

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:706
ANSWERED ON:28.07.2006
RURAL ELECTRIFICATION
Vijay Krishna Shri

Will the Minister of POWER be pleased to state:

- (a) whether the Government proposes to formulate an energy policy to boost rural electrification;
- (b) if so, the details thereof;
- (c) the action plan proposed to speed up rural electrification in the country, particularly in Bihar and U.P.; and
- (d) the time frame within which all the villages in these States are likely to be electrified?

Answer

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) & (b) : Yes, Sir. Under the provisions of sections 4 and 5 of the Electricity Act 2003, Central Government is required to formulate national policies for standalone systems for rural areas, rural electrification and for bulk purchase of power and management of local distribution in rural areas through local institutions.

Draft Rural Electrification Policy aims at :-

- provision of access to electricity to households by year 2009.
- Quality and reliable power supply at reasonable rates.
- Minimum lifeline consumption of 1 unit per household per day as a merit good by year 2012.

(c) & (d) : To speed up Rural Electrification in the country, the Government of India has introduced in April, 2005 a scheme 'Rajiv Gandhi Grameen Vidutikaran Yojana'

(RGGVY) for creation of Rural Electricity Infrastructure. It aims at providing access to electricity to all villages/habitations by 2009 except for remote settlements where grid connectivity is not feasible or cost effective. Under RGGVY 90% grant is provided for creation of rural electricity infrastructure. All the earlier rural electrification schemes have been merged with RGGVY. Main features of the scheme are as below :-

- (i) Rural Electricity Distribution Backbone Component has been included in the rural electrification programme for the first time.
- (ii) Village electrification has been taken on a project mode basis. Projects have been taken on turnkey basis for effective implementation.
- (iii) To ensure revenue sustainability of the rural electricity distribution, franchisee installation for management of distribution has been mandatory under the scheme.
- (iv) States have been advised to set up District Committees to monitor the progress of rural electrification work.
- (v) Services of Central Public Sector Utilities viz. National Thermal Power Corporation Limited (NTPC), Power Grid Corporation of India Limited (POWERGRID), National Hydro Electric Power Corporation Limited (NHPC) and Damodar Valley Corporation Limited (DVC) have been made available for implementing the scheme in those states which wish to avail their services.
- (vi) Rural Electrification Corporation Ltd. (REC) is the nodal agency for implementation of RGGVY. It has developed a framework

covering guidelines for formulation of projects, bidding procedures for procurement franchising under RGGVY. REC has also updated its existing technical specifications for equipment / material and construction standards for adoption in project implementation / execution.

(vi) A Monitoring Committee for RGGVY has been constituted under Chairmanship of Secretary (Power) to periodically review the implementation of RGGVY.