

**GOVERNMENT OF INDIA  
MINISTRY OF POWER**

**LOK SABHA  
UNSTARRED QUESTION NO.4644  
ANSWERED ON 21.08.2025**

**REFORMS-LINKED RESULT BASED SCHEME FOR DISTRIBUTION**

**4644. SHRI ADITYA YADAV:**

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

- (a) whether Government's latest 'Reforms-Linked, Result-Based Scheme for Distribution' (RLRBSD) aims to curb inefficiencies and improve the financial health of India's power distribution companies (DISCOMs);**
- (b) if so, the details thereof; and**
- (c) if not, the reasons therefor?**

**A N S W E R**

**THE MINISTER OF STATE IN THE MINISTRY OF POWER**

**(SHRI SHRIPAD NAIK)**

**(a) to (c) : Revamped Distribution Sector Scheme (RDSS) was launched by the Government of India, in July 2021 with a total outlay of Rs. 3,03,758 Cr including Gross Budgetary Support (GBS) of Rs. 97,631 Cr. The key objective of the scheme is to improve financial sustainability and operational efficiency of the distribution utilities. The scheme envisages reducing the Aggregate Technical and Commercial (AT&C) losses to 12-15% and Gap between Average Cost of Supply and Average Revenue Realised (ACS-ARR Gap) to Zero at pan-India level by the end of scheme period i.e. 31.03.2028.**

**The release of central grant under the scheme has been linked to performance against various financial and operational parameters including the improvements in the AT&C losses and ACS-ARR Gap.**

**Infrastructure works, including smart metering works, amounting to Rs. 2.83 lakh Cr have been sanctioned under RDSS.**

**With the collective effort of Centre and States/ UTs, at the national level, the AT&C loss of the distribution utilities has reduced from 21.91% in FY2021 to 16.12% in FY2024 and the ACS-ARR gap has reduced from Rs. 0.69/kWh in FY2021 to Rs. 0.19/kWh in FY2024.**

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