

BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

(Appointed by the Maharashtra Electricity Regulatory Commission
under Section 42(6) of the Electricity Act, 2003)

REPRESENTATION NO. 17 OF 2026

In the matter of underbilling due to non-availability of Y & B phase currents to the meter

ICY Aqua.Appellant
(Cons. No.049390004434)

V/s.

Maharashtra State Electricity Distribution Co. Ltd., Nashik Urban Dn. II..... Respondent
(MSEDCL)

Appearances:

Appellant : 1. Kishor Lokhande, Consumer
2. Pradeep Lokhande
3. Honey Lokhande

Respondent: 1. Jagdish Jadhav, Executive Engineer, Nashik Urban Dn. II
2. Dilip Marathe, Dy. Executive Engineer, CC O&M Nashik Road S/Dn.

Coram: Vandana Krishna [IAS (Retd.)]

Date of hearing: 16th March 2026

Date of Order : 24th March 2026

ORDER

This Representation was filed on 25th February 2026 under Regulation 19.1 of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2020 (CGRF & EO Regulations 2020) against the Order dated 29th January 2026 passed by the Consumer Grievance Redressal Forum, MSEDCL, Nashik Zone (the Forum) in Case No. 118 of 2025. The Forum rejected the grievance application of the Appellant.



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2. The Appellant has filed this representation against the order of the Forum. The Appellant attended the hearing physically whereas the Respondent was present online through video conference on 16.03.2026. Both the parties were heard at length. The Respondent's submissions and arguments are stated as below. *[The Electricity Ombudsman's observations and comments are recorded under 'Notes'.]*

- (i) The Appellant has been an industrial consumer (No. 049390004434) since 21.07.2017 for running a bottling plant manufacturing packaged drinking water. The consumer details, including assessed under-billing amount, are summarized in Table 1 below.


Table 1:

Appellant	Consumer No.	Address	Sanct. Load /Contract Demand	Date of Supply	Date of Inspection	Assessment Details	Reason for Assessment & Period
ICY Aqua	049390004434	Plot No. 470, Gat No. 118, Village Shilapur, Tal & Dist. Nashik – 422003	199 HP / 186 KVA	21.07.2017	05.08.2025	Rs. 33,24,590/- (3,79,972 units) for the period Nov. 2024 to Jul. 2025, issued in the last week of Aug. 2025.	Y & B phase secondary currents of the Genus meter (Sr. No. 05815199, 40–200 A) were missing from 01.11.2024 to 31.07.2025, resulting in 66.33% under-recording as per Accucheck test.

Submissions regarding Under Recording of meter:

- (ii) The Deputy Executive Engineer, Flying Squad Unit, inspected the premises of the Appellant on 05.08.2025 in the presence of the consumer's representative, when it was observed that while the incoming supply currents were normal, the meter display was not indicating the Y and B phase currents, suggesting non-recording of consumption in those phases. The current and voltage parameters recorded during the inspection are presented in Table 2.

Table 2:


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Current & Voltage Measurement	R Phase	Y Phase	B Phase
Current measured at incoming Supply (A)	103	102	104
Current on Meter Display (A)	103	0	0
Voltage measured at incoming supply (V)	229	229	227
Voltage on Meter Display (V)	229	229	227

The details of the connected load observed during inspection are provided in Table 3:

Sr. No.	Particulars	Quantity (No.)	Capacity (kW)	Total Load (kW)
1	LED Halogen Lights	12	0.05	0.60
2	Fan	4	0.06	0.24
3	Bottle Packing Machine	2	30.00	60.00
4	Bottle Blow Machine	1	15.00	15.00
5	Filling Machine	2	15.00	30.00
6	Labelling Machine	1	15.00	15.00
7	R. O. Plant	1	4.48	4.48
8	Compressor 1	1	26.11	26.11
9	Compressor 2	1	22.38	22.38
10	Bore Motor	1	2.24	2.24
11	Bore Motors	2	1.49	2.98
12	Chillers	1	3.00	3.00
	Total load :	182.028 kW (244.01 HP)		182.028

- (iii) It was confirmed that the meter was operational; however, the Y and B phase CT secondary currents were not extended to the meter. **The MRI data was downloaded and analyzed through the Meter Data Acquisition System (MDAS), which revealed that “CT Current Missing” events had occurred continuously during the period from 01.11.2024 to 31.07.2025.** The MDAS report is kept on record for verification.


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- (iv) Based on the MDAS analysis and accu-check testing, the meter was found to be under-recording consumption by 66.63%, resulting in corresponding under-billing for the period from 01.11.2024 to 31.07.2025. The meter was physically opened in the presence of the Appellant to verify any internal tampering; however, no tampering was detected. The meter was replaced on 05.08.2025 immediately.
- (v) Accordingly, an assessment bill amounting to Rs. 33,24,590/- (for 3,79,972 units) for the period from November 2024 to July 2025 was issued in the last week of August 2025, along with a detailed justification of the supplementary assessment.
- (vi) The CPL data reflecting the consumption trend before and after meter replacement is summarized as below:

Table 4:

Month	Normal Consumption Trend (Units)	Month	Recorded Consumption (Without Assessment) (Units)	Month	Consumption Subsequent to Meter Replacement (Units)
Feb-24	64995	Nov-24	35384	Aug-25	60496
Mar-24	60601	Dec-24	20207	Sep-25	65906
Apr-24	71026	Jan-25	20755	Oct-25	67147
May-24	77640	Feb-25	17854	Nov-25	49040
Jun-24	72119	Mar-25	19793	Dec-25	45906
Jul-24	59418	Apr-25	17665	Jan-26	49743
Aug-24	58728	May-25	18542		
Sep-24	46163	Jun-25	20197		
Oct-24	36459	Jul-25	17729		
Total	547149	Total	188126	Total	338238
Avg. Cons/mth	60794	Avg. Cons/mth	20903	Avg. Cons/mth	56373
Note :	The existing meter (Sr. No. 05815199) was replaced with a new meter (Sr. No. MC10187598) on 05.08.2025 after the inspection.				

From the above, it is observed that prior to the missing phases, (i.e., February 2024 to October 2024), the average consumption was 60,794 units. However, during the missing phases / assessment period from November 2024 to July 2025, the average


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consumption dropped to 20,903 units, which is significantly lower and constitutes only 33.37% of the earlier consumption. This reduction was due to non-recording of current in the Y and B phases. After replacement of the meter, the consumption for August 2025 increased to 60,496 units, which is close to the previous average monthly consumption of 60,794 units recorded during the period from February 2024 to October 2024, and thereafter from Sept. 2025 continued with the similar range.

The under-recording assessment was carried out as detailed below:

Table 5

Sr. No.	Period of Assessment	01.11.2024 to 05.08.2025 (about 9 Months)
1	Reading on 05.08.2025 (KWH)	9,69,270
2	Reading on 01.11.2024 (KWH)	7,79,284
3	Recorded Consumption (Units) 1/3 rd recorded	1,89,986
4	Under Billing Consumption (Units) (2/3 rd)	3,79,972

- (vii) Regulation 16.4.1 of the *Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021* (Supply Code & SoP Regulations, 2021) is not applicable in the present case. The meter cannot be classified as “faulty” within the meaning of the said regulation, as its internal circuitry, measurement accuracy, and memory functions were intact. The under-recording occurred solely due to non-receipt of Y and B phase secondary currents caused by external wiring disconnection. Hence, the provisions of Regulation 16.4.1 are not attracted.
- (viii) Not satisfied with the above assessment, the Appellant filed a grievance application in the Forum on 30.12.2024, which by its order dated 29.01.2026 rejected the grievance application.



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- (ix) The Respondent relied upon the Judgment of the Hon'ble Supreme Court in Civil Appeal No. 7235 of 2009 (M/s Prem Cottex v. Uttar Haryana Bijli Vitran Nigam Ltd.), which upholds the licensee's right to recover escaped billing. The said judgment squarely applies to the facts of the present case.
- (x) The Respondent further relied on the Judgment of the Hon'ble Bombay High Court, Aurangabad Bench, in W.P. No. 8613 of 2017, where the meter was intact but currents were not received, and recovery of escaped assessment was upheld.
- (xi) The Respondent placed reliance on the Order dated 04.01.2024 in Representation No. 111 of 2023 passed by the Electricity Ombudsman in the case of M/s Ramesh Shetty. v. MSEDCL, wherein recovery towards escaped billing was allowed.
- (xii) The Respondent also placed reliance on the Order dated 12.01.2023 in Representation No. 176 of 2022 passed by the Electricity Ombudsman in the case of M/s. Ansukh Polymers Pvt. Ltd. v. MSEDCL, wherein recovery for a period of three years towards escaped billing was allowed.
- (xiii) In view of the above, the Respondent prays that the Representation of the Appellant be rejected.


3. The Appellant's submissions and arguments are stated as below.

- (i) The Appellant is an industrial consumer (Consumer No. 049390004434) since 21.07.2017, engaged in operating a packaged drinking water unit under the applicable industrial tariff category, with details set out in Table 1.
- (ii) The Deputy Executive Engineer, Flying Squad Unit carried out an inspection on 05.08.2025 which was unilateral. The observations recorded during the inspection merely indicate non-display of Y and B phase currents on the meter; however, no conclusive evidence has been placed on record to establish that such non-display resulted in actual under-recording of consumption to the extent alleged.
- (iii) The Respondent has relied upon MRI data and MDAS analysis indicating "CT Current Missing" events during the period from 01.11.2024 to 31.07.2025. However:


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- The said data has not been independently validated or certified by an accredited testing laboratory.
 - The Appellant was not provided with any data of MRI for independent verification.
 - Mere recording of “CT Current Missing” events does not automatically establish the value of under-recording.
- (iv) The Respondent has failed to provide proper technical proof in support of its conclusions regarding alleged under-recording of consumption. It is an admitted position that the meter was physically intact, with no tampering detected and otherwise functional. In such circumstances, the burden of establishing under-recording with precision lies on the Respondent, which has not been satisfactorily discharged.
- (v) The consumption pattern relied upon is misleading. Variations in consumption can be attributed to operational factors such as production levels, seasonal demand, and load variation. The Respondent has ignored actual usage patterns, and the comparison of consumption before and after meter replacement without accounting for such variables is arbitrary and unreliable. The supplementary assessment of Rs. 33,24,590/- for 3,79,972 units for the period November 2024 to July 2025 is excessive, arbitrary, and not in accordance with law. The assessment is based on assumptions and lacks a legally sustainable foundation.
- (vi) The present case falls within the scope of a defective or improperly recording meter. Accordingly, the assessment must be carried out strictly in accordance with Regulation 16.4.1 of the MERC (Supply Code & SoP Regulations, 2021), and the benefit of the prescribed methodology ought to be extended to the Appellant.
- (vii) Being aggrieved by the arbitrary assessment, the Appellant had filed a grievance before the Forum on 08.10.2025. However, the Forum, without properly appreciating the facts and technical deficiencies in the Respondent’s case, rejected the grievance vide order dated 29.01.2026, which is liable to be set aside.


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- (viii) During the pendency of the consumer grievance proceedings before the Forum, the Respondent threatened issuance of a disconnection notice dated 13.11.2025. Under such coercion, the Appellant was compelled to pay Rs. 32,92,281/- on 21.11.2025. Such action is arbitrary, unjust, and contrary to law.
- (ix) In view of the above, the allegation of 66.63% under-recording is unsubstantiated, the assessment is arbitrary and not based on the legally prescribed methodology, and the applicable regulatory provisions have not been properly applied. Accordingly, the Appellant prays that the impugned assessment bill be set aside or suitably revised without any interest and delayed payment charges, and to allow suitable installments.

Analysis and Ruling


4. Heard the parties and perused the documents on record. The particulars of the electricity connection, date of inspection, details of the missing phases, retrospective recovery and the corresponding recovery period are summarized in Table 1.

5. The Appellant has challenged the supplementary assessment of Rs. 33,24,590/- of 3,79,972 units issued by the Respondent towards 66.3% under-recording of consumption for the period from November 2024 to July 2025. The contention of the Appellant is that it is a case of a defective meter. The Regulation 16.4.1 of Supply Code & SoP Regulation 2021 is reproduced as below:

16.4. Billing in the Event of Defective/ stuck/stopped/burnt Meters

16.4.1. Subject to the provisions of Part XII and Part XIV of the Act, in case of a defective meter, the amount of the Consumer's bill shall be adjusted, for a maximum period of three months prior to the month in which the dispute has arisen, in accordance with the results of the test taken subject to furnishing the test report of the meter along with the assessed bill:

Provided that, in case of broken or damaged meter seal, the meter shall be tested for defectiveness or tampering. In case of defective meter, the assessment shall be carried


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out as per clause 16.4.1 above and, in case of tampering as per Section 126 or Section 135 of the Act, depending on the circumstances of each case:


Provided further that, in case the meter is stuck, burnt, lost or has stopped recording, the Consumer will be billed for the period for which the meter is stuck or has stopped recording or for the period for which meter was not available due to burning or loss of meter, up to a maximum period of Three (3) months, based on the consumption during the corresponding period in the previous year when readings were taken or the average consumption of the previous Three (3) billing cycles for which the meter has been read by the Distribution Licensee, whichever is higher:

However, this contention is not acceptable, as the meter was found in order and the under-recording occurred due to external factors, i.e. that the CT secondary currents was not extended; hence, the provisions of Regulation 16.4.1 are not applicable in this case. Upon perusal of the inspection report, MRI/MDAS data, and submissions of both parties, it is observed that the meter was physically intact and no tampering was detected; however, Y and B phase currents were not recorded due to non-extension of CT secondary wiring, resulting in partial (one-third) recording of consumption. The consumption data on record further indicates a substantial reduction during the disputed period as compared to the periods before and after meter replacement, thereby establishing that the meter did not record actual consumption during the said period.

6. At the same time, the methodology adopted by the Respondent in assessing 2/3rd under-recording requires technical clarity to ensure fairness and reasonableness in the assessment. The key extracts from the Consumer's Personal Ledger for the long-term period from April 2021 to January 2026, as compiled by the Ombudsman's office, are presented below.

Table 6:


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Year	2021-22	2022-23	2023-24	2024-25	2025-26
Month	Cons. (Units)	Cons. (Units)	Cons. (Units)	Cons. (Units)	Cons. (Units)
Apr.	17410	46560	72106	71026	17665
May	20328	48004	70927	77640	18542
Jun	37147	41215	66405	72119	20197
Jul	35969	32219	54718	59418	17729
Aug	30207	33077	55400	58728	60496
Sep	39049	40110	66405	46163	65906
Oct	42282	49715	92653	36459	67147
Nov	44361	57362	65161	35384	49040
Dec	48054	62733	62256	20207	45906
Jan	30600	67656	56900	20755	49743
Feb	38253	63419	64995	17854	
Mar	41498	67205	60601	19793	
Total	425158	609275	788527	535546	412371
Avg/Mth	35430	50773	65711	44629	41237
Note:	The meter was replaced on 05.08.2025.				

The CPL indicates a definite rise in consumption after the meter was replaced in August 2025. The average consumption prior to meter replacement (February 2024 to October 2024) was 60,794 units. During the assessment period (November 2024 to July 2025), it reduced to 20,903 units (approx.1/3rd) due to non-recording of current in Y and B phases. After meter replacement, the average consumption (August 2025 to January 2026) again rose to 56,373 units, consistent with normal consumption and proper meter functioning.

7. The Meter Data Acquisition System (MDAS) report has been analyzed. The abstract of MDAS Report is as below:

Table 7


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Analysis of MDAS Data of the Meter (Sr. No. 05815199)								
Description	Event Date	Occurance Voltages			Occurance Currents			
CT open B phase	05.10.2025: 01.20.00 Hrs.	231.29	231.48	230.08	265.8	253.3	0	
C T open Y phase	07.10.2025: 05.20.00 Hrs.	236.37	237.82	234.62	36.4	0	26.4	
CT Open Y & B phase	09.11.2024 : 07.12.00 hrs	233.9	234.6	233.8	263	0	0	
MRI Meter Reading Abstract :								
01.11.2024	01.11.2024: 12.00. 00 AM	236.51	236.96	235.15	211.34	0	280.64	
01.12.2024	01.12.2024 : 12.00. 00 AM	240.45	240.8	238.3	61.76	0	0	
01.01.2025	01.01.2025 : 12.00. 00 AM	220.7	221.1	219.86	138.93	0	0	
01.02.2025	01.02.2025 : 12.00. 00 AM	0	215.08	215.4	278.72	0	0	
01.03.2025	01.03.2025 : 12.00. 00 AM	218.39	217.63	217.47	294.47	0	0	
01.04.2025	01.04.2025 : 12.00. 00 AM	218.88	219.25	218.01	280.19	0	0	
01.05.2025	01.05.2025 : 12.00. 00 AM	216.28	218.67	218.4	0	0	0	
01.06.2025	01.06.2025 : 12.00. 00 AM	232.69	234.79	232.73	234.36	0	0	
01.07.2025	01.07.2025 : 12.00. 00 AM	241.81	242.86	241.12	46.81	0	0	

It is observed that instances of CT current missing had occurred even on 5th and 7th October 2024; however, the Respondent has preferred to carry out the assessment for the period from 01.11.2024 to 31.07.2025.

So far as the assessment of November 2024 is concerned, it is seen that both the Y and B phases CT current was missing from 09.11.2024 at 7.12 hours. Till this time, all 3 phases were functioning properly. Therefore, we have assumed full (100%) consumption from 1st to 9th November 2024. In November 2024 the recorded consumption was 35,384 units, which includes 9 days of 100% consumption and the remaining days of 1/3rd consumption. The Respondent assessed the unrecorded 2/3rd consumption (double of 1/3rd consumption) arriving at 70,768 units, thereby considering total consumption in November 2024, as 1,06,152 units. However, assuming such high monthly consumption is not justified. We have recalculated the assessment as below:

Table 8


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Sr. No.	Particulars	kWh Readings /Units
1	kWh Reading on 01.11.2024 at 00:00 hrs (as per CPL)	7,79,284
2	kWh Reading on 09.11.2024 at 07:12 hrs (as per event report)	7,91,686
3	Units consumed from 01.11.2024 to 09.11.2024 (3 = 2 - 1)	12,402
4	kWh Reading on 30.11.2024 at 00:00 hrs (as per CPL)	8,14,669
5	Units consumed from 09.11.2024 to 30.11.2024 (1/3rd recorded) (5 = 4 - 2)	22,983
6	Units under-recorded (2/3rd) from 09.11.2024 to 30.11.2024 (double of Sr. No. 5)	45,966
7	Units billed in Nov. 2024 (7 = 3 + 5)	35,384
8	Units assessed in Nov. 2024 (as per MSEDCL calculation: 35,384.47 × 2)	70,769
9	Excess units assessed (9 = 8 - 6)	24,803
Nov. 2024 Units Review:		
Sr. No.	Particulars	Units
A	Actual units consumed from 01.11.2024 to 09.11.2024	12,402
B	Units consumed from 09.11.2024 to 30.11.2024 (1/3rd recorded)	22,983
C	Under-recorded units from 09.11.2024 to 30.11.2024	45,966
D	Total units for November 2024	81,351


[Note: The highest consumption recorded was 92,653 units in October 2023.]

The Appellant was over- assessed for 24,803 units, as reflected in Sr. No. 9 of the above Table, which needs to be refunded to the Appellant.

This consumer consumed electricity from 10th Nov. 2024 to July 2025 without being billed for Y & B phase under recordings. The meter itself was not defective, but the input secondary currents of Y & B phase were not extended to the meter.

8. At the same time, it is observed that the Respondent failed to discharge its duty of regularly analyzing the MRI data, which would have detected the missing phase currents at an earlier stage. In the case of important three-phase consumers, periodic inspection and month-to-month scrutiny of MRI data are essential. In the present case, as admitted by the Respondent, the non-recording of Y and B phase currents remained undetected for about nine months, which amounts to a deficiency in service. In this case the recovery period is 9 months which is less than 24 months in terms of Section 56(2) of the Electricity Act, 2003, which provides that no sum due from any consumer shall be recoverable after a period of two years unless such sum has been continuously shown as recoverable in the bills.

“(2) Notwithstanding anything contained in any other law for the time being in force, no sum due from any consumer, under this section shall be recoverable after the period of


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two years from the date when such sum became first due unless such sum has been shown continuously as recoverable as arrear of charges for electricity supplied and the licensee shall not cut off the supply of the electricity.”


Section 56(2) of the Electricity Act, 2003 has been authoritatively interpreted by the Larger Bench of the Bombay High Court in its judgment dated 12.03.2019 in W.P. No. 10764 of 2011 and connected matters, holding that in cases of mistake or oversight amounting to deficiency in service, retrospective recovery is permissible only for a period of 24 months. Accordingly, in the present case, recovery is restricted to the permissible period. Nevertheless, the Respondent is advised to institute a robust mechanism for periodic inspection of meters of important industrial/commercial consumers and regular analysis of MRI data to avoid recurrence of such deficiencies.

9. The Judgment dated 18.12.2018 of Hon’ble Bombay High Court, Bench at Aurangabad in W.P. No. 8613 of 2017 is squarely applicable in the instant case. The relevant part of the Judgment is quoted below:

“33 it is, therefore, obvious in the present case that there was nothing intrinsically wrong with the meter. As under-recording of electricity consumed was associated with the act of the electrician in wrongly attaching the wires to the R, Y & B phases. I am, therefore, of the view that such a wrong attachment of wiring by the electrician would not amount to a defect in the meter. Consequentially, due to the under-recording of the meter, the Appellant has consumed such energy as was normally required to be consumed and the Petitioner has lost the revenue for such under-recording.

34. Clause 3.4.4 of the Regulations, 2005 enables the Petitioner to recover the charges for the electricity actually supplied, which would include a fixed charge as per the prescribed rates. The Appellant, therefore, has to pay full charges for the electricity actually consumed.

35. In the Municipal Corporation case (supra), this court has sustained the supplementary bill raised by the Electricity Company and this Court has upheld the recovery of the amount mentioned in the supplementary bill.”


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This Judgment holds that under-recording due to incorrect wiring does not constitute a defect in the meter, and the consumer is liable to pay charges for the actual electricity consumed.

In view of the above, the supplementary assessment cannot be sustained in its present form and requires a slight downwards revision. The impugned assessment bill dated August 2025 is partly set aside, and the Respondent is directed as below: -

- a) to revise the supplementary bill of Rs. 33,24,590/- (3,79,972 units) for the period from 10.11.2024 to July 2025 by allowing a credit of 24,803 units for November 2024.
- b) to withdraw the interest and delayed payment charges levied on the supplementary bill from the date of issue till the date of this order.
- c) To allow the Appellant to pay the revised supplementary bill in 8 equal monthly instalments. If the Appellant fails to pay any instalment, proportionate interest will accrue, and the Respondent has the liberty to take action as per law.
- d) Compliance to be submitted within two months from the date of issue of this order.
- e) The other prayers of the appellant are rejected.

10. The Representation is disposed of accordingly.

11. The secretariat of this office is directed to refund the amount of Rs.25,000/- taken as deposit to the Respondent to adjust in the Appellant's ensuing bill.

Sd/
(Vandana Krishna)
Electricity Ombudsman (Mumbai)

(Dilip Dumbre)
Secretary

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