

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:1812  
ANSWERED ON:17.07.2009  
CONCESSIONS TO SMALL POWER UNITS  
Lagadapati Shri Rajagopal

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

- (a) whether the Government proposes to give some concessions to small power units generating 25 MW of power;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF POWER ( SHRI BHARATSINH SOLANKI)

(a) to (c) : Yes, Madam. The Central Government in the Ministry of New and Renewable Energy (MNRE) has been giving Central Financial Assistance (CFA) to set up small hydro projects (upto 25 MW) both in public and private sector. The scheme for providing CFA for 2009-10 and remaining period of the 11th Plan has been taken up and accordingly, a Note for the Expenditure Finance Committee (EFC) has been circulated by the Ministry of New and Renewable Energy. The administrative Ministry i.e MNRE provides the following CFA for micro hydel projects upto 100 KW:-

Sl. No.	Areas	Amount of CFA
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1	International Border Districts (excluding Arunachal Pradesh as it is already covered under the PM package)	Rs.1,00,000/- per KW
2	North Eastern and Special category States (other than 1 above)	Rs. 80,000/- per KW
3	Other States (other than 1 above)	Rs. 40,000/- per KW

Small hydro power project developers receive same level of tax holidays as that of other power projects.