

GOVERNMENT OF INDIA
MINISTRY OF POWER

RAJYA SABHA
UNSTARRED QUESTION NO.156
ANSWERED ON 21.07.2025

REVAMPED DISTRIBUTION SECTOR SCHEME

156. SHRI NARAYANA KORAGAPPA:
SHRI MOKARIYA RAMBHAI:

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

- (a) the total outlay and estimated Government budgetary support for over five years under the scheme;
- (b) the number of installed and sanctioned smart meters till June, 2025;
- (c) the targeted number of the smart meter to be installed by 2025;
- (d) whether any steps have been taken to reduce Aggregate Technical & Commercial (AT&C) losses; and
- (e) if so, the details thereof?

A N S W E R

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) : The Revamped Distribution Sector Scheme (RDSS) has an outlay of Rs.3,03,758 crores with a Gross Budgetary Support of Rs. 97,631 crores from Government of India.

(b) & (c) : Till June 2025, a total of 20.33 crore Smart meters have been sanctioned under RDSS, out of which 2.27 Cr Smart meters have been installed. A total of 3.46 crore smart meters have been installed as on 30.06.2025 under various schemes. The installation of sanctioned smart meters are to be completed by the end of the scheme period (March' 2028).

(d) & (e): Aggregate Technical & Commercial (AT&C) losses in the distribution sector include the energy losses and the revenue losses. It represents the difference between energy available for sale (adjusted for transmission losses and trading in energy) and energy realized which is the energy billed (adjusted for trading in energy) factored by the collection efficiency.

Under RDSS, loss reduction infrastructure works worth Rs. 1.51 lakh Crore have been sanctioned. In order to reduce the technical losses, based on action plan of the States/UTs, works have been sanctioned for network strengthening which include upgradation/augmentation of sub-stations and distribution transformers, upgrading of conductors, segregation of mixed-load feeder etc. Further, there are pre-qualification parameters under the scheme which includes timely payment of subsidy and Government department dues, no fresh creation of regulatory assets, timely publishing of financial accounts, timely filing of tariff/true-up petitions and issuance of tariff/true up orders etc. These parameters are critical to financial viability of the utilities. The release of funds under the scheme is contingent on performance of States/UTs on these and various other parameters including the performance in AT&C losses. This has helped in bringing discipline in operations of distribution utilities.

In addition, following initiatives, other than RDSS, have been taken by Government of India to improve financial viability of the distribution utilities:

- i. Rules and Standard Operating Procedure have been framed for timely payment of the subsidies declared by the State Governments.
- ii. Rules have been framed for implementation of Fuel and Power Purchase Cost Adjustment (FPPCA) and Cost reflective tariff so as to ensure that all prudent cost for supply of electricity are passed through.
- iii. Accurate Energy Accounting.
- iv. Issuing Prudential Norms for providing loans to State Power utilities, and
- v. Performance based Additional borrowing space of 0.5% of GSDP.

With collective effort of Centre & States/ UTs and the reform measures taken under various schemes, the AT&C loss of distribution utilities has reduced from 21.91% in FY21 to 16.12% in FY24.
