION

#### COST ESTIMATES OF THE SCHEME

Rs. In crore

- |                                                                                                                                                                                                                                                                                                                       |       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 1. Electrification of 125,000 un-electrified villages which includes interalia development of backbone network comprising Rural Electricity Distribution Backbone (REDB) and Village Electrification Infrastructure (VEI) and last mile service connectivity to 10% Households in the village @ Rs. 6.50 lakh/village | 8,125 |
| 2. Rural Households Electrification (RHE) of population under BPL i.e. 30% of 7.8 crore. Un-electrified Households/ i.e. 2.34 crore households @ Rs.1500/H/H as per Kutir Jyoti dispensation                                                                                                                          | 3,510 |
| 3. Augmentation of backbone network already electrified villages having un-electrified inhabitations @ Rs./1 lakh/ village for 4.62 lakh villages                                                                                                                                                                     | 4,620 |

Total (1 + 2 + 3)	16,255
Outlay for the scheme	16,000
Subsidy component @ 90% for items 1 & 3 and 100% for item 2	14,750
Component of subsidy to be set aside for enabling activities including technology development @ 1% of outlay	160

## ANNEXURE - B

### Status of Village Electrification as on 31.3.2004

Sl. State Total No. of Total No. of Balance %age of  
No. inhabited villages Villages Unelectrified electrified  
as per 1991 census Electrified Villages Villages

1	Andhra Pradesh	26586	26565	\$	100
2.	Arunachal Pradesh	3649	2335	1314	64
3.	Assam	24685	19081	5604	77.30
4.	Bihar	38475	19251	19224	50
5.	Jharkhand	29336	7641	21695	26
6.	Goa	360	360	-	100
7	Gujarat	18028	17940	\$	100
8.	Haryana	6759	6759	-	100
9.	Himachal Pradesh	16997	16891	106	99.38
10	J&K	6477	6301	176	97.28
11.	Karnataka	27066	26771	295	98.91
12.	Kerala	1384	1384	-	100
13.	Madhya Pradesh	51806	50474	1332	97.43
14.	Chhattisgarh	19720	18532	1188	94
15.	Maharashtra	40412	40351	-	100
16.	Manipur	2182	2043	139	93.63
17.	Meghalaya	5484	3016	2468	55
18.	Mizoram	698	691	7	99
19.	Nagaland	1216	1216	-	100
20.	Orissa	46989	37663	9326	80.15
21.	Punjab	12428	12428	-	100
22.	Rajasthan	37889	37276	613	98.38

23. Sikkim	447	405	42	90.60
24. Tamil Nadu	15822	15822	-	100
25. Tripura	855	818	37	95.67
26. Uttar Pradesh	97122	57042	40080	58.73
27. Uttaranchal	15681	13131	2550	83.73
28. West Bengal	37910	31705	6205	83.63
Total	586463	47382	11241	80.80

(States)				
Total UTs	1093	1090	\$	100%
All India	587556	474982	112401	80.80%

\$ Balance villages are not feasible for electrification.

# As per the new definition of village electrification (effective from 2004-05) total number of unelectrified villages is estimated to be around 1,25,000.

Annexure -C

#### RURAL HOUSEHOLDS ELECTRIFICATION - 2001 CENSUS

S. No.	S T A T E	TOTAL NO. OF HOUSEHOLDS	HOUSEHOLDS HAVING ELECTRICITY	% electrified	% un-electrified Households
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1	Andhra Pradesh	12,676,218	7,561,733	59.65	40.35
2	Arunachal Pradesh	164,501	73,250	44.53	55.47
3	Assam	4,220,173	697,842	16.54	83.46
4	Bihar	12,660,007	649,503	5.13	94.87
5	Chhattisgarh	3,359,078	1,548,926	46.11	53.89
6	Delhi	169,528	144,948	85.50	14.50
7	Goa	140,755	130,105	92.43	7.57
8	Gujarat	5,885,961	4,244,758	72.12	27.88
9	Haryana	2,454,463	1,926,814	78.50	21.50
10	Himachal Pradesh	1,097,520	1,036,969	94.48	5.52
11	Jammu & Kashmir	1,161,357	868,341	74.77	25.23
12	Jharkhand	3,802,412	379,987	9.99	90.01
13	Karnataka	6,675,173	4,816,913	72.16	27.84
14	Kerala	4,942,550	3,238,899	65.53	34.47
15	Madhya Pradesh	8,124,795	5,063,424	62.32	37.68
16	Maharashtra	10,993,623	7,164,057	65.17	34.83
17	Manipur	296,354	155,679	52.53	47.47
18	Meghalaya	329,678	99,762	30.26	69.74
19	Mizoram	79,362	35,028	44.14	55.86
20	Nagaland	265,334	150,929	56.88	43.12
21	Orissa	6,782,879	1,312,744	19.35	80.65
22	Punjab	2,775,462	2,482,925	89.46	10.54
23	Rajasthan	7,156,703	3,150,556	44.02	55.98
24	Sikkim	91,723	68,808	75.02	24.98
25	Tamil Nadu	8,274,790	5,890,371	71.18	28.82
26	Tripura	539,680	171,357	31.75	68.25
27	Uttar Pradesh	20,590,074	4,084,288	19.84	80.16
28	Uttaranchal	1,196,157	602,255	50.35	49.65
29	West Bengal	11,161,870	2,262,517	20.27	79.73

Union Territories

1	A.& Nicobar Islands	49,653	33,807	68.09	31.91
2	Chandigarh	21,302	20,750	97.41	2.59
3	D.& Nagar Haveli	32,783	27,088	82.63	17.37
4	Daman & Diu	22,091	21,529	97.46	2.54
5	Lakshadweep	5,351	5,337	99.74	0.26
6	Pondicherry	72,199	58,486	81.01	18.99
	ALL INDIA	138,271,559	60,180,685	43.52	56.48

ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO PART (g) OF UNSTARRED QUESTION NO.3091 TO BE ANSWERED IN THE LOK SABHA ON 12.08.2005.

Disbursements of Grant for the year 2002-03

Rupees in lakhs

Sr. No.	State	KJ	MNP	PMGY	Total
1	ANDHRA PRADESH	1723.14	0.00	1705.00	3428.14
2	ARUNACHAL PRADESH	19.53	1200.00	684.00	1903.53
3	ASSAM	360.00	6000.00	3000.00	9360.00
4	BIHAR	990.72	6800.00	2417.30	10208.02
5	CHHATTISGARH	342.48	800.00	515.00	1657.48
6	GOA	0.00	0.00	6.00	6.00
7	GUJARAT	67.12	0.00	0.00	67.12
8	HARYANA	129.65	0.00	142.90	272.55
9	HIMACHAL PRADESH	18.69	200.00	110.00	328.69
10	JAMMU & KASHMIR	0.00	0.00	800.00	800.00
11	JHARKHAND	293.69	6800.00	1116.90	8210.59
12	KARNATAKA	5154.58	0.00	1000.00	6154.58
13	KERALA	509.20	0.00	0.00	509.20
14	MADHYA PRADESH	313.57	800.00	1275.00	2388.57
15	MAHARASHTRA	111.10	0.00	1664.00	1775.10
16	MANIPUR	0.00	270.00	600.00	870.00
17	MEGHALAYA	27.09	3000.00	600.00	3627.09
18	MIZORAM	54.00	0.00	598.00	652.00
19	NAGALAND	85.45	130.00	650.00	865.45
20	ORISSA	472.58	6000.00	100.00	6572.58

21	PUNJAB	47.68	0.00	444.00	491.68
22	RAJASTHAN	229.65	0.00	1061.00	1290.65
23	SIKKIM	6.93	0.00	400.00	406.93
24	TAMIL NADU	609.13	0.00	1608.20	2217.33
25	TRIPURA	96.69	0.00	500.00	596.69
26	UTTAR PRADESH	1050.00	15000.00	10187.00	26237.00
27	UTTARANCHAL	728.77	7000.00	2000.00	9728.77
28	WEST BENGAL	423.91	6000.00	2774.00	9197.91
Total		13865.35	60000.00	35958.30	109823.65

KJ - Kutir Jyoti  
PMGY - Pradhan Mantri Gramodaya Yojana  
MNP - Minimum Need Programme

Disbursements of Grant for the year 2003-04  
Rupees in lakhs

Sl	STATE	KJ	MNP	PMGY	TOTAL
.					
No					
.					
1	ANDHRA PRADESH	2159.87	0.00	1438.00	3597.87
2	ARUNACHAL PRADESH	187.18	1200.00	684.00	2071.18
3	ASSAM	0.00	6000.00	2900.00	8900.00
4	BIHAR	152.75	6800.00	2417.30	9370.05
5	CHHATTISGARH	509.56	800.00	515.00	1824.56
6	GOA	0.00	0.00	6.00	6.00
7	GUJARAT	37.50	0.00	712.20	749.70
8	HARYANA	85.24	0.00	142.90	228.14
9	HIMACHAL PRADESH	17.06	200.00	200.00	417.06
10	JAMMU & KASHMIR	0.00	0.00	800.00	800.00
11	JHARKHAND	66.55	6800.00	744.60	7611.15
12	KARNATAKA	1541.13	0.00	1000.00	2541.13
13	KERALA	416.49	0.00	0.00	416.49
14	MADHYA PRADESH	149.41	800.00	1275.00	2224.41
15	MAHARASHTRA	50.37	0.00	1664.00	1714.37
16	MANIPUR	0.00	400.00	600.00	1000.00
17	MEGHALAYA	51.16	3000.00	600.00	3651.16
18	MIZORAM	27.00	0.00	598.00	625.00
19	NAGALAND	43.60	0.00	2982.00	3025.60
20	ORISSA	0.00	6000.00	100.00	6100.00
21	PUNJAB	100.37	0.00	444.00	544.37
22	RAJASTHAN	222.30	0.00	1061.00	1283.30
23	SIKKIM	14.74	0.00	400.00	414.74
24	TAMIL NADU	145.81	0.00	608.20	754.01
25	TRIPURA	66.10	0.00	700.00	766.10
26	UTTAR PRADESH	0.00	15000.00	9277.00	24277.00
27	UTTARANCHAL	0.00	7000.00	1000.00	8000.00
28	WEST BENGAL	0.00	6000.00	3816.75	9816.75
Total		6044.19	60000.00	36685.95	102730.14

KJ - Kutir Jyoti

PMGY - Pradhan Mantri Gramodaya Yojana



MNP - Minimum Need Programme

Disbursements of Grant for the year 2004-05

Rupees in lakhs

Sl. No.	State	KJ	BPL	PMGY	Total	AREP loans	AREP subsidy	Total AREP
1	ANDHRA PRADESH	377.00	912.00	1705.00	2994.00	0.00	0.00	0.00
2	ARUNACHAL PRADESH	186.00	225.00	684.00	1095.00	0.00	0.00	0.00
3	ASSAM	0.00	0.00	2900.00	2900.00	0.00	0.00	0.00
4	BIHAR	263.00	182.00	2417.30	2862.30	12014.00	8010.00	20024.00
5	CHHATTISGARH	111.00	744.00	584.00	1439.00	0.00	0.00	0.00
6	GOA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	GUJARAT	27.00	23.00	712.30	762.30	0.00	0.00	0.00
8	HARYANA	10.00	41.00	142.80	193.80	0.00	0.00	0.00
9	HIMACHAL PRADESH	9.00	9.00	200.00	218.00	0.00	0.00	0.00
10	JAMMU & KASHMIR	0.00	0.00	500.00	500.00	0.00	0.00	0.00
11	JHARKHAND	-34.00	120.00	744.60	830.60	0.00	0.00	0.00
12	KARNATAKA	213.00	0.00	1000.00	1213.00	0.00	0.00	0.00
13	KERALA	0.00	1047.00	0.00	1047.00	0.00	0.00	0.00
14	MADHYA PRADESH	152.00	173.00	637.50	962.50	0.00	0.00	0.00
15	MAHARASHTRA	14.00	40.00	414.76	468.76	0.00	0.00	0.00
16	MANIPUR	0.00	0.00	600.00	600.00	0.00	0.00	0.00
17	MEGHALAYA	0.00	0.00	600.00	600.00	0.00	0.00	0.00
18	MIZORAM	0.00	0.00	288.00	288.00	0.00	0.00	0.00
19	NAGALAND	22.00	0.00	824.50	846.50	0.00	0.00	0.00
20	ORISSA	0.00	0.00	100.00	100.00	0.00	0.00	0.00
21	PUNJAB	33.00	150.00	222.00	405.00	0.00	0.00	0.00
22	RAJASTHAN	112.00	0.00	1061.00	1173.00	560.00	373.00	933.00
23	SIKKIM	0.00	0.00	400.00	400.00	0.00	0.00	0.00
24	TAMIL NADU	135.00	0.00	271.52	406.52	0.00	0.00	0.00
25	TRIPURA	111.00	108.00	850.00	1069.00	0.00	0.00	0.00
26	UTTAR PRADESH	0.00	0.00	5387.00	5387.00	38398.00	25598.00	63996.00
27	UTTARANCHAL	0.00	360.00	300.00	660.00	0.00	0.00	0.00
28	WEST BENGAL	0.00	0.00	924.50	924.50	6869.00	4580.00	11449.00
Total		1741.00	4134.00	24470.78	30345.78	57841.00	38561.00	96402.00

KJ - Kutir Jyoti

AREP - Accelerated Rural Electrification Programme

BPL - Below Poverty Line

- No funds were released in 2004-05 under Minimum Need Programme for rural electrification