

TATA POWER-DDL

TPDDL/Regulatory/2017-18/
April 04, 2018

Office of the HoD-Regulatory

The Secretary,
Delhi Electricity Regulatory Commission
Viniyamak Bhavan, C Block, Shivalik
Malviya Nagar
New Delhi - 110017

Subject: Payment of Property Tax dues of Tata Power-DDL upto FY 2017-18

Reference:

- A) Copy of letter sent to the Deputy Assessor and Collector (GRP) dated 29.03.2018.
B) Payment of Property Tax at land measuring 8080 Sq. meter near substation, Civil lines, Delhi.

Dear Sir,

This is in continuation of our earlier letter dated August 21, 2017 whereby Tata Power- DDL had informed the Hon'ble Commission about the pending payment of Property Tax aggregating to Rs. 42,41,18,634/- towards 449 properties which are purportedly in possession of Tata Power-DDL and within jurisdiction of North Delhi Municipal Corporation ("North DMC"). The said amount includes penalty @ 30% and 1% simple interest per month from the month when purportedly the Property Tax became due.

The break-up of the aforesaid amount against 449 properties into various components is as under:-

Financial year	Property Tax (Rs.)	Interest (Rs.)	Penalty (Rs.)	Total amount payable (Rs.)
2004-05 to 2016-17	21,06,99,505	15,02,09,277	6,32,09,852	42,41,18,634

In addition to above there is additional Property Tax demand of Rs. 2,29,27,867/- for FY 2017-18 as the previous claim is up to FY 2016-17.

Financial year	Property Tax (Rs.)	Interest (Rs.)	Penalty (Rs.)	Total amount payable (Rs.)
2017-18	2,29,27,867	NIL	NIL	2,29,27,867

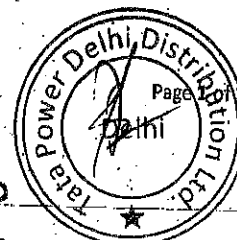
Tata Power- DDL would like to bring to the kind attention of the Hon'ble Commission that pursuant to the Assessment Order No. Tax/NDMC/A&C(HQ)/2017/001 dated 05.04.2017 issued by the North DMC, Tata Power DDL filed Appeals (Appeal No. 117-130/MTT of 2017) before the Hon'ble Municipal Tax Tribunal. The Government of NCT of Delhi and the Delhi Power Company Ltd. have filed Affidavits before the Hon'ble Municipal Tax Tribunal contending that Tata Power DDL is liable to pay Property Tax in respect of the 449 properties assessed by the North DMC.

TATA POWER DELHI DISTRIBUTION LIMITED

(A Tata Power and Delhi Government Joint Venture)

Corporate Office : NDPL House Hudson Lines Kingsway Camp Delhi - 110 009

Website : www.tatapower-dcl.com CIN No. : U40109DL2001PLC111526



Kindly note that despite the filing of the Appeals before the Hon'ble Municipal Tax Tribunal, North DMC served Tata Power DDL with a Warrant of Distress on 01.06.2017 for non-payment of the Property Tax in terms of the Assessment Order dated 05.04.2017. Consequently, Tata Power DDL approached Hon'ble High Court of Delhi against the said Warrant of Distress in WP(C) 5236/2017. The Hon'ble High Court of Delhi by an Order dated 03.06.2017 was pleased to stay the operation of the Warrant of Distress.

During the pendency of the said cases, North DMC has issued the "Amnesty Scheme 2017-18" vide its Office Order numbered A&C(HQ)NDMC/2018/290 on 26.03.2018. The said Scheme provided waiver of 100% interest and penalty for all types of properties. As per the terms and conditions of the said scheme, in order to avail the 100% waiver of interest and penalty, the assessee has to withdraw cases pending before the Hon'ble Courts and the Hon'ble Municipal Tax Tribunal.

Thus, in order to avail the benefit, Tata Power – DDL has decided to withdraw its cases pending adjudication before the Hon'ble High Court of Delhi and the Hon'ble Municipal Tax Tribunal and has paid the full amount (without any interest and penalty) as mentioned in paras above.

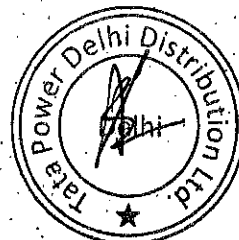
Given below is the amount of Property Tax due and paid towards 449 properties:-

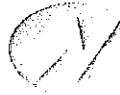
Financial year	Property Tax (Rs.)	Interest (Rs.)	Penalty (Rs.)	Total amount payable (Rs.)
A. Details of Property Tax due				
2004-05 to 2016-17	21,06,99,505	Nil*	Nil*	21,06,99,505
2017-18	2,29,27,867	Nil*	Nil*	2,29,27,867
Total amount due towards property tax				23,36,27,372
B. Details of Payment made				
Amount adjusted through attachment of Bank accounts of TPDDL				1,04,86,550
Amount already paid in 30.07.2005 vide R No 1748361				57,01,578
Amount paid on 29.03.2018 vide DD: 046057 dated 28.03.2018 Copy attached as Annexure – "A"				21,74,39,244
Total Amount paid/adjusted				23,36,27,372

*As per Amnesty scheme 2017-18

Thus Tata Power – DDL has made full payment of Property Tax in respect of the 449 properties which were subject matter of Assessment Order Assessment Order No. Tax/NDMC/A&C (HQ)/2017/001 dated 05.04.2017 issued by the North DMC.

In addition to above, Tata Power – DDL has also paid an amount of Rs. 3,61,040/- in respect of Property Tax for the property i.e. land measuring 8080 sq. meter near substation, Civil Lines, Delhi under the Amnesty scheme. (Copy attached as **Annexure – "B"**)





TATA POWER-DDL

It is further submitted that Delhi Electricity Regulatory Commission (Terms and Conditions for determination of Tariff Regulations) 2017 provide that any increase in O&M expenses due to change in law/Statutory levies shall be allowed on actuals basis. Further the Regulations provide for allowing "**Actual and Expected additional Expenses**" on account of O&M beyond the Control of Distribution Licensee for the ensuing & previous Year respectively. As no expenses in relation to Property Tax for properties which were subject matter of Assessment by North DMC have been sought as a part of the O&M Expenses by Tata Power-DDL, hence, it is requested that this Hon'ble Commission may kindly approve an amount of Rs. 23,39,88,412/- (i.e. Rs 23,36,27,372/- + Rs. 3,61,040/-) towards payment of Property Tax as a part of ARR for FY 2017-18 at the time of true up.

We hope that the Hon'ble Commission would find the above in order and shall be pleased to furnish any other information/clarification as & when required.

Thanking you,

Yours sincerely,

For Tata Power Delhi Distribution Limited

Bharat Kumar Bhadawat

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HOD -Regulatory

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Enclosures: Annexure A & B

