

GOVERNMENT OF INDIA
MINISTRY OF POWER

RAJYA SABHA
UNSTARRED QUESTION NO.2551
ANSWERED ON 10.08.2026

LOANS EXTENDED BY REC AND PFC LIMITED TO TANGEDCO IN TAMIL NADU

2551 SHRI R. GIRIRAJAN:

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

- (a) whether the REC Limited and PFC Limited have provided any loans for the TANGEDCO and other Private Limited companies in the State of Tamil Nadu and if so, the details thereof, and if not, the reasons therefor;
- (b) whether Government has reduced the interest rates for the loans provided to TANGEDCO and if so the details thereof, if not the reasons therefor;
- (c) the total interest paid annually by TANGEDCO to PFC and REC Limited; and
- (d) the status of the loans provided to TANGEDCO after the merger of PFC and REC?

A N S W E R

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a): The details regarding outstanding loans (as on 30.06.2026) of PFC Ltd. and REC Ltd., provided to erstwhile TANGEDCO [later demerged as TNPDC (Tamil Nadu Power Distribution Corporation Limited), TNPGCL (Tamil Nadu Power Generation Corporation Limited) & TNGECL (Tamil Nadu Green Energy Corporation Limited)] and other Private Limited companies in Tamil Nadu are placed at **ANNEXURE-I**.

(b): PFC Ltd. and REC Ltd. have reduced interest rates on the loans provided to TNPDC (erstwhile TANGEDCO). Details are at **ANNEXURE-II**.

(c): The amount of total interest paid by TNPDC, TNPGCL and TNGECL, collectively, during FY 2025-26, to PFC Ltd. and REC Ltd. is Rs. 12,822.41 crore.

(d) : The outstanding loans of PFC Ltd. and REC Ltd., provided to TANGEDCO, shall continue to stand on the books of the merged entity.

ANNEXURE-I

ANNEXURE REFERRED IN REPLY TO PART (a) OF UNSTARRED QUESTION NO. 2551 ANSWERED IN THE RAJYA SABHA ON 10.08.2026

A. The details of outstanding loans (as on 30.06.2026) of PFC Ltd. and REC Ltd., provided to erstwhile TANGEDCO are as under:

Sr. No.	Borrower	Outstanding Amount (in Rs. Cr.)
By PFC		
1	Tamil Nadu Power Distribution Corporation Limited	31,787.24
2	Tamil Nadu Power Generation Corporation Limited	22,060.94
3	Tamil Nadu Green Energy Corporation Limited	380.20
	Sub Total (1+2+3):	54,228.38
By REC		
1	Tamil Nadu Power Distribution Corporation Limited	39,749.67
2	Tamil Nadu Power Generation Corporation Limited	33,774.28
3	Tamil Nadu Green Energy Corporation Limited	2,378.37
	Sub Total (1+2+3):	75,902.32
	Grand Total	1,30,130.7

B. The details of outstanding loans (as on 30.06.2026) of PFC Ltd. and REC Ltd., provided to Private Limited companies in Tamil Nadu are as under:

Sr. No.	Particulars	Outstanding Amount (in Rs. Cr.)
	By PFC	3,611.94
	By REC	4,254.81
	Grand Total:	7,866.75

ANNEXURE-II**ANNEXURE REFERRED IN REPLY TO PART (b) OF UNSTARRED QUESTION NO. 2551
ANSWERED IN THE RAJYA SABHA ON 10.08.2026**

A. Details of reduction in interest rate by PFC Ltd. on, the loans provided to TNPDC (erstwhile TANGEDCO)

Sr. No.	Scheme Particulars	Amount (in Rs. Cr.)	Original Interest Rate	Revised Interest Rate
1	Non-Capex loans outstanding	19,671.02	10.00% to 10.50%	8.60% to 9.50%
2	Capex loan outstanding	6,073.84	10.50%	9.50%
Total:		25,744.86		

B. Details of reduction in interest rate by REC Ltd. on, the loans provided to TNPDC (erstwhile TANGEDCO)

Sr. No.	Scheme Particulars	Amount (in Rs. Cr.)	Original Interest Rate	Revised Interest Rate
1	Non-Capex loans outstanding	18,409.6	9.75% to 10.25%	8.54% to 9.25%
2	Capex loan outstanding	3,904.59	10.65%	9.25%
Total:		22,314.19		
