

GOVERNMENT OF INDIA  
MINISTRY OF POWER

**RAJYA SABHA**  
**UNSTARRED QUESTION NO.2393**  
**ANSWERED ON 16.12.2024**

**CENTRAL FINANCIAL ASSISTANCE SCHEME FOR NORTH EASTERN STATES**

**2393 #SHRI BABURAM NISHAD:**  
**SMT. S. PHANGNON KONYAK:**

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

- (a) the details of assistance to be provided by the Central Government for the development of hydro capacity in the North Eastern States; and
- (b) the total cost of the scheme and whether the scheme will facilitate investments and create significant direct employment opportunities for the locals?

**A N S W E R**

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) : The Government of India has approved the scheme of Central Financial Assistance (CFA) to fund the equity portion of the State Governments of North Eastern Region (NER) for development of Hydro Electric Projects, capped at 24% of the total project equity subject to a maximum of ₹750 crore per project with provision to revisit the limit of ₹750 crores on a case-to-case basis. CFA towards equity funding of the individual HEP is to be capped at the Original Cost Estimates or the actual cost, whichever is lower. While disbursing the CFA towards equity participation, the ratio of equity of the CPSU and the State Government in the Joint Venture (JV) Company formed between the State Government and the hydro CPSU is to be maintained.

(b) : The total financial outlay of the scheme is ₹4136 crores for the period of FY 2024-25 to FY 2031-32. The scheme is envisaged to bring huge investments in the NE Region and provide large number of direct employment to the local population along with indirect employment / entrepreneurial opportunities in sectors such as transportation, tourism, small-scale business and the increased economic activities leading to increase in GDP of NER.

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