

Rural Electrification in India

In 1947, about 1500 villages were electrified in India. Although rural electrification has been regarded as a vital programme for the development of rural areas but pace of electrification of villages in India was slow till 1991. As per CEA, 481124 villages were electrified by 1991 but due to de-electrification of some of the villages this number came down to 474982 by 2004. The main reasons for de-electrification of villages was lack of resources with cash starved State Power Distribution Utilities for maintenance and high cost of maintenance due to scattered & low density consumer base in villages.

The Ministry of Power launched Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) in April 2005 with an objective to provide access to electricity to all rural households through creation of rural electricity infrastructure comprising of Rural Electricity Distribution Backbone, Village Electricity Infrastructure and Decentralized Distribution Generation & Supply System. Under RGGVY, households belonging to Below Poverty Line (BPL) are provided connections free of cost. Ninety per cent capital subsidy is provided by Government of India for projects under the scheme. RGGVY was initially approved with capital subsidy of Rs.5,000 Crore for the last two years of the 10th Plan period ending March 2007 and continued in 11th Plan with capital subsidy of Rs.28,000 Crore.

The pace of rural electrification continues to be a source of concern and as on 31st March, 2012, electrification works in 104,496 un-electrified villages, intensive electrification in 248,553 partially electrified villages had been completed and free electricity connections to 194.25 lakh BPL households had been released under RGGVY which started in April, 2005.

During 2013-14, RGGVY was approved for its continuation in the Twelfth and Thirteenth Plan wherein the task is to complete spill over works of project sanctioned in Tenth and Eleventh Plan and to cover the remaining villages, habitations (with population 100 & above) and BPL households. The physical targets for Twelfth/ Thirteenth Plan under RGGVY cover electrification of 8299 un-electrified villages (Spill over from Tenth/ Eleventh Plan projects), electrification of 1.65 Lakh habitations and providing free connections to 3.54 Lakh BPL households. Under RGGVY, for Twelfth/ Thirteenth Plan, 273 projects having 9012 un-electrified villages, 2.32 Lakh partially electrified villages, 1.42 Lakh un-electrified habitations, 4.17 Lakh partially electrified habitations and 1.32 crore BPL households had been sanctioned.

The Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) in November, 2014 with components (i) to separate agriculture and non-agriculture feeders facilitating judicious rostering of supply to agricultural and non-agricultural consumers in rural areas, (ii) strengthening and augmentation of sub

transmission and distribution infrastructure in rural areas, including metering of distribution transformers/feeders/consumers and (iii) the rural electrification works under RGGVY which had been approved in 2013 with estimated cost of Rs.39,275 crore with budgetary support of Rs. 35,447 crore has been subsumed in DDUGJY. The total project cost of works under DDUGJY is Rs.43,033 crore with budgetary support of Rs.33,453 crore. The outlay approved under RGGVY is carried forward to the DDUGJY in addition to outlay approved for the scheme. The objective of the DDUGJY are feeder separation (for 24x7 power supply for non-agricultural consumers) and providing access to all rural households.

As on 31.10.2016 under village electrification programme, electrification works in 1,19,664 un-electrified villages, intensive electrification in 4,02,248 partially electrified villages have been completed and free electricity connections to 249.89 Lakh BPL households have been released. Total subsidy released under the village electrification programme until now is Rs. 43641.33 crore.

By the end of 31st March, 2015, out of the total 5,97,464 villages in India (Census, 2011), 5,79,012 villages (97%) had been electrified. As per recent announcement made by Hon'ble Prime Minister to electrify all villages in 1000 days, a road map for electrification of balance 18,452 un-electrified villages has been prepared wherein it is planned to electrify 5686 villages in 2015-16, 8360 villages in 2016-17 and 4406 villages in 2017-18. Due to aggressive efforts by the Ministry of Power and State Power Distribution Utilities, 590642 villages has been electrified which is 98.8 % (November, 2016) and about 6822 un-electrified villages have been left for electrification in India.

Issues related to Rural Electrification Program and providing 24 x 7 Electricity of ALL

- a. In 2005, it was estimated that out of 13.8 crore rural households about 7.8 crore households are un-electrified (as per 2001 Census). Therefore it was planned to provide free electricity connection to 2.34 crore BPL households (30 %) under RGGVY out of 7.8 crore households. As on 31.10.2016 under village electrification programme, free electricity connections to 2.50 crore BPL households have been released. But as per Ministry of Power/ Rural Electrification Corporation (REC) about 5.75 crore rural households are still un-electrified in the country. Focus needs to be given to electrify balance rural households in the country most of which are located in remote locations.
- b. Emphasis should be given to electrify remaining villages and households in the country through decentralized distribution generation to minimize the distribution losses and operational hurdles.
- c. The State Governments were to provide 6-8 hours electricity in Infrastructure created under DDUGJY. The Ministry of Power/ REC should ensure that at least 6-8 hours electricity is

supplied in the infrastructure created under DDUGJY by States so that infrastructure created under massive village electrification programme is optimally utilized and maintained.