

GOVERNMENT OF INDIA
MINISTRY OF POWER

RAJYA SABHA
UNSTARRED QUESTION NO.2712
ANSWERED ON 24.03.2025

PURPOSE OF INSTALLING SMART METERS

2712 #SHRI DEEPAK PRAKASH:

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

- (a) the objectives of installing smart meters; and
- (b) the success achieved by Government in achieving those objectives?

A N S W E R

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) : Government of India launched Revamped Distribution Sector Scheme (RDSS) with the objective of improving the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient distribution Sector. Under the scheme, financial assistance is being provided to the eligible Distribution Utilities for upgradation of Distribution Infrastructure & Smart Metering works.

The implementation of Smart meters helps the Distribution Utilities in improving their billing by enabling automatic meter reading, automatic energy measurement, accounting, auditing, improving load forecasting, optimizing power purchase costs and renewable energy integration through net metering. Thus, the installation of smart meters helps the distribution utilities to reduce their losses and optimize power purchase costs reducing the cost of power. Further, the use of data analytics in smart metering enables identification of theft prone pockets and high loss areas. Prepaid Smart Metering of Consumers is also one of the major components under Scheme which would help in improving the collection efficiency of the distribution utilities.

(b) : Under this scheme, projects worth Rs 1.31 lakh crore have been sanctioned under RDSS for Smart metering works. Out of the total target of 20.33 Cr. Smart meters sanctioned under RDSS, around 1.27 Cr Smart meters have been installed in the country.

Fund release under RDSS is contingent on performance improvement on various parameters including the Aggregate Technical and Commercial (AT&C) loss and Gap between Average Cost of Supply and Average Revenue Realized (ACS-ARR Gap).As a result of collective effort of the Central and State/UT Government, the AT&C losses at the pan-India level have come down from 21.9% in FY 21 to 16.28% in FY 24 and the ACS-ARR Gap has reduced from Rs. 0.71/kWh to Rs. 0.19/kWh during the same period.
