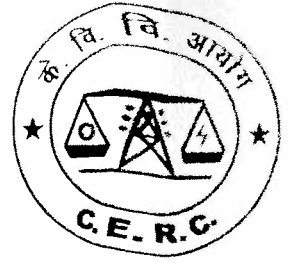




केन्द्रीय विद्युत विनियामक आयोग
CENTRAL ELECTRICITY REGULATORY COMMISSION



Petition No.337/2010

Date: 6.7.2015

To

Ms. Seema Gupta
Chief Operating Officer (CTU-Planning)
Power Grid Corporation of India Limited
"Saudamini", Plot No.2,
Sector-29,
Gurgaon-122 001.

Subject: Order dated 18.5.2015 in Petition No.337/2010 on TDS - reg.

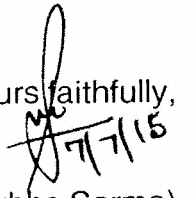
Sir,

Your request for deferment of the implementation of the Detailed Operating Procedure (DOP) with respect to TDS was considered by the Commission and the Commission has expressed the view that the Detailed Operating Procedure has been made in conformity with Rule 37-BA of the Income Tax Rules, 1962, in order to facilitate and simplify the process of issue of TDS to the inter-State transmission licensees. CTU should take necessary action in accordance with the directions of the Commission in para 19 of the order dated 18.5.2015 in Petition No.337/2010 without further delay.

2. The Commission has further observed that CTU is advising the DICs not to deduct TDS in the light of the Hon'ble Bombay High Court's judgement dated 8.5.2015 in Income Tax Appeal No.336/2013. The proper course of action would have been for the CTU to approach the CBDT on the basis of Bombay High Court judgement for issue of necessary clarification regarding TDS on transmission charges, which will be binding on all Tax Deducting Authorities.

3. The CTU is directed to take all suitable steps for implementation of the DOP with immediate effect and file a compliance report by 30.7.2015.

4. This has the approval of the Commission.

Yours faithfully,

(Shubha Sarma)
Secretary