

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

Case No. HERC/P. No. 54 of 2025

Date of Hearing : 17/03/2026
Date of Order : 08/04/2026

IN THE MATTER OF:

Complaint under Section 142, read with Section 146 & Section 149 of the Electricity Act, 2003 & Regulation 2.32 of HERC (Corporate CGRF DBHVN & Ombudsman) Regulations, 2020 for imposing penalty u/s 142 and institution of complaint u/s 146 of the Electricity Act, 2003 on account of non compliance of the order/ direction passed by Ld. Corporate Forum CGRF DHBVN for redressal of consumer grievances (CGRF) DHBVN Gurgaon as well as continuing failure to comply with the direction(s) of order number 4854/2025 dated 30.04.2025 by respondent(s) and for direction(s) to ensure strict compliance of the direction issued by the Corporate CGRF DHBVN Gurgaon memo number 346/ CGRF /GGN dated 01.05.2025 to impose the penalty as per HERC (Standard of Performance of Distribution Licensee and Determination of Compensation) Regulation 2020 Schedule – ii Sub Clause 2 for non-compliance of the order within stipulated time frame of 21 days.

Petitioner

Heritage Max Condominium Association Through its President Mr. Naval Kishor Rustagi.

VERSUS

Respondent:

1. SDO 'OP' Sub Division, Sector 37, DHBVN building Pataudi Road, Sec-10, Gurgaon
2. XEN 'OP' Division City, DHBVN, Near HVPNL Colony, Near Police Line, Gurgaon.

Present

On behalf of the Petitioner

Sh. Akshay Gupta, Advocate

On behalf of the Respondent.

1. Sh. Raheel Kohli, Advocate
2. Sh. Tarsem Rana, Advocate
3. Sh. Manoj Kumar, XEN, DHBVN
4. Sh. Manish, SDO, DHBVN

QUORUM

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

ORDER

1. **Petition:**

- 1.1 That the Heritage Max Condominium Association (HMCA) is registered society under Societies act by the District Registrar Gurugram vide registration number HR-018-2018-03368.
- 1.2 That Mr. Naval Kishor Rustagi (hereinafter be referred as complainant petitioner) is the president of the HMCA.
- 1.3 That Mr. Naval Kishor Rustagi is authorized by the condominium through Board Resolution to file the present case.
- 1.4 That the Heritage Max Condominium Association (RWA) taken over the project from the developer (Dream home Infrastructure Pvt Ltd) on 27-03-2024.
- 1.5 That the HMCA is having a Bulk Supply Domestic electricity connection bearing account number 6194724916.
- 1.6 That the HMCA observed that the DHBVN violated the instructions, sales circular of Nigam and regulation(s) passed by the HERC by charging wrong tariff and not following the regulations.
- 1.7 That as per the Standard Operating Procedure and Regulations of the HERC the DHBVN is ought to follow the tariff circulars issued in accordance with the tariff order passed by the commission but never implemented the same in toto.
- 1.8 That the HMCA filed a complainant before Corporate CGRF DHBVN Gurgaon on 20.03.2025 and prayed:
 - i. Direct the respondent to comply with the Regulation issued by the HERC and thus allow the 4%rebate units from the consumed units from Nov-2018 and to refund the excess amount with 18% / annum interest from the date of approval to the date of payment and;
 - ii. Direct the respondent to allow the Slab benefit on 530 units from Nov-2018 and on 581 units from Jan-2019 and refund the excess amount with 18% / annum interest from the date the excess amount was charged till adjustment in bill and;
 - iii. Direct the respondent to pay interest on security deposited at rate fixed by Nigam and penal interest @ 18% on delayed payment as per the sales circular D-29/2016 and issue the TDS certificate if any TDS deducted and;
 - iv. Direct the respondent to refund the FSA charged in the bill of Aug-2021 with 18% interest from the date this amount was refundable till realization and;
 - v. Direct the respondent to refund the excess fixed charges charged with 18% interest from the date this amount was refundable till realization and;
 - vi. Direct the respondent to refund the MC tax charged with 18% interest from the date this amount was refundable till realization and;
 - vii. Direct the respondent to pay the compensation of Rs 1,00,000 to complaint on account of harassment, mental agony, pain suffered by its functionaries and legal expenses incurred and;
 - viii. Pass any other or further order which this Hon'ble Forum deems fit and proper in the facts and circumstances of the case in favor of complainant in the interest of Justice.
- 1.9 That Corporate CGRF DHBVN Gurgaon vide order dated 30.04.2025 disposed the case and the order passed by the CGRF is held as under:

After considering the reply of both the complainant and SDO and submissions made by them in the hearing, the Forum observed that :

Based on the documents, replies submitted by both the parties, Forum observed that:

- i. The complainant's society have 581 dwelling units including 88 EWS which has been admitted and updated by respondent in Nov-2023. The complainant has already submitted the Occupation certificate with the respondent in Jan-2019 and the DHBVN also approved the Sanctioned Load/ Electrification Plan based on the dwelling units/ Project details and FAR, SDO (OP) is duty bound to update the dwelling units and apply the tariff as per HERC regulations and because of the negligence on part of the Nigam, complainant should not suffer. Forum asked respondent the reason of non updation of correct dwelling unit, he said that this account has been migrated from Palam Vihar Sub Division.
- ii. The SDO (OP) submitted that 4% rebate for 11 KV BLSDS consumer as per HERC single point regulation is already given to complainant from Nov-2018 while the consumer placed the copy of bills for the period Nov-2018 to Sep-2020 and on perusal of the same, Forum observed that no such rebate was being given to complainant. Further after giving many opportunities, the respondent SDO failed to submit the reply to address grievance of consumer related to interest on ACD from date of connection, exemption of FSA on bill issued on or after 30.07.2021 (one month, difference of fix charges, MC tax from DOC to 2021).
- iii. Forum observed that issues raised by the complainant are related to the Sales Circulars of DHBVN and Regulations of HERC and has already been decided by this Forum, Electricity Ombudsman and HERC and this is the duty of the SDO (OP) to comply with the regulations issued by the HERC.

The respondent SDO is hereby directed by Forum to:

- A. Adjust the 4% rebate to complainant from Nov-18 to Sep-2020 (if not given, after verifying the bills).
- B. Allow the slab benefit on 581 dwelling unit from Jan-19 to Nov-2023 (if not given) and refund the difference of tariff excess charged.
- C. Adjust the interest on ACD (from the date of depositing the ACD) along with penal interest as per HERC regulation for the period interest accrued delayed. (after verifying the records).
- D. Refund the FSA charged in the bill issued in the month of Aug-21.
- E. Refund of excess fix charges charged as per record and
- F. Refund MC tax charged till March-2021, after verifying the records from MCG.

The case is closed. No cost on either side.”

(Emphasis Supplied)

- 1.10 The respondent should comply with the order passed by Corporate CGRF DHBVN within 21 days i.e. by 21-05-2025 but respondent failed to comply with the order and direction(s) given by the Corporate CGRF DHBVN Gurgaon.
- 1.11 That the respondent has failed to comply with the order passed by Ld. Corporate CGRF DHBVN Gurgaon and forced complainant petitioner to file the complaint Before Hon'ble HERC under Section 142 Read with Section 146 & Section 149 of Electricity Act-2003 for non-compliance of order passed by Ld. Corporate CGRF DHBVN Gurgaon dated 30.04.2025.
- 1.12 Electricity Act, 2003- Section 142 “Punishment for Non-Compliance of directions by Appropriate Commission): in case any complaint is filed before the Appropriate Commission by any person or if that Commission by any person or if that Commission is satisfied that any person has contravened any of the provisions of this Act or the rules or regulations made, thereunder; or any direction issued by the Commission, the Appropriate Commission may after giving such person an opportunity of 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 if 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 direction.

- 1.13 Section 146: “Punishment for Non-Compliance of orders or directions-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, with both in respect of each offence and in the case of continuing failure, with an additional fine which may extend to five thousand rupees for every day during which the failure continues after conviction of the first such offence:

(Provided that nothing contained in this section shall apply to the orders, instructions or directions issued under section 121.)

Section 149 (1) Where an offence under this act has been committed by a company, every person who at the time the offence was committed was in charge of and was responsible to the company for the conduct of the business of the company, as well as the company shall be deemed to be guilty of having committed the offence and shall be liable to be proceeded against and punished accordingly:

(2) Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(3) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of or is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of having committed such offence and shall be liable to be proceeded against and punished accordingly.

- 1.14 Regulation 2.32 of HERC (Corporate CGRF DBHVN and Ombudsman) Regulations, 2020 (Regulation2.32):

“The decisions of the Corporate CGRF DBHVN will be recorded and duly supported by reasons. The Order of the Corporate CGRF DBHVN will be communicated to the complainant and the licensee in writing within 7 days of the passing of the Order. The licensee shall comply with the order of the Corporate CGRF UBHVN within 21 days from the date of receipt of the order. In appropriate cases, considering the nature of the case, the Corporate CGRF DHBVN, upon the request of the licensee, may extend the period for compliance of its order up to a maximum of three months. The aggrieved consumer may approach the Ombudsman who will provide the consumer as well as the licensee an opportunity of being heard and decide the appeal.

- 1.15 In case of non-compliance of the order of the appropriate Corporate CGRF DBHVN, 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.”

- 1.16 That as per HERC (Standard of Performance of Distribution Licensee and determination of compensation) Regulation, 2020 Schedule – II Sub Clause 20 provides that in case of compliance of CGRF is not made within the time framed defined in such order or the regulations specified by the commission in this regard, the compensation of Rs.100/- per day or part thereof is payable.
- 1.17 That as per the HERC fee regulation 10/2005 with its subsequent amendments, clause number 20(iv) the fee is NIL.

P R A Y E R :-

It is, therefore, most humbly prayed that considering the submissions brought out above, this Hon'ble Commission may kindly be pleased to:

- i. Institution of complaint under Section 142 RW Section 146 of Electricity Act,2003 for failure to comply with the order / direction passed by the Ld. CGRF on dated 30.04.2025 as well as continuing failure to comply with the directions against the respondent(s).
- ii. Direct the respondent(s) to comply with the direction(s) given Corporate CGRF DHBVN vide order dated 30.04.2025 and adjust the due refund as per order.
- iii. To impose penalty of Rs. 1 Lakh on respondent(s) under Section 142 of Electricity Act 2003 for failure to comply with the order / direction passed by Ld. CGRF on 30.04.2025 as well as continuing failure to comply with the directions and adjust/ refund the dues to the complainant.
- iv. To direct the respondent(s) to pay compensation @ Rs.100/ Day for non-compliance of order passed by CGRF within 21 days.
- v. To award the penalty imposed on respondent(s) in favor of the complainant-petitioner.
- vi. Direct respondent(s) to pay Rs. 1,00,000/- (Rs. One Lac only) as court fee and litigation expenses.

To allow any other relief as deemed fit by the hon'ble Commission.

2. The case was heard on 04.09.2025, Sh. Tarsem Rana, submitted the reply to the petition and reiterated that the orders of the CGRF have been complied. The Commission acknowledged the reply submitted during the proceedings. Further, it was directed that in future the replies would not be accepted in court, all replies must be submitted through the registry at least three days before the proceedings with advance copies to petitioner, as required in the Conduct of Business Regulations. The respondent SDO informed that the XEN sought an exemption from appearing, citing an order from the District Administration. However, the Commission noted that this order only applied to SEs, and no exemption can be allowed on this plea. The Commission decides to impose penalty of Rs. 25000/- on the respondent XEN for non-appearance in the court. Sh. Akshay Gupta,

the petitioner's counsel, submitted that the CGRF order is not implemented. He, further, submitted a calculation sheet in court and to the respondents. The Commission adjourns the matter and directs the petitioner to file its rejoinder by 18/09/2025 with advance copy to the respondent, further the respondent to submit final compliance report by 15/10/2025

3. **Reply dated 03/09/2025**

- 3.1 The present reply is being filed on behalf of Dakshin Haryana Bijli Vitran Limited ("DHBVN"/"Answering Respondent") in response to the captioned petition filed by M/S Mittal Polyfil ("Petitioner"), alleging non-compliance of order dated 30.04.2025 passed by the Forum for Redressal of Consumer Grievance, DHBVN, Gurgaon ("CGRF") in Case No.4854/2025 ("CGRF Order").
- 3.2 That the CGRF Order had directed the Answering Respondent to:
- i. Adjust the 4% rebate to complainant from Nov-18 to Sep2020 (if not given, after verifying the bills).
 - ii. Allow the slab benefit on 581 dwelling units from 1/2019 to 11/2023 (if not given) and refund the difference of tariff excess charged.
 - iii. Adjust the interest on ACD (from date of depositing the ACD) along with penal interest as per HERC regulation for the period interest accrued delayed (after verifying the records).
 - iv. Refund the FSA charged in the bill issued in the month of Aug. -21:-
 - v. Refund of excess Fix charges charged as per record.
 - vi. Refund of MC Tax charged till March-2021, after verifying the records from MCG.
- 3.3 It is submitted at that the point-wise compliance of the CGRF order is as follow:
- A. With respect to direction at serial (i) and (it) of the CGRF order, it submitted that an amount to the tune of INR 18,69,547 was found adjustable. In this regard, calculation sheet attached showing the amount of INR 18,69,547 is annexed herewith and marked as "Annexure-AU. It Is respectfully submitted that this amount shall be adjusted jn the next energy bill.
 - B. With respect to direction at Serial (iji) of the CGRF order, ACD was verified from 16/10/2018 to 4/2025 and accordingly an amount to tune of INR 3,51,885 was found adjustable. It is respectfully submitted that this amount of INR shall be adjusted in the next energy bill.
 - C. With respect to direction at Serial (tv) of the CGRF order, it is submitted that RAPDRP software has adjust the FSA on dated 8/10/2021 to the tune of Rs. 29,666/- related to 1/8/2021 period.
 - D. With respect to direction at Serial (v) of the CGRF order, it is submitted that RAPDRP software has adjust the Fix charges difference on 02/05/2022 to the tune of Rs. 21,967/- with heading Rate Revision FC.
 - E. With respect to direction at Serial (VI) of the CGRF order necessary adjustment of M Tax to the tune of INR reflected In "Annexure A" and It is the part of INR 18,69,547/-.
- 3.4 It is most respectfully submitted that the Answering Respondent has utmost respect and regard for the directions Issued by the CGRF accordingly took all necessary steps towards compliance of the CGRF Order. However, due to certain unavoidable procedural delays, including but not limited to collating and verifying the requisite data, and obtaining approvals, the compliance of

the directions given by CGRF was Inadvertently delayed, which delay is not wilful or deliberate.

In light of the above submissions, this Hon'ble Commission may be pleased to dismiss the present petition

4. Rejoinder rcvd. on 15/09/2025

4.1 The reply submitted by the respondent is irrelevant and not based on the directions given by Corporate CGRF DHBVN Gurgaon and regulations/direction of HERC.

4.2 A bare perusal of the reply filed by the respondents shows that their submissions are vague, full of baseless denials and lack of specific answers to the issues raised in the complaint. The respondents have only presented a concocted story and have miserably failed to answer the points of substantive points of the dispute in hand. It is evident that the respondents are only trying to evade their liability through false, vague and baseless denials.

4.3 It is further submitted that complainant is not providing a paragraph-wise rejoinder to the reply filed by the respondent (for the sake of brevity) and is setting out its submissions hereinafter.

4.4 The order of the CGRF is held as under:

“ The respondent SDO is hereby directed to:

- i. Adjust the 4% rebate to complainant from Nov-18 to Sep-2020 (if not given, after verifying the bills).
- ii. Allow the slab benefit on 581 dwelling unit from Jan-19 to Nov-2023 (if not given) and refund the difference of tariff excess charged.
- iii. Adjust the interest on ACD (from the date of depositing the ACD) along with penal interest as per HERC regulation for the period interest accrued delayed. (after verifying the records).
- iv. Refund the FSA charged in the bill issued in the month of Aug-21.
- v. Refund of excess fix charges charged as per record and
- vi. Refund MC tax charged till March-2021, after verifying the records from MCG.

4.5 The respondent SDO in its reply submitted that “Rs 1869547/- has been adjusted in consumer account “.

4.6 The respondent SDO with an intent to harass the consumer, charged the commercial tariff as per sales circular D 17-2020 just to dilute the refund amount.

4.7 The respondent cannot go beyond the CGRF's Order in the execution petition; still the respondent has charged Rs, 35,00,000 lac as commercial tariff despite the fact that the site of the complainant was verified by the M&P on 3-09-2025 only. According to the supply code, a notice is required to be given to the consumer before charging any short assessment.

4.8 The total principle refundable amount against the point number (i) (ii) (iv) (v) and (vi) is Rs. 9256449 (Rupees Ninety Two Lac Fifty Six Thousand Four Hundred Forty Nine Only) and the calculation sheet attached herewith as PR-1)

Below is the year wise due refund amount

Table-A

Month	Period	Amount Refundable
Apr-19	Nov-18 to March-19	443701
Apr-20	Apr-19 to March-20	1520057
Apr-21	Apr-20 to March-21	1985817
Apr-22	Apr-21 to March-22	1860104
Apr-23	Apr-22 to March-23	1491108

Apr-24	Apr-23 to March-24	1955668
Total		9256449

- 4.9 That as per HERC regulation the Nigam cannot charge a single paisa excess other than the tariff but here the respondent kept charging nearly thirty lac / year excess amount other than tariff.
- 4.10 That as per Section Section 62(6) of the Electricity Act, 2003 if a licensee or a generating company charges a price or rate exceeding the tariff determined by the electricity regulatory commission, they must refund the excess amount along with interest equal to the bank rate to the person who paid it, in addition to any other liabilities they may incur.
- 4.11 That total amount refundable against excess tarrif along with interest is Rs. 11008524 (Rupees One Crore Ten lac Eight Thousand Five Hundred Twenty Four Only) the detail are as below.

Month	Period	Amount Refundable	Interest
Apr-19	Nov-18 to March-19	443701	199665
Apr-20	Apr-19 to March-20	1520057	547221
Apr-21	Apr-20 to March-21	1985817	536171
Apr-22	Apr-21 to March-22	1860104	334819
Apr-23	Apr-22 to March-23	1491108	134200
Apr-24	Apr-23 to March-24	1955668	
Total		9256449	1752075

- 4.12 That the due refundable amount against the interest on ACD and penal interest is Rs 3729885 (Rupees Thirty Seven Lac Twenty Nine Thousand Eight Hundred Eighty-Five Only) (Calculation sheet attached as PR-2)
- 4.13 So net refundable amount is Rs. 14738409 (Rupees One Crore Forty Seven Lac Thirty Eight Thousand Four Hundred Nine)

Description	Amount
Tarrif + interest	11008524
ACD int + Penal int	3729885
Total	14738409

- 4.14 The complainant places reliance upon the judgment passed by the Hon'ble Apex Court in the case titled as Rahul S. Shah Versus Jinender Kumar Gandhi and others, Civil Appeal Number 1659-60 of 2021 with Nos 1661-62 of 2021 and 1663-64 of 2021, decided on April 22, 2021, where the Court held as follows:

“4.12 The executing court must dispose of the execution proceedings within six months from the date of filing, which may be extended only by recording reasons in writing for such delay.

4.13 XXXX.

Further, in case an offense against a public servant while discharging his duties is brought to the knowledge of the court, it must be dealt with stringently in accordance with the law.”

- 4.15 In the matter of addressing wilful disobedience to court orders, the Supreme Court's judgment in Rama Narang v. Ramesh Narang & Ors., (2006) 11 SCC 114, serves as a significant precedent. In this case, the Court emphasized that such deliberate violation not only undermines the authority of the judiciary but also disrupts the lawful operations of businesses and affects the livelihoods of employees. Consequently, the Court imposed a sentence of two

months of simple imprisonment and a fine on the respondents, underscoring the judiciary's commitment to upholding the rule of law and ensuring compliance with its directives. This case reinforces the principle that wilful disobedience to court orders cannot be tolerated and must be met with stringent punitive measures to maintain judicial integrity and public confidence in the legal system

- 4.16 Due to the negligence on the part of the respondent the avoidable harassment has been caused to complainant, wasting the time of the commission and imposing a huge financial burden on the Nigam in term of delayed payment interest
- 4.17 That the complainant places a reliance upon the judgement passed by Hon'ble Aptel in the matter Bihar State Electricity Board Versus CERC (Aptel, Appeal No 53 of 2009), wherein it was emphasized that the timely compliance with regulations is crucial and that any failure to do so warrant appropriate action.
- 4.18 That the complainant also relies on the judgement of Hon'ble DERC in Yogesh Vats Versus BRPL (DERC Petition No 31/2020, order dated 09.11.2022), wherein the court has held that:
"The Commission finds that the Distribution Licensee (BRPL) has willfully failed to comply with the provisions of the Delhi Electricity Supply Code and has harassed the consumer by failing to replace or rectify the defective meter in a timely manner. In exercise of its power under Section 142 of the Electricity Act, 2003, the Commission imposes a penalty upon BRPL and directs it to remedy the violation within 15 days."

It is, therefore, most humbly prayed that considering the submissions brought out above, this Hon'ble Commission may kindly be pleased to:

- i. Institution of complaint under Section 142 RW Section 146 of Electricity Act, 2003 for failure to comply with the order / direction passed by the Ld. CGRF on dated 15.05.2025 as well as continuing failure to comply with the directions against the respondent(s).
 - ii. Direct the respondent(s) to comply with the direction(s) given Corporate CGRF DHBVN vide order dated 30.04.2025 and adjust the balance refund amount 14738409 (Rupee One Crore Eighty Forty Seven Lac Thirty Eight Thousand Four Hundred Nine Only).
 - iii. To impose penalty of Rs. 1 Lakh on respondent(s) under Section 142 of Electricity Act 2003 for failure to comply with the order / direction passed by Ld. CGRF on 30.04.2025 as well as continuing failure to comply with the directions and adjust/ refund the dues to the complainant.
 - iv. To direct the respondent(s) to pay compensation @ Rs.100/ Day for non-compliance of order passed by CGRF within 21 days.
 - v. To award the penalty imposed on respondent(s) in favor of the complainant- petitioner.
 - vi. Direct respondent(s) to pay Rs. 1,00,000/- (Rs. One Lac only) as court fee and litigation expenses.
 - vii. To allow any other relief as deemed fit by the Hon'ble Commission
5. The case was heard on 06.11.2025, Sh. Raheel Kohli counsel for the respondent, submitted the compliance report and reiterated that the orders of the CGRF have been complied. Sh. Akshay Gupta, the petitioner's counsel, submitted that the CGRF order is not complied. He, further, submitted that the interest on the admissible amounts has

not been refunded. To the query of the Commission, the concerned SDO submitted that the refund of interest has not been mentioned in the CGRF order. The concerned XEN requested a waiver of the costs imposed on account of his absence at the last hearing. The XEN stated that he was unable to attend the hearing owing to the visit of the Hon'ble Chief Minister of Haryana. After due consideration of the XEN's request, the Commission hereby directs that the costs imposed on the XEN in connection with his absence at the last hearing shall be waived. The Commission observes that although the CGRF order is silent on the interest part but the interest is payable as per regulations/ Electricity Act. The Commission adjourns the matter and directs the respondent to file final compliance report as per regulations of the HERC, within four (4) weeks with advance copy to petitioner.

6. Compliance report submitted on 01/01/2026

- 6.1 The present Compliance Report is being filed on behalf of Dakshin Haryana Bijli Vitran Nigam Limited ("DHBVN") pursuant to the Order dated 07.11.2025 passed by this Hon'ble Commission, placing on record the amounts adjusted in the Petitioner's account. It is most respectfully submitted that the said adjustments have been carried out without prejudice to DHBVN's contention and right to dispute these adjudgments before the appropriate forum in accordance with law, including its right to assail and challenge the CGRF Order dated 30.04.2025 passed in Case No. DH/CGRF/4854/2025.
- 6.2 It is submitted that the detail of amounts adjusted in the Petitioner's account is tabulated below:

Head	Amount
Interest on adjustment for rebate & dwelling units as directed/desired by Hon'ble HERC.	INR 22,91,483/65 Proof of adjustment and calculation attached
Rebate and dwelling units	INR 73,86,912/- Proof of adjustment attached
ACD, including penal interest up to September 2025.	INR 14,64,891/- Proof adjustment attached
Rebate and dwelling units	INR 18,69,547/- Proof adjustment attached
Interest on ACD	INR 3,51,885/- Proof adjustment attached
Refund of Excess fix charged already by system.	INR 21,967/- Proof adjustment attached

In light of the above, it is most respectfully prayed that this Hon'ble Commission may be pleased to take the aforesaid compliance on record and be pleased to dispose of the present matter without any order as to cost.

7. The case was heard on 07.01.2026, Sh. Raheel Kohli counsel for the respondent, submitted that the directions of the Commission passed on last hearing have been complied with. Sh. Akshay Gupta, the petitioner's counsel, submitted that the directions with respect to CGRF order have not been complied in toto. He, further, requested for some time to file the rejoinder to the compliance report. The Commission adjourns the matter and directs the petitioner to file its rejoinder within two (2) weeks with advance copy to respondents. Further, the parties to submit their written submissions within two (2) weeks thereafter.
8. The case was heard on 17.03.2026, Sh. Akshay Gupta, the petitioner's counsel, submitted that the directions with respect to CGRF order have not been complied in toto. The due interest on the admissible amounts has not been paid. Sh. Raheel Kohli counsel for the respondent, submitted that the compliance has been made and report as per directions has already been submitted. The due amounts clearly mentioned in the compliance report have been refunded. The petitioner was required to submit his averments on the balance amount, if any, but the same has not been submitted till date which implies that petitioner is not disputing the amounts already refunded. To the query of the Commission, the concerned SDO intimated that no amount has been charged at higher interest rate and the rate of interest paid is as per prevailing circulars. After hearing the arguments, the Commission directs the parties to submit their written submissions within two (2) weeks and reserves the order.

9. **Written submission of petitioner made on 30/03/2026**

- 9.1 At the outset, it is respectfully submitted that the present petition arises out of non-compliance of the CGRF order dated 30.04.2025, wherein the Ld. Forum issued clear and categorical directions to the respondent, inter alia:
- i. Adjust the 4 % rebate to complainant from Nov-18 to Sep-2020 (if not given, after verifying the bills)
 - ii. Allow the slab benefit on 581 dwelling unit from Jan-19 to Nov-2023 (if not given) and refund the difference of tariff excess charged.
 - iii. Adjust the interest on ACD (from the date of depositing the ACD) along with penal interest as per HERC regulation for the period interest accrued delayed. (after verifying the records).
 - iv. Refund the FSA charged in the bill issued in the month of Aug-21.
 - v. Refund of excess fix charges charged as per record and
 - vi. Refund M C tax charged till March-2021, after verifying the records from MCG.
- 9.2 It is respectfully submitted that the present case was registered before this Hon'ble Commission on 27.06.2025. During the initial two hearings, the respondent deliberately avoided filing the compliance report and attempted to mislead the Commission, despite the clear mandate of the CGRF order.

It was only after specific and unequivocal directions issued by this Hon'ble Commission that the respondent was compelled to act, pursuant to which:

- i. The first compliance report was submitted on 03.09.2025
- ii. Thereafter, a second compliance report was submitted on 04.11.2025 (Copies of both compliance reports are annexed herewith as Exhibit E- 1 and E-2) From these compliance reports, it is evident that the respondent has itself admitted the refundable amount, which is further substantiated by the calculation sheet (Excel) placed on record.

9.3 It is respectfully submitted that the issues involved in the present matter are squarely governed by the Haryana Electricity Regulatory Commission (HERC) Regulations, and the respondent, being a distribution licensee, is statutorily bound to strictly comply with the same.

However, instead of adhering to the regulatory framework and implementing the CGRF order in a fair and timely manner, the respondent has compelled the complainant to run from pillar to post, thereby unnecessarily prolonging litigation and delaying legitimate relief.

In this regard, reliance is placed upon the judgment of the Hon'ble Supreme Court in *Madras Port Trust vs. Hymanshu International* (1979) 4 SCC 176, wherein it has been held:

"2... It is high time that governments and public authorities adopt the practice of not relying upon technical pleas for the purpose of defeating legitimate claims of citizens and do what is fair and just to the citizens. Of course, if a government or a public authority takes up a technical plea, the Court has to decide it and if the plea is well founded, it has to be upheld by the court, but what we feel is that such a plea should not ordinarily be taken up by a government or a public authority, unless of course the claim is not well-founded and by reason of delay in filing it, the evidence for the purpose of resisting such a claim has become unavailable...."

9.4 It is respectfully submitted that under the HERC Regulations, the respondent Nigam is strictly bound to charge only the tariff determined by this Hon'ble Commission and cannot recover even a single paisa in excess thereof. However, in the present case, the respondent has continuously charged amounts far beyond the approved tariff, resulting in excess recovery of approximately ₹30 lakhs per year from the complainant. Such conduct is a clear violation of the statutory tariff framework and amounts to unlawful enrichment at the cost of the consumer.

Further, as per Section 62(6) of the Electricity Act, 2003, any amount charged in excess of the approved tariff is mandatorily refundable along with interest. This statutory position has also been expressly reaffirmed by this Hon'ble Commission in its interim order dated 07.11.2025, wherein it has been held that even if the CGRF order is silent, interest remains payable in accordance with the Act and applicable regulations. Despite this, the respondent has neither complied with the statutory mandate nor paid correct interest, thereby acting in clear violation of law and binding directions of this Hon'ble Commission.

9.5 It is further submitted that the law regarding payment of interest is no longer res integra. The Hon'ble Supreme Court in *(Alok Shanker Pandey vs. Union of India, 2007)* has categorically held that interest is not a penalty but the normal accretion on capital. The Hon'ble Court observed that where a party retains money which ought to have been paid earlier, it effectively enjoys the benefit of that amount, and therefore equity demands that such party must return not only the principal but also the interest thereon. Applying the said principle to the present case, the respondent, having

retained the excess amount for a considerable period, is bound in law to refund the same along with proper and equitable interest, failing which it would amount to unjust enrichment.

- 9.6 It is further submitted that the same principle has been reiterated by the Hon'ble Delhi High Court in (*Virender Sharma vs. Directorate of Enforcement, 2012*), wherein it has been categorically held that once it is established that the respondent has wrongfully retained the money, the claim for interest does not require any further adjudication. The Hon'ble Court observed that the only question is whether a party, having wrongfully retained the amount, can also be permitted to retain the benefit accrued thereon, and answered the same in the negative. It was further held that such retention would amount to allowing the wrongdoer to unjustly enrich itself. Applying the said principle to the present case, the respondent having retained the excess amount collected from the petitioner cannot be permitted to deny or dilute the interest payable thereon, and must refund the same along with full and proper interest.
- 9.7 It is further submitted that the respondent, while filing the compliance report dated 24.12.2025, along with an Excel calculation sheet, has computed the interest on the refundable amount at a highly reduced and arbitrary rate of 4% to 6% only. However, it is an admitted position that in cases of delayed payment by the consumer, the respondent charges surcharge (LPSC) @ 18% per annum. This dual standard adopted by the respondent is wholly unjust, arbitrary and violative of the principles of equity, as the respondent cannot be permitted to charge a higher rate when receiving money and pay a substantially lower rate when refunding the same. Such conduct clearly amounts to unjust enrichment and warrants strict interference by this Hon'ble Commission.
- 9.8 It is further submitted that the Hon'ble Supreme Court in *South Eastern Coalfields Ltd. vs State Of M.P. And Ors.* on 13 October, 2003 has categorically held that a party deprived of the use of money is entitled to be compensated by way of interest, which is nothing but normal accretion on capital. The Hon'ble Court further held that permitting a party to retain money without payment of appropriate interest would amount to unjust enrichment and a travesty of justice. The Court, applying the doctrine of restitution, has clearly held that the affected party must be placed in the same position as if the wrongful retention had not occurred, and that grant of interest is a normal and necessary consequence thereof. Applying the said principle to the present case, the respondent, having retained the excess amount, cannot be permitted to refund the same with reduced or inadequate interest.
- 9.9 It is further submitted that even this Hon'ble Commission, in the matter of *Lanco Amarkantak Power Ltd. vs. HPPC IA Number 14 of 2022*, has categorically held that the determination of interest must be guided by the principles of equity and restitution, and accordingly directed that interest be computed on the basis of applicable benchmark rates (Base Rate/MCLR) along with an additional margin of 1.5%, so as to ensure fairness and proper compensation for the time value of money (Page 10). The Commission further clarified that such methodology is necessary to maintain transparency and to balance equities between the parties. Applying the said principle to the present case, the respondent's action of granting interest at a meagre rate of 4-6%, contrary to regulatory principles and while itself charging 18%, is wholly unjustified and defeats the very doctrine of restitution as recognized by this Hon'ble Commission.

- 9.10 In view of the above submissions, it is respectfully prayed that this Hon'ble Commission may be pleased to direct the respondent to recalculate and adjust the interest on the refundable amount @ 18% per annum, being equivalent to the rate of surcharge (LPSC) levied by the respondent itself, in accordance with the principles of equity, fairness and restitution. It is further prayed that the respondent be directed to recalculate the interest and refund the same within a time-bound period of 15 days, so as to ensure complete and effective compliance of the CGRF order and the directions of this Hon'ble Commission.
- 9.11 It is further submitted that the petitioner society comprises 955 residential units, and on account of the prolonged and unwarranted litigation caused by the respondent, all the residents have been subjected to continuous financial burden, uncertainty and harassment. The respondent's conduct in delaying compliance, despite admitted liability, has adversely affected a large number of consumers who were entitled to timely relief. In these circumstances, it is respectfully prayed that this Hon'ble Commission may be pleased to award a sum of ₹10,00,000/- (Rupees Ten Lakhs only) towards compensation and litigation costs, in the interest of justice and to deter such conduct by public authorities in future.

10. Written submission of respondent made on 31/03/2026

- 10.1 The present Written Submissions are being filed in compliance with the Order dated 17.03.2026 passed by this Hon'ble Commission, capturing the arguments advanced on behalf of Dakshin Haryana Bijli Vitran Nigam Limited ("Respondent") on 17.03.2026, primarily with respect to the compliance of the Order dated 30.04.2025 passed by the Ld. CGRF ("CGRF Order").
- 10.2 During the course of hearing the Ld. Counsel appearing on behalf of the Petitioner made an uncorroborated submission that CGRF Order has not been complied in toto. The due interest on the admissible amount has not been placed.
- 10.3 Refuting the submissions made by the Ld. Counsel for the Petitioner, the following submissions were advanced on behalf of the Respondent:
- A. In compliance with the order dated 07.11.2025 passed by this Hon'ble Commission, the Respondent filed a compliance report dated 22.12.2025 ("Compliance Report"), wherein, inter alia, it was demonstrated that the Respondent has duly complied with the CGRF Order. Accordingly, the Respondent adjusted an amount of INR 1,33,86,685.65 (Rupees One Crore Thirty-Three Lacs Eighty-Six Thousand Six Hundred Eighty Five and Sixty Five paise) in the Petitioner's account.
 - B. Upon filing of the Compliance Report, this Hon'ble Commission, vide order dated 08.01.2026, was pleased to grant a specific opportunity to the Petitioner to file its response, if any, to the Compliance Report.
 - C. Notwithstanding the aforesaid opportunity expressly granted by this Hon'ble Commission, the Petitioner has failed to file any response to the Compliance Report, which is a conscious and deliberate abstention from controverting the contents thereof. In law, such failure to specifically deny or traverse material assertions constitutes an admission by conduct, and the Petitioner, having elected to remain silent despite due opportunity, must be deemed to have accepted both the correctness of the amount adjusted by the Respondent and the factum of compliance with the CGRF order.

- D. The Petitioner's attempt to allege non-compliance is nothing but a abuse of the process of this Hon'ble Commission. The objections being raised are wholly frivolous, vexatious, and devoid of any merit, particularly inasmuch as the Petitioner has failed to point out a single discrepancy or error in the figures set out in the Compliance Report.
- E. The bald and unsubstantiated allegation regarding non-payment of interest has been raised in a vacuum, bereft of any pleadings, computation, or supporting material whatsoever. Such vague and omnibus assertions, in the absence of any demonstrable discrepancy, are wholly untenable and liable to be rejected outright. It is further submitted that the rate of interest applied by the Respondent is strictly in consonance with the prevailing circulars and the applicable regulatory framework, which position has, in any event, not been disputed by the Petitioner at any stage.

10.4 It is respectfully submitted that, during the course of arguments, the Ld. Counsel for the Petitioner sought to place reliance on certain judgments, namely, *Alok Shanker Pandey vs. Union of India & Ors.* and *Virender Sharma vs. Director, Enforcement Directorate*; however, the copies of the said judgments were not furnished to the Respondent's Counsel during the hearing, thereby depriving the Respondent of a fair opportunity to examine and address the same at the relevant stage. The said judgments were only subsequently made available through the Registry of this Hon'ble Commission upon a specific request made on behalf of the Respondent. Without prejudice, it is submitted that the said judgments are wholly inapplicable to the facts of the present case, as they do not pertain to or arise under the provisions of the Electricity Act, 2003 or any consumer dispute framework governing the present proceedings. It is further submitted that the rate of interest, as applied by the Respondent, is strictly in accordance with the prevailing circulars and applicable regulatory framework, which position has not been disputed by the Petitioner at any stage.

In view of the foregoing submissions, it is respectfully submitted that the Respondent has duly and fully complied with the order passed by the CGRF, as evidenced by the Compliance Report placed on record, and no substantive or tenable objection thereto has been raised by the Petitioner. The allegations sought to be made are vague, unsubstantiated, and devoid of any legal merit, and the reliance placed on inapplicable judgments is wholly misconceived. In these circumstances, no cause survives for further adjudication in the present proceedings. It is, therefore, most respectfully prayed that this Hon'ble Commission may be pleased to take the Compliance Report on record and dispose of the present matter accordingly.

Commission's Order:

1. The Commission examined the petition in detail along with the reply, additional submissions and rejoinder on record and heard the arguments of the Petitioner and Respondents in the above matter. the Corporate CGRF, on April 30, 2025, directed DHBVN to adjust a 4% rebate for the period of November 2018 to September 2020, allow slab benefits on 581 dwelling units from January 2019 to November 2023, and refund excess Fuel Surcharge Adjustment (FSA), fixed charges, and Municipal Corporation (MC) tax. The primary issue raised in this petition filed under

Sections 142, 146, and 149 of the Electricity Act, 2003, is the respondent's failure to comply with these directions within the mandated 21-day window prescribed by Regulation 2.32 of the HERC (CGRF and Ombudsman) Regulations, 2020.

2. The respondent DHBVN initially cited "unavoidable procedural delays" and the need for data verification as reasons for the lapse, which were arguably not willful. Respondents reported adjustments of INR 18,69,547/- for rebates and INR 3,51,885/- for interest on the ACD, while claiming that FSA (INR 29,666) and fixed charges (INR 21,967) had already been adjusted. However, the petitioner filed a rejoinder on September 15, 2025, dismissing these claims as vague and irrelevant. The petitioner argued that DHBVN had actually attempted to "dilute" the refund by incorrectly charging commercial tariffs under Sales Circular D-17/2020, totaling approximately Rs. 35,00,000/-, despite the site being verified as residential. To support the claim for higher refunds, the petitioner cited Section 62(6) of the Electricity Act, 2003, which mandates that any excess price charged beyond the determined tariff must be refunded with interest equal to the bank rate. The petitioner calculated the total net refundable amount, including interest and ACD penalties, to be INR 1,47,38,409.
3. The judicial precedents cited by the petitioner to underscore the gravity of non-compliance. During the proceedings on November 6, 2025, the Commission observed that even where a CGRF order is silent on interest, such interest is inherently payable under HERC regulations and the Electricity Act.
4. The final issue concerns the actual financial adjustment and the conclusion of the compliance process. Following the Commission's directive for a final report, DHBVN submitted a comprehensive compliance report on January 1, 2026, though they maintained their right to challenge the original CGRF order. This final accounting showed substantial adjustments: INR 22,91,483.65 as interest on rebate and dwelling units, INR 73,86,912 for the principal rebate and dwelling units, INR 14,64,891 for ACD including penal interest up to September 2025, and the previously mentioned INR 18,69,547 and INR 3,51,885 for rebates and ACD interest respectively. In conclusion, while the respondent's delay in implementing the CGRF order necessitated the intervention of this Commission under Section 142, the final compliance report demonstrates that the directed refunds and interest—totaling over INR 1.3 crore across various heads—have now been adjusted in the petitioner's account.

11. The Commission observes that the order of CGRF has been complied with now, nothing remains to be adjudicated in the present petition. However, the dispute was primarily pertaining to non-compliance of the CGRF orders in timely manner. The negligence on the part of officials/officers of Respondent Nigam cannot be ignored.
12. The Commission, therefore, directs the respondent DHBVN to make payment of ₹50,000/- Court Fee deposited by the petitioner along with ₹15,000/- towards litigation expenses to the petitioner within 30 days from the date of this order.
13. MD, DHBVN is directed to order an enquiry for the said lapses and take appropriate action on the delinquent officers/officials for causing harassment to the consumer and to recover the monetary loss caused to the Nigam from such officers/officials and enquiry report be submitted for information of the Commission within 3 months
14. The petition is disposed of, in above terms.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 08/04/2026.

Date: 08/04/2026	Sd/- (Shiv Kumar)	Sd/- (Mukesh Garg)	Sd/- (Nand Lal Sharma)
Place: Panchkula	Member	Member	Chairman