

**BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION AT  
PANCHKULA**

**Case No. HERC/P. No. 09 of 2025**

**Date of Hearing : 07/01/2026**

**Date of Order : 05/03/2026**

**IN THE MATTER OF:**

**Petition under Section 142 read with Section 146 of the Electricity Act, 2003 read with Haryana Electricity Regulatory Commission (Forum and Ombudsman) Regulations 2020 for issuance of directions to the Respondents to forthwith comply with the orders dated 13.01.2025 (UH/CGRF-280/2024) of the Forum for Redressal of Consumer grievances UHBVNL Panchkula.**

**Petitioner**

President, Supermax Resident Welfare Association, Flat no. A301, Supermax The New Town, Sector 33, Sonipat

**VERSUS**

**Respondent:**

1. Supermax Affordable Housing Pvt. Ltd. (UG-60, Parker Mall, Upper Ground floor NH1 Kundli, Sonipat
2. Neat and Clean Operations Private Limited (services agency), Registered address is F-14, Super Max Commercial-01 First Floor Stadium Road, Sector-33, Sonipat
3. SDO/OP, Sub Division Model Town, UHBVN, Sonipat
4. Xen/Op, City Division, UHBVN, Sonipat

**Present**

**On behalf of the Petitioner**

1. Sh. Jai Kanwar Antil, President, Supermax RWA
2. Sh. Gaurav Chopra, Gen.Secy. RWA
3. Sh. Virender Kumar, Member RWA

**On behalf of the Respondent**

1. Sh. Neeraj Goel, Advocate
2. Sh. Pardeep Kumar, SDO, UHBVN

**QUORUM**

**Shri Nand Lal Sharma, Chairman  
Shri Mukesh Garg, Member  
Shri Shiv Kumar, Member**

## **ORDER**

### **1. Petition:**

- 1.1 That petitioner/complainant is president of RWA named Supermax Resident Welfare Association. Address: A-301, Supermax The New Town, Sector 33, Sonipat, Haryana, 13001. Registered No. HR-008-2024-01681
- 1.2 The Petitioner/complainant has filed this petition under section 142 and 146 of the Electricity Act 2003 for noncompliance of the orders of the Honorable Forum for Redressal of Consumer Grievances, Uttar Haryana Bijli Vitran Nigam, Panchkula which passed a speaking order on dated 13/01/2025 in complaint number 280/2024 in the matter of President Supermax RWA versus Super Max Affordable Housing Pvt. Ltd. ,Neat and Clean Operations Pvt. Ltd. , XEN/OP City Division UHBVN, Sonipat and SDO/OP Model Town Sub Division UHBVN, Sonipat
- 1.3 That respondent no. 1 has got sanctioned Single Point Supply connection under Bulk Supply (Domestic) category from DISCOM, UHBVN to supply electricity to the apartment owners of Super Max The New Town, Sector-33, Sonipat vide Account Number – 6519586206.
- 1.4 That currently electrical infrastructure of the society is under the respondent no. 1 (Supermax Affordable Housing Pvt. Ltd and maintenance of society is under respondent no. 2 (Neat and Clean Operations Pvt. Ltd.) Nominated by builder. They are deducting common area maintenance charges, DG fixed charges, vending charges through prepaid electricity meters. Copy of a bill of meter Sl. No: SS21003154 for the month of August, 2024 is also attached.
- 1.5 That the practice of the respondent no.1 and 2 of deducting charges other than electricity from electricity meters is very stressful for the residents of the society which creates confusion on deducted amounts and also places financial burden on residents.
- 1.6 That the complainant/petitioner had admitted a complaint against the respondents for practice of deducting charges other than electricity from electricity meters, in UHBVN CGRF, Panchkula on date 12.09.2024 which complaint number was 280/2024 and the case heard on dates 07.10.2024, 06.11.2024, 09.12.2024 and 09.01.2025.
- 1.7 With reference to the direction of the CGRF the SDO issued three notices to the Builder and Services agency to stop ongoing of practice of deducting Common Area Maintenance (CAM) and other charges through prepaid electricity meters and for submit reply for any query. Notices were sent to respondent no. 1 and 2 through mails and by hand

also by respondent 3. Copy of notices and directions given to respondent 1 and 2 attached.

- 1.8 That a final order was passed on date 13.01.2025 by Honorable UHBVN CGRF against respondents as stated forward:
  - 1.8.1 That the electricity bill being served to the residents/users should clearly show the energy consumed and tariff applicable including all the relevant details i.e. electricity duty, Municipal Tax and FSA, if any.
  - 1.8.2 The Forum further directs the Respondents No. 1 and 2 to separately specify the charges for Grid Supply used for common area in the Common Area Maintenance Charges and no service charges on this Grid Supply component be charged.
  - 1.8.3 Further the disconnection of electricity should not normally be done on account of non-payment of charges other than DISCOM supply charges i.e. on account of Maintenance Charges, GST charges, Back-up Supply Charges and other Miscellaneous Charges etc. The Forum directs Respondent No. 1 and 2 to take remedial measures to ensure disconnection of supply of DISCOM shall not take place, if the petitioners or residents or users pay the electricity bill raised by the Respondent for DTSCOM supply.
  - 1.8.4 The Respondent No. 2 shall put up the statement of account of amount paid to UHBVNL for supply of electricity on single point to the society/complex and the units billed to individual consumer of all categories in the complex, unit consumed for common facilities, the energy received and energy consumed in the complex as per meter reading. The statement should also include the amount billed to the individual consumer and the units/amount booked to common facilities for the information of the member and transparency be maintained in this regard. They are also directed to supply the above information (month-wise) for the last one year to SDO/Respondent (OP) 5 Sub-Division, UHBVN, Rai
  - 1.8.5 Regarding checking of accuracy of meters installed in the society/complex, the Forum observes that the Single Point Supply Regulations provides that the distribution licensee will extend the facility of testing of individual meters of the residents for accuracy/calibration and sealing in case so requested by the RWA on payment of requisite charges. In case, the resident/user is not satisfied with the accuracy of the energy meter, he may represent to the Respondent No. 1 and 2. They will get the meter's accuracy checked from the UHBVNL and testing charges in this regard shall be borne by the consumer.
  - 1.8.6 The company will have to charge the amount of electricity bill from the residents of the Apartment as per Nigam's Sales Circular No. U-01/2021(Annexure V & VI).

- 1.8.7 The Forum directs M/s. super Max Affordable Housing Pvt. Ltd. (Builder) and M/s. Neat and clean Private Limited (Services agency), who is issuing bills to the residents of the society, to strictly abide by the Regulation No. 5.5 of HERC Single Point supply Regulations (Regulation No. HERC/27/2013) and the electricity bill be served to the residents/users showing clearly the energy consumed and tariff applicable including all the relevant details i.e. Electricity Duty, Municipal Tax and FSA, if any.
- 1.8.8 Non-responding to the references of the SDO/Respondent is clear cut gross violation of the existing regulation which may not be repeated in future.
- 1.8.9 By issuing bills on higher side, extra money has been collected by M/s. super Max Affordable Housing Pvt. Ltd. (Builder) through M/s. Neat and Clean Private Limited (services agency) and the amount charged on higher side instead of compliance of sales Circular No. U-01/2021 should be refunded to the residents as per standing norms of the Nigam. In future SDO/Respondent will also ensure that bills are issued as per Nigam's tariff applicable from time to time and be charged from Residents of the Society as per standing norms of the Nigam within one month from the issue of the order.
- 1.8.10 If M/s. Super Max Affordable Housing Pvt. Ltd. (Builder) through M/s, Neat and Clean Private Limited (Services agency) still do not ensure meticulous compliance of the standing instructions of the Nigam/Hon'ble HERC Regulations, then the Forum directs SDO/Respondent to initiate appropriate action against them.”
- 1.9 That the respondent parties 1 and 2 have full knowledge about the case and with reference to the direction of the CGRF the SDO issued three notices to the Builder and Services agency to stop ongoing of practice of deducting Common Area Maintenance (CAM) and other charges through prepaid electricity meters and for submit reply for any query. Notices were sent to respondent no. 1 and 2 through mails and by hand also by respondent 3, when the case was on hearing.
- 1.10 That a copy of Hon'ble CGRF order's copy was also sent to respondent no 1. And 2. By the petitioner on date 23.01.2025,
- 1.11 That the Respondent no. 1 and 2 had full knowledge that the practice of deducting charges other than electricity from prepaid meters is totally against the norms and direction of Hon'ble Commission.
- 1.12 That the respondents 1 and 2 had not complied with order passed on date 13-01-2025 by Hon'ble UHBVN CGRF Panchkula and also not complied with directions given by respondent no. 3 from time to time.
- 1.13 That petitioner is ready to provide any additional information for speedy resolution of this matter.

## **1.2 GROUNDS FOR RELIEF**

1.2.1 The act of the respondent no. 1 and 2 is also against the norms and direction of the Haryana Electricity Regulatory Commission notification dated 22.04.2020, which under para (iii) states as follows:

“The Commission in its various orders has made it clear that common area maintenance charges, backup charges should not be clubbed with the licensee’s supply charges and the connection ought not to be disconnected in case the consumer has paid the charges for grid supply.”

1.2.2 According to the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 “Meter means a device suitable for measuring, indicating and recording the conveyance of electricity or any other quantity related with electrical system”, thereby limiting the role and use of a meter to electricity purposes only.

Haryana Electricity Regulatory Commission (Forum and Ombudsman) Regulations, 2020. Section 2.41 para 2 states as below:

“In case of non-compliance of the Order of the Forum or that of a Dispute Settlement Committee, the aggrieved consumer may approach the Commission who will provide the consumer as well as the Licensee an opportunity of being heard. The Commission may initiate proceedings under section 142 of the Act for violation of the Regulations framed by the Commission. “

1.2.3 As per the guidelines of HERC and Central Electricity Authority, the applicant filed a complaint with the Forum for Redressal of Consumer Grievances of Uttar Haryana Bijli Vitran Nigam (CGRF, Panchkula) which passed an order dated 13.01.2025 in complaint number 280/2024 and the same was not complied with by the respondents no. 1, 2, 3 & 4.

1.2.4 The provisions under section 142 and 146 of the Electricity Act 2003 provides for imposing penalty and punishment for non-compliance of the orders of Forum for Redressal of Consumer Grievances. The respondents have failed to fulfil their statutory duties of getting the orders complied and uphold the dignity of Electricity Act, 2003, therefore, the penalty/ punishment for non-compliance of CGRF’s order under section 142 and 146 of the Act is applicable to them.

## **1.3 Prayer:**

1.3.1 It is therefore, prayed that the petition of petitioner/Complainant may kindly be accepted and the opposite parties/respondents may kindly be directed to comply the order of the Hon’ble Forum. It is further prayed that the legal proceedings under section 142 read with section 146 of The Electricity Act 2003 read with Haryana Electricity Regulatory Commission (Forum and Ombudsman) Regulations 2020, may kindly

be initiated against the respondents/opposite parties for non-compliance of the order of the Hon'ble Forum.

- 1.3.2 It is therefore, prayed to direct respondents 1 and 2 to immediately stop deduction of charges other than electricity i.e. CAM charges, Dg fixed charges, vending charges etc. through electricity prepaid meters.
- 1.3.3 To pass an interim order for immediately delink other charges than grid supply from electricity meters.
- 1.3.4 Pass any other order as the Hon'ble Commission may deem fit.

2. The case was heard on 22/04/2025, The counsel for the respondent-1 & 2 requested for two weeks' time for filing the reply. None appeared on behalf of respondent-3 and 4. The Commission took serious note of the absence of the respondent-3 and 4 and decided to issue show cause notice under section 142 read with Section 146 of the Electricity Act, 2003. The Commission adjourned the matter and directed the respondents to submit their replies within two weeks with advance copy to petitioner.
3. The case was heard on 21/05/2025, The Commission expressed its displeasure for the nonappearance of concerned XEN and SDO on last date of hearing and enquired about the reply of show cause notice issued. Both officers submitted reply and stated that the notice of hearing was not put up to them by the dealing hand and further tendered their apology assuring that they will remain careful in future. The commission directed the Concerned XEN and SDO to take action against the delinquent official and submit action taken report within 4 weeks. The counsel for the respondent-1 & 2 sought the permission of the Commission to submit an IA in the matter. The Commission allowed the submission of IA subject to deposition of required court fee. The respondent served a copy of the IA to the petitioner in the court. The Commission adjourned the matter and directed the petitioner to submit its reply to the IA within two weeks and respondent-1&2 to submit their rejoinder, if any, with in one week thereafter.

**4. Reply of Respondents 3 & 4 submitted on 21/05/2025:**

The answering respondents respectfully submit as under:-

REPLY ON MERITS:

- 4.1.1 That Para No. 1.1 of the petition is a matter of record and the petition be put strict proof to prove the same.
- 4.1.2 That Para No. 1.2 of the petition is admitted to be correct.
- 4.1.3 That Para No. 1.3 of the petition is admitted to be correct.
- 4.1.4 That Para No. 1.4 of the petition is matter of record.
- 4.1.5 That Para No. 1.5 of the petition is admitted to be correct.
- 4.1.6 That Para No. 1.6 of the petition is admitted to be correct. It is submitted that the answering respondents did not deduct the charges, other than electricity meter charges.

- 4.1.7 That Para No. 1.7 of the petition is a matter of record. It is submitted that SDO issued notices to the builder Supermax vide memo No. 4616 dated 23.12.2024, memo No. 4556 dated 12.12.2024, Memo No. 4369 dated 08.11.2024, memo No. 5279 dated 01.04.2025 and Memo No. 5434 dated 22.04.2025, memo No. 5872 dated 15.05.2025 for compliance of order dated 13.01.2025 passed by CGRF Panchkula through e-mail and by hand.
- 4.1.8 (1-10) That Paras No. 1.8 (1-10) of the petition are matter of record.
- 4.1.9 That Para No. 1.9 of the petition is admitted to be correct being matter of record.
- 4.1.10 That Para No. 1.10 of the petition is denied for want of knowledge.
- 4.1.11 That Para No. 1.11 of the petition is admitted to be correct.
- 4.1.12 That Para No. 1.12 of the petition admitted to be correct. It is submitted that the notice memo No. 5279 dated 01.04.2025 and Memo No. 5434 dated 22.04.2025, memo No. 5872 dated 15.05.2025 issued for compliance of order dated 13.01.2025 passed by CGRF Panchkula through e-mail and by hand.
- 4.1.13 That Para No. 1.13 of the petition needs no reply.
- 4.2 REPLY TO THE GROUNDS FOR RELIEF:
- 4.2.1 That Para No. 2.1 of the petition is admitted to be correct.
- 4.2.2 That Para No. 2.2 of the petition is a matter of record.
- 4.2.3 That Para No. 2.3 of the petition is wrong and hence denied. The answering respondents has complied with the order dated 13.01.2025 and the answering respondents issued notices to the respondent no. 1 & 2 for compliance of the order dated 13.01.2025.
- 4.2.4 That Para No. 2.4 of the petition is legal.
- 4.3 (1-4) That Para No. 3 (1) to 3(4) prayer clause is admitted to be correct as answering respondents has complied with the order dated 13.01.2025 and the answering respondents issued notices to the respondent no. 1 & 2 for compliance of the order dated 13.01.2025.

It is therefore, prayed that the petition of the petitioner may kindly be considered on merit and it is also intimated that the respondents no 3 & 4 has requested to the LR, HPU, Panchkula to engage the advocate in this case but no engagement has been made till date.

**5. IA-22 of 2025 filed by R-1:**

RESPECTFULLY SHOWETH

- 5.1 That the respondent no. 1 is being represented through Mr. Praveen S/o Sh. Trilok Chand, Authorized Representative of the respondent no. 1 vide resolution passed at the meeting of Board of Directors of M/S Supermax Affordable Housing Pvt. Ltd. held at its corporate office at UG-60, Parker Mall, Kundli, Sonipat, Haryana.
- 5.2 That each and every averment made in the petition by the petitioners are hereby deemed to be wrong and hence denied in the absence of supporting documents relied upon, unless specifically admitted being correct.
- Factual Background
- 5.3 The Respondent no. 1 has successfully constructed 743 flats under the Affordable Housing Scheme, with Occupation Certificate (OC) obtained in the year 2021 and Completion Certificate (CC) issued in 2024.

5.4 That as of the date of this application, more than 720 families are peacefully residing in the housing society with over 90% occupancy, and the residents are generally satisfied with the maintenance and services provided by the Respondent.

5.5 That, however, the Petitioner-RWA, which claims to represent the entire allottee base, was in fact formed by nominating a few individuals—only 6 persons are actually its members. Despite repeated directions from the competent authority, including the District Registrar, Sonipat, the Petitioner has failed to enroll or include other residents as members. True copy of the said order dated 12.03.2025 of the Ld. District Registrar is annexed.

#### Non-Compliance with Registrar's Order

5.6 That in the matter Supermax Affordable Housing Pvt. Ltd. vs. Supermax Residents Welfare Association (Order dated 12.03.2025 under Section 59 of the Haryana Registration and Regulation of Societies Act, 2012), was passed by The District Registrar, Sonipat, vide which direction was given to the petitioner herein that all apartment owners who have executed Deeds of Declaration under the Haryana Apartment Ownership Act, 1983, must be admitted as members of the RWA.

5.7 That despite these directions, no effort has been made by the Petitioner RWA to enroll the remaining residents, who number over 700+ flat owners. This non-compliance has also been the subject of ongoing correspondence and legal follow-up, copies of which are annexed.

#### Maintenance and Electricity System — No Resident Objection

5.8 That the Respondent has maintained a transparent and smooth system of maintenance and electricity billing since 2021. Electricity and maintenance bills are issued separately to each resident.

5.9 There has been no complaint from any resident regarding billing practices.

5.10 The system of deducting maintenance from prepaid electricity meters has been fully functional and accepted by the vast majority, ensuring fairness and continuity of service.

5.11 The Respondent no. 1 undertakes that if all 743 allottees collectively consent, they are open to removing maintenance deductions from the electricity meters.

5.12 That the Petitioners, without having legal or factual standing, and without securing even minimal consensus, seek to disrupt an otherwise stable and accepted system, which would amount to harassment of residents, rather than improvement.

#### Legal Precedents Supporting Non-Maintainability

5.13 That the respondent no. 1 relies on following case laws passed by the Hon'ble Apex Court and various High Courts in support of their contention for non-maintainability of the present petition:

i. Chairman, Tamil Nadu Housing Board v. T.N. Ganapathy (1990) 1 SCC 608:

An association of Persons cannot maintain an action on behalf of nonmembers unless they are shown to have the authority or consent to do so.

- ii. *Kranti Associates Pvt. Ltd. v. Masood Ahmed Khan* (2010) 9 SCC . 496:  
Procedural fairness, especially notice and opportunity, lies at the heart of natural justice. Representation must be based on actual authority.
- iii. *Anirudh Kumar v. Union of India* 2022 SCC OnLine Del 3715:  
RWAs must act in accordance with their by-laws and membership rolls. No Presumption of representative authority can be drawn.
- iv. *Hindustan Petroleum Corporation Ltd. v. Dilbahar Singh* (2014) 9 SCC 78:  
Representative litigation must adhere to procedural safeguards otherwise it risks binding or affecting third parties unfairly.

Prayer

It is therefore, respectfully prayed that the present application may kindly be allowed and the present petition may kindly be dismissed on the ground that the Petitioner-RWA lacks locus standi and representative authority; in the interest of justice,

AND/OR

Direct the Petitioner-RWA to furnish the complete, certified list of current members, and if claiming representative status, to provide written authorizations from non-members.

AND/OR

Pass any other orders as may be deemed fit in the interest of justice.

**6. Reply dated 26/06/2025 to IA by Petitioner:**

Petitioner respectfully submits as under:

Reply to the application submitted by the respondent no. 1

- 6.1 That para 1 is matter of record.
- 6.2 That para 2 of the application is wrong hence denied. Respondent have to submit complete reply on the merits of the case. All supporting documents, notices, order passed are attached with the petition.
- 6.3 That para 3 of the application is matter of record.
- 6.4 That para 4 of the application is wrong hence denied. Respondent have no knowledge of resident's issues/ problems. The residents of the complex are too much harassed by the behavior of respondent no 1 and 2 due to non-compliance of UHBVN CGRF's order and Hon 'ble HERC regulations.
- 6.5 That para 5 of the application is wrong hence denied. Respondent have no knowledge of complex affairs. Respondent's main motive is only to grab hard earned money of residents by demanding illegal maintenance and to create monopoly for maintenance services being developer and sole maintenance agency and respondent is collecting all charges in illegal way.
- 6.6 That para 6-7 of the application are wrong hence denied. Present case has no relation with mentioned matter by respondent. However, it is pertinent to mention that the matter mentioned in application by the respondent is already disposed off in the competent authority and the

status report is already submitted in district registrar Sonipat through mail by petitioner.

- 6.7 That para 8 of the application is wrong hence denied. However, it is pertinent to mention that respondent is giving false statement in the application, no electricity bills were shared with residents till august 2024. Bills were started only after the formation of RWA and after long arguments between petitioner and respondent 1. Respondents were charging higher rate than applicable tariff and were charging higher fixed demand charges than applicable as shown in attached bill with petition at page no 10. Unit rate shown in bill is 6.20 but applicable rate was 5.25rs. Fixed demand charge shown in bill is 367.2 but applicable charge was  $80 \times 4 = 320$ rs. So para no. 8 of application is totally false and wrong.
- 6.8 That the contents of para no. 9 of the application as stated are wrong hence denied. False statement has been made in para 9 of the application by respondent. Many residents of the complex have objection on the act of the respondent and submitted complaint against respondent in UHBVN CGRF. And the act of deduction of other charges than electricity through prepaid meters is totally against the norms and directions of the Hon'ble Commission and also against the Hon'ble UHBVN CGRF order passed. In order of complaint no. 280/2024 page no. 4 of order, it is clearly mentioned by Hon'ble CGRF "Application against builder submitted by the residents of Supermax the New town Society." and at page no. 7 of the same order, it is also mentioned by Hon'ble CGRF that  
"The copy of complaint dated 02.11.2024 made by residents of Supermax Society, Sonipat was handed over to the SDO/Respondent."
- 6.9 That the complaint against respondent 1 and 2 was also submitted in UHBVN CGRF by other residents of the complex for not following the Hon 'ble HERC rules and regulations which was clubbed with complaint number 280/2024. A latest complaint was also filed by other residents of the complex in UHBVN CGRF which complaint number is 54/2025. And same complaint was dismissed by UHBVN CGRF on ground that the complaint of the society having single point connection cannot be taken accepted against individual name. Copy of passed order is also annexed, annexure 1. So, the statement made by respondent in para 9 of the application that no objection from other resident is false and totally wrong. The para 9 of the application is a evidence that respondent have no knowledge related to the issues of residents of the complex. Respondent focus is only on to grab hard earned money of residents by illegal methods.
- 6.10 That para 10 of the application is wrong hence denied. That respondent has no knowledge of issues faced by residents. Many residents of the complex had objection on the act of the respondent and want to discussion with the respondent but respondent ran away from discussion. Because respondent's only one intention is to grab hard earned money of residents. And respondent itself accepted that deduction of maintenance from electricity meters is functional, that is

totally against the directions of UHBVN CGRF order passed and Hon 'ble HERC directions and regulations.

6.11 That para 11 proves that respondent is fully aware that the practice of deducting other charges than electricity through prepaid meters is totally against the norms and directions of Hon'ble HERC and UHBVN CGRF order passed in complaint number 280/2024.

6.12 That, contents of para 12 of the application is wrong hence denied. That petitioner RWA is a democratically constituted body registered under the law and functioning as per the applicable rules and regulations. RWA is formed by the petitioner as per the provisions of the Haryana Registration and Regulation of Societies Act, 2012. The registration certificate having registration no. 1681 of 2024 (HR-008-2024-01681) which was duly provided by competent Authority.

Reply to "Legal precedents supporting non-maintainability"

6.13 That the present petition has been filed under section 142 read section 146 of the Electricity Act 2003.

The word used is that "any person" aggrieved can file a complaint under Section 142 read with Section 146 of the Electricity Act, 2003.

The term "person" is defined under the Electricity Act, 2003 and is the 2016 Regulation as under: - Electricity Act, 2003:

2(49) "person" shall include any company or body corporate or association or body of individuals, whether incorporated or not or artificial juridical person." Haryana Electricity Regulatory Commission, 2016:

2(37) "Person" means any person/ persons or occupier or possessor of a premises or place who may or may not be a consumer and shall include any company or body corporate or association or body of individuals whether incorporated or not, or an artificial juridical person;"

6.14 A bare perusal of the definition of the term person would show that Association is included in the definition of "person". So the petitioner RWA has rights to file petition to Hon 'ble Commission. And same has been considered by this Hon 'ble Commission. So non- maintainability written contents by respondent in application are baseless.

6.15 Additionally, respondent has no right on the Electrical infrastructure of the complex once the electrical infrastructure work is completed and it's the duty of respondent to handover operation and maintenance of the assets to RWA as per single point supply regulation 2020 clause 6.1 as mentioned below:

"Provided further, that on completion of the electrical infrastructure by the Developer, the operation and maintenance of these assets shall be handed over to the RWA/ Users Association and the Single Point Supply connection if any taken by the Developer shall be got transferred/ changed in the name of RWA/Users Association along with all the securities deposited with the distribution licensee and other guarantee/ warrantee of the electrical equipment installed"

6.16 The application submitted by the respondent has no relation with the current petition u/ s 142 and 146. Respondent is not using a single

word related with the CGRF order passed and current petition. And respondent is not answering correctly.

6.17 That any of respondents have nothing to defend their self from the proceedings under section 142 and 146.

Prayer:

As any of respondents don't have any sufficient ground to defend themselves, petitioner humbly prays as below:

1. It is therefore, respectfully prayed that the application submitted by the respondent 1 and 2, may kindly be rejected/ dismissed.
  2. To pass an interim order to direct respondents 1-4 to comply with CGRF order and to stop deduction of other charges than electricity through prepaid meters.
  3. To pass an interim order to direct respondent 1 and 2 to not to disconnect supply of electricity in the complex on account of non-payment of charges other than DISCOM supply charges.
  4. It is further prayed that the legal proceedings under section 142 and 146 of the electricity Act 2003 read with Haryana Electricity Regulatory Commission (Forum and Ombudsman) Regulations 2020, may kindly be initiated against the respondent 1 and other parties, as respondent 1 himself accepted in his reply that they are deducting maintenance charges through prepaid electricity meters and this is against the norms and directions of Hon'ble Commission and also against the passed order of Hon'ble UHBVN CGRF in complaint number 280/2024.
  5. To pass an interim order to direct respondent no.3 (SDO) to take action against respondent 1 and 2 under clause 5.3 of single point supply regulation 2020 for tampering individual meters and for unauthorized use of electricity.
7. The case was heard on 10/07/2025, The petitioner submitted that the complaint was filed before CGRF and CGRF has decided to issue electricity bills as per regulations, not to charge any other component in electricity bill, not to disconnect electricity on non-payment of charges other than electricity charges but the respondents have failed to comply any of the directions of CGRF till date. Sh. Neeraj Goel counsel for Respondent No1&2 re-iterated the contents of IA and submitted that the petition is not maintainable as the petitioner is not representing all members of the RWA but a small group of aggrieved residents The Commission observes that the contention of the respondent -1 & 2 regarding non-maintainability of the petition with the plea that the petitioner is not representing all members of the RWA, is not acceptable, any of the complainants before the CGRF can approach this Commission in case of noncompliance of the orders of CGRF. If the respondent -1 & 2 were aggrieved with the order of CGRF, they should have approached the appropriate authority for review. Therefore, the Commission finds no merit in the IA and the petition is maintainable. The IA is disposed of, accordingly. In wake of the above

decision, the counsel for the respondents 1 & 2 requested for 4 weeks' time to file the reply to the petition. Acceding to request of the respondents, the Commission adjourns the matter and directs the respondents to submit their replies within three (3) weeks with advance copy to parties and petitioner to submit its rejoinder and Respondent No 3&4 to file their reply, if any, within two (2) weeks thereafter.

**8. Rejoinder of petitioner received on 13/08/2025:**

Petitioner respectfully submits as rejoinder as under:

- 8.1 The respondent No. 1 & 2 that is Supermax Affordable Housing Pvt. Ltd and Neat and Clean Operations Pvt. Ltd. didn't not replied to the petition till the date even after multiple directions of Hon'ble Commission's Interim order dated 10/07/2025 & 24/04/2025.
- 8.2 As per Haryana Electricity Regulatory Commission (Fee) Regulations, 2005 – 7th Amendment Sr. No. 21, the respondent 1 and 2 are liable to pay late fee of Rs.10000/- as it's the 2nd time default of respondent 1 & 2, of not filling reply within specified time by Hon'ble commission. With ulterior motives, knowingly, willingly, intentionally both have violated the regulations of the Hon'ble HERC. This showed their intention of contravention of the law.
- 8.3 The residents of the complex are too much harassed as respondent 1&2 did not complied with any directions/order of Hon'ble UHBVN CGRF and regulations and rules of Hon'ble HERC.
- 8.4 That the petitioner is agreed with the reply of the respondent no. 3 and 4 However, respondent SDO could take action against respondent no. 1 and 2 under clause 5.3 of single point supply regulation 2020, as respondent SDO was Directed by Hon'ble UHBVN CGRF to take action against respondent 1 and 2 if they don't comply with CGRF order in point no. 10 of CGRF Order in complaint number 280/2024 which is states as forward:  
*“If M/s. Super Max Affordable Housing Pvt. Ltd. (Builder) through M/s, Neat and Clean Private Limited (Services agency) still do not ensure meticulous compliance of the standing instructions of the Nigam/Hon'ble HERC Regulations, then the Forum directs SDO/Respondent to initiate appropriate action against them.”*
- 8.5 That the act of the respondents' no. 1 and 2 is against the norms and direction of the Haryana Electricity Regulatory Commission notification dated 22.04.2020, which under para (iii) and Hon'ble UHBVN CGRF's order 280/2024 point number 3 states as follows :-  
*“The Commission in its various orders has made it clear that common area maintenance charges, backup charges should not be clubbed with the licensee's supply charges and the connection ought not to be disconnected in case the consumer has paid the charges for grid supply.”*
- 8.6 “Further the disconnection of electricity should not normally be done on account of non-payment of charges other than DISCOM supply charges i.e. on account of Maintenance Charges, GST charges, Back-up Supply Charges and other Miscellaneous Charges etc. The Forum directs Respondent No. 1 and 2 to take remedial measures to ensure

disconnection of supply of DISCOM shall not take place, if the petitioners or residents or users pay the electricity bill raised by the Respondent for DISCOM supply.”

8.7 Prayer:

Petitioner humbly prays as forward:

8.7.1 To impose penalty/late fee upon for 2nd time default on respondent 1 and 2 for not timely file the reply as per direction of Hon'ble commission, in interest of justice.

8.7.2 To pass an interim order to direct respondents to comply with CGRF order dated 13/01/2025, in interest of justice.

8.7.3 To pass an interim order to direct respondent 1 and 2 to not disconnect supply of electricity in the complex on account of nonpayment of charges other than DISCOM supply charges.

8.7.4 It is further prayed that the legal proceedings under section 142 and 146 of the electricity Act 2003 read with Haryana Electricity Regulatory Commission (Forum and Ombudsman) Regulations 2020, may kindly be initiated against the respondent -1 & 2 and other parties as respondent-1 himself accepted in his last application that they are deducting maintenance charges through prepaid electricity meters and this against the directions of Hon'ble Commission and also against passed order of Hon'ble UHBVN CGRF in complaint number 280/2024.

8.7.5 To pass an interim order to direct respondent no.3 (SDO) to take action against respondent 1 and 2 under clause 5.3 of single point supply regulation 2020 for tampering individual meters.

9. The case was heard on 27/08/2025, None appeared on behalf of respondent 1 and 2 despite due service. The Commission observes that the petitioner has not impleaded the respondents by name. In cases involving private limited companies or firms, a particular Director/CEO/Authorised Signatory must be made responsible for the conduct of proceedings before the Commission. Accordingly, the Registry is directed to ensure that at the time of registering any such case, the names and designations of authorised representatives of the parties are duly incorporated. The petitioner is hereby directed to submit, on or before 03.09.2025, the particulars of the authorised/ responsible persons of Respondent No.1 and Respondent No.2, whereupon notice shall be issued to such persons directing them to appear in person on the next date of hearing. Respondent No.1 and Respondent No.2 are further directed to file their detailed replies on affidavit, with advance copy to the petitioner, on or before 17.09.2025, and to remain present in person on the next date of hearing. Also, the Commission takes serious note of the non-appearance of Respondent No 1 and Respondent No 2 as well as their failure to file reply despite directions, a cost of Rs.25,000/- each is imposed upon Respondent No.1 and Respondent No.2, payable to the

Commission on or before 17.09.2025. It is made clear that failure to either pay the cost, file the reply, or appear in person on the next date shall result in the Commission proceeding ex parte against them without any further opportunity.

**10. Reply of Respondent -1 & 2 received on 15/09/2025**

**PRELIMINARY OBJECTIONS**

**I. NON-MAINTAINABILITY DUE TO LACK OR LOCUS STANDI AND REPRESENTATIVE AUTHORITY**

- 10.1 That the present petition is fundamentally not maintainable as the Petitioner-RWA lacks the requisite locus standi and representative authority to file the present petition on behalf of all residents/allottees or the housing society, The Petitioner cannot claim to represent the interests or the entire allottee base when it has deliberately and systematically excluded the vast majority of residents from its membership.
- 10.2 That as evident from the records and as specifically highlighted in the application filed by Respondent No, 1 challenging maintainability, the Petitioner-RWA consists of merely 6 members out of over 743 flat owners in the housing society, thereby representing less than 1% of the total allottee base. Such minimal representation cannot confer upon the Petitioner the authority to initiate proceedings that would bind or affect the rights and interests of the remaining 99% of residents.
- 10.3 That the Hon'ble Supreme Court in Chairman, Tamil Nadu Housing Board, Madras v. T.N. Ganapathy reported in (1990) 1 SCC 608 has laid down the fundamental principles governing representative suits under Order I Rule 8 of the Code of Civil Procedure. The Hon'ble Apex Court in paragraph 7 of the said judgment has categorically held:  
*"The provisions of Order 1 or Rule 8 have been included in the Code in the public interest so as to avoid multiplicity of litigation. The condition necessary for application of the provisions is that the Persons on whose behalf the suit is being brought must have the same interest. In other words either the interest must be common or they must have a common grievance which they seek to get redressed."*  
The Hon'ble Court further observed:  
*"The Court, while considering whether leave under the Rule should be granted or not, should examine whether there is sufficient community or interest to justify the adoption of the procedure provided under the Rule."*
- 10.4 That the Hon'ble District Registrar, Sonapat vide Order dated 12.03.2025 under Section 59 of the Haryana Registration and Regulation of Societies Act, 2012 has specifically directed that all apartment owners who have executed Deeds or Declaration under the Haryana Apartment Ownership Act, 1983 must be admitted as members of the RWA. Despite these clear and specific directions from the competent authority, the Petitioner has willfully failed to enroll the remaining 700+ residents as members, thereby demonstrating a deliberate attempt to maintain exclusivity and avoid broader democratic participation. True copies of the said order dated

12.03.2025 and ongoing correspondence and legal follow-up are annexed herein as Annexure R-1/1 & R-1/2 respectively.

10.5 That Section 5 of the Haryana Apartment Ownership Act, 1983 provides:

*"(1) Each apartment owner shall be entitled to the exclusive ownership and possession of his apartment in accordance with the declaration.*

*(2) Each apartment owner shall execute a deed of apartment in relation to his apartment in the manner Prescribed. "*

10.6 That, furthermore, Section 6 of the said Act provides:

*"(1) Each apartment owner shall be entitled to an undivided interest in the common areas and Facilities in the Percentage expressed in the declaration..."*

10.7 That the Petitioner cannot claim to represent the entire allottee base when it has deliberately excluded majority of the residents from its membership, thereby violating the fundamental principles or representative capacity and democratic participation as established in numerous judicial precedents.

## II. LEGAL PRECEDENTS ON LOCUS STANDI AND REPRESENTATIVE AUTHORITY

10.8 That the Hon'ble Supreme Court in *Kranti Associates Pvt. Ltd. v. Masood Ahmed Khan* reported in (2010) 9 SCC 496 has emphasized the importance of procedural fairness and natural justice in representative proceedings. The Hon'ble Court has held:

*"Procedural fairness, especially notice and opportunity, lies at the heart of natural justice. Representation must be based on actual authority."*

10.9 That Hon'ble Supreme Court in *Hindustan Petroleum Corporation Ltd. v. Dilbahar Singh* reported in (2014) 9 SCC 78 has categorically observed:

*"Representative litigation must adhere to procedural safeguards — otherwise it risks binding or affecting third parties unfairly."*

10.10 That an association or persons cannot maintain an action on behalf of non-members unless they are shown to have the requisite authority or consent to do so. The Petitioner herein has neither obtained such authority nor consent from the vast majority of residents whom it purports to represent.

## SUBSTANTIVE LEGAL SUBMISSIONS

## III. COMPLIANCE WITH REGULATORY FRAMEWORK AND EXISTING PRACTICES

10.11 That the Respondents respectfully submit that the present petition is misconceived and based on an incomplete understanding of the facts and the existing electricity billing and maintenance system in the housing society. The Respondents have been operating in substantial compliance with the applicable regulatory framework.

10.12 That the Respondents have been operating a transparent and efficient electricity billing system since 2021, with over 720 families peacefully residing in the housing society with more than 90% occupancy rate, which is demonstrative of general satisfaction with the services being provided.

10.13 That Section 6.6 of the HERC (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Residential cum Commercial/ Commercial Complexes or Developers and Industrial Estates/IT Parks/SEZ) Regulations, 2020 (Regulation No. HERC/49/2020) provides:

*"The Employer/GHS/Users Associations will not charge the Residents/Individual Consumer, Common Services and other category loads in the Colony/ CHS/ Complex for electricity supplied, at a rate higher than the tariff for Domestic Supply (DS)/other relevant category, approved by the Commission from time to time. "*

10.14 That the billing practices of the Respondents are in substantial compliance with the said provision, as the charges being levied do not exceed the applicable domestic tariff rates approved by the Commission from time to time. True copy of the sample bill is annexed herein as Annexure R-1/3.

10.15 That the system of maintenance charges collection through prepaid electricity meters has been implemented with the knowledge and acceptance of the vast majority of residents, ensuring continuity of essential services and transparent billing practices.

#### IV. FACTUAL MATRIX AND BACKGROUND

10.16 That Respondent No. 1 (Supermax Affordable Housing Pvt. Ltd.) has successfully developed and constructed 743 flats under the Affordable Housing Scheme with all requisite approvals and clearances from the competent authorities.

10.17 That the Occupation Certificate was duly obtained in 2021 and the Completion Certificate was issued in 2024, demonstrating full compliance with all regulatory requirements and statutory obligations and it is also worth mentioning here that the answering respondent has also executed deed or declaration on 15.04.2025. True copies of the said Completion Certificate and deed or declaration are annexed herein as Annexure R-1/4 & R-1/5 respectively.

10.18 That the housing society operates under a Single Point Supply connection with Account Number 6519586206 under Bulk Supply (Domestic) category from UHBVN, in accordance with the applicable regulations and tariff orders.

10.19 That the Respondents have implemented a comprehensive billing system that maintains separate accounting for:

- a) Grid electricity charges as per applicable UHBVN tariff
- b) DG backup charges for reliable power backup services
- c) Common Area Maintenance charges for upkeep of common Facilities
- d) Other service charges as may be applicable and justified

10.20 That electricity bills are issued separately from maintenance bills to each resident, ensuring complete transparency in billing practices and enabling residents to understand the various components or charges.

#### V. REGARDING CGRR ORDER DATED 13.01.2025 AND COMPLIANCE EFFORTS

10.21 That the Respondents acknowledge the CGRR order dated 13.01.2025 in complaint number UH/CGRR-280/2024 and submit that earnest

efforts are being made for its implementation in consultation with all stakeholders. Moreover, the said order being an ex-parte order, the same is also being challenged before competent authority.

10.22 That the Respondents submit that certain directions in the CGRF Order require practical implementation considerations and coordination with various stakeholders including:

- a) Technical coordination with UHBVN for billing format compliance
- b) System modifications for separate accounting or different charge components
- c) Consensus building among residents for any major system changes
- d) Infrastructure modifications to accommodate regulatory requirements .

10.23 That the Respondents are committed to working with all stakeholders, including the RWA (subject to it acquiring proper representative status), UHBVN officials, and residents to implement the CGRF directions in a manner that ensures continued efficient service delivery without disruption to essential services.

#### VI. PROVISIONS OF ELECTRICITY ACT, 2003 AND PENALTY FRAMEWORK

10.24 That Section 142 of the Electricity Act, 2003 provides for punishment for non-compliance or directions by Appropriate Commission and states:

*"In case any complaint is filed before the Appropriate Commission by any person or if that Commission is satisfied that any Person has contravened any Provisions of this Act or rules or regulations made thereunder, or any direction issued by the Commission, the Appropriate Commission may after giving such person an opportunity or being heard in the matter, by order in writing, direct that, without prejudice to any other Penalty to which he may be liable under this Act, such person shall pay, by way of penalty, which shall not exceed one lakh rupees for each contravention and in case of a continuing Failure with an additional Penalty which may extend to six thousand rupees for every day during which the Failure continues after contravention of the first such direction."*

10.25 That Section 146 of the Electricity Act, 2003 provides:

*"Whoever, fails to comply with any order or direction given under this Act, within such time as may be specified in the said order or direction or contravenes or attempts or abets the contravention of any of the provisions of this Act or any rules or regulations made thereunder, shall be punishable with imprisonment for a term which may extend to three months or with fine which may extend to one lakh rupees, or with both in respect of each offence and in the case of a continuing failure, with an additional fine which may extend to six thousand rupees for every day during which the failure continues after conviction of the first such offence. "*

10.26 That the Respondents submit that they are making all reasonable efforts to comply with regulatory directions and any perceived noncompliance is not willful or deliberate but is due to practical implementation challenges which are being addressed systematically.

#### VII. CONSTITUTIONAL AND LEGAL PRINCIPLES

## GOVERNING REPRESENTATIVE PROCEEDINGS

10.27 That the Hon'ble Supreme Court in the landmark judgment of Chairman, Tamil Nadu Housing Board, Madras v. T.N. Ganapathy (supra) has further observed in paragraph 8:

*"Coming to the relevant circumstances in the Present case it will be seen that all the allotments in Ashok Nagar were made under the same Scheme and all the relevant facts are common. The basis of the impugned demand of the appellant is equally applicable to all the allottees and the plea of the plaintiff is available to all of them. The trial court was, thererore, perfectly right in Permitting the Plaintiff to proceed under Order 1, Rule 8 or the Code or Civil Procedure. Nobody in this situation can complain of any inconvenience or injustice. "*

10.28 That in the instant case, unlike the facts in T.N. Ganapathy (supra), the Petitioner does not represent even a substantial minority or the affected persons, leave alone the majority. With merely 6 members out of 743 flat owners, the Petitioner lacks the basic foundation for representative proceedings.

10.29 That the present petition seeks to disrupt an otherwise stable and accepted system without securing even minimal consensus from the resident community, which amounts to harassment of the majority or residents who are satisfied with the current system, rather than genuine improvement or community welfare.

## VIII. STATUTORY FRAMEWORK GOVERNING RWA OPERATIONS

10.30 That Section 11 of the Haryana Apartment Ownership Act, 1983 provides that the contents of the declaration shall include:

*"(m) 'Majority' or 'majority of apartment owners' means the apartment owners with 51% or more of the votes in accordance with the Percentage assigned in the declaration to the apartments for voting purposes"*

10.31 That the Petitioner, representing less than 1% of apartment owners, cannot claim to have the authority or even a simple majority, leave alone the requisite representative capacity to initiate proceedings of this nature.

## ALTERNATIVE SUBMISSIONS ON MERITS

### IX. WILLINGNESS TO COOPERATE AND MODIFY SYSTEM

10.32 That without prejudice to the above preliminary objections, the Respondents submit that they have always been committed to providing efficient and transparent services to all residents.

10.33 That the Respondents undertake that if all 743 allottees collectively provide their written consent through a duly constituted and properly representative RWA, they are willing to modify the billing system to remove maintenance deductions from electricity meters, subject to alternative arrangements being made for collection of legitimate maintenance charges,

10.34 That the Respondents are willing to work constructively with a properly constituted RWA that actually represents the interests of all residents and has the requisite democratic mandate to negotiate on behalf of the entire resident community.

## PRAYER AND RELIEF SOUGHT

WHEREFORE, it is most respectfully prayed that this Hon'ble Commission may be pleased to:

- i. Dismiss the present petition on the ground of non-maintainability due to lack of locus standi or the Petitioner RWA, which represents less than 1% of the affected residents and lacks the requisite representative authority.
- ii. In the alternative, direct the Petitioner to:
  - a) Comply with the order dated 12.03.2025 or the Hon'ble District Registrar, Sonapat by admitting all 743 apartment owners as members of the RWA before claiming any representative capacity;
  - b) Furnish a complete certified list of current members along with their written authorizations;
  - c) Obtain written consent/authorization from all non-member residents whom it claims to represent.
- iii. Direct that any modifications to the existing billing system should be implemented only after obtaining written consent from all 743 allottees through a democratically constituted and representative body.
- iv. In the interest of justice and fair play, direct that no interim Orders be passed without ensuring proper representation and giving adequate opportunity to all affected residents to be heard through their chosen representatives.
- v. Grant such other relief as this Hon'ble Commission may deem fit and proper in the circumstances of the case and in the interest of justice.

**11. IA-35 of 2025 filed by R-1 & 2:**

**FACTUAL BACKGROUND**

- 11.1 That the above-named applicants/respondents respectfully approach this Hon'ble Commission with the present application seeking waiver of cost of Rs.25,000/- each imposed upon Respondent No. 1 and Respondent No. 2 vide Order dated 27.08.2025 passed by this Hon'ble Commission.
- 11.2 That vide the impugned order dated 27.08.2025, this Hon'ble Commission has imposed a cost of Rs.25,000/- each upon Respondent No. 1 and Respondent No. 2 for their non-appearance before this Hon'ble Commission on 27.08.2025 and failure to file reply despite directions.
- 11.3 That the applicants/respondents most respectfully submit that the non-appearance was not willful or deliberate but was due to unavoidable personal circumstances and unforeseen difficulties faced by their counsel, which are detailed hereinbelow

**GROUNDS FOR WAIVER OF COST**

**I. PERSONAL DIFFICULTY AND UNAVOIDABLE CIRCUMSTANCES**

- 11.4 That the counsel for the applicants/respondents, who was duly engaged to appear before this Hon'ble Commission on 27.08.2025, was confronted with a personal emergency that required his immediate presence in Bangalore.
- 11.5 That due to the said personal difficulty and family emergency, the counsel of the applicants/respondents had to undertake urgent travel

to Bangalore and could only return back on 29.08.2025, which was subsequent to the scheduled date of hearing.

- 11.6 That recognizing the importance of the matter and his professional obligations, the said counsel made arrangements for a proxy counsel to appear before this Hon'ble Commission on his behalf on the scheduled date of hearing i.e., 27.08.2025.
- 11.7 That despite the best efforts and arrangements made by the counsel, the proxy counsel, due to unforeseen circumstances beyond his control, reached this Hon'ble Commission late, and by that time the matter had already been called upon and adjourned with cost.
- 11.8 That the applicants/respondents submit that there was no intention on their part or on the part of their counsel to show disrespect to this Hon'ble Commission or to cause any delay in the proceedings.

## II. BONA FIDE EFFORTS To ENSURE REPRESENTATION

- 11.9 That the applicants/respondents submit that their counsel made genuine and bona fide efforts to ensure proper representation before this Hon'ble Commission by making arrangements of a proxy counsel to appear in his absence.
- 11.10 That the failure of the proxy counsel to reach this Hon'ble Commission on time was due to circumstances entirely beyond the control of the applicants/respondents and their counsel.
- 11.11 That there was no negligence, willful default, or deliberate attempt to avoid of delay the proceedings on the part of the applicants/respondents.

## III. LEGAL PRECEDENTS ON CONDONATION AND WAIVER

- 11.12 That the Hon'ble Supreme Court in Collector, Land Acquisition, Anantnag and Another v. Mst. Katiji and Others reported in (1987) 2 SCC 107 has held:

*"The legislature has conferred the power to condone delay in order to enable the Courts to do substantial justice to Parties by disposing of matters on 'merits'. The expression 'sufficient cause' employed by the legislature is adequately elastic to enable the Courts to apply the law in a meaningful manner which sub-serves the ends of justice - that being the life-purpose for the existence of the institution of Courts.*

- 11.13 That the Hon'ble Supreme Court in Basawaraj and Others v. Special Land Acquisition Officer reported in (2013) 14 SCC 81 has observed: *"While exercising discretion in condoning the delay, the Court has to consider whether the delay was willful or was due to circumstances beyond the control of the applicant. Liberal approach should be adopted when considering the delay in cases where the cause is just and there are no mala fides attributed to the Party seeking condonation. "*

- 11.14 That the Hon'ble Supreme Court in State of Haryana and Others v. Chandra Mani and Others reported in (1996) 3 SCC 132 has categorically held:

*"Refusal to condone the delay would result in grave miscarriage of justice. The delay has to be seen in the background of the fact that the litigation has been brought not with any ulterior motive but for the vindication of the right. "*

## IV. NO PREJUDICE TO THE OPPOSITE PARTY

- 11.15 That the waiver of the cost imposed would not cause any prejudice to the petitioner or any other party to the proceedings, as the applicants/respondents are ready and willing to participate in the proceedings on merits.
- 11.16 That the applicants/respondents are filing their detailed reply on affidavit along with this application as directed by this Hon'ble Commission and are committed to participating constructively in the proceedings.
- 11.17 That the interests of justice would be better served by deciding the matter on merits rather than imposing penal costs for circumstances that were genuinely beyond the control of the applicants/respondents.

#### MITIGATING CIRCUMSTANCES

#### V. GENUINE PERSONAL EMERGENCY

- 11.18 That the personal difficulty faced by the counsel was of such a nature that immediate travel to Bangalore was unavoidable and could not be postponed.
- 11.19 Counsel acted responsibly by arranging for substitute representation despite his personal circumstances, which demonstrates his commitment to professional obligations.
- 11.20 That the delay in reaching the Hon'ble Commission by the proxy counsel was due to unforeseen traffic conditions and other circumstances entirely beyond anticipation and control.

#### VI. WILLINGNESS TO COMPLY AND COOPERATE

- 11.21 That the applicants/respondents have always shown utmost respect for this Hon'ble Commission and have never previously defaulted in appearance or compliance with any directions.
- 11.22 That the applicants/respondents are committed to participating constructively in the proceedings and are ready to comply with all future directions of this Hon'ble Commission.
- 11.23 That the present application itself demonstrates the bona fide intentions of the applicants/respondents in approaching this Hon'ble Commission and seeking appropriate relief.

#### LEGAL SUBMISSIONS

#### VII. DISCRETIONARY POWER TO WAIVE COST

- 11.24 That this Hon'ble Commission has inherent and discretionary power to waive costs imposed, particularly when sufficient cause is shown and the circumstances warrant such relief.
- 11.25 That Section 94 of the Electricity Act, 2003 empowers this Hon'ble Commission to review its own orders in appropriate circumstances, and the power to waive costs flows from this inherent jurisdiction.
- 11.26 That the principles governing condonation of delay and waiver of costs are founded on the overriding consideration of substantial justice and preventing technical grounds from defeating the merits of a case.

#### VIII. SUBSTANTIAL JUSTICE AND EQUITY

- 11.27 That the Hon'ble Supreme Court in *N. Balakrishnan v. M. Krishnamurthy* reported in (1998) 7 SCC 123 has emphasized:  
*"Courts should be guided by the principle that Procedure is meant to advance justice and not to defeat it. Procedural lapses should not be allowed to come in the way of doing substantial justice."*

11.28 That refusing to waive the cost in the present circumstances would amount to imposing a penalty for circumstances genuinely beyond the control of the applicants/respondents, which would not serve the ends of justice.

11.29 That the applicants/respondents submit that they have made out a strong case for waiver of cost based on the genuine personal difficulties faced and the bona fide efforts made to ensure proper representation.

#### UNDERTAKING AND ASSURANCE

11.30 That the applicants/respondents solemnly undertake that they shall ensure their personal presence or proper representation through counsel in all future proceedings before this Hon'ble Commission.

11.31 That the applicants/respondents assure this Hon'ble Commission that they shall comply with all directions and timelines prescribed by this Hon'ble Commission in future proceedings.

11.32 That the applicants/respondents are committed to participating constructively in the proceedings and shall not seek any further adjournments except in extraordinary circumstances.

#### PRAYER

WHEREFORE, it is most humbly prayed that this Hon'ble Commission may be pleased to:

- i. Accept and allow the present application for waiver of cost imposed vide order dated 27.08.2025.
- ii. Waive the cost of Rs.25,000/- each imposed upon Respondent No. 1 and Respondent No. 2 in view of the genuine personal difficulties and unforeseen circumstances detailed above.
- iii. Permit the applicants/respondents to participate in the proceedings on merits without the burden of the imposed cost.
- iv. Pass any other order Or direction as this Hon'ble Commission may deem fit and proper in the circumstances of the case and in the interest of justice.

#### **12. Reply to IA by petitioner received on 21/10/2025**

##### Preliminary Submission

12.1 The Opposite Parties had filed interlocutory applications seeking waiver/condonation of cost and/or penalty imposed under the orders of this Commission.

12.2 The Petitioner respectfully submits that such waiver is not justified on facts or in law. The application is an attempt to evade the consequences of the opposite party's noncompliance with the Commission's directives.

##### Denial of Grounds

12.3 It is denied that the Opposite Parties have any valid reason warranting waiver. The Opposite Parties pleadings regarding procedural difficulties are unsubstantiated and no documentary evidence has been provided to demonstrate bona fides.

12.4 The Petitioner submits that it is the nature and habit of respondent 1 and 2 to abuse the law and casual approach to the directions given by Courts. Respondent 1 also 2 also did not comply with Hon'ble UHBVN CGRF directions given time to time which was mentioned by Hon'ble CGRF in order 280/2024 in point number 8 and did not comply with directions given by Hon'ble commission for filing reply of the petition

and deposit the cost. Respondent 1 and 2 also did not respond to notices sent, from time to time through SDO with reference and directions of hon'ble CGRF which is also stated in order dated 13.01.2025. as mentioned below.

"Non-responding to the references of the SDO/Respondent is clear cut gross violation of the existing regulation which may not be repeated in future."

- 12.5 The Petitioner submits that the penalty/cost was levied in accordance with the Commission's powers under the Haryana Electricity Regulatory Commission (Conduct of Business) Regulations, 2019 and any request for waiver must meet the threshold of compelling grounds, which the Opposite Party has failed to demonstrate.
- 12.6 Despite multiple direction of Hon'ble Commission, respondent 1 and 2 did not filed reply of the petition. Respondents always had casual approach towards proceedings of Hon'ble Commission, In interim order dated 27/08/2025 its clear direction to respondents to file reply, pay cost, and to present in person but respondents did not pay cost.
- 12.7 It is made clear that failure to either pay the cost, file the reply, or appear in person on the next date shall result in the Commission proceeding ex parte against them without any further opportunity.

#### Submission on Legal and Procedural Principles

- 12.8 No discretionary relief without sufficient cause: Waiver of cost or penalty is a discretionary power exercised sparingly. The Commission, while considering such requests, must balance fairness and deterrence. Granting unwarranted waiver may defeat the purpose of regulatory compliance.
- 12.9 Interlocutory nature of application: Since the application is interlocutory and does not dispose of the main proceedings, the Petitioner submits that any relief granted should not prejudice the ongoing case or affect the integrity of the cost/penalty provisions under HERC regulations.
- 12.10 Previous compliance history: The Opposite Party has a history of repeated noncompliance emphasizing that granting waiver may encourage negligence and nonadherence to Commission's directives.

#### Prayer to the Commission

In view of the above, the Petitioner respectfully prays that:

- 12.11 The interlocutory application for waiver or condonation of cost/penalty filed by the Opposite Parties may kindly be dismissed with appropriate directions to ensure compliance.
- 12.12 The Opposite Party may be made to bear the costs of the current proceedings, as per the Commission's powers and prior orders.
- 12.13 Any other relief deemed just and proper in the facts and circumstances of the case may also be granted in favour of the Petitioner.

13. The case was heard on 06/11/2025, The Counsel for the R-1 and R-2 submitted that due to his unavoidable travel to Bangalore and arrival of proxy counsel after hearing of the case on last date, no one was present in the court representing R-1 & 2. The Counsel requested for favourable

consideration of IA-35 of 2025 and requested for waiver of the cost imposed. The Commission took a serious view for non-appearance of anyone at the time of hearing of the case, either of counsel or any authorised person of the respondents, the request for waiver declined. The Commission enquired about the implementation of the orders of the CGRF and observes that the none of the directions of the order have been complied till date even the order of CGRF is to be complied with in 21 days. The respondents instead of complying with the orders of the forums, are indulging in delaying the matter on one pretext or the other. The Counsel for the respondents 1 & 2 submitted that respondents are ready to implement the directions of the CGRF and requested for two months' time for the same. . The Commission also observes that the Bills are not being issued in the prescribed format, without serial no., date & issuing authority. The tariff charged is also on higher side and the common area electricity charges and maintenance charges are also mentioned in the same bill and charged. Acceding to request of the R-1 and R-2 the Commission adjourns the matter and directs the respondents to file compliance report before next date of hearing ensuring following: a. Separate bills for grid power and backup Power with maintenance charges. b. To refund the excess amount charged from all the residents c. To ensure the electricity be not disconnected, if the grid power bill is deposited by the consumer timely..

**14. Submission of the petitioner received on 01/01/2026:**

Petitioner respectfully submits as under:

Background

- 14.1 In Interim Order dated 12-11-2025, the Hon'ble Commission, directed the Respondents 1 and 2 to:
  - a. Separate bills for grid power and backup Power with maintenance charges.
  - b. To refund the excess amount charged from all the residents.
  - c. To ensure the electricity be not disconnected, if the grid power bill is deposited by the consumer timely.
- 14.2 Petitioner President, Supermax RWA Submits that, no efforts has been made by respondents 1 and 2 to comply with Interim order passed dated 12-11-2025, Interim order is attached at annexure 1. (Page No: 8 to 10)
- 14.3 Petitioner Supermax RWA tried to make conversation with Respondents 1 & 2 but neither respondent's reply of any mail nor they tried to make any effort to comply with direction of Hon'ble Commission's order dated 12-11-2025 till the date (29-12-2025). Copy of mails and post for correspondence made to respondents are attached at annexure 2. (Page No: 11-12)
- 14.4 Petitioner requested the respondents 1 & 2 to share the necessary data for calculation of refund of amount given to residents. And tried to talk

repeatedly, but respondent has no interest to comply with the direction of Hon'ble Commission and has no interest in to resolve the matter.

- 14.5 Petitioner send various mails to respondent 1 and 2 dated 15-11-2025, 2311-2025, 30-11-2025 and also send letters through speed post consignment no. (EH2123514551N, EH2123513841N) to share necessary data for calculation of amount refund to residents, same was delivered on 11-122025, which proof delivery is attached at annexure 3. (Page No: 13)
- 14.6 Petitioner submits that as respondents don't share any data in relation to the compliance of CGRF order and refund calculation, the petitioner wants to submit a rough/estimated amount for refund.
- 14.7 Respondent-I got direct adjustment from UHBVN of an amount of approx. 29 lacs as per RTI application Information which was of only for 10 months period 1-4-2023 to 1-2-2024. But occupancy was started in year 2021 and respondents had charged higher tariff than applicable. He charged Rs.367.20 per month from Jan 2021 to August 2024 and Rs.320 per month from September to Jun 2025. (Wrong fix charge per Flat).
- 14.8 As per RTI information the stated amount of Rs.29 Lac was for 10 months. It means 2.9 lac/ month and calculation of 35 months goes up to 35\* 29 approx. 1.01 crore. And wrongly calculated fixed demand charges (i.e. 320 to 360 per month) per flat which was stopped collecting in the month of June 2025 and it is zero now. Different bills are annexed as annexure 4.  
(Page No: 14-16), calculating the data for refunds.  
Estimated Fixed demand charges refund can be:  
 $Rs.367/- \text{ (per month charge)} * 500 \text{ (average minimum flats)} * 35 \text{ (average months)} = \text{approx. } 64,22,500$   
Estimated Vending charge amount to refund can be:  
 $40 \text{ (Rupees per month)} * 500 \text{ (flats)} * 35 \text{ (months)} = \text{approx. } 7 \text{ Lacs.}$
- 14.9 As per estimated calculation refundable amount may be approx.

AS per RTI, one month adjustment is 2.9 lac	Rs.2.9 Lac (Average/month collection) for 35(months)	1,01,50,000
Wrong Fixed charges	Fixed charge Rs.367x500x35 (calculated for minimum no. of flats) deducted for 35(months)	64,22,500
Vending Charges	Rs. 40/- (vending charges/month) into (*)500 Flats (minimum no. of flats) for 35(months)	7,00,000
Minimum	Estimated Amount	1,72,72,500

=1.73 crores (approx.) with additional interest amount. It may differ after proper audit by calculating with authorized data.

- 14.10 Respondents charged consumers non domestic tariff even after obtaining the occupancy certificate of residential tower/complex. First Occupancy Certificate is annexed at annexure 5(Page No: 17-19).

Respondent is liable to refund excess amounts collected from residents, along with applicable interest, as per Section 62(6) of the Electricity Act, 2003.

#### Non-Compliance by the Respondent

Despite the binding nature of the above directions, the Respondent has wilfully failed to comply, as evidenced below:

- The Respondent continues to issue consolidated bills, clubbing grid supply and common area/back-up charges, in direct contravention of the Commission's explicit directive.
- Non-Refund of Excess Amounts: The refund of excess collected amount has not been credited to residents till the date 29-12-2025, violating Section 62(6) of the Electricity Act, and Direction of Hon'ble HERC order dated 1211-2025, which mandates refund with interest at the bank rate.
- Wilful Disobedience: The Respondent's continued inaction despite repeated written reminders from the Petitioner (Annexure 4) constitutes wilful disobedience of the Hon'ble Commission's order, attracting action under Section 142 and Section 146 of the Electricity Act, 2003.

#### Legal Position

- Section 142, Electricity Act, 2003: Provides for penalty up to 1, 00,000 for each contravention and a continuing penalty of per day for ongoing non-compliance.
- Section 146, Electricity Act, 2003: Prescribes imprisonment or fine up to ₹1, 00,000, or both, for wilful disobedience of Commission's orders. Section 62 (6), Electricity Act, 2003: Mandates refund of excess amounts with interest at the bank rate.
- Single Point Supply Regulation 2020 (HERC 49/2020): Mandates to do not club maintenance and other charges with electricity charges, and to provide bill to residents as per approved format.
- Hon'ble Commission Interim Order dated 12-11-2025: mandates respondent 1 and 2 to :
  - a. Separate bills for grid power and backup Power with maintenance charges.
  - b. To refund the excess amount charged from all the residents.
  - c. To ensure the electricity be not disconnected, if the grid power bill is deposited by the consumer timely.

#### Prayer

In view of the above, the Petitioner respectfully prays that the Hon'ble Commission may be pleased to:

- Take cognizance of the Respondent's wilful and continuing non-compliance with the Order dated 12-11-2025 and non-compliance with CGRF Order and previous Hon'ble Commission's directions.
- Direct the respondent 1 and 2 refund the amount at earliest as more than two-month time has been already given by Hon'ble Commission.
- Initiate penalty proceedings against the Respondents 1 & 2 under Sections 142 and 146 of the Electricity Act, 2003 for not comply with the Direction of the Hon'ble Commission and for not complying with

hon'ble CGRF order 280/2024 and impose additional penalty of 6 thousand per day on each respondent 1 and 2 till compliance of Hon'ble Commission Direction/order and Hon'ble CGRF order 280/2024.

- Direct respondent to immediate compliance with the CGRF order 280/2024, including issuance of separate bills and refund of excess amounts with interest, and not to disconnect of electricity on non-payment of charges other than electricity.
- Award costs of Rs.25000/- to the Petitioner from respondents for the prolonged litigation and harassment caused by the Respondent's conduct.
- Any other relief Hon'ble Commission may deem fit, in the interest of justice.

15. The case was heard on 07/01/2026, The Counsel for the R-1 and R-2 submitted that partial compliance of the directions of the Commission have been made. The modification in the meter software has been initiated which will take some time. After calculations of refund nothing remains to be refunded to residents and no disconnection of supply has been made on receipt of grid consumption charges. The petitioners re-iterated that no efforts have been made by the respondents for compliance of the CGRF order. After detailed deliberations by the parties, the Commission observed that the arguments advanced by the parties are not leading to any conclusion, thus directs the parties to submit their written submissions within two (2) weeks and reserves the order.

**16. Written Submissions of R-1 & 2 received on 29/01/2026:**

MOST RESPECTFULLY SHOWETH:

INTRODUCTION AND PRELIMINARY SUBMISSIONS

The Respondent No. 1 (Supermax Affordable Housing Pvt. Ltd.) and Respondent No. 2 (Neat and Clean Operations Private Limited) hereby respectfully submit their detailed written submissions in response to the Interim Order dated 14th January, 2026 passed by this Hon'ble Commission. Said order has directed the parties to submit written submissions within two (2) weeks, which submissions are hereby filed within the prescribed timelines.

The Respondent No. 1 & 2 respectfully submit that the petition filed by the President, Supermax Resident Welfare Association is not maintainable on grounds of representation and lacks sufficient locus standi to prosecute the same. Notwithstanding the aforesaid submissions on jurisdiction and maintainability, and in the interest of substantial justice, the Respondent No. 1 & 2 hereby submit their detailed position on three critical aspects:

1. **Financial Reconciliation:** The cumulative rate differential analysis demonstrates that flat owners owe Rs. 4,43,996.12 to Respondent No.

- 1 & 2, arising from systematic undercharging of electricity rates vis-à-vis rates charged by UHBVN.
2. Software Implementation: The Respondent No. 1 & 2 have actively engaged with the smart meter software provider (M.M. Electricals & Electronics) to implement modifications enabling separate billing for grid supply and power backup & maintenance charges.
  3. CGRF Compliance: The Respondent No. 1 & 2 have substantially complied with substantive directions issued by the Forum for Redressal of Consumer Grievances vide order dated 13.01.2025.

SUBMISSION I: FINANCIAL RECONCILIATION AND RECOVERY OF DIFFERENTIAL CHARGES AMOUNTING TO RS. 4,43,996.12

A. LEGAL FRAMEWORK AND PRINCIPLES GOVERNING FINANCIAL RECONCILIATION

1. Principle of Unjust Enrichment

The Hon'ble Supreme Court of India in the landmark judgment of *Codelco Chile v. Union of India* reported in (2015) 1 SCC 1 has articulated the comprehensive doctrine of unjust enrichment:

*"Unjust enrichment is constituted where one person retains money or benefits which in justice and good conscience belong to another. The principle underlying the doctrine is that no person should be permitted to retain the fruits of his wrongful act at the expense of another. If there is neither an applicable rule of law nor an equitable principle which can be resorted to, then recourse is had to the generalized principle against unjust enrichment."*

Further, the Supreme Court in *Mawaikere v. Mawaikere* reported in (2012) 4 SCC 307 held:

*"The principle of unjust enrichment operates to prevent a person from retaining a benefit which he has received without giving equivalent consideration. It is a principle of equity which operates to prevent unjust enrichment and to compel restitution where one party has been unjustly enriched at the expense of another."*

2. Principle of Quantum Meruit

The Hon'ble Supreme Court in *Waver Chemicals (P) Ltd. v. Aristotle & Co.* reported in (2008) 11 SCC 142 held:

*"Where there exists a statutory obligation to furnish consideration and the service provider has rendered services in compliance with such statutory obligation, recovery is permissible on the principle of quantum meruit. The provider of services is entitled to reasonable compensation for services rendered, notwithstanding absence of formal contractual consideration."*

3. Commercial Morality and Business Ethics

In the context of multi-unit residential complexes, the Hon'ble Supreme Court in *Emkay Newspapers (P) Ltd. v. DCCB* reported in (2008) 11 SCC 94 recognized:

*"Where a service provider bears differential costs in providing services to multiple beneficiaries, the principle of commercial morality requires that such differential costs be recovered proportionately from the*

*beneficiaries. Non-recovery of such costs constitutes unjust enrichment at the expense of the service provider."*

**B. FACTUAL POSITION REGARDING RATE DIFFERENTIAL AND UNDERCHARGING**

**1. Billing Analysis and Documentary Evidence**

The Respondent No. 1 & 2 rely upon the detailed billing analysis from February 2022 to November 2024, which constitutes incontrovertible documentary evidence: Period Wise Rate Analysis:

Period	UHBVN Charged Rate	Rate Differential Charged to (Per Unit)		Cumulative Shortfall (Rs.)
		Residents		
Feb-Apr 2022	Rs. 9.60	Rs. 6.20	(-)Rs. 3.40	(-)31,691.40
May-Sep 2022	Rs. 9.98	Rs. 6.20	(-)Rs. 3.78	(-)159,749.28
Oct-Dec 2022	Rs. 13.30	Rs. 6.20	(-)Rs. 7.10	(-)396,655.70
Jan-Feb 2023	Rs. 6.40	Rs. 6.20	(-)Rs. 0.20	(-)3,046.00
Mar-Aug 2023	Rs. 6.40	Rs. 6.20	(-)Rs. 0.20	(-)54,854.20
Sep-Dec 2023	Rs. 6.40	Rs. 6.20	(-)Rs. 0.20	(-)22,917.20
Jan-Mar 2024	Rs. 6.40	Rs. 6.20	(-)Rs. 0.20	(-)25,613.00
Apr-Aug 2024	Rs. 5.25	Rs. 6.20	(+)Rs. 0.95	(+)372,595.50
Sep-Nov 2024	Rs. 5.25	Rs. 5.25	Rs. 0.00	Rs. 0.00
CUMULATIVE				(-)4,43,996.12

**POSITION**

True copy of the period sheets are annexed A.

**2. Interpretation of Billing Analysis**

**a) Systematic Undercharging of Residents:**

From February 2022 to December 2023 (a period of 23 months), the flat owners were charged electricity at rates substantially lower than the rates charged by UHBVN to the Respondent No. 1. The rate differential ranged from Rs. 0.20 to Rs. 7.10 per unit. b) Critical Period Analysis:

The maximum differential (Rs. 7.10 per unit) occurred during October December 2022 when UHBVN charged Rs. 13.30 per unit. This three month period alone resulted in a cumulative shortfall of Rs. 3,96,655.70, constituting approximately 89% of the total differential amount. This period represents a critical juncture where UHBVN rates peaked, and the Respondents absorbed the differential without passing it to residents. c) Reversal and Cost Recovery:

From April 2024 onwards, when UHBVN reduced its rates to Rs. 5.25 per unit, the Respondent No. 1 & 2 maintained charges at Rs. 6.20, thereby requiring residents to contribute towards recovery of the cumulative differential they had previously benefited from. This demonstrates the principle of cost neutrality—the Respondents neither profited nor sought to profit, but merely sought recovery of costs borne. d) Rate Convergence:

From September 2024 onwards, rates converged at Rs. 5.25 per unit, establishing parity between UHBVN and resident charges.

**3. Quantum of Differential**

The cumulative rate differential of Rs. 4,43,996.12 is:

- Quantifiable and Documented: Based on objective meter readings and billing records maintained by UHBVN and Respondent No. 2
- Incontrovertible: Billing records are contemporaneous business documents, admissible as business records under Section 35 of the Indian Evidence Act, 1872
- Attributable to Identifiable Beneficiaries: Each unit consumed by individual residents at discounted rates is identifiable through meter readings and consumption records
- Mathematically Precise: Calculated month-by-month with documentary supporting evidence

4. Burden of Absorption by Respondent No. 1 & 2

The differential amount was absorbed from the Respondents' operating funds without corresponding recovery during the undercharging period. This absorption constitutes:

- Direct Financial Loss: Rs. 4,43,996.12 incurred from operating funds
- Opportunity Cost: Lost investment returns on the absorbed amount
- Operational Strain: Accumulated differential created financial pressure on common facility maintenance

C. APPLICATION OF LEGAL PRINCIPLES TO FACTUAL MATRIX

1. Three Elements of Unjust Enrichment

The Hon'ble Supreme Court in Nagaland University v. Ministry of Human Resource Development reported in (2014) 6 SCC 1 identified three essential elements:

1. Enrichment of the Defendant: The defendant must have been enriched
2. Impoverishment of the Plaintiff: The plaintiff must have been correspondingly impoverished
3. Lack of Justification: There must be no legal justification for the enrichment

Application to Present Case:

- Element 1 - Resident Enrichment: Flat owners received electricity at rates Rs. 0.20 to Rs. 7.10 per unit below actual cost borne by Respondent No. 1 & 2
- Element 2 - Respondents' Impoverishment: Respondent No. 1 & 2 were impoverished to the extent of Rs. 4,43,996.12 by absorbing differential cost
- Element 3 - Lack of Justification: Residents have not established any statutory or contractual right to receive electricity at subsidized rates. No HERC regulation mandates provision of below-cost electricity to residents.

All three elements are satisfied; therefore, unjust enrichment principle applies.

2. Application of Quantum Meruit Principle

As articulated in Bhagwandas v. Government of India reported in (1994) 1 SCC 488:

*"Where a party has rendered services at the behest of another and such services have been accepted and retained by the beneficiary, the provider*

*of services is entitled to recover reasonable compensation for the services rendered on quantum meruit."*

The provision of electricity at below-cost rates constitutes a service to residents. This service has been accepted and retained over 23 months. Under the quantum meruit principle, Respondent No. 1 & 2 are entitled to recover differential cost amounting to Rs. 4,43,996.12.

### 3. Principle of Commercial Morality and Fairness

The Hon'ble Supreme Court in *State of UP v. Akhilesh Kumar Singh* reported in (2011) 7 SCC 353 held:

*"Commercial transactions must be governed by principles of fairness, transparency, and mutual obligation. Where one party bears a disproportionate cost burden, the principles of equity require that such burden be equitably distributed among all beneficiaries."*

No principle of regulatory law or public policy mandates provision of electricity at below-cost rates. The Single Point Supply Regulations (HERC/27/2013) contemplate transparent and fair pricing. Cost recovery through differential adjustment is consistent with commercial morality.

## D. REGULATORY FRAMEWORK AND HERC SINGLE POINT SUPPLY REGULATIONS

### 1. Applicability of HERC Regulations (HERC/27/2013)

The HERC Single Point Supply Regulations (HERC/27/2013) contemplate a framework wherein:

- The developer/builder acts as an intermediary between the DISCOM and individual residents
- The developer is responsible for equitable distribution of costs
- Any differential in costs must be transparently communicated and justified

### 2. Provisions Regarding Cost Recovery

Regulation 5.5 of HERC Single Point Supply Regulations provides: "The developer/intermediary shall maintain transparent accounting of all costs incurred and shall recover costs proportionately from residents. In cases where differential costs have been borne by the developer, such differential costs shall be recoverable from residents through appropriate billing adjustments."

The differential cost of Rs. 4,43,996.12 is recoverable in accordance with this regulatory provision.

### 3. Principles of Cost Neutrality

The Hon'ble HERC in its order dated 22.04.2020 recognized:

*"The cost borne by the developer on account of rate differentials or capacity charges shall be equitably recovered from residents through transparent billing and adjustments. The principle of cost neutrality requires that the developer shall neither profit nor suffer loss on account of electricity distribution operations."*

This principle mandates recovery of the differential cost from residents.

## E. FACTUAL CIRCUMSTANCES NEGATING COUNTER-ARGUMENTS

### 1. No Contractual Right to Subsidized Rates

- No resident has any contractual right to receive electricity at rates below actual cost incurred by Respondent No. 1
  - The rate of Rs. 6.20 per unit was charged as a measure of commercial prudence and goodwill, not as a binding contractual obligation
  - The Respondents never represented that electricity would perpetually be provided at rates below UHBVN charges
2. Residents' Actual Knowledge
- Residents received monthly bills specifying both UHBVN charges and charges levied on residents
  - Residents could readily discern the rate differential by examining bills over time
  - Acceptance of bills over 23 months constitutes tacit acknowledgment of the pricing structure
  - No resident filed complaint during this period alleging improper electricity rate charging
3. Symmetry in Cost Recovery
- The CGRF order dated 13.01.2025 specifically directs:
- "By issuing bills on higher side, extra money has been collected by M/s. Super Max Affordable Housing Pvt. Ltd. (Builder) through M/s. Neat and Clean Private Limited (services agency) and the amount charged on higher side instead of compliance of sales Circular No. U-01/2021 should be refunded to the residents."
- By the same logic of symmetry and fairness, amounts charged on the lower side should be recoverable from residents. The principle of regulatory fairness mandates that if the Respondents are to refund overcharges, they should equally be entitled to recover undercharges.

#### F. CONCLUSION ON FINANCIAL RECONCILIATION

The Respondent No. 1 & 2 submit that:

1. The cumulative rate differential of Rs. 4,43,996.12 is established beyond reasonable doubt through incontrovertible documentary evidence
2. The residents have been unjustly enriched to the extent of Rs. 4,43,996.12 by receiving electricity at below-cost rates
3. Legal principles of unjust enrichment, quantum meruit, and commercial fairness all mandate recovery of this differential amount
4. The HERC Single Point Supply Regulations expressly contemplate recovery of cost differentials from residents
5. The principle of symmetry requires that if overcharges are refundable, undercharges must be recoverable

#### SUBMISSION II: ACTIVE COMPLIANCE WITH BILLING SOFTWARE MODIFICATIONS AND SEPARATE BILLING IMPLEMENTATION

##### A. REGULATORY REQUIREMENTS AND CGRF DIRECTIONS

The CGRF order dated 13.01.2025 (UH/CGRF-280/2024) specifically directs:

Direction 1: "The electricity bill being served to the residents/users should clearly show the energy consumed and tariff applicable

including all the relevant details i.e. electricity duty, Municipal Tax and FSA, if any."

Direction 2: "The Forum further directs the Respondents No. 1 and 2 to separately specify the charges for Grid Supply used for common area in the Common Area Maintenance Charges and no service charges on this Grid Supply component be charged."

## TECHNICAL COMPLEXITY OF SOFTWARE MODIFICATIONS

### 1. Scope of Software Modifications Required

The implementation of the aforementioned directions requires comprehensive modifications to the existing billing software system, involving:

#### a) Billing Engine Architecture Modification:

- Assessment of existing prepaid meter billing architecture and system design
- Identification of charge categories and billing calculation modules
- Restructuring of billing logic to enable segregation of different charge types
- Modification of charging algorithms to separately compute grid supply vs. maintenance charges

#### b) Data Modelling and Database Schema Changes:

- Modification of database schema to accommodate separate charge buckets
- Creation of new data tables for grid supply tracking, backup charges, and maintenance charges
- Implementation of data validation rules to ensure accuracy of segregated charges
- Migration of existing data to new schema structure without loss of historical records

#### c) Integration Points and API Modifications:

- Modification of APIs connecting prepaid meter hardware to billing software
- Ensuring seamless data flow from meter hardware to billing database
- Testing integration to prevent data loss or corruption during transition
- Modification of meter communication protocols to support new charge structure

#### d) Bill Template and User Interface Redesign:

- Creation of separate bill format templates for different charge categories
- Modification of prepaid meter display screens to show segregated charges
- Design of customer portal interface to display itemized charges
- Implementation of bill generation logic for multiple charge streams

#### e) Testing and Quality Assurance:

- Unit testing of individual components for accuracy and functionality
- Integration testing across billing modules to ensure system-wide compatibility
- User acceptance testing with representative residents
- Performance testing under actual usage conditions

- Regression testing to ensure existing functionality is not compromised
2. Timeline and Resources

The technical complexity of these modifications requires adequate timeline and resources. Engagement with M.M. Electricals & Electronics (the smart meter software provider) is necessary for successful implementation.

### C. DOCUMENTARY EVIDENCE OF ENGAGEMENT WITH SOFTWARE PROVIDER

#### 1. Letter dated 17th November, 2025

The Respondent No. 2 (Neat and Clean Operations Pvt. Ltd.) has issued a formal letter to M.M. Electricals & Electronics requesting implementation of billing software modifications:

Subject: Request to change billing software setting at our society Supermax The New Town, Sector-33, Sonipat Haryana-131001. "As per hon'ble CGRF order dated 13.01.2025 herein we request you kindly make following changes in our billing software:

1. Remove CAM (common area maintenance) charges from meter.
2. Add CEC (common electricity consumption) charges to meter.

Kindly do the needful as soon as possible"

This letter constitutes incontrovertible evidence of:

- Explicit Acknowledgment of CGRF Order: The Respondents have formally acknowledged the directives
- Clear Communication to Service Provider: Specific, actionable modifications have been communicated
- Demonstration of Urgency: The phrase "as soon as possible" demonstrates commitment to rapid implementation

#### 2. Reply dated 20th November, 2025

M.M. Electricals & Electronics responded:

"We received your request letter regarding changes in billing software and our technical team is working on it. We will let you know once the changes will be done.

For M.M. ELECTRICALS & ELECTRONICS

Authorized Signatory" This reply establishes:

- Acknowledgment of Request: The software provider confirmed receipt and recognized validity
- Active Work in Progress: The explicit statement "our technical team is working on it" demonstrates active technical work is underway
- Commitment to Completion: The commitment to update "once the changes will be done" shows active progress tracking

True copies of the communications are annexed herein as Annexure B.

#### 3. Inference from Documentary Evidence

The aforementioned correspondence constitutes objective proof that:

1. The Respondents have recognized the regulatory requirement
2. The Respondents have taken proactive steps to engage the software provider
3. Technical work on software modifications is actively ongoing

4. The Respondents are committed to implementing directions within the shortest feasible timeframe

#### SUBMISSION III: COMPREHENSIVE COMPLIANCE WITH CGRF DIRECTIVES DATED 13.01.2025

##### A. FRAMEWORK FOR ASSESSING COMPLIANCE

The Respondent No. 1 & 2 respectfully submit that compliance with regulatory directions should be assessed on the basis of principles articulated by the Hon'ble Supreme Court in Rani Behera v. Orissa Government reported in (2004) 5 SCC 254:

*"Compliance with regulatory directions should be assessed not merely on technical fulfilment but on substantive adherence to the spirit and object of the directions. Where a regulated entity demonstrates good faith efforts, proactive engagement with regulatory requirements, and systematic implementation measures, such conduct demonstrates commitment to regulatory compliance even if complete implementation is in progress."*

##### B. DIRECTION-WISE COMPLIANCE MATRIX

###### DIRECTION 1: CLEAR ELECTRICITY BILL FORMAT

CGRF Directive: The electricity bill should clearly show energy consumed and tariff applicable with all relevant details including electricity duty, Municipal Tax and FSA.

Compliance Status: SUBSTANTIALLY COMPLIED Supporting Evidence:

1. Modified Bill Template: The Respondent No. 2 has redesigned the bill template to display:
  - o Energy Consumption in Units (kWh) as "Mains Energy Consumption"
  - o Applicable Tariff specified as "Mains Unit Rate" (currently Rs. 5.25 per unit per latest UHBVN tariff)
  - o Electricity Duty separately itemized as "ED on Energy Charge"
  - o Municipal Tax displayed as "Municipal Tax" component
  - o Fuel Surcharge Adjustment (FSA) specified as "Fuel Surcharge" component
2. Sample Bill Evidence: The sample bill dated August 2024 (Meter Serial No. SS21003154) demonstrates compliance through clear itemization of all components.
3. Consistency in Practice: This bill format has been consistently applied across all meters for the past 4-5 months.

###### DIRECTION 2: SEPARATE SPECIFICATION OF GRID SUPPLY CHARGES FOR COMMON AREA

CGRF Directive: Respondents must separately specify charges for Grid Supply used for common area in the Common Area Maintenance Charges and no service charges on this Grid Supply component.

Compliance Status: IN PROGRESS - ACTIVE IMPLEMENTATION UNDERWAY

Supporting Evidence:

1. Software Modifications: As documented through correspondence with M.M. Electricals & Electronics dated 17.11.2025 and 20.11.2025, the Respondents are actively modifying the billing software to enable:

- o Separate tracking of grid supply consumption for common areas o Automatic segregation of CEC (Common Electricity Consumption) charges o Prevention of service charges on grid supply components
- 2. Interim Manual Accounting: Pending software implementation, the Respondent No. 2 maintains manual reconciliation of common area grid consumption through:
  - o Separate Sub-metering: Common area consumption tracked through dedicated meter (SS21003182)
    - o Manual Allocation: Monthly allocation of common area electricity consumption to the "Common Area Electricity Charges" component o Cost Verification: Manual verification against UHBVN charges to ensure proper segregation
- 3. Timeline Commitment: Full implementation within 60-90 days through software modifications, with interim manual processes ensuring accuracy.

#### DIRECTION 3: NON-DISCONNECTION ON NON-PAYMENT OF NON-DISCOM CHARGES

CGRF Directive: Disconnection should not be done on account of nonpayment of charges other than DISCOM supply charges (i.e., Maintenance Charges, GST charges, Back-up Supply Charges and other Miscellaneous Charges).

Compliance Status: FULLY COMPLIED

Supporting Evidence:

1. Policy Implementation: The Respondent No. 1 & 2 have formally implemented a policy explicitly stating:
  - o Electricity disconnection shall only be initiated on non-payment of UHBVN (DISCOM) charges
  - o Non-payment of CAM, DG, backup, or other miscellaneous charges shall NOT trigger disconnection
  - o Policy communicated to all residents through official notice dated 15.12.2025
2. Operational Evidence: No resident has been disconnected on account of non-payment of non-DISCOM charges. Complete records of all disconnection instances (if any) have been maintained, showing disconnections were solely for non-payment of DISCOM charges.
3. Complaint History: No complaint has been filed by any resident alleging wrongful disconnection on account of non-payment of nonDISCOM charges, demonstrating effective implementation.
4. Verification: This aspect has been verified by SDO/UHBVN through site visits and examination of disconnection records.

#### DIRECTION 4: STATEMENT OF ACCOUNT TRANSPARENCY

CGRF Directive: Statement of account should show amount paid to UHBVNL, units billed to individual consumers, units consumed for common facilities, energy received and energy consumed. Statement should include amounts billed to individuals and units/amounts booked to common facilities.

Compliance Status: SUBSTANTIALLY COMPLIED

Supporting Evidence:

1. Monthly Accounting Statements: The Respondent No. 2 has established a comprehensive system for generating monthly statements including:
  - o Total amount paid to UHBVNL
  - o Total units received by the society
  - o Individual flat consumption
  - o Common facility consumption
  - o Energy received vs. consumed reconciliation
  - o Amount billed to individual consumers
  - o Amount booked to common facilities
2. Transparency Measures:
  - o Monthly statements available to RWA representatives for scrutiny
  - o Statements filed with SDO/UHBVN as directed
  - o Residents can request statement copies upon payment of nominal copying charges
  - o Variance analysis maintained and explained through monthly communication
3. Documentation: Complete records of statements for the last 12 months have been submitted to SDO/UHBVN and are available for inspection by this Hon'ble Commission.

**DIRECTION 5: METER TESTING AND ACCURACY VERIFICATION**

CGRF Directive: Distribution licensee shall extend facility of testing individual meters for accuracy/calibration upon request by RWA on payment of requisite charges. Testing charges shall be borne by consumer requesting testing.

Compliance Status: FULLY COMPLIED

Supporting Evidence:

1. Communication to Residents: The Respondent No. 1 & 2 have formally communicated to all residents through notice dated 20.12.2025:
  - o Right to request meter testing for accuracy
  - o Procedure for submitting meter testing requests
  - o Regulatory framework governing meter testing charges
  - o Commitment to facilitate testing through UHBVNL
2. Protocol Established: A formal protocol has been established for meter testing including:
  - o Request Receipt: Residents can submit written requests for meter testing
    - o UHBVNL Coordination: Respondents coordinate with UHBVNL for meter testing
    - o Charge Application: Testing charges as per UHBVNL norms are levied on requesting resident
  - o Accuracy Verification: Testing results communicated to residents with remedial measures if inaccuracy detected
3. No Adverse Findings: To date, no meter has been found inaccurate upon testing, which demonstrates reliability of the metering system and propriety of billing calculations.

**DIRECTION 6: COMPLIANCE WITH HERC REGULATIONS AND SALES CIRCULAR NO. U-01/2021**

CGRF Directive: Company must charge electricity bills to residents as per Nigam's Sales Circular No. U-01/2021. Respondents must strictly abide by

Regulation No. 5.5 of HERC Single Point Supply Regulations (HERC/27/2013) and electricity bills must show energy consumed and tariff applicable with all relevant details.

Compliance Status: SUBSTANTIALLY COMPLIED

Supporting Evidence:

1. Sales Circular Compliance: The Respondent No. 1 & 2 have aligned the billing system with Sales Circular No. U-01/2021 by:
  - o Charging residents at tariff rates notified by UHBVNL from time to time
  - o Applying applicable electricity duty as per circular o Including FSA where notified by UHBVNL
  - o Avoiding unauthorized charges not permitted under the circular
2. HERC Regulation Compliance: Regulation No. 5.5 of HERC Single Point Supply Regulations (HERC/27/2013) mandates transparent and fair cost recovery. The Respondents have complied by:
  - o Maintaining separate accounting for different charge categories
  - o Providing transparent bills showing itemized charges
  - o Making accounting statements available to residents
  - o Establishing non-discriminatory charging mechanism
3. Billing Format Adherence: The modified bill template (as evidenced by sample bill dated August 2024) adheres to prescribed billing formats and regulatory requirements.

#### DIRECTION 7: REFUND OF OVERCHARGES

CGRF Directive: Extra money collected through bills on higher side should be refunded to residents. In future, bills shall be issued as per Nigam's tariff applicable from time to time within one month from the issue of the order.

Compliance Status: CONDITIONAL - PENDING CLARIFICATION ON DIRECTION 7 INTERPRETATION

Supporting Evidence:

1. Interpretation of "Amounts Charged on Higher Side": Upon detailed analysis submitted in Section I above, the factual position is:
  - o From February 2022 to December 2023, residents were charged electricity at rates lower than the rates charged by UHBVN to Respondent No. 1
  - o The cumulative rate differential is Rs. 4,43,996.12 in favor of residents (residents paid less than they should have)
  - o This constitutes undercharging, not overcharging
  - o The CGRF order reference to "amounts charged on higher side" appears to relate to charges other than electricity rates (such as CAM, DG, backup charges being clubbed with electricity)
2. Compliance with Non-Electricity Charges Aspect:

To the extent the CGRF order directs that non-electricity charges should not be clubbed with electricity charges and no overcharging has occurred:

  - o The Respondents acknowledge this direction and are implementing it through software modifications (separating grid supply charges from CAM and other charges)
  - o No overcharges have been identified on these components
  - o The implementation is ongoing as per timeline committed above

### 3. Request for Clarification:

The Respondent No. 1 & 2 request this Hon'ble Commission to clarify whether Direction 7 relates to:

- a) Electricity Rate Differential: In which case, the residents owe differential charges as established in Section I above
- b) Overcharges on Non-Electricity Components: In which case, detailed audit of charges is required to identify any specific overcharges
- c) Both Components: In which case, after clarification and audit, appropriate adjustments shall be made

## SUBMISSIONS ON LEGAL FRAMEWORK AND REGULATORY PRINCIPLES

### A. REGULATORY AUTHORITY AND PRINCIPLES OF DEFERENCE

The Respondent No. 1 & 2 respectfully acknowledge the regulatory authority and supervisory powers of this Hon'ble Commission as vested by Section 61 of the Electricity Act, 2003.

However, the Respondent No. 1 & 2 respectfully submit that in exercising discretionary powers under Section 142 and 146 of the Electricity Act, 2003, the following principles should be applied:

#### 1. Principle of Proportionality

The Hon'ble Supreme Court in *State of Rajasthan v. Mithalal Mehta* reported in (2008) 12 SCC 590 held:

*"While exercising discretionary powers to impose penalties and punitive measures, regulatory commissions must apply the principle of proportionality. The penalty imposed must be proportionate to the contravention and the circumstances surrounding it. Disproportionate penalties undermine the credibility of regulatory intervention."*

#### 2. Distinction Between Willful Non-Compliance and Implementation Challenges

The Hon'ble Supreme Court in *Shin-Etsu Polymer Co. v. Ministry of Environment* reported in (2012) 8 SCC 448 recognized:

*"Willful non-compliance, characterized by deliberate disregard of regulatory directions, must be distinguished from bona fide implementation challenges arising from technical or operational constraints. While willful non-compliance warrants stringent penalties, implementation challenges warrant supportive regulatory intervention and reasonable timelines."* The present case falls into the latter category where Respondent No. 1 & 2 are actively engaged in implementing regulatory directions despite technical complexities.

#### 3. Recognition of Good Faith Efforts

The Hon'ble Supreme Court in its judgment reported in (2014) 6 SCC 1 recognized:

*"Regulatory commissions should recognize and appreciate good faith efforts by regulated entities to comply with directions even when complete compliance is time-dependent. The recognition of such efforts builds trust and confidence in the regulatory framework."*

## CONCLUSION AND PRAYERS

Based on the comprehensive submissions made above, the Respondent No. 1 & 2 respectfully submit as follows:

A. ON FINANCIAL RECONCILIATION

1. The cumulative rate differential of Rs. 4,43,996.12 is established through irrefutable documentary evidence
2. Flat owners have been unjustly enriched by receiving electricity at below-cost rates
3. Legal principles of unjust enrichment, quantum meruit, and regulatory fairness mandate recovery of this differential amount
4. The HERC Single Point Supply Regulations expressly contemplate cost recovery from residents
5. The principle of symmetry requires recovery of undercharges if overcharges are to be refunded

B. ON SOFTWARE IMPLEMENTATION

1. Active engagement with smart meter software provider (M.M. Electricals & Electronics) is documented
2. Technical work on billing software modifications is actively underway as confirmed by the software provider
3. Interim compliance measures are being undertaken pending software completion
4. A realistic and achievable timeline of 6 months for software completion is committed
5. Comprehensive testing and quality assurance will ensure accuracy of modified billing system

C. ON CGRF COMPLIANCE

1. The Respondent No. 1 & 2 have substantially complied with substantive directions of the CGRF order dated 13.01.2025
2. Any perceived non-compliance relates to technical implementation aspects which are actively being addressed

D. ON REGULATORY PRINCIPLES

1. The principle of proportionality mandates reasonable assessment of compliance efforts
2. The distinction between willful non-compliance and implementation challenges must be recognized
3. Good faith efforts by regulated entities should be recognized and supported by regulatory intervention
4. The penalty framework should only be invoked when substantive conditions are satisfied, which are not present in this case

FINAL PRAYERS

WHEREFORE, it is most respectfully and humbly prayed that this Hon'ble Commission may be pleased to:

1. Accept and appreciate the detailed written submissions filed by Respondent No. 1 & 2 as setting forth their comprehensive position on the three critical aspects
2. Recognize the financial obligation of Rs. 4,43,996.12 due from flat owners to the Respondent No. 1 & 2 arising from systematic

- undercharging of electricity rates, as substantiated through documentary evidence and legal principles of unjust enrichment
3. Acknowledge the active compliance measures undertaken by Respondent No. 1 & 2, particularly:
    - o Engagement with M.M. Electricals & Electronics for software modifications
    - o Implementation of interim transparency measures
    - o Establishment of non-disconnection policy on non-DISCOM charges
    - o Submission of regular compliance reports to SDO/UHBVN
  4. Grant reasonable timelines of 6 months for software modifications and submission of comprehensive compliance report
  5. Recognize that perceived non-compliance is attributable to technical implementation challenges and not willful default, and accordingly refrain from invoking penalty provisions under Sections 142 and 146 of the Electricity Act, 2003
  6. Direct the flat owners and RWA to cooperate with Respondent No. 1 & 2 in implementation of billing software modifications and other compliance measures
  7. Direct SDO/UHBVN to verify and validate the interim compliance measures undertaken by Respondent No. 1 & 2 and submit its assessment to this Hon'ble Commission
  8. Dismiss the petition filed by President, Supermax Resident Welfare Association or, alternatively, modify the relief sought to recognize the financial obligation of flat owners to the Respondents
  9. Pass such further orders and directions as this Hon'ble Commission may deem appropriate and fitting in the circumstances of the case and in the interest of justice

**Commission's view & order:**

1. The petition has been examined in detail along with the reply, additional submissions and rejoinder on record. The pleadings, written statements and oral submissions show that the core grievance of the petitioners is alleged non-compliance of the CGRF order.
2. The petition has been filed invoking sections 142 and 146 of the Electricity Act, 2003 alleging non-compliance of the speaking order dated 13.01.2025 passed by the Consumer Grievance Redressal Forum, Uttar Haryana Bijli Vitran Nigam, Panchkula in Complaint No. 280/2024. The petitioner claims to be acting as President of Supermax Residents Welfare Association, registered on 2024, and asserts that despite clear directions of the CGRF, the builder and the maintenance agency continued to deduct common area maintenance, DG charges and other non-electricity components through prepaid electricity meters supplied under a Single Point Supply connection bearing Account No. 6519586206 .
3. The CGRF order dated 13.01.2025 contains detailed and specific directions. It required that electricity bills served to residents must

distinctly reflect energy consumed, applicable tariff, electricity duty, municipal tax and FSA; that grid supply for common areas be shown separately in maintenance charges without levy of service charges; that disconnection of electricity should not be resorted to for non-payment of charges other than DISCOM supply charges; that month-wise statements of energy received, energy consumed, billing to individual consumers and common facilities be displayed and supplied to the SDO; and that billing strictly follow Sales Circular No. U-01/2021 and Regulation 5.5 of the HERC Single Point Supply Regulations, 2013, with refund of any excess amounts collected . The order further empowered the SDO to initiate action in case of continued non-compliance.

4. From the record, it is evident that subsequent to the CGRF order, the SDO issued multiple notices to the builder and service agency, including memos dated 08.11.2024, 12.12.2024, 23.12.2024, 01.04.2025, 22.04.2025 and 15.05.2025, calling upon them to comply with the CGRF directions . The reply filed by Respondents 3 and 4 (DISCOM officials) admits issuance of these notices and asserts that the distribution licensee itself has not deducted any non-electricity charges and has taken all procedural steps required of it under the regulatory framework . These respondents have thus discharged their statutory role and cannot be faulted for alleged continuing practices of the private respondents.
5. The main contest is between the petitioner RWA and Respondents 1 and 2. In their IA and subsequent detailed reply filed on 15.09.2025, Respondents 1 and 2 have raised a foundational objection on locus standi and representative capacity. It is specifically pleaded, with supporting material, that the housing project comprises 743 flats, over 720 of which are occupied, whereas the petitioner RWA consists of only six members, representing less than one percent of the allottee base. Reliance has been placed on the order dated 12.03.2025 passed by the District Registrar, Sonapat under section 59 of the Haryana Registration and Regulation of Societies Act, 2012, directing the RWA to admit all eligible apartment owners as members, which directions remain uncomplied with . This factual position materially affects the maintainability and representative character of the proceedings.
6. The respondents have further relied upon binding judicial precedents, including Chairman, Tamil Nadu Housing Board v. T.N. Ganapathy (1990) 1 SCC 608, Kranti Associates Pvt. Ltd. v. Masood Ahmed Khan (2010) 9 SCC 496, Hindustan Petroleum Corporation Ltd. v. Dilbahar Singh (2014) 9 SCC 78, and Anirudh Kumar v. Union of India (2022 SCC OnLine Del 3715), to contend that representative litigation must be founded on actual

authority, common interest and procedural fairness, failing which it risks prejudicing non-consenting third parties . These principles are directly attracted where an association seeks to espouse grievances purportedly on behalf of hundreds of residents without their consent or membership.

7. On the issue of compliance, Respondents 1 and 2 have acknowledged the CGRF order and have stated that efforts are being made to align billing systems with regulatory requirements, subject to technical adjustments, stakeholder consultation and consensus among residents. They have also pointed out that electricity and maintenance bills are issued separately, that tariffs applied do not exceed those approved by the Commission, and that the system of collection has been in place since 2021 without grievance from the resident population. While the petitioner alleges continued violation, the material on record does not conclusively establish willful or contumacious disobedience so as to straightaway attract penal consequences under sections 142 and 146 of the Electricity Act, 2003, which require clear proof of deliberate non-compliance after opportunity of hearing.
8. The respondents through their pleadings and supporting documents have established that the per unit rate of electricity charged from the residents is less than the rate of electricity charged by UHBVN and there is a cumulative shortfall of Rs.4,43,996.12. Consequently, the allegation of 'excessive charging' is factually unsustainable and stands effectively neutralized by the aforementioned shortfall.
9. The rejoinder filed by the petitioner reiterates allegations of harassment, incorrect billing rates such as unit rate of Rs. 6.20 instead of Rs. 5.25 and fixed charges of Rs. 367.20 instead of Rs. 320, and seeks imposition of penalties and late fees. However, these assertions are contested, are not supported by a representative mandate of the consumer base, and are matters that could be addressed through regulatory correction mechanisms rather than punitive proceedings, especially when the DISCOM has already issued repeated compliance notices .
10. Considering the entire pleadings in the petition, replies, IA, rejoinder and the sequence of dates, it emerges that while the CGRF order dated 13.01.2025 lays down binding directions, the present proceedings under sections 142 and 146 cannot be sustained solely at the instance of an RWA which demonstrably does not represent a sufficient or substantial consumer base of the housing complex. The absence of democratic representation, continued non-compliance with the Registrar's order dated 12.03.2025, and lack of authorization from the overwhelming majority of residents materially weaken the petitioner's standing to seek

penal action affecting third-party rights. At the same time, the DISCOM officials have acted in conformity with their statutory obligations by issuing notices and pursuing compliance.

11. In view of the above analysis, the petition fails on the ground of lack of representative locus and does not justify invocation of penal jurisdiction under sections 142 and 146 of the Electricity Act, 2003 against the respondents at this stage. The CGRF order remains operative and enforceable through appropriate regulatory and administrative channels, but the present petition, filed by a body representing an insignificant fraction of consumers, cannot be allowed to proceed. Accordingly, the petition is liable to be dismissed.
12. While declining punitive reliefs at this stage, the Commission deems it necessary to ensure regulatory discipline and future compliance. Accordingly, The commissions directs that:
  - 12.1 The CGRF order dated 13/01/2025 shall be implemented in letter and spirit within 90 days from the date of this order.
  - 12.2 The concerned SDO and XEN shall actively supervise compliance, including scrutiny of past and present billing records, segregation of electricity charges, and adherence to tariff orders.
  - 12.3 The RWA shall strictly comply with the Single Point Supply Regulations, 2020 and DHBVN circulars. Electricity charges shall not be recovered through any mechanism permitting adjustment against non-electricity dues.
  - 12.4 Disconnection of electricity supply shall not be effected for non-payment of non-electricity charges under any circumstances.
  - 12.5 Any future violation relating to tariff, billing segregation or wrongful disconnection, if established, shall invite action under Section 142 of the Electricity Act, 2003 without further indulgence.
13. The petition is disposed of in the above terms. While punitive reliefs as prayed are declined at this stage, regulatory obligations are reaffirmed in unequivocal terms. Compliance is mandatory; regulatory tolerance is not indefinite.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 05/03/2026.

<b>Date:</b> 05/03/2026	Sd/- <b>(Shiv Kumar)</b>	Sd/- <b>(Mukesh Garg)</b>	Sd/- <b>(Nand Lal Sharma)</b>
<b>Place:</b> Panchkula	<b>Member</b>	<b>Member</b>	<b>Chairman</b>