



Madhya Pradesh Electricity Regulatory Commission  
5<sup>th</sup> Floor, Metro Plaza, Arera Colony, Bittan Market, Bhopal 462 016

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**Petition No. 115/2004**

PETITION AGAINST ILLEGALLY CHARGING OF SYSTEM SETUP CHARGES OF RS. 1,12,700/-.

Rajesh Asnani, Adult, - Petitioner  
Plot No. 11, Zone II,  
M.P. Nagar, Bhopal.  
**V/s.**  
M.P. Madhya Kshetra Vidyut Vitaran Co. Ltd., Bhopal - Respondent

ORDER

**(Passed on this day 26<sup>th</sup> July, 2005)**

Shri Vinay Sharma, Advocate appears on behalf of the petitioner

Shri M.S. Atre, Addl. S.E. (South), MPSEB appears on behalf of the Board.

2. The petition is in the matter of illegally charging of system strengthening charges of Rs. 1,12,700/-.

3. Petitioner had applied to Board for providing six connections (non-domestic) on Plot No. 11, M.P. Nagar, Bhopal on which the Board advised the petitioner to pay Deposit Work amounting Rs. 1,30,307/- and system strengthening charges of Rs. 1,12,700/-. The petitioner's total load for six connections worked out by the Board was only 49 KW i.e. less than 50 KW and thus the act of the Respondent is illegal as per Clause 4.8 of the Supply Code. Therefore, the petitioner submitted to the Commission that the Respondent may be directed to refund the System Strengthening Charges amounting Rs. 1,12,700/- to the petitioner.

4. During the course of hearing on 23/03/2005 a circular issued by CMD, M.P. Madhya Kshetra Vidyut Vitaran Co. Ltd., Bhopal was submitted which stated that all consumer/developer have to pay system strengthening charges/ capacity building charges irrespective of the load and Commission directed Joint Director (R&E) to examine the same.

5. During the last hearing Joint Director (R&E), MPERC after examination of the MPSEB's circular No. 3489 dated 15.07.2000 and instructions issued by the CMD, Central Discom vide circular No 7191 dated 20.08.04, has submitted his comments as written submission dated 19/04/05. He summarized that the order issued by the CMD of Central Discom to recover System Strengthening Charges irrespective of load is neither in accordance with the prevailing circular instructions of the Board nor commensurate with the provisions of supply code. The company is also not supposed to issue any such instructions having deviation from the prevailing procedure with out approval of the Commission. Commission directs the Respondent to submit reply on the comments of Joint Director (R&E).

6. Respondent in its reply dated 09/07/2005 submitted that EE (O&M), South Division, Bhopal has misinterpreted the instructions issued by the CMD. It has also been made clear that complex having 50 kW and above load is multi-consumer complex and instructions are being issued by CMD office that if System Strengthening charges have been recovered in less than 50 kW load connections, the same may be refunded/ adjusted.

7. Considering the facts and circumstances of the case the Commission directs the Respondent to refund or adjust the amount of Rs. 1,12,700/- recovered against the provision of the Supply Code as system strengthening charges, for the connections less than 50 KW load, from the Petitioner.

With the directions aforesaid, the Commission decides to close the case.

Ordered accordingly.

**(R.Natarajan)**  
Member (Econ.)

**(D.Roybardhan)**  
Member (Engg.)

**(P.K.Mehrotra)**  
Chairman