

**BEFORE THE ELECTRICITY OMBUDSMAN
(For the State of Goa and Union Territories)
Under Section 42 (6) of the Electricity Act, 2003**

3rd Floor, Plot No. 55-56, Udyog Vihar - Phase IV, Sector 18
Gurugram (Haryana) 122015,
Email ID: ombudsman.jercuts@gov.in
Phone No.:0124-4684708

Appeal No-259 of 2026

Date of Hearing:16.02.2026
and 6.03.2026

Mode: Videoconferencing

Date of Order: 11.03.2026

In the matter of

Mr. Rajender Kumar Garg,
Prop M/s Aar Key Wires,
Plot No 136-140/86,
Industrial Area, Phase-I, Chandigarh.

...Appellant

Versus

Executive Engineer,
Electricity 'OP' Division No. 2
Industrial Area Phase-I,
CPDL, Chandigarh.

...Respondent

In the matter of Mr. Rajender Kumar Garg, Vs Chandigarh Power Distribution Ltd.

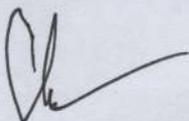
Present:

Appellant

1. Sh Rajinder Kr Garg in person
2. Mr Narinder Sharma AR for Appellant

Respondent(s)

1. Mr Balbir Singh, Executive Engineer OP Division-2,
CPDL, Chandigarh
2. Mr. Dhruv Shakuntlam, Sr. Executive Legal. CPDL
CPDL Chandigarh
3. Mr Chandan Dhar, Sr. Manager Meters



ORDER

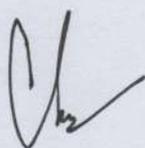
The present representation was filed on 27.01.2026 under Section 42(6) of the Electricity Act, 2003 read with Regulations 35 and 36 of the Joint Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2024, challenging the order dated 21.11.2025 and Review Petition order dated 31.12.2025 passed by the Learned Consumer Grievance Redressal Forum, Chandigarh in Case No. G-42/2025.

Upon scrutiny, and being satisfied that the representation fulfilled the requirements prescribed under the Regulations, the same was admitted and notice was issued on 27.01.2026. A copy of the representation was forwarded to the Respondent—Executive Engineer Electricity 'OP' Division No 2, Chandigarh Power Distribution Ltd. Chandigarh, calling upon them to submit their reply.

Sr.Executive, Legal has filed the reply on behalf of CPDL on dated 12.02.2026 which is taken on record.

A. SUBMISSIONS ON BEHALF OF THE APPELLANT

1. The Appellant submits that the electricity Account No. 205/I-2/0521 with meter No CH3S000187 installed at Plot No. 136-140/86, Industrial Area Phase-I, Chandigarh in the name of M/s Aar Kay Wires has been released through an LT CT (Smart Meter), which is installed outside the premises and remains under the sole custody, control and sealing authority of the Distribution Licensee. It is contended that the consumer has neither physical access nor authority to interfere with the metering installation.
2. That the Enforcement Team of the Licensee (M/s CPDL) conducted testing/inspection of the metering system installed at his premise Plot No. 136-140/86, Industrial Area Phase-I, Chandigarh, in the name of M/s Aar Kay Wires. The Appellant submitted that the Enforcement Team of the Licensee carried out inspection/testing of the metering system on **26.06.2025** without any prior intimation or notice to the consumer. According to the Appellant, the testing was conducted in his absence, which is contrary to the procedural safeguards contemplated under the applicable provisions of the Supply Code and principles of natural justice. It is further submitted that during the inspection the Licensee recorded that the meter was allegedly **33.06% slow**.
3. The Appellant contends that such slowness was not attributed to any internal defect in the meter. Instead, the inspection report itself records that Regulation 6.37 of JERC

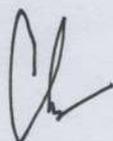


Electricity Supply Code 2018 , the under-recording was caused by a carbonized B-phase CT potential connection in the metering circuit.

4. The Appellant further submitted that the CT leads, terminal wiring and other components of the metering arrangement are maintained exclusively by the Distribution Licensee. According to the Appellant, any defect or disconnection in such components constitutes a system defect within the Licensee's domain, and the consumer cannot be held responsible for the same.
5. The Appellant submits that the Licensee unilaterally removed/repaired the CT wire of B Phase lead without:
 - o Declaring the meter as defective,
 - o Replacing the meter, and
 - o Affording the Appellant an opportunity for independent/third-party testing, as required under Regulation 6.36 of the JERC Supply Code, 2018 and principles of natural justice.

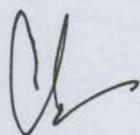
It is further submitted that such unilateral rectification of the alleged fault, without preserving evidence or allowing verification, renders the inspection and assessment unreliable and legally unsustainable.

6. The Appellant further submits that after such rectification, the meter was subsequently tested again by the Licensee's testing team and was found accurate within the permissible limits, as recorded in the Licensee's own report. This establishes that the meter was not defective.
7. The Appellant submits that on 26.06.2025, the Senior Manager (Enforcement) of the Licensee called the Appellant telephonically and informed him that inspection had been carried out and asked him to sign the inspection report. When the Appellant reached the factory premises, he was shown Inspection Report No. 001/013 dated 26.06.2025, wherein it was mentioned that the meter was slow by 33.06%. The Appellant objected and requested proof of the alleged slowness. However, the enforcement officials informed him that they had already rectified the fault and sealed the meter, and no proof was shown to him despite repeated requests. The Appellant

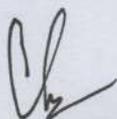


signed the inspection report under protest with remarks stating: "Meter is OK. There is some misunderstanding in the testing & clarify the actual facts."

8. The Appellant also submits that the Licensee assessed the installed load and conducted inspection of the premises without serving prior notice as required under Regulation 5.142 of the JERC Supply Code, 2018 and Section 163 of the Electricity Act, 2003, thereby violating statutory provisions.
9. Despite the above procedural violations and without establishing any legally sustainable basis, the Licensee issued a notice-cum-supplementary bill of Rs. 4,10,300/- for the period 07.11.2024 to 07.05.2025, by applying percentage-based slowness. Thereafter, the said bill was revised to Rs. 3,44,170/- for the period 26.12.2024 to 26.06.2025 as per the Regulation 6.39 of JERC Electricity Supply Code 2018.
10. Aggrieved by the said demand, the Appellant filed a complaint before the Learned Consumer Grievance Redressal Forum (CGRF) Chandigarh on 16.09.2025, which was decided on 21.11.2025, purportedly under Regulation 6.39 of the JERC Supply Code, 2018.
11. The Appellant further submits that he filed a review petition before the Learned CGRF seeking review of the order dated 21.11.2025 in view of settled legal principles including APTEL judgment of 2006. However, the CGRF dismissed the review application, ignoring material facts and relying solely upon Regulation 6.39.
11. The Appellant submits that the CGRF has gravely erred in applying Regulation 6.39, which can be invoked only when the meter is found defective and replaced. In the present case:
 - the meter was never declared defective,
 - the meter was never replaced, and
 - the meter was subsequently found accurate.
12. Hence, the essential pre-condition for invoking Regulation 6.39 does not exist. The Appellant submits that Regulation 6.39 cannot be applied where the alleged inaccuracy is not due to meter defect but due to external system issues.



13. Carbonization of CT leads is a system defect, not a meter defect. The Appellant submits that carbonization of CT leads:
- is external to the meter,
 - pertains to the metering system owned and maintained by the Licensee, and
 - does not render the meter defective in law.
14. It is submitted that any defect or loss occurring in the Licensee's own system cannot be retrospectively passed onto the consumer through supplementary billing. The CGRF failed to appreciate this vital distinction.
15. The Appellant submits that the consumer has a statutory right to be informed and remain present during testing of the meter and also has a right to seek independent/third-party testing. In the present case:
- the testing was done in the absence of the consumer,
 - the alleged defect was rectified unilaterally, and
 - the consumer was deprived of the opportunity to verify the alleged slowness.
16. Such unilateral action violates principles of natural justice and vitiates the entire assessment.
17. Absence of meter replacement nullifies retrospective assessment. The Appellant submits that even assuming the meter was slow, the settled principle is that the meter must be replaced and billing adjustment can be done only after replacement and proper testing. Since:
- no replacement was carried out, and
 - the meter was later found accurate; the retrospective charging is arbitrary and illegal.
18. The Appellant submits that the burden to prove:
- defect in meter/metering system,
 - exact extent of slowness, and
 - the period for which such defect existed,
- lies entirely on the Licensee. The Appellant submits that the CGRF wrongly accepted estimation and assumptions without conclusive proof, contrary to law.
19. In view of the above facts and submissions, the Appellant prayed that this Authority:



- (i) Set aside the CGRF Order dated 21.11.2025 / 31.12.2025 (as applicable from record);
- (ii) Quash the supplementary bill/demand raised by the Licensee;
- (iii) Direct refund of Rs. 1,15,000/- already paid along with admissible interest;
- (iv) Grant compensation for harassment and mental agony;
- (v) Issue appropriate directions restraining the Licensee from disconnecting supply till final disposal of the present representation;

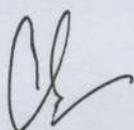
B. SUBMISSIONS ON BEHALF OF THE RESPONDENT

The Respondent, Executive Engineer, Electricity 'OP' Division No. 2 Industrial Area Phase-I, Chandigarh Power Distribution Limited (CPDL), has submitted that the present appeal has been filed by the Appellant challenging the final order dated 21.11.2025 passed by the Learned Consumer Grievance Redressal Forum (CGRF), Chandigarh, whereby the Ld. CGRF held that the Respondent has rightly raised the short assessment charges strictly in accordance with Regulation 6.39 of the JERC Supply Code Regulations, 2018, and further granted liberty to the Appellant to discharge the said amount in monthly equated instalments.

The Respondents further submits that one electricity connection pertaining to Plot No. 136-140/86, Industrial Area, Phase-I, Chandigarh, exists in the name of M/s Aar Kay Wires, bearing Electricity Account No. 205/I-2/0521, with Meter No. CH35000187 (Smart Meter), under Medium Supply Category, with a sanctioned load of 92.684 kW.

The Respondent submits that the Enforcement Team of CPDL conducted inspection of the said connection vide Inspection Report No. 13/01 dated 26.06.2025. During the inspection, accuracy testing of the installed smart meter was carried out through NABL-accredited laboratory YMPL, and the meter was found to be 33.06% slow. The Respondent submits that the Appellant refused to sign the meter test report.

The Respondent further submits that the installed meter is a Landis Gyr smart meter. Being a 3-phase 4-wire meter connected through external CTs (LTCT arrangement). It is submitted that during testing on 26.06.2025, the current displayed in the meter for the B phase was found as 0A, whereas actual primary line current was measured at 43.42A, and it was observed that the B-phase CT secondary connecting wire was found broken. The Respondent submits that in the other two phases, i.e., R and Y, the meter display currents



were found consistent with actual measured line currents was 1.096A and 1.155A and the actual line current were found to be consistent measuring 43.6A and 45.9A on R and Y Phase respectively. Accordingly, the meter was found slow by 33.06%.

The Respondent submits that after rectification of the B-phase secondary wire, the meter current display returned to normal at 1.008A. The meter accuracy was also found within permissible limits, i.e., 0.55%.

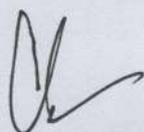
The Respondent further submits that thereafter a notice-cum-bill dated 02.07.2025 was issued demanding payment of Rs. 4,10,300/- towards short assessment for the period 07.11.2024 to 07.05.2025, which was calculated only towards difference in energy charges and did not include any penalty.

The Respondent submits that upon representation made by the consumer and after retrieval of MRI data, the short assessment was reassessed for the period 26.12.2024 to 26.06.2025, and consequently the assessment amount was revised to Rs. 3,44,170/-. The Respondent submits that the detailed calculation and consumption pattern were explained to the Appellant during his personal visit and also communicated vide Memo No. 1208 dated 08.09.2025, and the revised amount was to be reflected in the electricity bill for September 2025.

The Respondent submits that the Appellant filed Complaint No. G-42/25 before the Ld. CGRF Chandigarh, challenging the revised assessment. The said complaint was disposed of vide order dated 21.11.2025, wherein the Ld. CGRF observed that the Respondent has rightly raised the short assessment charges in consonance with Regulation 6.39 of the JERC Supply Code Regulations and granted liberty to the Appellant to pay the amount in equated monthly instalments.

The Respondent submits that instead of complying with the said order, the Appellant filed a Review Petition before the Ld. CGRF, which was dismissed vide order dated 31.12.2025, thereby upholding the earlier order dated 21.11.2025.

The Respondent submits that the contention of the Appellant regarding misapplication of Regulation 6.39 is misconceived. It is submitted that the present matter is a case of slow meter and is squarely covered under Regulation 6.39 of the JERC Supply Code Regulations, 2018 (Second Amendment Regulations, 2021), which provides that where the meter is



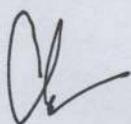
found slow beyond permissible limits, the consumer is liable to pay the difference due to such defect at normal rates based on percentage error, for a maximum period of six months or from the date of last testing, whichever is later. The Respondent submits that the short assessment has been raised strictly for the permissible period and therefore the Appellant's contention is baseless.

The Respondent further submits that the allegations of the Appellant regarding violation of statutory right of third-party testing and lack of prior notice are also misconceived. It is submitted that CPDL has lawfully taken over distribution functions w.e.f. 01.02.2025 pursuant to the Transfer Scheme notified by Chandigarh Administration, and the Respondent is performing statutory duties under the applicable regulatory framework. It is submitted that under Regulation 6.31 and 6.32 of the JERC Supply Code Regulations, 2018, read with the CEA (Installation and Operation of Meters) Regulations, 2006, the Respondent is responsible for ensuring meter accuracy and conducting periodic inspection/testing. The Respondent submits that the inspection conducted at the Appellant's premises was routine statutory inspection and the applicable provisions do not mandate prior notice for such inspection.

The Respondent submits that the mandatory requirement of giving prior notice under Regulation 6.37 applies only where testing is carried out through third-party facility upon consumer's request under Regulation 6.36, and hence the allegation of violation of Regulation 6.37 is incorrect.

The Respondent submits that the meter was tested through a NABL-accredited facility, and the test report was handed over to the Appellant, though the Appellant refused to sign the same. The Respondent submits that thereafter assessment notice was issued in accordance with the JERC Electricity Supply Code 2018 and adequate opportunity was provided to the Appellant. It is further submitted that on consideration of the consumer's representation, reassessment was done fairly by revising the amount downward.

The Respondent further submits that the allegation that the Appellant was deprived of third-party testing is an afterthought, as no request for third-party testing was ever made by the Appellant. The Respondent relies upon Regulation 6.34 and 6.36 of the Supply Code to submit that the Respondent is empowered to test meters where doubt arises and third-party testing is available if so desired by the consumer.



The Respondent also submits that this Hon'ble Ombudsman has already decided similar issue and held that cases of slow meter are to be assessed under Regulation 6.39 of the Supply Code, 2018, and reliance has been placed upon the order passed in Appeal No. 255/2025 dated 29.01.2026.

In view of the above, the Respondent submits that the appeal is devoid of merit, and prays that the orders dated 21.11.2025 and 31.12.2025 passed by the Ld. CGRF be upheld, and the Appellant be directed to pay the short assessment amount along with current dues, and the appeal be dismissed with such further orders as this Hon'ble Authority may deem fit and proper

C. Proceedings:

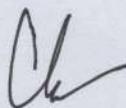
The proceedings on 16.02.2026

The Appellant submitted that the electricity meter is installed outside the premises and is under the control of the Distribution Licensee. The Appellant submitted that they are not aware as to how the meter became defective. It was further submitted that they are receiving regular and continuous power supply.

The Appellant further submitted that they were not informed about the meter testing allegedly carried out by CPDL. It was stated that no test report has been provided to them, nor was any report signed by them. The Appellant denied the contention of the Respondent that the meter test report was provided to the consumer.

The Respondent, through Executive Engineer, Division-2, CPDL, submitted that an inspection was carried out on 26.06.2025 by the Enforcement Team of CPDL. During the inspection, it was found that the CT wire of 'B' Phase was cut/disconnected, due to which the meter was not recording correctly and the meter was found to be recording 33.06% less. Accordingly, the Respondent assessed the case as a slow meter case to the extent of 33.06%.

Upon consideration of the submissions, it is observed that the Respondent has not provided the meter download data and meter event log. Accordingly, the Respondent is directed to submit the meter download data along with meter event log for the last one year, on or before 18.02.2026, with a copy of the same to the Appellant, both in Soft copy through email, and Hard copy to be delivered at the address of the Appellant, on or before 18.02.2026.



The Appellant is allowed liberty to file additional submissions, if any, with an advance copy to the Respondent, latest by 20.02.2026.

The Respondent, if so desired, may file rejoinder, if any, on or before the next date of hearing.

Proceedings on 06.03.2026

The matter was taken up for hearing on 06.03.2026 through video conferencing. Both parties were present and were heard.

During the course of hearing, the Appellant filed a rejoinder/replication to the reply dated 11.02.2026 submitted by the Respondent. The said rejoinder/replication is taken on record.

The Appellant submitted that the meter and the associated wiring constitute two distinct components (Wiring and Meter along with accessories) of the metering system, and that in the present case the alleged defect pertains to the wiring between the Current Transformer (CT) and the meter terminal, and not to the meter mechanism itself. On this basis, the Appellant contended that the Respondent-Licensee (CPDL) is not entitled to invoke Regulation 6.39 of the JERC Electricity Supply Code, 2018 for the purpose of short assessment.

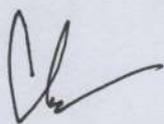
The Appellant further acknowledged the receipt of the metering data supplied by the Respondent pursuant to earlier directions.

The Appellant further submitted that there was no representative on the behalf of M/s AAR KAY Wires at the time of meter testing by the Enforcement department of CPDL.

A video was shown to the Appellant by the Respondents but Appellant that their representative did not witness the testing and its outcome of the testing.

The Respondent (CPDL) has also placed the metering data on record, which is taken on record. However, upon preliminary examination of the data sheet submitted by the Respondent, certain ambiguities/inconsistencies appear in the tabulated metering data, which require clarification for proper adjudication of the matter.

In order to enable proper appreciation of the technical aspects involved in the case, the Respondent is required to clarify the apparent ambiguity in the metering data sheet submitted on record, particularly with regard to the entries reflecting the relevant event data/phase parameters during the period under consideration.



Accordingly, the Respondent (CPDL) is directed to file a written clarification explaining the metering data sheet along with supporting technical details, within two (02) working days from the date of this order, with a copy simultaneously furnished to the Appellant.

The clarification shall specifically address the ambiguity appearing in the data sheet so as to assist this Authority in determining the technical cause and duration of the alleged inaccurate metering.

D. Findings and Analysis.

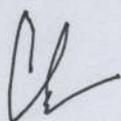
This Authority has carefully considered the pleadings on record, the submissions made by both parties, the inspection report dated 26.06.2025, the material placed before this Authority and the relevant provisions of the JERC Electricity Supply Code, 2018.

The principal issue arising for determination in the present appeal is whether the case falls within the category of a *Defective Meter or whether it is a case of Faulty/inaccurate recording of energy due to a defect in the metering arrangement*, and consequently whether Regulation 6.39 of the JERC Supply Code, 2018 is applicable.

The Appellant has argued that the meter itself was found accurate and that the slowness in recording was caused by breakage of the B-phase CT secondary wire, which forms part of the external metering arrangement maintained by the licensee. On this basis, the Appellant contended that the meter cannot be treated as Faulty and therefore Regulation 6.39 cannot be invoked.

However, the record of inspection dated 26.06.2025 indicates that during inspection by the Enforcement Team of the Respondent, it was detected that the **B-phase CT secondary connection** was not recording current, resulting in the meter recording approximately **33.06% less energy consumption**. After rectification of the said CT connection, the meter accuracy was reportedly found to be within permissible limits. This establishes that although the internal mechanism of the meter was functioning correctly, the metering system as a whole was not recording the actual consumption accurately due to a fault in the CT connection.

In modern metering installations, particularly in LT-CT operated metering systems, the Current Transformers (CTs), associated wiring, and the meter together constitute the metering system, and accurate recording of energy depends upon the proper functioning of all these components. Therefore, any interruption in the CT circuit or wiring may result



in under-recording of consumption even though the meter itself remains technically functional.

Moreover, the Appellant admitted that during this period he was getting regular uninterrupted power and his manufacturing process was never disturbed for non-availability of power which confirms to the fact that he was consuming power on all three phases inspite of the fact that the meter was not recording on B Phase.

Before addressing the specific grounds raised in the appeal, it becomes necessary to clarify the technical and legal distinction between a **“Defective Meter”** and a **“Faulty / inaccurate metering arrangement”**, as the classification directly determines the applicable regulatory provision and the permissible period of assessment under the JERC Electricity Supply Code, 2018.

1) A three-phase metering system derives energy measurement from voltage inputs of all phases and current inputs corresponding thereto. Where the internal electronics or metering mechanism itself malfunctions such as:

- failure of display,
- internal current or voltage channel failure, or
- non-recording despite correct inputs

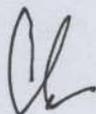
—and such failure stands confirmed through prescribed testing, the meter qualifies as a defective meter. In such cases, Regulation 7.12 of the JERC Electricity Supply Code governs assessment, limiting retrospective billing to a maximum of three months.

However, where the meter continues to function and record energy, but records inaccurately due to defects external to the meter electronics such as

- loose, broken, carbonized, reversed, bypassed, or otherwise impaired current or potential connections
- the defect lies in the metering system and not in the meter mechanism itself.

In such situations, the meter does not become defective per se; rather, the arrangement results in faulty or incomplete measurement. Such cases attract Regulation 6.39 of the JERC Electricity Supply Code, which permits adjustment for a period not exceeding six months preceding the date of detection.

Non-recording or under-recording attributable to a single phase due to CT or associated wiring defects does not automatically render the meter defective.



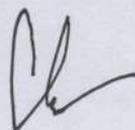
Replacement of the meter alone does not cure such defects unless the underlying metering system fault stands rectified.

The Supply Code recognizes such situations where the **meter does not correctly record the consumption due to technical reasons affecting the metering arrangement**, and provides for appropriate billing adjustment under **Regulation 6.39 of the JERC Electricity Supply Code, 2018**. The purpose of this provision is to enable correction of billing in cases where the meter has not recorded the actual consumption for technical reasons, irrespective of whether the cause lies in the internal meter mechanism or in the associated metering arrangement.

The meter event data downloaded and placed on record by the Respondent has been carefully examined by this Authority in order to ascertain the precise point of time when the metering system ceased to record current in the B-phase. The analysis of the data sheet submitted by the Respondent reveals that on **05.12.2024 at approximately 04:02:37 hours**, the current recorded in the B-phase dropped to **"zero"**, while the corresponding **B-phase voltage remained at 236.57 volts**. This pattern indicates that although the voltage input to the meter remained present, the current input from the B-phase was not being registered, thereby suggesting an interruption or defect in the associated current connection of the metering arrangement.

The data further establishes that during the inspection conducted by the Enforcement Team on **26.06.2025 at approximately 14:39:00 hours**, the defective connection was rectified, following which the meter immediately resumed recording B-phase current, which was observed to be **2.199 amperes**. The sequence reflected in the downloaded meter data therefore corroborates the technical finding that the under-recording of energy consumption was attributable to a defect in the metering arrangement affecting the B-phase current input rather than any malfunction of the internal metering mechanism.

The Distribution Licensee, **Chandigarh Power Distribution Limited (CPDL)**, has relied upon the aforesaid technical data along with the applicable provisions of the **JERC Electricity Supply Code Regulations, 2018** in support of its determination regarding inaccurate recording of energy consumption.



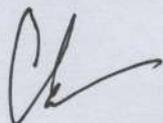
The above meter event data provides a reliable technical basis for determining that the inaccuracy in energy recording commenced on **05.12.2024 at approximately 04:02:37 hours**, when the B-phase current input ceased to be registered by the meter despite the continued presence of voltage in the corresponding phase. The data further confirms that the anomaly persisted until **26.06.2025**, when the Enforcement Team rectified the defective connection and the meter resumed recording B-phase current. The sequence reflected in the downloaded data therefore clearly demonstrates that the meter continued to remain operational, but the metering system failed to capture the full consumption due to interruption in the B-phase current circuit.

In the regulatory framework governing electricity supply, such a situation is treated as a case of **faulty or incomplete metering arising from defects in the metering arrangement**, rather than a case of a defective meter within the meaning of the **JERC Electricity Supply Code Regulations, 2018**. Consequently, the correction of billing in such circumstances is governed by the provisions relating to inaccurate or incomplete recording of consumption, which permit the distribution licensee to undertake reassessment for a limited retrospective period strictly in accordance with the procedure and safeguards prescribed under the Supply Code.

The Hon'ble Supreme Court has also recognized that electricity utilities are empowered to undertake assessment where consumption has not been correctly recorded, subject to compliance with statutory provisions. In **Southern Electricity Supply Co. of Orissa Ltd. v. Sri Seetaram Rice Mill**, the Court held that assessment relating to electricity consumption must be carried out strictly in accordance with the applicable statutory framework and procedural safeguards.

At the same time, the burden to justify the basis and period of such assessment lies upon the licensee. The licensee must therefore rely on technical data, inspection reports and other available evidence while determining the extent and duration of inaccurate recording.

In the present case, the inspection report and the subsequent technical findings establish that the meter was recording less consumption due to a fault in the CT connection. Therefore, the situation cannot be treated as a case where the meter was perfectly recording the actual consumption during the relevant period.



In such circumstances, the provisions of **Regulation 6.39 of the JERC Supply Code, 2018** permit the licensee to undertake reassessment for a limited retrospective period in order to account for the energy that remained unrecorded due to inaccurate metering.

- 2) The meter in question, bearing Meter No. CH3S000187, stands installed against Account No. 205/I-2/0521 for a sanctioned load of 85.9 kW. The Respondent has confirmed that the installation comprises a Landis +Gyr make, high-precision, 3-phase 4-wire smart energy meter designed for commercial, industrial, and substation applications. The meter conforms to applicable BIS standards and the CEA (Installation and Operation of Meters) Regulations. The CT of adequate CT Ratio is installed in a separate CT Box and current (Primary & Secondary) along with Potential wire connects CT with meter to record energy.

Section 55 of the Electricity Act, 2003, read with the CEA Metering Regulations, places the statutory responsibility for ensuring meter correctness and accuracy lies upon the Licensee.

It remains an admitted position that the Respondent installed, owned, and maintained the meter. The Appellant exercised no role in installation, calibration, or internal inspection of the meter. However, Regulation 6.16 of the JERC Electricity Supply Code casts upon the consumer the responsibility of safe custody of the meter installed within the consumer's premises and obliges the consumer to promptly report any visible fault or abnormality.

- 3) The Respondent conducted inspection of the meter on 26.06.2025 during a stated routine inspection. The Respondent exercised its authority under Regulation 6.34 of the JERC Supply Code to test the meter. Although the Respondent is empowered to conduct inspections under Regulation 6.34 of the JERC Supply Code, the principles of procedural fairness require that where testing is undertaken in the absence of the consumer and the inspection forms the basis of a consequential assessment, the consumer should ordinarily be afforded an opportunity to participate in the testing process or be provided a copy of the inspection record to enable effective response. The record further shows that the person present during testing lacked awareness of the testing procedure. More importantly, the meter event data submitted by the Respondent pursuant to directions of this Authority establishes that B-phase potential

remained missing from 05.12.2024 at approximately 04:02:37 hours until 26.06.2025, when the inspection team detected the fault and corrected.

The inspection report (Report No. 001/013 dated 01.08.2025) records that the meter showed an accuracy deviation of approximately (-33.06%) due to a carbonized B-phase potential wire at the meter terminal. Since the meter terminal remained sealed, the Appellant had no access or opportunity to detect or report this defect. The inspection team repaired the carbonized connection, after which the same meter recorded consumption within permissible accuracy limits.

The material on record reasonably establishes that:

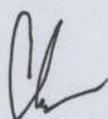
- The meter electronics and mechanism remained healthy and functional;
- The inaccuracy arose solely due to a defect in the metering system connection; and
- The meter therefore cannot be classified as defective.

Accordingly, the case squarely falls under faulty / inaccurate metering arrangement governed by Regulation 6.39, and not under defective meter provisions of Regulation 7.12.

- 4) The Appellant contended that the Respondent failed to test the meter through a NABL-accredited laboratory as mandated under the Supply Code. The record, however, demonstrates that the Respondent conducted testing through M/s YMPL Mobile Laboratory, which holds valid NABL accreditation. The meter testing report forms part of the record. This Authority therefore finds no merit in the Appellant's objection on this count.

At the same time, compliance with NABL testing requirements does not absolve the Respondent from adherence to procedural safeguards relating to notice and consumer participation, particularly where the inspection does not arise from any consumer complaint.

- 5) The Respondent issued the provisional assessment notice vide memo No. 852 dated 02.07.2025 and invited objections. The Appellant filed their objections vide their letter dated 10.07.2025. Subsequently the Respondent revised the bill based on the reading data provided by the SCADA for the period 26.12.2024 to 26.06.2025 in lieu of earlier assessed period from 07.11.2024 to 07.05.2025. Accordingly, the short assessment revised bill was reduced from the earlier assessed amount of Rs 4,10,300/- to

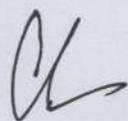


3,44,170/-. Further, there is no document on record to prove that the Appellant has been granted an opportunity of personal hearing before finalization of the revised assessment. The failure to conduct a personal hearing after receipt of objections constitutes a procedural infirmity. While this lapse does not nullify the entire assessment, it vitiates any mechanical or excessive computation of liability beyond the limits prescribed under the JERC Electricity Supply Code 2018.

- 6) The Respondent correctly invoked Regulation 6.39 of the JERC Electricity Supply Code in treating the case as one of faulty / inaccurate metering. However, the Respondent erred in computing assessment for a period exceeding six months (three billing cycles) immediately preceding the date of detection.

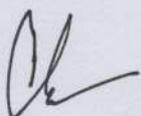
Regulation 6.39 imposes a clear statutory ceiling on retrospective adjustment. Any assessment beyond this period lacks legal sanction and cannot sustain.

- 7) The Appellant has strongly contended that the CT leads, terminal wiring and the overall metering arrangement are maintained exclusively by the distribution licensee and therefore any defect arising in such components cannot result in liability upon the consumer. While it is correct that the installation, sealing and maintenance of the metering system fall within the domain of the licensee, this by itself does not automatically absolve the consumer from payment for electricity actually consumed.
- 8) Electricity charges are fundamentally based on the principle that a consumer is liable to pay for the electricity actually consumed at the premises, irrespective of whether the short recording occurred due to internal meter defect or due to fault in the metering arrangement. Where it is established through technical inspection that the meter did not record the full consumption due to interruption in CT circuitry or similar defect in the metering system, the distribution licensee is permitted under the Supply Code to undertake reassessment in accordance with the prescribed regulatory mechanism, so that the energy actually consumed but not recorded is appropriately accounted for.
- 9) The Hon'ble Supreme Court in Southern Electricity Supply Co. of Orissa Ltd. v. Sri Seetaram Rice Mill has held that electricity authorities are empowered to undertake assessment where consumption has not been correctly recorded, provided the assessment is made strictly in accordance with the statutory framework governing the field. Therefore, even where the cause of inaccurate recording arises from the



metering arrangement maintained by the licensee, the regulatory provisions permit limited reassessment so as to recover charges corresponding to actual consumption, subject to procedural safeguards and restrictions prescribed in the applicable regulations.

- 10) At the same time, the regulatory framework also ensures protection to the consumer by restricting the retrospective assessment to a defined period and requiring the licensee to follow due process, so that the consumer is not burdened with arbitrary or indefinite claims. The determination in the present case is therefore guided by these regulatory safeguards.
- 11) It is well settled that in cases involving inspection of electricity installations and consequent assessment, the distribution licensee must adhere to principles of transparency and procedural fairness. The Hon'ble Supreme Court of India in Southern Electricity Supply Company of Orissa Ltd. v. Sri Seetaram Rice Mill has recognized the statutory framework governing assessments in electricity matters and has emphasized that actions of the licensee must conform to the procedure prescribed under the governing regulations. Similarly, the Hon'ble Delhi High Court in B.L. Kantroo v. BSES Rajdhani Power Ltd. underscored the importance of maintaining transparency in inspection proceedings and held that the consumer must be afforded a fair opportunity to contest the findings forming the basis of any demand. Further, in Jagdish Narayan v. NDPL, the Court observed that inspection reports and supporting material must be reliable and capable of scrutiny so as to withstand judicial review. These principles collectively reinforce the requirement that inspection proceedings, meter testing, and consequential assessments must be conducted in a fair, transparent, and verifiable manner. In the present case, these judicial principles support the necessity of maintaining proper evidentiary record of inspections and ensuring that consumers are provided a meaningful opportunity of hearing before finalization of any assessment.
- 12) The Appellant, vide email dated 05.03.2026, filed a rejoinder to the reply submitted by the Respondent, along with certain judicial citations of the Hon'ble Supreme Court of India and various High Courts. The said rejoinder and the cited authorities have been taken on record and duly considered. However, the applicability of the cited judgments has been examined in the context of the specific regulatory framework



governing electricity metering and billing under the JERC Electricity Supply Code, 2018, and the conclusions reached in the present order are based on the factual matrix and the applicable statutory provisions governing the field.

BHILAI REROLLERS V. M.P. ELECTRICITY BOARD

The Supreme Court upheld the power of electricity boards to assess charges and recover dues where irregularities in metering or consumption are detected. Courts generally defer to technical findings of the electricity authorities unless the assessment is arbitrary.

This judgement supports the **authority of the licensee to reassess consumption when meter is defective or not recording correctly.**

ORISSA STATE ELECTRICITY BOARD V. IPI STEEL LTD.

The Court held that electricity boards have statutory authority to determine charges and regulate supply in accordance with applicable regulations and supply code.

HYDERABAD VANASPATHI LTD. V. A.P. STATE ELECTRICITY BOARD

Recognizes the wide powers of electricity boards in matters of billing, tariff application, and recovery of charges under governing statutes.

ASSOCIATION OF INDUSTRIAL ELECTRICITY USERS V. STATE OF A.P.

Recognizes that electricity regulatory matters involve technical and policy decisions and courts should exercise limited interference.

This judgement supports deference to technical findings of the distribution licensee or regulatory framework.

DR. S. DUTT V. STATE OF U.P.

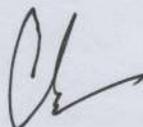
Affirms that quasi-judicial authorities must follow principles of natural justice, including giving opportunity to the affected party.

GOVERNMENT OF WEST BENGAL V. ABANI MAITY

Administrative decisions affecting rights must be fair, transparent and legally justified.

In view of the foregoing findings:

- The meter does not qualify as a defective meter under Regulation 7.12;
- The case falls under **faulty / inaccurate metering arrangement** governed by Regulation 6.39;
- NABL testing requirement stands satisfied;

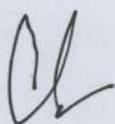


- Procedural safeguards relating to notice and hearing suffered partial non-compliance; and
- The assessment must strictly remain confined to a maximum retrospective period of six months preceding the date of detection.
- The findings above answer all issues raised by the Appellant and guide the operative portion of this Order

It is well settled that in proceedings under Article 226 of the Constitution, the High Court exercises a supervisory jurisdiction and does not act as an appellate authority to re-appreciate factual determinations made by statutory bodies. The Hon'ble Supreme Court in *Syed Yakoob v. K.S. Radhakrishnan* held that a writ of certiorari may be issued only where there is a jurisdictional error, manifest error of law, or perversity apparent on the face of the record, and not for re-evaluation of evidence. Similarly, in *Heinz India Pvt. Ltd. v. State of U.P.* the Court reiterated that judicial review is concerned with the decision-making process rather than the merits of the decision itself. In the present matter, the issues raised by the parties have been examined in light of the material available on record and the applicable regulatory framework, and the findings recorded herein are based on such evaluation of evidence and applicable law.

In view of the facts and circumstances of the case, the pleadings on record, submissions made by both parties and upon consideration of the applicable provisions of the Joint Electricity Regulatory Commission (JERC) Electricity Supply Code, 2018, this Authority is of the considered opinion that the appeal is liable to be disposed of with the following directions:

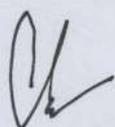
1. The Appeal filed by the Appellant is dismissed, being devoid of merits.
2. The orders passed by the Learned CGRF, Chandigarh are hereby upheld, subject to the directions contained in this Order.
3. This Authority holds that Meter No. CH3S000187 does not fall within the category of a defective meter as contemplated under Regulation 7.12 of the JERC Electricity Supply Code, 2018. The inaccuracy arose due to a faulty/incomplete metering arrangement attributable to a carbonized B-phase potential connection / CT wiring issue. Accordingly, the matter is governed by Regulation 6.39 of the JERC Electricity Supply Code, 2018 as the meter is faulty and not defective.



4. The Respondent-Licensee is entitled to carry out short assessment on account of inaccurate metering, subject to strict compliance with Regulation 6.39 of the JERC Electricity Supply Code, 2018.
5. The Respondent shall restrict the retrospective adjustment strictly to a maximum period of six (06) months / three billing cycles immediately preceding the date of detection, i.e. 26.06.2025. Any assessment raised beyond the said permissible period is hereby set aside and declared unsustainable.
6. The Respondent is directed to re-compute the short-assessment amount strictly in accordance with Regulation 6.39 and issue a revised assessment bill to the Appellant within 15 days from the receipt of this order through Email.
7. The Appellant shall be permitted to pay the recomputed short-assessment amount in six (06) equal monthly instalments, payable along with the regular current electricity bills.
8. The Respondent shall not levy any Late Payment Surcharge (LPSC), interest or penal charges on the instalment amount, provided each instalment is paid within the due date of the corresponding current bill. However, in the event of default in payment of any one instalment, the entire outstanding balance shall become immediately payable and shall be recovered in the immediately succeeding billing cycle, in accordance with law.

Subject to timely payment of current dues and instalments, the Respondent shall not initiate any coercive recovery action, including disconnection of electricity supply, in respect of the assessed amount.

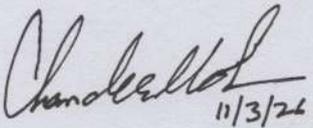
Further, if the Appellant has already deposited any amount in excess of the recomputed liability, the Respondent shall adjust such excess amount in subsequent electricity bills.
9. The Respondent is directed to ensure strict compliance with procedural safeguards, including issuance of prior notice and grant of effective opportunity of hearing, in all future cases of meter testing and assessment arising out of routine inspections.
10. The Respondent shall comply with Directions No. 3 to 8 above and issue the revised assessment bill to the Appellant. The instalment facility shall commence from the immediate succeeding billing cycle following issuance of the revised bill.



11. The Respondent/Licensee is advised to start recording video of all inspections and meter testing carried out by its Enforcement Team, especially in cases where the registered consumer is not present at site during inspection.
12. Immediately after the inspection, a CD along with Inspection report of the complete inspection shall be provided to the registered consumer along with the notice for personal hearing or notice for short assessment, and a parallel record shall also be maintained in the office of the Licensee for future reference.
13. A certified copy of this Order be sent to both the Appellant and the Respondent forthwith.
14. With the above directions, the present appeal stands disposed of.

Ordered accordingly.

Dated: 11.03.2026



Chandellal
11/3/26

(C M Sharma)

Ombudsman JERC