

**GOVERNMENT OF INDIA  
NEW AND RENEWABLE ENERGY  
LOK SABHA**

UNSTARRED QUESTION NO:5773  
ANSWERED ON:11.05.2012  
VILLAGE MINI GRIDS  
Jawale Shri Haribhau Madhav

**Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:**

(a) whether Government is implementing or proposes to implement a programme for large scale establishment of village mini-grids to cater to rapidly escalating need of rural areas and to harness the potential of renewable energy through decentralized and distributed generation;

(b) if so, the details thereof including the number of village mini-grids, the funds allocated, the time frame and the progress made so far in this regard State-wise; and

(c) the time by which all the villages in the country are likely to have electricity grids, either stand alone or connected to the main power grid?

**Answer**

THE MINISTER OF NEW AND RENEWABLE ENERGY (DR. FAROOQ ABDULLAH)

(a): Ministry of Power, Government of India accorded approval for a capital subsidy of Rs.540 crore for Decentralised Distributed Generation (DDG) during XI plan period under Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY). DDG can be from conventional or renewable sources such as Biomass, Biofuels, Biogas, Mini hydro, Solar etc for villages where grid connectivity is either not feasible or not cost effective.

Guidelines for village electrification through DDG were issued by Ministry of Power vide Order No.44/1/2007-RE dated 12.01.2009. The DDG projects would be owned by State Government. Implementing Agencies of the projects shall be either the State Renewable Energy Development Agencies (SREDAs)/ Departments promoting renewable energy or State Utilities or the identified CPSUs. Rural Electrification Corporation (REC) has been entrusted as the Nodal Agency for DDG scheme. Under the Scheme, 90% of the total project cost will be provided to the implementing agency as subsidy. The balance 10% can be arranged by the implementing agency at their own or taken as loan from any financial institution or REC.

The Ministry of New & Renewable Energy provides a subsidy of Rs. 1,50,000/- per kWp for installation of minigrad SPV power plant upto a maximum 250 kWp unit capacity to meet unmet demand of electricity in rural areas under the off-grid Solar Application Scheme.

The Ministry is also promoting distributed / off grid power programme for meeting unmet demand of electricity in rural areas through biomass gasifier systems using locally available agriculture residues such as rice husk, corn cob / stalk, cotton stalk, arhar stalk, small wood chips etc. in association with state governments, NGOs, village level organizations, institutions, entrepreneurs etc. So far, 57 gasifier systems of 32 kWe with 100 % producer gas engines using rice husk and other agricultural residues have been set up for providing unmet demand of electricity through local distribution network in various villages / hamlets in Bihar. Central Financial Assistance of Rs. 15,000 per kilowatt is being provided for installation of biomass gasifier with 100% producer gas engines besides support for laying local distribution network after successful installation and commissioning of the system.

Under the small hydro programme, the Ministry has supported 199 micro hydel projects with an aggregate capacity of 9.72 MW. Out of these 79 projects have been completed and have benefited 148 villages. These micro hydel projects are decentralized projects. The total CFA given by the Ministry for these projects is of Rs. 77.26 crore. Of this, a sum of Rs. 55.01 crore has been released.

(b)&(c): Under DDG Scheme of Ministry of Power, 283 projects (i.e. 283 village mini-grids) covering 233 villages and 446 hamlets have been sanctioned for an amount of Rs.269.93 crore. State- wise details of sanctioned DDG projects alongwith sanctioned cost, implementation period & the status are given in Table-I.

State-wise details of the Solar Photovoltaic minigrad plants sanctioned alongwith the status are given in Table-II.

State-wise details of the micro hydel projects sanctioned alongwith the status are given in Table-III.