

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

STARRED QUESTION NO:128  
ANSWERED ON:27.11.2009  
DEVELOPMENT WORKS BY POWER DEVELOPERS  
Singh Chaudhary Lal

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

- (a) whether besides free power, a hydel power developer, is also required to undertake developmental works under the Corporate Social Responsibilities (CSR);
- (b) if so, the details thereof;
- (c) the details of the hydro power projects under construction in the State of Jammu and Kashmir (J&K); and
- (d) the details of funds earmarked and utilized under the CSR activities in the country including J&K?

**Answer**

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (d): A Statement is laid on the Table of the House.

**STATEMENT**

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF STARRED QUESTION NO. 128 TO BE ANSWERED IN THE LOK SABHA ON 27-11-2009 REGARDING DEVELOPMENT WORKS BY POWER DEVELOPERS.

(a) & (b): Hydro Power Policy, 2008 have provisions for the following developmental activities/benefits for local area development and Project Affected People (PAPs):-

(i) As per Hydro Power Policy of 1998, 12% free power is to be provided to the host State Govt. by the developer. This has been supplemented by an additional 1% free power earmarked for Local Area Development Fund, aimed at providing a regular stream of revenue for income generation and welfare schemes, creation of additional infrastructure and common facilities etc. on a sustained and continued basis over the life of the project. It is recommended that the host state governments would also provide a matching 1% from their share of 12% free power towards this corpus. This fund could be operated by a standing committee headed by an officer of the State Government, not lower than a district magistrate to be designated by the State Government, male and female representatives of the Project Affected People and the project head nominated by the developer. This fund would be available in the form of an annuity over the entire life of the project.

(ii) For a period of 10 years from the date of commissioning of the project, 100 units of electricity per month would be provided by the project developer to each Project Affected Family (PAF) through the relevant distribution company. It is expected that the PAF will consume at least the minimum lifeline consumption of one unit per day and the cost of balance unused electricity, if any, could be made available to PAF in cash or kind or a combination of both, at rates to be determined by the State Electricity Regulatory Commission.

(iii) The project authorities would involve themselves in the implementation of the Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) Scheme within a certain radius/surface distance from the Power House/Dam Site as per requirement. Since the RGGVY is being funded on 90:10 (90% grant and 10% loan) basis by the Government of India, the project authorities should bear the State Governments' share of 10% of the RGGVY within this surface distance of the Power House/Dam. The 10% share of the RGGVY could be within the following surface distance from the Power House:-

For Projects upto 100 MW = Within a surface distance of 2 Kms.

For Projects between 100 MW and 250 MW = Within a surface distance of 5 Kms.

For Projects between 250 MW and 500 MW = Within a surface distance of 7.5 Kms.

For Projects above 500 MW = Within a distance of 10 Kms.

In addition to above, numerous other developmental activities are undertaken, under Corporate Social Responsibility (CSR) voluntarily by CPSUs within project areas of the operating power stations, as per local requirements/ needs.

(c): Five number hydro-electric projects totaling to 779 MW, as detailed in Annex-I, are under construction in the State of Jammu & Kashmir

(d): The details of funds earmarked and utilized under the CSR activities for hydro projects as reported by CPSUs in the country including J&K are given at Annex-II.