

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

STARRED QUESTION NO:309  
ANSWERED ON:17.08.2004  
TRIPARTITE AGREEMENT FOR RURAL ELECTRIFICATION  
Deshmukh Shri Subhash Sureshchandra;Mane Smt. Nivedita

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

- (a) whether the Government propose to formulate a Rural Electrification Policy for speedy rural electrification in the country as reported in the `Rashtriya Sahara` dated July 16, 2004;
- (b) if so, the salient features thereof;
- (c) whether Rural Electrification Corporation, Power Grid Corporation and National Hydroelectric Power Corporation have signed a MoU in order to boost rural electrification in the country;
- (d) if so, the terms and conditions thereof;
- (e) the number of villages likely to be benefited there from, State-wise;
- (f) the total investment involved therein; and
- (g) the time by which the work is likely to be started?

**Answer**

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

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (g) OF STARRED QUESTION NO. 309 TO BE ANSWERED IN THE LOK SABHA ON 17.08.2004 REGARDING TRIPARTITE AGREEMENT FOR RURAL ELECTRIFICATION.

(a) & (b) : Yes, Sir. In order to achieve the objective of the National Common Minimum Programme of completing rural household electrification in five years, a new strategy has been drawn up, which envisages:

(i) Creation of Rural Electricity Distribution Backbone (REDB) of 33/11 KV (or 66/11 KV) substations, with at least one such substation in each block appropriately networked and linked to the State transmission system.

(ii) Creation of Village Electricity Infrastructure (VEI) by providing Distribution Transformer(s) with at least one such transformer in every village.

(iii) Rural Households Electrification of unelectrified households from village distribution transformer(s)

(iv) Decentralized distributed generation system for such villages where grid connectivity is either not feasible or not cost effective.

(c) : Yes sir,

(d) : Rural Electrification Corporation (REC) has signed MoUs with Power Grid Corporation of India Ltd. (PGCIL), National Hydroelectric Power Corporation Ltd. (NHPC), Damodar Valley Corporation (DVC) and National Thermal Power Corporation (NTPC) in order to make their services available to states for executing projects of rural electrification. In accordance with the MoUs concluded, these CPSUs have agreed to render their services in the formulation and implementation of rural electrification projects to assist various State Governments/State Power Utilities. It is for the State Govt./Utilities to take a decision regarding the extent to which they would like to utilize the services of these CPSUs.

(e) to (g) : West Bengal have already prepared an action plan for electrification of 1791 villages at an estimated cost of Rs.140.8 crores in the first phase for funding by REC. The work in these villages is likely to commence by the end of this year.

In Bihar, PGCIL have already been entrusted the work of electrification of about 2400 villages in Vaishali and Muzzaffarpur districts by the State Government out of funds from PMGY/MNP/State Plan. The electrification works for 1200 villages are scheduled to be completed progressively from Sept., 2004 to May 2005 while for the balance of 1200 villages the award is likely to be placed by Sept. 2004.

Jharkhand has indicated its intention of seeking the services of various CPSUs for execution of new projects to be financed by REC.

UP has also indicated its intention of seeking the services of CPSUs for execution of some rural electrification projects.