Rajeev Gandhi Gramin Vidyutikaran Yojana: An Analysis in 12th Five Year Plan

Dr. Sangeeta Srivastava
Assistant Professor, Vanita Vishram Women’s College of Commerce Surat, Gujarat
(Affiliated with VNSGU, Surat, Gujarat)

I. INTRODUCTION

India has emerged as the fastest growing major economy in the world as per the central Statistics Organisation (CSO) and international Monetary Fund (IMF) and it is expected to be one of the top three economic power of the world over the next 10-15 years. India GDP is estimated to have increased 6.6 per cent in 2017-18 and expected 7.3 per cent in 2018-19 but India, one among the leading economies of the world is predominantly rural, Almost 70% its population is in rural area, as per the census 2011 near about 120 cr population is living in rural area & their economic & social development is the only key indicator of growth & development of Indian economy to achieve this fully it is important that rural population of India have to access modern facilities mainly adequate supply of electricity.

Electrification is not only the keydriver for the economic & social development of the modern Indian economy but it is the vital essential service such as health care, safe drinking water, education, etc for rural Indian population. No doubt rural electrification is the backbone of development of Indian economy, but it is a booster dose for rural development.

It not only support comfortable & better standard of household living & but stimulate revenue generation activities. It is in observation that strong correlation exists between consumption of electricity & improvements in the human developments index.

Keeping it as a central objective government of India has introduced several scheme at state level& central level to ignite economic & fulfil the need of rural Indian residents. But the performance result of different scheme introduced by government is not so result oriented.

No doubt keeping it in the mind government continuously work towards 100% rural electrification that can provide speedy growth of rural economy through supporting in Agriculture & agro Industries & other livelihood activity.

Rural electrification has been the key objective of Indian government and policy makers for several decades, It was always in mind of policy makers that sustained economic & social development of india as a developed economy depends largely on the growth & development of rural India, that only can acheive by providing basic facilities like Electricity, Water, House etc.

The Government of India launched ‘Rajiv Gandhi Grammeen Vidyutikaran Yojana (RGGVY) – Programme for creation of Rural Electricity Infrastructure & Household Electrification, in April 2005 for providing access to electricity to rural households. Rajeev Gandhi Grammeen Vidyutikaran yojana is the latest national Rural electrification scheme launched by the ministry of powers to execute the vision for rural electrification as enunciated in the NCMP & recommended by the chief ministers conference in 2001,

The plan was initiated in April 2005 with the following objective:

1. 100% electrification of all villages & habitations in the country
2. Electricity occurs to all households
3. Free of cost electricity connection to BPL households

RGGVY is the biggest rural electrification program in the country & in term of sheer number also in world.

This paper analyses the progress of rural electrification scheme RGGVY in 12th FY &issues. Study is based on secondary data that has been taken from different research paper, Government annual report of electrification & study of NGO on electricity, NSSO report.

II. ABOUT RAJEEV GANDHI GRAMIN VIDUYTIKARN YOJANA

RGGVY is the biggest rural electrification program in the country & in term of sheer number, also in the world it is being implemented in nearly all districts& in half the village of the country reports indicate the achievement of connecting 96,000 villages and 1.75cr households (amounting of 1 out of 5 un-electrified Indian households).
At the inaugural time in 2005, 1.5 lakh village (quarter of the total) and 7.8 cr rural villages (56% of the total) did not have electricity access. Under the RGGVY 2.34 cr un-electrified BPL households were targeted to provide new connection at a cost of Rs 16000 cr, 90% grant is provided by GOI & 10% as loan by rural electrification corporation to the govt.

District-wise detailed project reports are prepared by the concerned distribution company, power department, state electricity board (SEB) or central public sector utilities program of RGGVY, after launching the RGGVY there has been significant progress & growth in rural electrification, with 96562 villages newly electrified.

Implementation of RGGVY has greatly helped in supply in the 15 major states of India. Availability of electricity within the household has facilitated dissemination of communication knowledge about development schemes and practices, specifically on health education.

The scheme has focused mainly on the development and extension of the centralised grid system to rural areas to provide quality and reliable power. This has however been far from successful. A faulty definition of “village electrification” has diluted the scheme's aim significantly. According to state-wise data, on the RGGVY providing free electricity connection to all below poverty line (BPL) households has not materialised in most states of the country. Therefore, it is imperative that RGGVY is reviewed by the people before it is continued in the 12th plan period and people’s concerns and suggestions are taken into consideration to ensure that the scheme does deliver quality energy to the millions in India currently deprived of it.

Greenpeace India has initiated a social audit to enable such a process in Bihar, Uttar Pradesh and Andhra Pradesh. The aim of the audit is to bring out the implementation reality of the scheme and examine whether the mandate of the scheme has been fulfilled or not.

To achieve the objective Minimum needs program were merged with RGGVY, The existing Minimum Needs Program, Accelerated Electrification programs were merged with RGGVY. The objective of RGGVY was to electrify 1.25 lakh un-electrified villages, augment the electricity system in electrified villages with low household electrification, and provide electricity connections to 2.34 crore un-electrified BPL households free of charge and provide access to electricity to all households by 2009 at a cost of Rs.16,000 crores, about 90% of which would be subsidy from the central government.

To achieve the above objective following initiatives had been taken:

1. Rural electrification development backbone with at least 33/11 KV (66/11 KV) substation in each block.
2. Village Electrification infrastructure with at least one distribution transfer in each village/habitation.
3. Decentralised distributed generation system where the grid is not cost effective or feasible.

The scheme being implemented through Rural-Electrification Corporation aimed to 100% electricity to all households in the next five years. The scheme intended to accelerate rural development, generate employment & eliminate poverty through development in the area of irrigation, small scale industry, VI industries, cold chains, health care, education, IT & other services, Under the programme 90% of the grant is provided by the government of India & the remaining 10% as loan by rural electrification corporation to the state government, The symbolic three components of the scheme are to electrify all the villages, to provide electricity to all the village. The rural electrification programme was launched in 2005 to provide access to electricity to villages having population of 100 or more. A fully Centrally-funded
scheme, 90 per cent of the assistance was capital subsidy while the remaining 10 per cent was a loan to States.

III. FUNDING PROCEDURE OF RGGVY

The Centre provided a grant of 60 per cent and 30 per cent of the financial assistance was a loan with a rider. Fifty per cent of the loan will be a grant if the State achieved the set milestones. The balance 10 per cent is the contribution of the distribution company concerned. Launching the Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), the new avatar of RGGVY. It provides electricity to all rural households & electrifying the BPL households free of cost. Rajeev Gandhi Gramin Vidyutikaran Yojana has financial of 540cr of implementation of DG projects in the place where grid connectivity is either not feasible or not cost effective, As on 30.04.2012, against the targeted coverage of 1.10 lakh un/de-electrified village and release of free electricity connections to 2.30 crore BPL households, electrification works in 1.05 lakh un/de-electrified villages, electrification has been completed and 1.95 crore free electricity connections to BPL households have been released under RGGVY.

The States of Delhi, Goa and Union Territories of Andaman & Nicobar Islands, Chandigarh, Dadar & Nagar Haveli, Daman & Diu and Pondicherry have not participated in RGGVY Programme as they had achieved 100% electrification of villages. In remaining 27 states, RGGVY Projects for 579 districts have been sanctioned.

IV. PROGRESS ANALYSIS OF RAJEEV GANDHI

Table:1 Progress in village electrification (2001-2011)

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of villages electrified</th>
<th>% of villages electrified</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>508,043</td>
<td>85.6</td>
</tr>
<tr>
<td>2002</td>
<td>489,699</td>
<td>82.5</td>
</tr>
<tr>
<td>2003</td>
<td>492,325</td>
<td>82.9</td>
</tr>
<tr>
<td>2004</td>
<td>474,982</td>
<td>80.0</td>
</tr>
<tr>
<td>2005</td>
<td>439,800</td>
<td>74.1</td>
</tr>
<tr>
<td>2006</td>
<td>459,486</td>
<td>77.4</td>
</tr>
<tr>
<td>2007</td>
<td>482,864</td>
<td>81.3</td>
</tr>
<tr>
<td>2008</td>
<td>488,435</td>
<td>82.3</td>
</tr>
<tr>
<td>2009</td>
<td>489,527</td>
<td>82.4</td>
</tr>
<tr>
<td>2010</td>
<td>500,910</td>
<td>84.4</td>
</tr>
<tr>
<td>2011</td>
<td>537,947</td>
<td>90.6</td>
</tr>
</tbody>
</table>

Source: CEA Annual Reviews [CEA 2005-09] and Monthly Reports [CEA 2010-11]

According to the table all India village electrification has fluctuating percentage, as small drop in from 2001 to 2002 was due to the delayed reporting of reduction electrified village in up after the 1997 changes in definition of village electrification in 2004, from 2005, there is a steady growth in village electrified till 201, about 98, 000village have been electrified (as per CEA 2010-11) increasing the percentage of electrification from 73.8% to 90.6%.

Fig:1 following fig depict the progress of state wise rural electrification in (%) in 9 states from 2005-2011, it is seen that the progress take place after 2009 after but progress is not uniform.

Fig-1 State wise Progress of rural household electrification

Achievement during 11th Plan period was satisfactory with electrification of 12,204 electrified villages and 22,660 partially electrified villages.

Sources in the Energy Department attributed the slow progress to low budgetary support to the programme by the Centre and lack of coordination between the Central executing agencies, distribution companies and district administrations.

The Centre has so far released `630 crore, which is 18 per cent of the sanctioned amount, to the agencies executing the programme.

V. RGGVY IN 12TH FIVE YEAR PLAN

Even after a decade of launching of the rural electrification programme under Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY), 42.64 lakh households of the State are still out of the reach of electricity.

Table 1: RGGVY Key all-India figures

<table>
<thead>
<tr>
<th>Year</th>
<th>Villages Electrified</th>
<th>Franchisee</th>
<th>Rural Households electrified</th>
<th>Released Amount Rs Crores</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
</tr>
<tr>
<td>2005</td>
<td>439,800</td>
<td>74.1</td>
<td>5.97</td>
<td>43.4</td>
</tr>
<tr>
<td>2011</td>
<td>537,947</td>
<td>90.6</td>
<td>11,790 (19%)</td>
<td>56.0</td>
</tr>
<tr>
<td>2012*</td>
<td>552,447</td>
<td>93.0</td>
<td>NA</td>
<td>59.4</td>
</tr>
</tbody>
</table>

Source: RGGVY office memo [MoP 2005], CEA Annual

www.rsisinternational.org
There is a necessity to have convergence of other schemes of study in evenings and improving their performance in schools. Kerosene-based lamps, providing them adequate light for their benefits from switchover to electric lamp light from reducing women’s burden. Children have substantially improved employment and income status of members of beneficiary households. The nutrition and sanitation. It has also improved employment and income status of members of beneficiary households. The employment impact is gender positive as it has helped in reducing women’s burden. Children have substantially benefited from switchover to electric lamp light from kerosene-based lamps, providing them adequate light for their study in evenings and improving their performance in schools.

There is necessity to have convergence of other schemes of district plan with RGGVY and proper demand estimation for power along with realistic plan for power supply.

VI. NON-BENEFICIARIES OF RGGVY

No doubt RGGVY after 2009 perform very significantly but further RGGVY has turned out to be a damp squib. Not only dip sharply over the last three financial years but it is very shocking not a single un-electrified village was lit up under this scheme in states like Uttar Pradesh, West-Bengal, Karnataka and Uttarakhand in 2013-14.

While state like Gujarat, Punjab, Haryana, and Andhra Pradesh took pride in the fact that village falling under their jurisdiction were already electrified and did not nominate any villages under the RGGVY scheme even geographically very sensitive state like Jammu & Kashmir, Himachal Pradesh and Rajasthan have poor records, is a cause for worry. Not only the electrification in state but various other reasons like delay in forest clearances and land acquisition in many states, poor transmission infrastructure, law and order problem, Local taxes, and difficult terrain are some of the reasons which have led to poor records under RGGVY. West Bengal as a largest state in country after the FY-14 only four village is electrified & under it none of the village is electrified under the scheme of RGGV.

Even Uttar Pradesh has a Backlog of 12 villages. Uttarakhand also did not choose to disturb the scorer and like UP failed to nominate a single village for FY14 and its target for the financial year too remained zero. Karnataka also did not nominate any village and its target for the same period’s was 4.

In term of achieving the annual targets of lighting up un-electrified village across the country is concerned, in 2011-12 under RGGVY out of the total 1,500 un-electrified village which were to be electrified; only 7,934 could be electrified. Statistically only 54% target could be achieved. In 2012-13, the achievement target fell further to 43% as out of total 6,000 un-electrified village which were to be electrified only 2,587 such village could be covered.

In 2013-14 the achievement rate came down to a dismal 36% as out of the 3,300 unlit villages only 1,197 could be given electricity. Of course there were states like Gujarat, Haryana, Andhra-Pradesh, Kerala, Maharashtra, Punjab and Tamilnadu, from where not a single proposal for lighting up unlit villages came under RGGVY.

The most affected states that is the matter of worry is the poor record of electrification of unlit villages situated in some key geographically sensitive states like J&K, Arunachal Pradesh, Rajasthan, Himachal Pradesh(Which share borders with countries like Pakistan & china) In J & K only 28 village could be covered out of 91 villages, while in FY-14 only 27 out of the targeted 61 village could be provided with electricity under RGGVY.

In 2012-13 only five villages could be covered out of the annual target of 17 villages, while in the just concluded FY-14 out of the 12 villages which were to be electrified, not a single village could be electrified.

Arunachal Pradesh the sensitive states also lags behind in terms of fully electrified villages as in FY14 out of the 406 targeted village only 282 could be electrified.

Rajasthan which shares its border with Pakistan had a dismal record under RGGVY as in 2013-14 managed to electrify only 18 out of the total 99 villages, 2012-13 out of the total 231 villages, it could only provide full electricity to 138 villages.

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