

MUNICIPAL CORPORATION OF DELHI
LAND & ESTATE DEPARTMENT
7TH FLOOR, CIVIC CENTRE, JLN MARG
NEW DELHI-110002.

No. DA/Misc./L&E/2022/D- 2148

Dated:- 1/12/22

Subject: Policy on Allotment of land to Discoms for setting up transformers/sub-station on MCD land.

The competent authority i.e. Special Officer exercising the powers of Corporation under section 514A of the DMC Act, 1957 (as amended in 2022), vide Decision No. 171 and item No. 181 dt. 18.11.2022 has approved the policy for allotment of land for setting up transformers/substations on the land under the jurisdiction of the MCD.

The policy provisions/terms and conditions of aforesaid allotment are given below:

1. The calculation for charging the licence fee will be the Current Circle Rates for commercial properties of the locality in question be taken into consideration for calculation of base value with factor for commercial purpose as '3' and minimum annual Licence fee be worked out @ 10% of premium of total land (measurement in Sq. Mtrs.) occupied by DISCOMS. The classification of areas will be as per Property Tax guidelines of MCD.
2. The effective date for charging licence fee should be the date of taking over of the electricity distribution by 3 DISCOMS in the GNCTD (particularly the areas of MCD) or any other date, if stipulated in any agreement entered with GNCTD or any other agency mentioning therein the date of taking over the services of charging commercial rates of various institutions in MCD.
3. The Licence Fee shall be payable annually by 10th January of the successive year in the L&E Deptt. of MCD, 7th Floor, SPM Civic Centre, New Delhi-2. Late payment of licence fee shall attract penal interest @ 18% p.a.
4. In the cases of new installations the effective date of payment will be reckoned from the date of handing/taking over the possession of site.
5. The licensee company shall be liable to pay 12 (twelve) months licence fee each i.e. in advance at the time of allotment of land as well as for security, in respect of new cases. In cases where the land is already occupied and transformers are installed, the licensee shall also deposit the 03 (three) months licence fee as security for regularizing the installation.
6. The allocation of space shall be purely on temporary basis & if for any reason in future the space is required for a public purpose or project, the MCD shall have the right to retrieve the space allocated. The DISCOMS in such cases shall apply to the concerned department for alternate site and the prevailing Circle Rate in force shall be the basis for calculation of licence fee payable with respect to the alternate space so allocated. The DISCOMS will not claim any waiver in this regard.
7. If the Licence Fee is not paid within due date, damages @50% of the licence fee in addition to the licence fee shall be payable which shall be withdrawn only after all the accumulated arrears along with applicable interest are paid by the DISCOMS in case of delay of 6 (six) months. Delay beyond 06 months, the security money already lying with the licensor shall be forfeited and the allotment shall

stand cancelled without further notice and the same shall be treated as an encroachment and action shall be taken accordingly.

8. The licence fee shall be revised enhanced after every 5 (five) years at the rate of 35% of the prevailing licence fee.
9. In case the cut-off date is not agreed upon damages shall be payable @ 10% on the licence fee since the date of installation till the date of actual allotment in cases where the DISCOMS install transformers without prior permission of the Corporation. Land Rates for the relevant period as notified by the GNCTD shall be applicable for determination/calculation of damages and interest @ 18% p.a. is also payable on the amount of damages.
10. The land shall not be utilized for any purpose other than that installation of transformer for distribution of electricity within the limits of GNCTD. Use of space for office, parking of vehicles or storage of material or any other commercial activity shall not be permitted. No request for change of land use shall be entertained under any circumstances.
11. No further sub-letting/transfer of the land under any circumstances will be permissible.
12. In the event of resumption/acquisition of land by the Govt. or any other deptt. of the MCD no compensation whatsoever will be paid to the DISCOMS by the MCD or the acquiring agency and in that case the licence fee shall not be payable to the MCD from the date of handing over/taking over.
13. The transformers shall be allowed/allotted to continue only in the corners of parks, open plot or any other site proposed where no trees or any other structure exist. No request for installation of transformer in the middle of the available land shall be considered or entertained.
14. No permission for removal/cutting of trees shall be granted except under the Environment Laws applicable in GNCTD.
15. Wherever transformers have been installed in the middle of a park or middle of footpath obstructing the free movement of pedestrians, the transformers will be required to be relocated to a spot which does not restrict movement of general public within six months.
16. The transformers shall be fully covered so that no safety hazard is posed to the general public. The design of the transformer should preferably be on the basis of standard design as approved by DUAC or any other Govt. Agency.
17. No permanent structure shall be raised in the green area and other areas without the permission of MCD.
18. Request for new space for installation of transformers shall ordinarily not be entertained unless larger public interest is involved and the same shall also be subject to scrutiny by the Electrical Deptt. of the MCD.
19. DISCOMS shall also indemnify the Corporation against any losses due to any such installations on whatsoever account including negligence, accidents, etc.
20. The DISCOMS shall undertake on judicial stamp paper worth Rs. 10/- duly attested by the 1st Class Magistrate to the effect that they will pay the enhanced/difference of Licence Fee/damages etc. as the case may be, as and when demanded by the MCD.

21. The licensee company will be able to leave the space/site by a notice of three months to be served to the concerned Deptt. of MCD and copy of the same will be provided to the EE(Electrical) of the concerned Zone of MCD.

22. The MCD/Licensor reserves the right to impose any additional conditions in public interest at its own discretion.

23. The allottee companies will get themselves acquainted with the conditions herein mentioned and also the site conditions before acceptance of offer of allotment on licence fee basis and the MCD shall not entertain any claim/exemption for the payment of Licence fee and damages, etc. once the offer of allotment on licence fee basis is accepted.

24. The tripartite documents of licence deed or the barter system shall have to be executed and registered at the cost of DISCOMS and Service Tax liability if any, shall also be borne by the concerned DISCOMS.

25. In case of any dispute, the decision of the Commissioner, MCD, shall be final and binding.

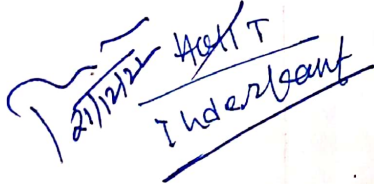
Note: The Zonal Executive Engineer (Electrical)/Maintenance), Dy. Director (Horticulture), Dy. Director (Edu) and Dy. Health Officer of the Zones along with their representatives of the DISCOMS will jointly survey the sites of electric transformers under their jurisdiction and will submit their reports to the Chief Engineer (Electrical) who will also work as Co-Ordinating Officer in the matter.

This issues with the prior approval of competent authority.


Administrative Officer
Land & Estate Department

Copy to:

1. All. Addl. Commissioners
2. All DCs
3. All HODs
4. Director, IT with the request to kindly publish on the MCD website.


21/12/22
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