



**Chhattisgarh State Electricity Regulatory Commission**  
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**Petition No. 31 of 2026**

**In the matter of**

**"To issue direction to the respondent to supply electricity to the petitioner through Pre-payment Energy Meter, under section 47(5) read with section 23, section 55(3) and section 129 of the Electricity Act, 2003, Central Electricity Authority (Installation and Operation of Meters) Regulations 2022 and provisions of clause 4.55(a)(i) of Chhattisgarh State Electricity Supply Code, 2011."**

M/s Fortune Metaliks Limited  
24<sup>th</sup> Milestone, Village - Kapsada, Block- Dharsiwa,  
Dist.- Raipur (Chhattisgarh) ... Petitioner

**Versus**

Chhattisgarh State Power Distribution Co. Ltd.  
Vidhyut Seva Bhawan,  
Raipur (C.G.) ... Respondent

**PRESENT : Vivek Ganodwale, Member (Law)**  
**Ajay Kumar Singh, Member (Technical)**

Appearance : Shri Shyam Kabra, representative for petitioner.  
Shri Abhinav Kardekar and Shri Pranav Khandelwal,  
counsels along with Shri Chella Anil Kumar, SE for  
Respondent CSPDCL.

**ORDER**  
**(October 21, 2026)**

The petitioner, M/s Fortune Metaliks Ltd. is a registered company and is engaged in manufacturing of TMT and structural components, offering comprehensive reinforcement solutions in its plant located at

Village-Kapsada, Block - Dharsiwa, Distt- Raipur. The petitioner is availing contract demand of 40 MVA at 132 KV.

2. The respondent is Chhattisgarh State Power Distribution Company Limited (in short, 'CSPDCL' or Respondent') the state-owned distribution licensee.

**Petitioner's Submission:**

3. The petitioner has made a Security Deposit of Rs. 21,45,77,886/- on 31.10.2025 with the respondent for supply of electricity whereas respondent has further demanded Rs. 8,45,77,842/- as additional security deposit through monthly energy bill for October, 2025. The total security deposit now becomes Rs.29,91,55,728/- for which no computation sheet has been provided by the Respondent.
4. This demand is commercially unviable for the petitioner to deposit about Rs. 30 crores as security deposit. Therefore, the petitioner requested the respondent for payment in installments, which was allowed by the respondent on 24.11.2025 for payments in 10 instalments.

Meanwhile, the petitioner on 17.11.2025 requested the respondent for making advance payment for the electricity bills, so that no security deposit is required. This request was not responded by the respondent.

5. Also, in order to get rid of the security deposits with the respondent, the request of petitioner for installation of pre-payment meter, as envisaged under section 47(5) of the Act, was not responded by the respondent.
6. To substantiate its requirement for pre-payment facility thereby avoiding the security deposit, the petitioner has relied on the

catena of judgments passed by various High Courts such as Hon'ble High Courts of Karnataka (WP No. 13836 of 2015, WA No. 6090 of 2017), Orissa (WP No. 8436 of 2012), Jharkhand (WP No.384 of 2015) and Himachal Pradesh (WP No. 8345 of 2023), wherein, it is held that if the person requiring the supply is prepared to take the supply through a pre-payment meter, he shall not be liable to furnish security as contemplated under Section 47(1)(a) of the Act. Further, electricity supply is to be provided by collecting monthly energy charges in advance without insisting for any security deposit.

Relevant para of the order dated 05.06.2015 issued in WP No. 13836 of 2015 by the Hon'ble High Court of Karnataka in the matter of 'Vijaya Steels Ltd. vs. Bangalore Electricity Supply Co. Ltd.' is reproduced below:

*"In view of sub-section (5) referred to above, if the person requiring the supply is prepared to take the supply through a pre-payment meter, he shall not be liable to furnish security as contemplated under clause (a) of subsection (1) referred to above. In this case, as the petitioner is prepared to take the supply through a pre-payment meter, and as pre-payment meter is presently not available, it is appropriate that respondent nos.1 & 2 shall supply electricity to the petitioner by collecting approximate monthly energy charges in advance without insisting for any security as contemplated under clause (a) of sub-section (1) referred to above. The amount of the petitioner lying in deposit with respondent nos.1 & 2 shall be adjusted towards energy charges. This order shall cease to be in force once respondent nos.1 & 2 provide a pre-payment meter to the petitioner. The writ petition is disposed of in the above terms."*

- 7.** The petitioner has also relied on the National Electricity Policy, 2005 and Tariff Policy, 2006 related to user of pre-payment meters for supply of electricity and Revamped Distribution Sector Scheme (RDSS) launched by Govt. of India, Ministry of Power.
- 8.** With the above submissions, the petitioner prays to:

- (i) direct the respondent to immediately install pre-payment meter at the electricity supply of the petitioner;
- (ii) direct the respondent to collect approximate monthly energy charges in advance every month subject to adjustment in final billing of the month, in case of any delay in installation of Pre-payment Meter as prayed above;
- (iii) direct the respondent to refund the security deposit made by the petitioner till the date or adjust as advance payment against the energy bills of the petitioner in circumstance of (i) or (ii) above.

**Respondent CSPDCL's Reply**

- 9.** The instant petition pertains to dispute in billing due to demand of additional security deposits and installation of pre-payment smart meter by a consumer of CSPDCL. Therefore, as per Section 42 of the Act, such disputes need to be adjudicated by the Consumer Grievance Redressal Forum (CGRF) and hence, the instant petition is liable to be dismissed on the preliminary ground of maintainability.
- 10.** Demand towards additional security deposit was raised by the respondent in accordance with the para 6.9 of the Supply Code pursuant to the annual review of the petitioner's consumption for the preceding 12 months and the revised demand has been computed on the basis of the applicable tariff. The petitioner is permitted to deposit the additional security demand in 10 monthly instalments.
- 11.** Installation of a pre-payment smart meter for its HT connection is a policy-level matter and requires formulation of a detailed regulatory framework governing such installation. This type of

matter cannot be undertaken in the present proceedings. Furthermore, introduction of pre-payment smart metering for HT consumers would have wide-ranging implications and, once permitted for one consumer, the Respondent, would be obligated to extend the same facility uniformly to all similarly placed HT consumers.

Such a measure would therefore require appropriate amendments to the applicable regulations, which can only be done through the due regulatory process by wider stakeholder consultations.

- 12.** In order to examine the feasibility of introduction of smart metering for such consumers, the respondent has already constituted a committee in this regard and the matter is presently under consideration at the appropriate level.
- 13.** The petitioner has failed to deposit the requisite additional security deposit and continues to remain in default. Accordingly, the Respondent, is well within its rights under the applicable regulations to discontinue the electricity supply in the event such default continues. The Petitioner cannot seek to bypass the established statutory framework by way of the present Petition and the reliefs sought are therefore liable to be rejected.

### **Analysis and Decision**

Heard the parties and perused the records.

- 14.** As regards the objection on maintainability raised by the respondent, we are of the view that the issue raised by the petitioner concerning security deposits for pre-payment meters installed for HT consumers involves a regulatory matter relating to

the implementation of Section 47(5) of the Act. Although the Supply Code provides for security deposits and their settlement in respect of prepaid smart meters, it does not specifically address the issue in relation to HT consumers. The matter, therefore, requires interpretation of Supply Code by the Commission and falls beyond the jurisdiction of the CGRF, which is confined to resolving individual consumer grievances under the existing regulatory framework. Accordingly, the objection to maintainability is not tenable, and the petition is maintainable before the Commission.

15. HT consumers are generally metered through metering equipments consist of Current Transformers (CTs) and Potential Transformers (PTs), and the installation of pre-payment meters for such consumers is presently constrained by technical and technological limitations. The pre-payment facility aims to obviate the requirement of security deposits while safeguarding the distribution licensee against payment defaults. However, such functionality is presently available for consumers using whole-current meters without separate CT/PT metering arrangements. Accordingly, the request for immediate installation of pre-payment meters for HT consumers cannot be acceded to at this stage.
16. Section 47(5) of the Electricity Act specifies for non-payment of security amount in case of supply through pre-payment meter. Relevant para of the Act is reproduced below:

**"Section 47. (Power to require security):-**

**xxxxx**

*(5) A distribution licensee shall not be entitled to require security in pursuance of clause (a) of sub-section (1) if the person requiring the supply is prepared to take the supply through a pre-payment meter."*

As pre-payment metes are presently not available and upon considering the submissions of the parties and hearing their arguments, we are of the view that the issue raised by the petitioner regarding the provision of pre-payment meter to HT consumers, in terms of Section 47(5) of the Act, requires consideration of appropriate amendments to the Supply Code, irrespective of the type of meter installed i.e., post-paid meters or pre-paid meters. Further, it requires detailed examination of the technical feasibility and regulatory implications of extending pre-payment metering to HT consumers, and such decision can be decided by the Commission only after due deliberations with all relevant stakeholders.

- 17.** As regards to the prayers seeking adjustment of advance payments of monthly energy charges in the final bill and refund of the security deposit, it is observed that the existing Supply Code does not contain specific provisions governing such arrangements for HT consumers whose supply is metered through CT/PT metering arrangements. In the absence of such an enabling provision in the Supply Code, the matter cannot be decided under the existing regulatory framework at this stage. The issue may be considered suitably upon development and implementation of an appropriate pre-payment metering mechanism for HT consumers and after the incorporation of such necessary provisions in the Supply Code.
- 18.** Regarding the respondent's contention concerning disconnection of supply due to non-payment of additional security deposit in instalments, the petitioner has submitted that it is regularly paying the security deposit in instalments and, therefore, the electricity supply should not be interrupted. The Commission

directs the petitioner to continue depositing the security deposit in instalments as per the existing arrangement and directs the respondent to ensure uninterrupted power supply, subject to compliance with the said arrangement.

In view of the foregoing, the case stands disposed of.

**Sd/-**  
**(Ajay Kumar Singh)**  
**Member (Tech.)**

**Sd/-**  
**(Vivek Ganodwale)**  
**Member (Law)**