

**GOVERNMENT OF INDIA  
MINISTRY OF POWER  
LOK SABHA  
UNSTARRED QUESTION NO.1425  
ANSWERED ON 10.02.2022**

**INSTALLATION OF PREPAID ELECTRIC METERS**

**1425. SHRI B.B. PATIL:**

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

- (a) whether the Government proposes to install prepaid electric meters for all domestic consumers;**
- (b) if so, the details thereof;**
- (c) whether DISCOMs are suffering technical and commercial losses due to the present system of metering;**
- (d) if so, the details thereof;**
- (e) whether the Government also proposes budgetary support for installation of smart meters; and**
- (f) if so, the details thereof?**

**A N S W E R**

**THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY**

**(SHRI R.K. SINGH)**

**(a) & (b) : Yes, Sir. Smart meters are being installed under various schemes of Government of India as well as by the State Utilities themselves. Government of India is providing funding to the States for implementation of smart metering under National Smart Grid Mission (NSGM) and Integrated Power Development Scheme (IPDS). EESL is also implementing smart metering projects being launched by the DISCOMs at their own independent initiative in the States of Uttar Pradesh, Haryana, Bihar, Rajasthan, A&N Islands, Delhi etc. on OPEX basis wherein EESL is making the initial capital expenditure and DISCOMs are paying back to EESL on monthly rental basis. Till date, approximately 37.33 lakh smart meters have been reported to have been installed in various States under the aforesaid schemes of Government of India and the aforesaid projects of the DISCOMs.**

**Further, Government of India has launched “Revamped Distribution Sector Scheme (RDSS) on 20<sup>th</sup> July, 2021 under which deployment of ~25 crores smart prepaid meters for all domestic consumers have been envisaged till March, 2025.**

**(c) & (d) : There are several reasons for Aggregate Technical & Commercial (AT&C) losses, which also include metering related problems. Prepaid system of metering minimises inefficiencies in collection, while the smart feature in the prepaid smart metering allows a near real time identification of loss pockets, while also giving consumer the freedom to plan their electricity usage as per their own needs and resources. This helps in reduction of AT&C losses. This also addresses the problems of consumers regarding wrong billing, getting reconnected after disconnection due to non-payment of bills and alleged unauthorised use of electricity in case of only on paper disconnection by field staff.**

**(e) & (f) : Government of India has been providing financial assistance under various schemes (viz. IPDS, NSGM etc.). RDSS envisages smart metering on the OPEX mode and provides financial support to DISCOMs opting for prepaid smart metering. Under the scheme, in “other than Special Category States”, 15% (22.5% in case of Special Category States) of the cost per meter worked out over the whole project period, subject to a maximum of Rs.900/-/(Rs.1350/- in case of Special Category States) per meter in case of consumer meters, will be funded.**

**States/UTs would be incentivised for deployment of prepaid Smart Meters by December, 2023. An incentive @7.5% of the cost per consumer meter worked out for the whole project or Rs.450 per consumer meter, whichever is lower, would be provided for “Other than Special Category States” for prepaid Smart Meters installed within the targeted timeline of first phase mission i.e. by December, 2023. The incentive for Special Category States would be @ 11.25 % of the cost per consumer meter worked out for the whole project or Rs. 675 per consumer meter, whichever is lower.**

**For the purpose of execution of this scheme, all North Eastern States including Sikkim and States of Himachal Pradesh & Uttarakhand and Union Territories of Jammu & Kashmir, Ladakh, Andaman & Nicobar Islands, and Lakshadweep will be treated as Special Category States/UTs.**

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