



**GOVERNMENT OF ODISHA
ENERGY DEPARTMENT**

RESOLUTION

No. **ENG-BUD-EXPR-0009-2022/** 9948 /En., dated

29/7/2025

Consequent upon vesting of DISCOMs with Tata Power Company Ltd. (TPCL), the assets so created on implementation of various Government funded schemes were transferred to the newly formed TP-DISCOMs and all corresponding liabilities including CAPEX loan, International Bank for Reconstruction and Development (IBRD) Loan, Accelerated Power Development and Reforms Programme (APDRP) Loan and Restructured Accelerated Power Development and Reforms Programme (R-APDRP) Loan along with interests at different interest rates remained with Residual Utilities/DISCOMs having no revenue stream for settlement of liabilities.

Vesting order of TP-DISCOMs stipulates that, as per section 21(a) of the Act, the utilities shall vest in TP-DISCOMs free from any debt, mortgage and similar obligations of Utilities.

However, interest on those Government loans to the tune of Rs.1444.92 crore are being charged in the books of accounts of erstwhile DISCOMs/Residual Utilities. This has resulted in accumulation of cost of interest of Rs.3,420.55 crore till 31.03.2023 in the books of Residual Utilities/DISCOMs having no capacity to serve the interest. Therefore, the auditors recommended for conversion of Government loans to zero percent interest bearing loans. The details of said loans and interest on the same are as follows;

Rs. in Crore		
Name of the Loan	Component	Amount
IBRD	Loan	459.34
	Interest	2887.13
APDRP	Loan	55.57
	Interest	324.13
CAPEX	Loan	754.54
	Interest	77.71
R-APDRP	Loan	175.47
	Interest	131.58
TOTAL	Loan	1444.92
	Interest	3420.55

In absence of any scope for amortization of Capital Grant, such conversion of Project Specific Loan as Grant in the books of residual utilities may be recognized by Income Tax Department as Revenue Grant and shall be subject to levy of Income Tax, as the assets created out of those loans remained with TP-DISCOMs. Therefore, the conversion of Govt. loans to zero percent interest bearing loan is appropriate and rational.

In view of above, Government after careful consideration has decided that, the outstanding IBRD loan, APDRP loan, CAPEX loan and R-APDRP loan in the books of residual utilities/DISCOMs amounting to **Rs.1444.92 crore** (as on 31.03.2023) will be converted to zero interest bearing loan with effect from 01.04.2023 and the interest outstanding up to 31.03.2023 on above loans amounting to **Rs.3,420.55 crore** will be capitalized.

By Order of the Governor

(Vishal Kumar Dev, IAS)
Principal Secretary to Government

Memo No. 9949 /En., Dated. 29/7/2025

Copy forwarded to Director, Printing Stationary and Publication, Cuttack, Odisha with a request to publish this Resolution in the next issue of Extra Ordinary Gazette and send 50 copies thereof to this Department.

Memo No. 9950 /En., Dated. 29/7/2025 FA-cum-Additional Secretary to Govt.

Copy forwarded to the Private Secretary to Hon'ble Chief Minister/ Private Secretary to Hon'ble Deputy Chief Minister, Energy Department for kind information of Hon'ble Chief Minister and Hon'ble Deputy Minister respectively.

Memo No. 9951 /En., Dated 29/7/2025 FA-cum-Additional Secretary to Govt.

Copy forwarded to the OSD to Chief Secretary, Odisha/ Sr.P.S to Development Commissioner-cum-ACS/Sr. P.S to Principal Secretary, Energy Department for kind information of Chief Secretary, DC-cum-ACS and Principal Secretary, Energy Department respectively.

Memo No. 9952 /En., Dated. 29/7/2025 FA-cum-Additional Secretary to Govt.

Copy forwarded to Managing Director, GRIDCO Ltd. for information and necessary action.

Memo No. 9953 /En., Dated 29/7/2025 FA-cum-Additional Secretary to Govt.

Copy forwarded to the CMD, OPTCL, Bhubaneswar/ Secretary, OERC, Bhubaneswar/ Director (Finance), OHPC, Bhubaneswar/CEO, OREDA Ltd., Bhubaneswar/ CEO, GEDCOL, Bhubaneswar/ CEO, OCPL, Bhubaneswar for information.

Memo No. 9954 /En., Dated 29/7/2025 FA-cum-Additional Secretary to Govt.

Copy forwarded to the CEO, TPCODL, Bhubaneswar/ CEO, TPNODL, Balasore/ CEO, TPSODL, Berhampur/ CEO, TPWODL, Burla for information and necessary action.

Memo No. 9955 /En, Dated. 29/7/2025 FA-cum-Additional Secretary to Govt.

Copy forwarded to Head of Portal Group, IT Centre, Lok Seva Bhawan, Bhubaneswar/Social Media Consultant, Energy Department for information and necessary action. It is requested to take necessary steps for hosting this Resolution in the website of Energy Department urgently.

FA-cum-Additional Secretary to Govt.