GOVERNMENT OF INDIA MINISTRY OF POWER

RAJYA SABHA UNSTARRED QUESTION NO.2867 ANSWERED ON 18.08.2025

TARGETS SET TO LIMIT AT&C LOSSES

2867 # SHRI SANJAY KUMAR JHA:

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

- (a) the target set to limit Aggregate Technical and Commercial (AT&C) losses by the year 2025;
- (b) whether any special financial or technical assistance scheme has been rolled out for power loss-incurring distribution companies; and
- (c) whether any real-time data tracking system has been put in place for monitoring AT&C losses?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) & (b): Government of India launched Revamped Distribution Sector Scheme (RDSS) in July 2021 with the objective of improving the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient distribution sector. The scheme aims at bringing down the AT&C losses to pan-India level of 12-15% by the end of the scheme period i.e. 31.03.2028.

Government of India has been supporting States/ distribution utilities to improve performance of the power distribution sector through various initiatives which are as under:

- i. Linking of fund release under RDSS with performance of the States/ distribution utilities against various performance parameters including AT&C losses. Distribution infrastructure works, including smart metering works, amounting to Rs. 2.82 lakh crore have been sanctioned under the scheme which includes works like new/ augmentation of substations/ distribution transformers, agriculture feeder segregation, replacement of conductors, household electrification works etc. Execution of these works would help to improve losses of the utilities.
- ii. Rules and Standard Operating Procedure for timely release of subsidies declared by the State Governments have been issued.
- iii. Rules for implementing 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 and are recovered in a timely manner.
- iv. Additional Prudential Norms for providing loans to State power utilities and allowing additional borrowing space of 0.5% of Gross State Domestic Product (GSDP) to States based on performance of distribution utilities.

As a result of various reform measures undertaken, AT&C losses at pan India level have come down from 21.91% in FY21 to 16.12% in FY24.

(c): AT&C loss of distribution utilities are assessed annually on the basis of audited annual financial accounts of the utilities and are published by Power Finance Corporation as "Report on Performance of Power Utilities" on an annual basis.
