

GOVERNMENT OF INDIA
MINISTRY OF POWER

RAJYA SABHA
UNSTARRED QUESTION NO.4148
ANSWERED ON 30.03.2026

**IMPROVING DISCOM PERFORMANCE, LOSS REDUCTION AND POWER SUPPLY
IN J AND K**

4148 SHRI SAT PAUL SHARMA:

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

- (a) the number of smart meters installed under the Revamped Distribution Sector Scheme (RDSS) in Jammu and Kashmir and the timeline for further rollout;
- (b) the steps being taken to address financial stress and power purchase liabilities of distribution utilities in Jammu and Kashmir; and
- (c) the additional infrastructure strengthening measures being undertaken under RDSS for feeder improvement, loss reduction and voltage stabilisation in the Union Territory?

A N S W E R

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) to (c): Government of India launched the Revamped Distribution Sector Scheme (RDSS) in July 2021 with an outlay of ₹3,03,758 crore to improve the quality and reliability of power supply through a financially sustainable and operationally efficient distribution sector. The scheme aims to reduce Aggregate Technical & Commercial (AT&C) losses to 12–15% and eliminate the gap between Average Cost of Supply (ACS) and Average Revenue Realised (ARR) through infrastructure strengthening, smart metering and reform-linked financial assistance.

Under the scheme, projects worth Rs. 1.53 lakh crore for loss reduction infrastructure and Rs. 1.31 lakh crore for smart metering have been sanctioned based on the proposals submitted by the States. For the UT of Jammu & Kashmir, loss reduction works amounting to Rs 5,034 Cr and smart metering works amounting to Rs 1,064 Cr have been sanctioned.

Further, works for installation of 20.33 crore smart meters have been sanctioned under RDSS including 14.97 lakhs smart meters for the UT of Jammu & Kashmir. Till date, 6.13 crore smart meters have been installed across the country under various schemes including RDSS. This includes 13.39 lakh smart meters in UT of Jammu & Kashmir (6.8 lakhs under RDSS).

Further, infrastructure strengthening works undertaken under RDSS include replacement of old conductors, augmentation of substations and distribution transformers (DT), creation of new substations, installation of new DTs, feeder segregation and bifurcation, and implementation of SCADA/DMS systems for real-time monitoring. These measures, along with energy accounting through feeder and DT metering, are aimed at reducing technical and commercial losses, improving feeder performance and ensuring voltage stabilisation. The sunset period of the scheme is 31.03.2028.

The release of funds under the scheme is contingent on improvement in operational and financial performance of the utilities, which has helped in bringing financial discipline, including timely payment of Government dues and subsidies, improvement in Billing and Collection efficiency, etc.

Further, Government of India (GoI) has been supporting the power distribution utilities of States/UTs including Jammu and Kashmir, to improve their financial health through various initiatives. Some of the key initiatives taken, in addition to RDSS, are as under:

- (i) Additional Borrowing consent of 0.5% of GSDP to State Governments, which is conditional on them undertaking specific reforms in the power sector.
- (ii) Additional Prudential Norms for sanctioning of loans to State owned power utilities contingent on the performance of power distribution utilities against prescribed conditions.
- (iii) Rules 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.
- (iv) Rules and Standard Operating Procedure issued for proper subsidy accounting and their timely payment.
- (v) Notification of Late Payment of Surcharge Rules, 2022 (LPS Rules) on 3rd June 2022 to ensure timely payment of power purchase liabilities of Generating Companies (GENCOs).

With collective efforts of Government of India and UT of J&K, and the reform measures undertaken, the AT&C loss of JPDCL has reduced from 49.81% in FY 2021-22 to 26.97% in FY 2024-25 and AT&C loss of KPDCL has reduced from 64.57% in FY 2021-22 to 38.47% in FY 2024-25, based on the report submitted by UT/Distribution Utility.
