
MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION
BHOPAL

Sub: Petition under Section 86(1)(k) of the Electricity Act, 2003 Read with Clauses 7.33, 7.34, 11.18, 11.19, 11.22 and 11.23 of the MP Electricity Supply Code 2021 and Regulation 45 & 48 of MPERC (Conduct of Business) (Revision-I) Regulations, 2016, Seeking Appropriate Directions and Order to Respondents.

ORDER

(Date of Order: 01.06.2026)

M/s Rathi Iron & Steel Industries,
(A Unit of Jaideep Ispat & Alloys Pvt. Ltd.),
Regd. Office: 03, Laxmi Tower,
576, M.G. Road, Indore - 452001

-Petitioner

Vs.

Managing Director,
MP Power Management Co. Ltd.,
Shakti Bhawan, Vidyut Nagar,
Rampur, Jabalpur – 482008

Managing Director,
MP Paschim Kshetra Vidyut Vitaran Co. Ltd.,
GPH Compound, Polo Ground,
Indore - 452003

Managing Director,
MP Power Transmission Co. Ltd.,
Block No. 2, Shakti Bhawan,
Rampur, Jabalpur – 482008

-Respondent(s)

Shri Raunak Choukse, Advocate appeared on behalf of the petitioner.

1. The subject petition has been filed by M/s Rathi Iron & Steel Industries (A Unit of Jaideep Ispat & Alloys Pvt. Ltd.), seeking refund of Supply Affording Charges of Rs. 75,60,000/- levied by the Respondents on merger of two existing sanctioned industrial power connections at the Industrial Area, Pithampur, District Dhar. The Connection No. 1 is at 132 kV with a Contract Demand of 50,000 KVA whereas Connection No. 2 is at 33 kV with a sanctioned load of 6,000 KVA. The Supply Affording Charges in respect of both connections had already been paid separately at the time of original sanction of each

connection and for all applicable load enhancements.

2. The Petitioner submitted formal applications for merger of the two connections to consolidate the total Contract Demand to 56,000 KVA at 132 kV to Respondent no. 2, MPPKVVCL. Upon receipt of the application forwarded by Respondent No. 2, Respondent No. 3 i.e. MPPTCL conveyed technical feasibility subject to payment of Supply Affording Charges of Rs. 66,00,000/-. Accordingly, Respondent No. 2 issued a provisional sanction letter demanding total Supply Affording Charges of Rs. 75,60,000/-, invoking the first proviso to Clause 3.3 of the MPERC (Recovery of Expenses and other Charges for providing Electric Line or Plant used for the purpose of giving Supply) Regulations (Revision-II), 2022, as amended from time to time, on the ground that the merged load exceeds the permissible limit of 50,000 KVA at 132 kV under Clause 3.4 of the MP Electricity Supply Code, 2021. The Petitioner deposited the said amount under protest on 02.01.2026, and the EHT Agreement for the merged connection was thereafter executed on 05.01.2026.
3. The Petitioner contends that the impugned levy is contrary to Clause 7.34 of the MP Electricity Supply Code, 2021, which expressly exempts consumers from payment of Supply Affording Charges afresh up to the aggregate contract demand of existing connections in cases of merger; that the demand amounts to double recovery on the same quantum of load; that no system augmentation was necessitated or carried out; that there is no enhancement of aggregate load on merger of existing load at a common point of supply; and that the issue is covered by the Commission's earlier decision in Petition No. 76/2012 (M/s Orient Paper Mills).
4. The Petitioner has made the following request in this petition: -
 - a. *Admit the present petition and issue notice to the Respondents.*
 - b. *Declare that the levy of Supply Affording Charges amounting to Rs. 75,60,000/- (Rupees Seventy-Five Lakhs Sixty Thousand only) in the case of merger of existing connections of the petitioner is contrary to Clauses 7.33 and 7.34 of the Madhya Pradesh Electricity Supply Code, 2021 and is therefore illegal, arbitrary and void.*
 - c. *Direct Respondent No. 2 to refund the amount of Rs. 9,60,000/- (Rupees Nine Lakhs Sixty Thousand only) paid by the petitioner under protest along with interest @18% per annum from the date of payment i.e., 02.01.2026 till the date of actual refund.*
 - d. *Direct Respondent No. 3 to refund the amount of Rs. 66,00,000/- (Rupees Sixty-Six Lakhs only) paid by the petitioner under protest along with interest @18% per annum from the date of payment i.e., 02.01.2026 till the date of actual refund.*
 - e. *Direct the Respondents to adjust the aforesaid amounts along with interest in the future electricity bills of the petitioner in case direct refund is not feasible.*
 - f. *Issue such further or other orders, directions or reliefs as this Hon'ble Commission may deem fit and proper in the interest of justice and equity.*

Commission's observations and findings

5. The Commission finds it necessary to examine the subject petition on maintainability i.e. whether the dispute raised herein is maintainable before this Commission or whether the Petitioner is required to exhaust the available mechanism to approach the Electricity

Consumer Grievance Redressal Forum (ECGRF), constituted under the MPERC (Establishment of Forum and Electricity Ombudsman for Redressal of Grievances of the Consumers) (Revision-II) Regulations, 2021, as amended from time to time.

6. Regulation 2.4(m) of MPERC (Establishment of Forum and Electricity Ombudsman for Redressal of Grievances of the Consumers) (Revision-II) Regulations, 2021 defines "Grievance" as under: -

*"Grievance shall mean a dissatisfaction of the Consumer arising out of the failure of the Licensee to register or redress a Complaint and shall include **any dispute between the Consumer and the Licensee** with regard to any Complaint or with regard to any action taken by the Licensee in relation to or pursuant to a Complaint filed by the affected person. However, the matters falling within the purview of any of the following provisions of the Act will not form a grievance under these Regulations:*

- (i) Unauthorized use of electricity as provided under Section 126 of the Act;*
- (ii) Offences and penalties as provided under Sections 135 to 139 of the Act;*
- (iii) Compensation related to accident in the distribution, supply or use of electricity as provided under Section 161 of the Act;*
- (iv) Recovery of arrears where the bill amount is not disputed."*

7. Upon a plain reading of the aforesaid definition, the Commission observes that the dispute raised in the present petition is, in its true nature and character, a dispute between the Petitioner(consumer) and the Respondent(licensee) arising out of an action taken by the licensee, namely, the levy of Supply Affording Charges at the time of processing the Petitioner's merger application. The Petitioner is aggrieved by the said action and seeks refund of the amount so levied. **Such a dispute squarely falls within the definition of "Grievance" as defined under Regulation 2.4(m) of aforesaid regulation.** Moreover, the Commission observes that the present dispute, being one relating to the levy of Supply Affording Charges in the context of merger of two existing connections, falls entirely outside the above four excluded categories of grievances specified in Regulation 2.4 (m) and it is therefore, a matter to be filed before the ECGRF established for such purposes.
8. The Commission has noted the contention of the Petitioner that the dispute involves interpretation of the provisions of the MP Electricity Supply Code, 2021 and the MPERC (Recovery of Expenses and other Charges for providing Electric Line or Plant used for the purpose of giving Supply) Regulations (Revision-II), 2022, and that this Commission is the appropriate authority to adjudicate the same. However, the Commission is of the considered view that mere involvement of regulatory provisions in a dispute does not, by itself, confer direct jurisdiction upon this Commission, where a specific and efficacious forum has been established under Section 42 (5) of the Electricity Act, 2003 for redressal of consumer grievances of this nature.
9. In view of the foregoing, the Commission is of the considered view that the present petition is not maintainable before this Commission. The petitioner is at the liberty to approach the ECGRF in accordance with the MPERC (Establishment of Forum and

Electricity Ombudsman for Redressal of Grievances of the Consumers) (Revision-II) Regulations, 2021, as amended from time to time. This order is passed on the question of maintainability of this petition without going into the merits of the case.

Accordingly, the Petition stands dismissed and disposed of.

(Gajendra Tiwari)
Member

(Gopal Srivastava)
Acting Chairman