

GOVERNMENT OF ODISHA
ENERGY DEPARTMENT

RESOLUTION

No. 11797 /En., Bhubaneswar, Dated. 30.11.2022
ENG-BUD-ED-0005-2019

Sub: - One Time Settlement of arrear electricity duty and interest in respect of consumers who generate energy for their own use or consumption (Captive Consumers).

- A. Electricity Duty is levied on electrical energy consumed inside Odisha in accordance with the Odisha Electricity (Duty) Act, 1961. Some of the captive consumers of Odisha have defaulted in depositing the Electricity Duty due to various reasons and in many cases the consumers have approached the courts. Due to such litigation, large amount of arrear Electricity Duty is locked up.
- B. The proposal of One Time Settlement (OTS) of arrear electricity duty and interest in respect of consumers who generate energy for their own use or consumption (Captive consumers) has been under consideration for some time.
- C. Government has now decided to launch a OTS Scheme for amicable settlement of the arrear Electricity Duty pending against Captive Consumers.
- D. The Salient features of the One Time Settlement Scheme for arrear electricity duty and interest in respect of Captive Consumers are as follows:-
- (a) Section 5(1) of the OED Act provides for imposing interest @18% per annum on the amount of electricity duty remaining so unpaid until the payment thereof is made. In this settlement scheme interest would be charged at a reduced rate of interest 9% per annum for those CPPs who want to avail the benefits of the scheme and;
- (b) The following principles shall be adopted for settlement of the arrear

electricity duty and interest;

Category- I: Cases where payment has been made to and kept in a bank account as per direction of court in the electricity duty matter pending before it:

- i) While adjusting the payment against arrear demand, (i.e. principal and interest), arrear principal will be adjusted first and arrear interest will be adjusted later;
- ii) For the principal remaining unpaid, interest shall be charged @ 9% per annum;
- iii) Deposit made to Bank shall be treated as if made to Government;
- iv) For deposit made to the Bank, zero percent interest shall be charged from the date of deposit up to the date of settlement, irrespective of whatever interest, the deposit might have earned in the Bank;
- v) The interest accrued on the bank deposits till the date of transfer to Government exchequer and the TDS availed, if any, shall also be absolute due of the State Government in addition to the final settlement amount as zero interest is being charged by the State Government in lieu of 18% per annum as per the OED Act. The said amount inclusive of interest accrued in the Bank and TDS, if any shall be deposited in Government exchequer after withdrawal of all court cases;
- vi) The balance amount after settlement, (if any) shall be paid to the state Government within the time stipulated in the settlement order.

Category-II : Cases where arrear electricity duty have been demanded, payment have been made to State Government:

- i) While adjusting the payment against arrear demand, (i.e. principal and interest), arrear principal will be adjusted first and arrear interest will be adjusted later;
- ii) For Principal which remaining unpaid, interest shall be charged @ 9% per annum;
- iii) The balance amount after settlement, (if any) shall be paid to the state Government within the time stipulated in the settlement order.

Category-III : Cases where industries have been closed/ where power plant becomes non-operational:

- i) While adjusting the payment against arrear demand, (i.e. principal and interest), arrear Principal will be adjusted first and arrear interest will be adjusted later;
- ii) For Principal which remaining unpaid, interest shall be charged @ 9% per annum up to date of closure or the date on which the Power Plant has become non-operational;
- iii) Interest will not be charged from the date of closure or non-operational of power plant up to date of settlement or subsequent operation of the power plant whichever is earlier;
- iv) The balance amount after settlement (if any) shall be paid to the state Government within the time stipulated in the settlement order.

(c). General Conditions applicable to all cases:


- i) The OTS scheme shall be applicable to only those captive consumers against whom there is outstanding electricity duty arrear demand as on 31st March, 2022.
- ii) The OTS scheme shall be kept open for a limited period of 2 months from the date of issue of operational guidelines by the Engineer-in-Chief(Electricity)-cum-Principal Chief Electrical Inspector, Odisha.
- iii) Upon application by the intending captive consumer and after reconciliation of accounts, the One Time Settlement(OTS) order shall be issued preferably within two (02) months from the date of application indicating the settled amount to be paid and stipulating the period not exceeding two (02) months in which payment is to be made. The time period can be extended in exceptional cases for reasons to be recorded in writing by the Engineer-in-Chief(Electricity)-cum-Principal Chief Electrical Inspector, Odisha for a maximum period of another two(02) months which shall be issued before expiry of two(02) months.
- iv) If the settlement amount is not paid in full within the stipulated period or within the extended period, the settlement order shall stand automatically cancelled without any further notice and it shall become null and void. The original arrear demand shall be restored and the payments received, if any, on the basis of such settlement shall be

accounted for and adjusted against restored arrears as per usual rules/procedure of electricity duty assessment.

- v) No refund or adjustment can be claimed for which the scheme is being implemented.
 - vi) Captive Consumers who wish to avail the benefits of this OTS scheme shall give an undertaking in a prescribed format that they shall not default in payment of electricity duty in future.
 - vii) Both the parties i.e. the captive consumer and the State Government shall withdraw the pending cases from different courts.
- E. The Engineer-in-Chief(Electricity)-cum-Principal Chief Electrical Inspector, Odisha is the nodal agency for implementation of the scheme. He will issue detailed operational guidelines along with the applicable forms within a week of issue of this Resolution.
- F. Best efforts shall be made by the Engineer-in-Chief(Electricity)-cum-Principal Chief Electrical Inspector, Odisha and the captive consumers to conclude the settlements in all respect by 31.03.2023.

ORDER—Ordered that this Resolution be published in an extraordinary issue of Odisha Gazette

By Order of the Governor

 30/11/2022

(Nikunja B. Dhal, IAS)

Principal Secretary to Government

Memo No. 11798 /En., Dated. 30.11.2022

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. 11799 /En., Dated. 30.11.2022 FA-cum- Additional Secretary to Govt.

Copy forwarded to the Private Secretary to Hon'ble Chief Minister, Odisha/ Private Secretary to Minister, Energy, Industries and MS&ME for kind information of Hon'ble Chief Minister and Hon'ble Minister respectively.

Memo No. 11800 /En., Dated 30.11.2022 FA-cum- Additional Secretary to Govt.

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

Memo No. 11801 /En., Dated 30.11.2022 FA-cum- Additional Secretary to Govt.

Copy forwarded to all Departments of Government/ Board of Revenue/ All Revenue Divisional Commissioners/ All Head of Department/ All Collectors for information and necessary action.

Memo No. 11802 /En., Dated. 30.11.2022 FA-cum- Additional Secretary to Govt.

Copy forwarded to EIC(Elect)-cum-PCEI, Odisha for information and necessary action.

Memo No. 11803 /En., Dated 30.11.2022 FA-cum- Additional Secretary to Govt.

Copy forwarded to the Chairman, OHPC, Bhubaneswar/ CMD, OPTCL, Bhubaneswa/ Secretary, OERC, Bhubaneswar/ MD, GRIDCO, Bhubaneswar/ CE, OREDA, Bhubaneswar/ CEO, GEDCOL, Bhubaneswar/ CEO, OCPL, Bhubaneswar/ CEO, TPCODL, Bhubaneswar/ CEO, TPNODL, Balasore/ CEO, TPSODL, Berhampur/ CEO, TPWODL, Burla for information and necessary action.

Memo No. 11804 /En, Dated. 30.11.2022 FA-cum- Additional Secretary to Govt.

Copy forwarded to Head of Portal Group, IT Centre, Lok Seva Bhawan, Bhubaneswar/Computer Cell, 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.