

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

**Case No. HERC/P. No. 40 of 2025**

**Date of Hearing : 03/02/2026**

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

**IN THE MATTER OF:**

**Complaint under Section 142, read with Section 146 & Section 149 of the Electricity Act, 2003 & Regulation 2.32 of HERC (Forum & Ombudsman) Regulations, 2020 for imposing penalty u/s 142 and institution of complaint u/s 146 of the Electricity Act, 2003 on account of noncompliance 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 4694/2024 dated 26-12-2024 by respondent(s) and for direction(s) to ensure strict compliance of the direction issued by the Corporate CGRF DHBVN memo number 268/ CGRF /GGN , 4694-2024 dated 26.12.2024 and to impose the penalty as per HERC (Standard of Performance of Distribution Licensee and Determination of Compensation) Regulation 2020 Schedule-ii Sub Clause 2.**

**Petitioner**

Dharmesh Textile Limited, HO- Plot Number 21-22, Sector-26, Industrial Area Bhiwani through its Managing Director Mr. Dharmesh Shah.

**VERSUS**

**Respondents:**

1. SDO 'Op' Sub Division Sub Urban No-1, DHBVN, Railway Road, Old Power House, Bhiwani-127021
2. XEN 'Op' Division City, DHBVN, BTM Road, Circle Office, Bhiwani-127021

**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. Sandeep Dalal, XEN, DHBVN
4. Sh. Ankit, SDO, DHBVN

**QUORUM**

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

## **ORDER**

### **1. Petition:**

1.1 M/s Dharmesh Textiles Limited (Company) is a limited company registered under companies Act-2013 having its registered office at Flat Number 105, 1st Floor, Prakash Chamber 6, Netaji Subhash Marg, Darya Ganj-110002 Delhi and Corporate office at Plot number 21-22, Sector-26, Industrial Area Bhiwani-127021 Haryana.

The company is having an HT industrial connection bearing account number 1258970000 in the name of M/s Dharmesh Textile Ltd under the jurisdiction of SDO Op Sub Urban Subdivision Number 1, Bhiwani.

Mr. Dharmesh Shah (hereinafter referred to as complainant petitioner) is the Managing Director of the company and authorized by Board through Board Resolution to file the case.

Complainant petitioner filed a complaint before Corporate CGRF, DHBVN Gurgaon on dated 15-05-2024 (which was instituted on 16-05-2025 vide case number 4694-2024) and prayed:

- i. Declare the action of the respondent for not adjusting the interest on ACD in first billing cycle as illegal, arbitrary and unjustified and be quashed and;
  - ii. Direct respondent to refund/adjust the interest on ACD amount 1558500 from DOC to Jan-2019 as per the instructions of Nigam with penal interest @ 18% P.a on interest accrued delayed.
  - iii. Direct respondent to refund/adjust the interest on ACD amount 9953132 from Jan-2019 onwards as per the instructions of Nigam with penal interest @ 18% P.a on interest accrued delayed.
  - iv. Direct the respondent to pay the compensation of Rs 1,00,000 to complainant on account of harassment, mental agony, pain suffered by its functionaries and legal expenses incurred and;
  - v. 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.
- 1.2 Corporate CGRF DHBVN Gurgaon vide order dated 26-12-2024 disposed the case and the order passed by the CGRF is held as under: "After considering all the observations mentioned above as well as considering the orders passed by the HERC, the forum is of the view that:
- ACD interest is payable to complainant petitioner as per HERC regulations and Sales circulars of DHBVN and 18% interest for delay incurred in payment of interest every year from first April till paid to consumer, thus SDO /op. is directed to adjust in next bill of complainant after verification of record:
- a. To refund/adjust the interest with penal interest @ 18% P.a. on interest accrued delayed on ACD amount Rs. 15,58,500/- from DOC to Jan-2019,
  - b. To refund/adjust the interest on ACD the interest @18% from Jan.2019 till date on extra ACD amount of Rs.99,53, 132 (or Rs. 83,94,632/- was charged to the consumer and an amount of Rs.

34,59,583/- was waived off as per SWS, as per SDO) charged as complainant is entitled for the same., as per details submitted by petitioner except for the year 2019-2020 and 2020-2021 on ACD amount of Rs. 99,53, 132, if already paid. It is the duty of SDO to implement DHBVN Regulations after verification of record and give/adjust due benefits to complainant account per HERC regulations and not delay without any reason as done in present case.”

- 1.3 The respondent should comply with the order passed by Corporate CGRF DHBVN within 21 days i.e by 16-01-2025 but respondent failed to comply with the order and direction(s) given by the Corporate CGRF DHBVN Gurgaon even after a lapse of more than 4 months.
- 1.4 This delay of 4 months is unreasonable and has caused considerable inconvenience to the complainant petitioner.
- 1.5 Despite the clear direction (s) from the Corporate CGRF DHBVN Gurgaon and the admission of respondent(s) before corporate CGRF during proceedings. The Respondent SDO has failed to comply with the directions in the order dated 26-12-2024 and failed to adjust the due refund as per the order
- 1.6 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 26.12.2024.
- 1.7 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.  
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.

1.8 Regulation 2.32 of HERC (Corporate CGRF DBHVN and Ombudsman) Regulations, 2020 (Regulation 2.32):

“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.

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.”

1.9 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.

Prayer: -

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 26.12.2024 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 26.12.2024 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 26.12.2024 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.
2. The case was heard on 16/07/2025, Ms. Himangini Mehta counsel for the respondent submitted that compliance of the order of the CGRF has already commenced and requested for one weeks' time for filing the reply. To the query of the Commission regarding the nonappearance of concerned XEN, the SDO intimated that there is an emergency due to disturbance of power supply owing to excessive rains in the region, the XEN could not make it to attend the hearing. The Commission expressed its displeasure and directed concerned XEN and SDO to ensure their presence on next date of hearing. Acceding to request of the respondent, the Commission adjourns the matter and directs respondents to file the reply with in one week
3. The case was heard on 23/07/2025, The concerned XEN and SDO were present in the court as per directions of the Commission. To the query of the Commission regarding nonappearance of the XEN in the previous hearing, the XEN submitted that due to his bad health, farmers agitation and disturbance of supply, he could not attend the hearing. The XEN apologised and assured to be careful in future. The counsel for the respondent submitted that the CGRF order has been implemented but the refund amount is yet to be reflected in the bill of the consumer. The Counsel for the petitioner submitted that the orders have not been

complied as yet and the concerned officers are not paying any heed to make the compliance as such action against them is required to be initiated under section 142. The CGRF order dated 26.12.2024 was to be implemented by the respondents within 21 days but same has not been implemented till date. So, the Commission expressed its displeasure for noncompliance of the order even after lapse of seven months. In light of the escalating number of similar instances MD, DHBVN is required to take cognizance of the delinquency of the officers/officials of the licensee in implementing the orders of CGRF due to which the consumers are forced to run from pillar to post and ultimately, they have to approach the Commission for getting awards implemented. On 23.07.2025, single subdivision's four cases (P. No 40/2025, 41/2025, 42/2025 & 71/2024) of non-implementation of CGRF order by SDO Sub Urban No-1, Bhiwani and XEN 'Op' Division City Bhiwani were listed before the Commission. Many such cases have already been decided by the Commission and many more are in pipeline. This apathy on the part of the officers/officials of the Licensee is resulting in avoidable harassment of the consumer and wastage of precious time and resources of the licensee. MD, DHBVN should get DISCOM's Standard operating procedure for monitoring of CGRF/EO/HERC decisions (circulated vide CE /Commercial Hisar vide memo No Ch 63/CE/C/Misc/Vol II dated 18.02.2022) implemented in true letter and spirit. The Commission observes that there is inordinate delay in implementation of the order of CGRF and decides to issue show cause notice to concerned XEN and SDO to explain their position within 15 days, as to why penal action should not be taken against them under section 142 read with Section 146 of the Electricity Act, 2003 for non-implementing the order in stipulated time. The Commission further directs respondents to submit the compliance report within four weeks and Concerned SE/OP to be present in the court on next date of hearing.

#### **4. Compliance Report of DHBVN submitted on 29/08/2025:**

- 4.1 The Compliance Report is being filed on behalf of Dakshin Haryana Bijli Vitran Limited ("DHBVN"/"Answering Respondent") to apprise this Hon'ble Commission regarding the compliance of the order dated 26.12.2024 passed by the Forum for Redressal of Consumer Grievance, DHBVN, Gurgaon ("CGRF") in Case N0.4694/2024 ("CGRF Order").
- 4.2 That the CGRF Order had held as under:  
"After considering all the observations mentioned above as well as considering the orders passed by the HERC, the forum is of the view that:

ACD interest is payable to the complainant petitioner as per the HERC regulations and Sales circulars of DHBVN and 18% interest for delay incurred in payment of interest every year from first April till paid to the consumer, thus SDO/op. is directed to adjust in next bill of complainant after verification of record:

- a. to refund/adjust the interest with penal interest @18 % P.a on interest accrued delayed on ACD amount Rs 15,58,500 from DOC to Jan-2019;
- b. to refund/adjust the interest on ACD the interest @ 18% from jan 2019 till date on extra ACD amount of Rs 99,53,132 (or Rs 83,94,632 was charged to the consumer and an amount of Rs 34,59,583 was waived off as per SWS, as per SDO) charged as complainant is entitled for the same, as per details submitted by petitioner except for the year 2019-2020 and 2020-2021 on ACD amount of Rs 99,53,132, if already paid.

...”

4.3 With regard to compliance of the direction given at point (a) above, it is submitted as under:

- Till 2015, the actual ACD paid by the consumer was Rs.75,000. Towards this amount, interest was paid in a timely manner as per Nigam instructions, on 31/03/2014 and 31/03/2015. Hence, no penal interest is payable to the consumer.
- In 2016, the actual ACD was revised to Rs. 13,33,500 and the balance amount Rs. 12,58,500 paid by consumer. On 31/03/2016, the interest on ACD was paid to the consumer timely as per Nigam instructions. Hence no penal interest is payable to the consumer.
- In 2017, on the ACD amount of Rs. 13,33,500/, interest of Rs. 1,03,346/- was paid on 22/08/2017 @ 7.75%. Since there was a delay of 143 days, and as the per day interest comes out to be Rs. 51, the penal interest comes out to be Rs. 7288.
- In 2018, on the ACD amount of Rs. 13,33,500/, interest of Rs. 83344/- was paid on 14/07/2018 @ 6.75% with a delay of 104 days. As the per day interest comes out to be Rs. 41.1/-, for this delayed period the penal interest comes out to be Rs. 4274.5. The said amount has been refunded vide SC&AR 252/215.
- In 2019, on the ACD amount of Rs. 15,58,500/, interest of Rs. 1,48,534 was paid on 08/06/2019 @ 6.25% with a delay of 68 days. As the per day interest comes out to be Rs. 73.2/-, for this delayed period 68 days, penal interest comes out to be Rs. 4,981.
- In 2020, on the ACD amount of Rs. 15,58,500, interest of Rs. 83,344 was paid on 28/05/2020 to the consumer in a timely manner as per Nigam instructions. Hence no penal interest is payable to the consumer.
- In 2021, on the ACD amount of Rs. 15,58,500, interest of Rs. 62008/- was paid on 05/08/2021 @ 4.65% with a delay of 106 days. As the per day interest comes out to be Rs. 30.8/-, for this delayed period 106 days penal interest comes out to be Rs. 3241.4. The said amount has been refunded vide SC&AR 252/215.

- In 2022, on the ACD amount of Rs. 15,58,500/-, interest of Rs. 4,23,008/- was paid on 01/06/2022 @ 4.25% with a delay of 35 days. As the per day interest comes out to be Rs. 208.61/-, for this delayed period 35 days penal interest comes out to be Rs. 7301.2.
  - In 2023, on the ACD amount of Rs. 15,58,500/-, interest of Rs. 4,23,008/- was paid on 07/06/2023 @ 4.25% with a delay of 34 days. As the per day interest comes out to be Rs. 208.61/-, for this delayed period 34 days penal interest comes out to be Rs. 7092.6.
  - In 2024, on the ACD of Rs. 99,53,132 (Rs. 83,94,632 -ACD paid in 2023 + Rs. 15,58,500 – carry forward ACD), interest of Rs. 659771/- was paid on 05/06/2024 @ interest of 6.75% with a delay of 36 days. As the per day interest comes out to be Rs. 325.37/-, for this delayed period 36 days penal interest comes out to be Rs. 11713.
- 4.4 From the above it is evident that the penal interest to the tune of Rs. 45892, determined vide SC&AR 252/215, has been adjusted in May 2025. It is pertinent to mention that, in the bill of May 2025 amount of Rs 687755 is mentioned, which contains the amount of Rs. 45982 and the amount of ACD interest paid for 2025.
- 4.5 With regard to compliance of the direction given at point (b) of the CGRF order, as set out above in Para 2, it is submitted as under:
- It is submitted that the ACD charged in the bill of consumer in January 2019 was not paid by the consumer. Instead of paying this amount (which was amounting to Rs. 83,94,632) the consumer approached Hon'ble High Court of Punjab and Haryana. In February 2023, the Petitioner herein lost the said case and thus came to the Answering Respondent for the payment of Net Dues. At that time, SWS was in force, so he paid the ACD in Financial Year 2023-24, that too as per the condition of SWS.
  - It is respectfully submitted that, since the consumer did not pay the ACD, he is not entitled for the interest thereon. Moreover, the consumer submits that he paid the ACD amount with surcharge. For this payment, he had himself provided an affidavit as per the SWS. Now he is adamant for refund of surcharge and ACD interest. If he has not paid any enhanced ACD, no interest on ACD is payable to the consumer.
- 4.6 The Net refundable amount after going through the record and as per Nigam instructions, in compliance with the orders of CGRF, considering all the previous refunded amounts, comes out to be Rs. 45892. This amount is reflected in the bill issued on 15/05/2025 as Sundry Charged/Allowances (64186.34/687755). It may be read as refund Rs. 641863/-for ACD interest, Rs. 64186/- for TDS deduction and Rs. 45892/- refund as per CGRF.
- 4.7 It is most respectfully submitted that the Answering Respondent has utmost respect and regard for the directions issued by the CGRF accordingly has taken all necessary steps towards compliance of the CGRF Order. Therefore, this Hon'ble Commission may be pleased to consider that the Respondent has acted in a bona fide manner and has accordingly implemented the CGRF's order based on the Petitioner's entitlement under law.

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

5. The case was heard on 03/09/2025, the Commission was apprised that the concerned SE, XEN and SDO has sought exemption on personal appearance due to emergent situation arisen due to heavy continuous rain in the region and all the officers have been directed by the district administration to maintain Head Quarter. To the query of the Commission regarding submission of the reply to the show cause notice issued to concerned officers, it was apprised that no reply has been received in the registry till date. The Commission took a serious view of not filling reply to the show cause notice and decided to impose penalty of Rs. 25,000/ each. The counsel for the respondent submitted that the CGRF order has been complied with and the compliance report has been filed with late fee on 29/08/2025. Per contra, the Counsel for the petitioner submitted that the order of the CGRF has not been implemented in toto and even stated that respondent is misleading/misrepresenting the commission. The Commission directs the petitioner to submit its rejoinder by 17/09/2025 along with the details of the CGRF order regarding what is to be complied, what has been complied and pendency if any, with advance copy to respondent. The respondent XEN and SDO to file reply to the show cause notice along with penalty imposed above in the registry by 17/09/2025. Further, concerned SE/OP along with the respondent XEN and SDO to be present in the court on next date of hearing.

**6. Rejoinder of petitioner dated 11/09/2025.**

6.1 The present petition is filed by the complainant under Section 142 RW Section 146 RW HERC Regulation for compliance with the order passed by the Ld. CGRF DHBVN Gurgaon on 22.03.2024. The Contents of the petition are not reiterated herein for the sake of the brevity.

6.2 The Hon'ble Commission, via an interim order dated 23rd July 2025, directed the respondent to submit the compliance report within 4 weeks. The interim order of the Commission is quoted as follows:

"In light of the escalating number of similar instances, MD, DHBVN is required to take cognizance of the delinquency of the officers/officials of the licensee in implementing the orders of CGRF, due to which the consumers are forced to run from pillar to post, and ultimately, they have to approach the Commission to get awards implemented. On 23.07.2025, four cases (P. No 40/2025, 41/2025, 42/2025 & 71/2024) of non-implementation of CGRF orders by SDO Sub Urban No-I, Bhiwani, and XEN `op` Division City, Bhiwani, were listed before

the Commission. Many such cases have already been decided by the Commission, and many more are imminent. This apathy on the part of the officers/officials of the Licensee is resulting in avoidable harassment of the consumer and wastage of precious time and resources of the licensee. MD, DHBVN should ensure that DISCOM's Standard Operating Procedure for monitoring CGRF/EO/HERC decisions (circulated by CE/Commercial Hisar via memo No Ch-63/CE/C/Misc/Vol II dated 18.02.2022) is implemented in true letter and spirit."

The Commission observes that there is an inordinate delay in the Implementation of the CGRF order and decides to issue a show-cause notice to the concerned XEN and SDO to explain their position within 15 days regarding why penal action should not be taken against them under Section 142 read with Section 146 of the Electricity Act, 2003, for non-implementation of the order in a stipulated time. (Emphasis Supplied)

- 6.3 The respondent SDO submitted the compliance report on 29.08.2025.
- 6.4 That the compliance report submitted by the respondent is baseless, fallacious, flawed, misconceived and untenable.
- 6.5 At the outset, it is submitted that unless hereinafter specifically admitted, each averment in the respondent's reply shall be deemed to have been denied in its entirety as though specifically set forth and traversed herein. A bare perusal of the reply dated 29.08.2025 makes it clear that it is nothing but an abuse of the process of law and lacks merit.
- 6.6 The complainant reserves the right to file additional evidence, including, but not limited to, additional documents, witnesses, and expert opinions, should the same become necessary at any stage of the arbitral proceedings and/or arise from further submissions made by the respondents.
- 6.7 A bare perusal of the reply filed by the respondents shows that their submissions are totally vague, full of baseless denials and do not any specific answers to the issues raised in the complaint. The respondents have only presented a concocted story and have miserably failed to address the substantive points of the dispute in hand. It is evident that the respondents are only trying to escape from their liability through false, vague and baseless denials.
- 6.8 It is further submitted that complainant is not providing a paragraph-wise reply to the reply filed by the petitioner (for the sake of brevity) and is setting out its submissions hereinbelow.
- 6.9 That the order of the CGRF held as under  
"After considering all the observations mentioned above as well as considering the orders passed by the HERC, the forum is of the view that: ACD interest is payable to complainant petitioner as per HERC regulations and Sales circulars of DHBVN and 18% interest for delay incurred in payment of interest every year from first April till paid to consumer, thus SDQ /op. is directed to adjust in next bill of complainant after verification of records:

- a. To refund/adjust the interest with penal interest @ 18% P.a. on interest accrued delayed on ACD amount Rs. 15,58,500/- from DOC to Jan-2019,
- b. To refund/adjust the interest on ACD the interest @18% from jan.2019 till date on extra ACD amount of Rs.99,53,132 (or Rs. 83,94,632/- was charged to the consumer and an amount of Rs. 34,59,583/- was waived off as per SWS, as per SDO) charged as complainant is entitled for the same., as per details submitted by petitioner except for the year 2019-2020 and 2020-2021 on ACD amount of Rs. 99,53,132, if already paid.

It is the duty of SDO to implement DHBVN Regulations after verification of record and give/adjust due benefits to complainant account per HERC regulations and not delay without any reason as done in present case"

6.10 In para number 3 (a) of its reply, the respondent submitted:

A. "until 2015. the actual ACP paid by the consumer Rs.75,000/- Towards this actual interest was paid in timely manner per Nigam instructions, on 31/03/2014 and 31/03/2015, Hence. no penal interest is payable to the consumer. Copy of ledger for the month of 04/2014 & 04/2015 showing interest paid on 31/03/2014 and 31/03/2015 are annexed.

In 2016, the actual ACD was revised to Rs. 13,33,500 and the balance amount Rs. 12,58,000 paid by Consumer On 31/03/2016, the interest on ACD was paid to the consumer timely as per Nigam instructions. Hence no penal interest is payable to the consumer. Copy of invoices showing interest paid on 31/03/2016 is annexed.

B. The above submission of respondent is misleading, misconceived and false, The complainant's load in 2015 was 1975 WA, and as per HERC regulations the ACD for that much load cannot be just Rs, 75,000 (Seventy-Five Thousand) We hereby attach the ACD report duly signed by the SDO on 28-02-2014, which confirms that the ACD of the complainant was Rs 13,31,250 (Rupees Thirteen Lac Thirty-One Thousand Two Hundred Fifty Only) (A&A form attached)

C. It is further added that the complainant on 02.06.2015 submitted an application to the respondent for adjusting the interest on ACD (copy of application attached and marked as PR-2) and after receipt of the application the respondent SDO adjusted the interest on ACD in the bill number 4 issued on 08-06-2015.

The detail of sundry adjustments is as below:

Interest on ACD = 1,20,015 ( 9% of 13,33,500)

TDS 12,001.5

Net Refundable= 1,08,014

EX Refund= 19,50,161

Total Refunded= 20,58,175

And these data was verified and handwritten on back side of the bill by the then SDO/ CA of the respondent. (copy attached as PR-4)

6.11 In para 5 of its reply, the respondent submitted:

A. With regard to compliance of the direction given at point (b) of the CGRF order, as set out above in Para 2, it is submitted as under:

- It is submitted that the ACD charged in the bill of consumer in January 2019 was not paid by the consumer. Instead of paying this amount (which was amounting to Rs. 83,94,632) the consumer approached Hon'ble High Court of Punjab and Haryana. In February 2023, the Petitioner herein lost the said case and thus came to the Answering Respondent for the payment of Net Dues. At that time, SWS was in force, so he paid the ACD in Financial Year 2023-24, that too as per the condition of SWS.
- It is respectfully submitted that, since the consumer did not pay the ACD, he is not entitled for the interest thereon. Moreover, the consumer submits that he paid the ACD amount with surcharge. For this payment, he had himself provided an affidavit as per the SWS. Now he is adamant for refund of surcharge and ACD interest. If he has not paid any enhanced ACD, no interest on ACD is payable to the consumer. Copy of the affidavit as per the SWS submitted by the Petitioner is annexed herewith as Annexure R12.

B. The above submission of the respondent is again false, misleading and misconceived.

- i. The complainant has submitted the complete copy of bills from Jan-2019 to Dec-2023 which confirms the ACD of the complainant was 99,53,138 (83,94,632 charged in Jan-2019)
- ii. The respondent forced complainant to pay surcharge Rs. 34,97,044 on this ACD amount and this surcharge was calculated from Jan-2019 onwards, (receipts with detail attached and marked as PR-5)
- iii. The respondent in its compliance report Page number-4, para number 2 submitted that
  - In 2022, on the ACD amount of Rs: 15,58,500/-, interest of Rs. 4,23,008/- was paid on 01/06/2022 @ 4.25% with a delay of 35 days. As the per day interest comes out to be Rs. 208.61/-, for this delayed period 35 days penal interest comes out to be Rs. 7301.2. Copy of invoice reflecting refund of Rs. 4,23,008 is annexed herewith as Annexure R8.
  - In 2023, on the ACD amount of Rs. 15,58,500/-, interest of Rs. 4,23,008/- was paid on 07/06/2023 @ 4.25% with a delay of 34 days. As the per day interest comes out to be Rs. 208.61/-, for this delayed period 34 days penal interest comes out to be Rs. 7092.6. Copy of invoice reflecting refund of Rs. 4,23,008 is annexed herewith as Annexure R9-A

The above submission of the respondent is self-explanatory, although the respondent tried to mislead the Hon'ble Commission for reason best known to him, he cannot succeed in this.

The respondent stated that in 2022 the ACD amount was Rs. 15,58,500 and interest @ 4.25% given to complainant, On the ACD amount 15,58,500 interest @ 4.25% comes to Rs. 66,236 while the

interest Rs. 4,23,008 in actual given to complainant which confirms the admission of the record that the ACD of the complainant was 99,53,138.

iv. The respondent SDO Sh. Ripudaman during the hearing before Ld. CGRF DHBVN Gurgaon on 06-11-2024 submitted that the "Additionally , the ACD amount as per record for the period 2019-2021 and interest on it, if payable and not adjusted till, shall be considered and will be submitted by the next hearing"

v. The respondent as per the CGRF order, made a sundry vide SC&R number 247/215 , wherein they admitted that the ACD of the complainant in 2019 onwards was Rs. 99,53,132 ( Rupees Ninety Nine Lac Fifty Three Thousand One Hundred Thirty Two Only), and total due refund of interest on ACD was Rs. 9,70,592 but this amount is never adjusted in complainant account.

6.12 On one hand the respondent charged the surcharge on the ACD , although ACD is a interest paying liability of the Nigam and there is no provision of charging the surcharge on the ACD and on another hand the respondent is not paying the interest on that ACD, in spite of knowing the fact that the interest on the ACD is much lesser as compare to the surcharge on ACD charged from the complainant, this confirms the prejudicious and malicious approach of the respondent.

6.13 The complainant places reliance upon the judgement SCC OnLine P&H 5851 In the High Court of Punjab and Haryana at Chandigarh (BEFORE VINOD S. BHARDWAJ, J.) M.G. Stone Crusher . Petitioner; Versus Punjab State Power Corporation Limited and Others ....Respondents. CWP-20035-2018 Decided on April 15, 2024.

It is a well settled principle in law that "equity follows the law". The above said legal maxim "aequitas sequitur legem" emphasizes that equity or fairness should be applied in accordance with law. Equity should thus compliment established legal principles. In legal terms, it would mean that if a contract or agreement includes clauses that establish liability or obligations for one party, those clauses could potentially extend benefits to that party; if circumstances arise where they are entitled to benefit under the agreement."

6.14 That the total due refund as per CGRF order is Rs. 26,22,843 (Rupees Twenty Six Lac Twenty Two Thousand Eight Hundred Forty Three Only)

6.15 The complainant places reliance upon the judgment passed by the Honble 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 166162 of 2021 and 1663-64 of 2021, decided on April 22, 2021, where the Court held as follows:

"42.12 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.

42.13 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." (Emphasis Supplied)

- 6.16 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
- 6.17 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
- 6.18 That the complainant places a reliance upon the judgement passed by Honble 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.
- 6.19 That the complainant also relies on the judgement of Honble 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 26.12.2024 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 26.12.2024 and adjust the balance due refund Rs. Rs. 26,22,843 (Rupees Twenty Six Lac Twenty Two Thousand Eight Hundred Forty Three 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 26.12.2024 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. (Rs. One Lac only) as court fee and litigation expenses.
  - vii. To allow any other relief as deemed fit by the Hon'ble Commission.
7. The case was heard on 24/09/2025, to the query of the Commission regarding submission of the reply to the show cause notice issued to concerned officers, the SE/OP submitted that the reply was submitted through email but the same was not accepted in registry for want of cost imposed during last hearing. The officers pleaded to waive off the cost imposed. The Commission took a serious view of the casual approach of the respondents as the cases are not being defended properly before the CGRF and changing their stand on some points before the Commission. The respondents even not bothered to submit the reply to the show cause notice as per procedure laid down for filing documents with registry. The Commission, therefore, again directs the respondents to deposit the cost of Rs. 25,000/- each imposed vide interim order dated 03/09/2025 within one month. The Corporate Forum DHBVN Gurgaon vide order dated 26-12-2024 has held as under: "After considering all the observations mentioned above as well as considering the orders passed by the HERC, the forum is of the view that: ACD interest is payable to complainant petitioner as per HERC regulations and Sales circulars of DHBVN and 18% interest for delay incurred in payment of interest every year from first April till paid to consumer, thus SDO /op. is directed to adjust in next bill of complainant after verification of record: a. To refund/adjust the interest with penal interest @ 18% P.a. on interest accrued delayed on ACD amount Rs. 15,58,500/- from DOC to Jan-2019, b. To refund/adjust the interest on ACD the interest @18% from jan.2019 till date on extra ACD amount of Rs.99,53,132 (or Rs. 83,94,632/- was charged to the consumer and an amount of Rs. 34,59,583/- was waived off as per SWS, as per SDO) charged as complainant is entitled for the same., as per details submitted by petitioner except for the year 2019- 2020 and 2020-2021 on ACD amount of Rs. 99,53, 132, if already paid. It is the duty of SDO to implement DHBVN Regulations after verification of record and give/adjust due benefits to complainant account per HERC regulations and not delay without any reason as done in present case." The respondents in its compliance report claimed that penal interest amounting to Rs. 45,892/-

was calculated and adjusted in the May 2025 bill. The report provided a year-by-year breakdown of interest payments and delays, asserting that penal interest was paid only for the delayed periods in 2017, 2018, 2019, 2021, 2022, 2023, and 2024, and that no penal interest was due for other years where payments were timely. The petitioner argued that the ACD amount was not just Rs. 75,000/- as claimed by the respondent but Rs. 13,31,250 as per a signed report from February 28, 2014. The petitioner provided details of a sundry adjustment made in June 2015, showing an interest on ACD of Rs. 1,20,015 based on an ACD of Rs. 13,33,500, which further contradicts the respondent's claim of a lower ACD amount. On the other hand, the petitioner claimed that the ACD was Rs. 99,53,138, and that they were forced to pay a surcharge of Rs. 34,97,044 on this amount, which was calculated from January 2019 onwards. The petitioner also highlights a self-contradiction in the respondent's report, where they admit to giving an interest refund of Rs. 4,23,008 on an ACD of Rs. 15,58,500 in 2022 and 2023. The petitioner points out that the correct interest on Rs. 15,58,500 at 4.25% would be Rs. 66,236, whereas the higher amount of Rs. 4,23,008 actually paid confirms that the ACD amount must have been the higher figure of Rs. 99,53,138. The petitioner also references an admission by the SDO before the CGRF on November 6, 2024, that the ACD amount was Rs. 99,53,132. The Commission observes that prima facie the disagreement is whether the petitioner is entitled to interest on the ACD amount that was charged but allegedly not paid until a later date. The respondent's defense rests on the pleading that no interest is due on an unpaid deposit. Conversely, the petitioner's argument implies that by forcing them to pay a surcharge, the respondent has implicitly treated the ACD as a paid liability on which interest should have accrued. After going through the order passed by the forum and hearing both parties, the Commission observes that the Forum has not concluded in its decision the exact amount of ACD, interest on ACD and from which date interest on ACD is payable, which ought have been decided by the Forum after thoroughly checking and verifying the data from supporting documents submitted by the parties. This matter is therefore, referred back to the CGRF, Gurugram for deciding issue of exact amount of ACD, interest on ACD and from which date interest on ACD is payable after 4 giving proper opportunity of hearing to both parties and pass a speaking order in the case in a time bound manner preferably

within 45 days and report the decision to the Commission. Till the receipt of report from CGRF, the present matter is adjourned sine die.

## 8. CGRF Report Dated 24/11/2025

8.1 In compliance with the directions issued by the Hon'ble Haryana Electricity Regulatory Commission while remanding the matter to this Forum, and for the purpose of proper adjudication of the dispute, the following issues are hereby framed for determination:

8.2 Issue No. 1:

Whether the complainant is entitled to interest on the ACD amount from the date of connection up to December 2018 and if so

- (a) What was the exact ACD amount applicable during this period,
- (b) What is the total interest payable on such ACD?
- (c) What amount of interest has already been paid to the consumer; and
- (d) What is the balance amount of interest, if any, still payable to the consumer.

8.3 Issue No. 2:

Whether the complainant is entitled to interest on the ACD amount from January 2019 onwards, and if so:

- (a) What was the exact ACD amount applicable from January 2019 onwards,
- (b) What is the total interest payable for this period,
- (c) What amount of interest has already been paid to the consumer, and
- (d) What is the balance amount of interest, if any, still payable to the consumer.

The forum observed that the issue involves in the present matter could have been sorted out on first instance but the different statements given by the respondent made the calculations complicated.

The respondent in his compliance report dated 29/08/2025 submitted that the total amount of ACD in complainant's account was Rs. 75,000 only while before the forum the respondent vide his office memo number CH 4312 dated 29-10-2025 submitted that in view of your direction given it is submitted that the connection in the name of M/S Dharmesh Textile released on 18/04/2003 having initial load of 49.29 KW thereby extension of load took place as mentioned in the sheet from the old record trace out it is observed that 2 No of connection exists in the name of M/S Dharmesh Textile LTD having account number ICHT 010 Plot No -01 Sec 26 and IAHT 0010 ( now changed to IPHT0006) at Plot number 21-22 sec 26 The connection ICHTOIO is having and ACD amount of Rs. 75,000 which was wrongly mentioned in the reply due to existence of the same accounts but at different premises. After checking the record and tracing out the consumer case file it has been observed that an ACD amount of Rs .1091250 exists during the 2013-2014 and the same a refund of Rs 83481 was provided to the petitioner vide SC& AR No 282/198 during the month of 05/2014 later on the load was extended from 1455 kw to 1778 KW on dated 12-09-2014 and the ACD was got revised to Rs 1333500 ii. The respondent further vide his office memo number 4406 dated 12/11/2025

1 2025 submitted that the ACD of complainant in the FY 2016-2017 and in 2017-2018 is Rs 1372900 and Rs 1597900 respectively.

The above confirms that the statement given by the respondent before HERC that the ACD of complainant in 2014 was 75000 was misleading, false and contradictory.

The 2<sup>nd</sup> issue related to the ACD amount from Jan-2019 and interest payable, The respondent repeatedly submitted that enhanced ACD Rs .83,94,632 was charged in consumer's bill in Jan-2019 but the same paid in 2023 per contra the complainant argues that since the ACD was charged in bill in Jan-2019 and the respondent start charging the surcharge on this ACD amount and he paid the ACD along with surcharge Rs 32,00,000 ( Approx). it stands established that the Nigam considered that amount "due and payable "from Jan-2019. Thus the respondents plea that the ACD was not "paid" before 2023 is not only misleading but contrary to their own actions and records.

The Respondent, in its reply dated 29 10 2025, has submitted a table at Page No. 11 wherein it is expressly admitted that the ACD reflected for the years 2022, 2023 and 2024 is RS. 99,53,132/-, 99,53,132/- and Rs 97,74,382/- respectively. It is further admitted therein that interest on the aforesaid ACD amounts has been granted to the Complainant through the respective electricity bills.

The Forum has carefully perused the entire set of electricity bills issued to the Complainant from January 2019 onwards and observes as under

- a. The ACD amount of Rs. 99,53, 132/- is consistently reflected In the bills issued to the Complainant from January 2019 onwards.
- b. An interest amount of Rs. 6,23,775/- was granted to the Complainant in the bill for June 2020, which clearly corroborates that the applicable ACD amount was Rs. 99,53,132/-
- c. An interest amount of Rs. 4 62 820/- was granted to the Complainant in the bill for August 2021, which further confirms that the ACD amount was Rs. 99,53,132/-
- d. The Forum further notes that although interest on ACD was granted to the Complainant for the financial years 2019—2020 and 2020—2021 the same was subsequently charged back In April-2022.
- e. The interest was given to complainant on ACD amount Rs 9953132 from 2022 onwards which is admitted by the respondent in page number 4 of the compliance report submitted before HERC dated 29.08.2025 and page number 11 of the reply submitted before this forum on dated 29.10.2025. undisputedly, in compliance report the respondent has also calculated the penal interest and the calculation of the same also made on ACD amount Rs 99,53,132/-

The forum observed that respondent Vide his office memo number 4406 dated 12 11.2025 submitted the interest on ACD payable from 2019-2024 and for the period 2021 to 2024 he is trying to re-agitate the issue of ACD amount deposited by petitioner by submitting the wrong figures which is not acceptable.

The respondent has charged surcharge @ 11% on ACD amount Rs. 8394632 from Jan-2019 and Rs. 32,00,000/- (Thirty Two Lac) was

paid as surcharge by the complainant, which confirms that the Nigam consider this amount as " due and payable from Jan-2019 similarly the respondent is required to pay the Interest on ACD amount of Rs 8394632 from Jan-2019.

After hearing both the parties at length and perusing the pleadings and documents placed on record, the Forum is of the considered view that the issues framed for determination are as under:

Finding on Issue No. 1

In respect of Issue No. 1, the Respondent has submitted a year-wise calculation sheet indicating the amount of ACD, calculation of interest thereon, the amount payable to the Complainant, the amount already paid and the balance, if any Although the Respondent has provided the ACD figures on a year-wise basis the Forum finds material discrepancies and inconsistencies in the said calculation sheet, which affect its reliability and evidentiary value,

It is observed that for the financial years 2007—2008 and 2008—2009, the Respondent has relied upon a copy of a sundry adjustment bearing the same Sundry No. 37/1 62, without any date mentioned thereon, thereby rendering the document unverifiable and doubtful

Further, for the financial years 2013—2014 and 2014—2015, the Respondent has failed to furnish copies of the relevant bills or any documentary proof to establish that interest on ACD was actually granted to the Complainant

Additionally, for the period from 2003 to 2007 and from 2011 to 2013, the Respondent has taken the plea that the record is "not traceable"

Upon specific query by the Forum, the Respondent was directed to produce supporting documents such as T DS certificates and/or confirmation from the Divisional Accountant to substantiate the alleged payments of interest. However, the Respondent expressed his inability and failed to provide any such material.

In view of the above, the Forum holds that the calculation sheet submitted by the Respondent, though comprehensive in form, suffers from serious deficiencies, lack of supporting documentary evidence, and unverified entries, and therefore cannot be accepted in its entirety for determination of Issue No. 1

So after perusal of the doc placed on records below is the ACD amount and interest payable for the period DOC to Dec-2018.

Period	ACD Amount	Rate of interest	Interest Payable	Interest Paid as per S/Divn	Balance payable
2003-2004	25000	6%	1500	0	1500
2004-2005	177490	6%	10649.4	0	10649.4
2005-2006	300400	6%	18024	0	18024
2006-2007	300400	6%	18024	0	18024
2007-2008	300400	6%	18024	18180	0
2008-2009	300400	6%	18024	18180	0
2009-2010	675400	6%	40524	18180	22344
2010-2011	675400	6%	40524	36360	4164

2011-2012	1132900	6%	67974	0	67974
2012-2013	1132900	6%	67974	0	67974
2013-2014	1372900	8.50%	116697	92756	23940.5
2014-2015	1372900	9%	123561	120015	3546
2015-2016	1372900	8.50%	116697	113348	3348.5
2016-2017	1372900	7.75%	106400	103346	3053.75
2017-2018	1372900	6.75%	92670.8	83344	9326.75
2018-Dec-2019	1597900	6.25%	99868.8	-	-

**Direction of the Forum on Issue No. 1**

In view of the findings recorded hereinabove and considering the discrepancies In the documents produced by the Respondent, the Forum hereby directs as under

- i. The Respondent shall adjust the interest on ACD along with penal interest strictly in accordance with the HERC Regulations, for the period 2003 to 2007 and 2011 to 2013, on the ACD amounts as reflected in the calculation sheet submitted by the Respondent dated 12.11.2025.
- ii. The Respondent is further directed to re-check, re-verify and reconcile the bills ledger entries and TDS certificates for the period 2007 to 2011 and 2013 to 2016, as the sundry adjustments placed on record for these periods do not conclusively establish that interest on ACD was duly adjusted in the Complainant's account
- iii. In case the Respondent fails to produce verifiable documentary evidence confirming adjustment of interest for the aforesaid periods, the same shall be treated as unpaid and shall be adjusted in favour of the Complainant along with applicable penal interest as per HERC Regulations. Complainant also directed to submit the copy of TDS certificate, form 26 AS to ensure no interest on ACD was credited in his account and NO TDS was reflected in IT form.

**Finding and Direction on Issue No. 2**

So far as Issue No. 2 is concerned, the Forum notes that the ACD amount applicable from January 2019 onwards is consistently reflected in the electricity bills as Rs. 99,53,132/- which remains undisputed on record. It is further observed that interest on the said ACD amount has been duly credited by the system from the year 2019 onwards Although the Respondent had reversed/charged back the Interest for the period 2019-2020 and 2020-2021 the interest from 2022 onwards has admittedly been granted to the Complainant on the ACD amount of Rs. 99,53, 132/-.

The Forum also notes that during proceedings before the CGRF as well as before the Hon'ble HERC, the Respondent never disputed either the ACD amount of Rs 99 53, 132/- or the interest paid thereon from 2022 onwards. However, at this stage, the Respondent is seeking to re-agitate the issue of ACD amount of Rs 9953132/- by contending that the interest credited by the system was erroneous. Such a plea is not only an afterthought but also contrary to the Respondent's own conduct and earlier admissions & submissions.

It is further evident that the Respondent has itself charged surcharge of around Rs 32,00,000/- on the enhanced ACD amount of Rs. 83,94,632/- (although as per supply code there is no provision of charging surcharge on non-deposition of enhanced ACD) and has calculated the same with effect from January 2019 onwards. Having treated the said ACD amount as operative for surcharge purposes, the Respondent cannot now evade its liability to pay interest on the very same ACD amount. The doctrine of approbation and reprobation squarely applies in the present case.

Accordingly, the Forum holds that the Complainant is entitled to interest on the ACD amount of Rs. 99,53,132/- from January 2019 till the year 2022. The Respondent is hereby directed to:

- i. Adjust the interest on ACD amount of Rs. 99,53,132/- for the period from January 2019 to 2022 in favour of the Complainant;
- ii. Pay penal interest for the delayed payment as per HERC Regulations,
- iii. Since interest for the period 2022-2025 has already been paid no further adjustment is required for the period thereafter.

The above adjustment shall be carried out within 15 days' time as per regulations and reflected in the subsequent electricity bill of the Complainant.

9. The case was heard on 03/02/2026, Sh. Raheel Kohli counsel for the respondents submitted that in compliance to the CGRF report dated 24/11/2025 the amount admissible to the petitioner has been refunded. The counsel for the petitioner conveyed his consensus to the same but submitted that due to delayed action of the respondents the petitioner has to knock the doors of CGRF and thereafter of the Commission to get the entitled refund and requested for compensation of litigation expenses. Sh. Raheel Kohli requested for some time to file the written arguments to averments of the petitioner. The Commission reserves the order and acceding to request of the respondent allows both the parties to submit written submissions within two (2) weeks.

#### **10. Written submissions of petitioner received on 13/02/2026**

- 10.1 That the present proceedings arise exclusively from non-compliance of a binding and reasoned order passed by the learned CGRF, whereby the Respondent was directed to refund/adjust interest on Advance Consumption Deposit (ACD) along with penal interest, strictly in accordance with the applicable HERC Regulations and Sales Circulars.
- 10.2 At the outset, it is submitted that the issue involved herein is neither a tariff dispute nor a billing dispute nor a technical issue. The matter is confined only to verification of the Respondent's own ACD ledger and statutory adjustment of interest, which the Respondent was legally bound to do suo-motto and without any adjudication.

- 10.3 The Respondent was under a legal obligation to automatically adjust interest on ACD as per HERC Regulations. No separate adjudication was even required if records were correctly verified.
- 10.4 Had the Respondent discharged its regulatory duty by verifying its own records, the grievance would have stood resolved at the Sub-Division level itself, or at the highest, before the learned CGRF at the first hearing.
- 10.5 Despite the learned CGRF passing a detailed and speaking order dated 26.12.2024, directing refund/adjustment of interest on ACD along with penal interest, the Respondent failed to comply within the mandatory period of 21 days, as prescribed under the applicable Regulations.
- 10.6 The Respondent neither implemented the order nor sought any lawful clarification. Such deliberate inaction compelled the Petitioner to invoke the jurisdiction of this Hon'ble Commission under Sections 142 and 146 of the Electricity Act, 2003.
- 10.7 The present proceedings, therefore, are a direct consequence of regulatory indiscipline and deliberate non-compliance, and not because of any ambiguity in the CGRF order.

#### I. DELIBERATE MISREPRESENTATION & STUBBORN DEFENCE

- 10.8 Consequently, the Petitioner was constrained to file a petition for non-compliance before this Hon'ble Commission under Sections 142 and 146 of the Electricity Act, 2003. Instead of approaching the proceedings with regulatory responsibility and verifying its own official record, the Respondent, even at the very first hearing, chose to justify its inaction by placing incorrect and misleading facts (on Affidavit) before this Hon'ble Commission, and specifically:
  - i. Incorrectly stated that the ACD of the Petitioner was only ₹75,000; (also a wrong affidavit claiming the compliance has been done filed before the commission )
  - ii. Understated the refundable amount as ₹45,892 against the actual one of Rs. 26,00,000 (Twenty Six Lac)
  - iii. Denied entitlement to interest on ACD despite express HERC Regulations;
  - iv. Opposed the claim repeatedly despite documentary evidence already available on its own record.
- 10.9 These statements were not minor clerical errors or interpretational differences — they were fundamental misstatements of record. The relevant ACD figures, surcharge calculations, and ledger entries were all within the custody and control of the Respondent only.
- 10.10 Ultimately, after intervention of this Hon'ble Commission and subsequent proceedings before the learned CGRF, the Respondent refunded ₹26,24,145 — an amount which aligns substantially with the Petitioner's detailed calculations placed on record at the very outset. This amount too adjusted in 2 parts i.e ₹23,00,494 Sundry dated 19-12-25 and ₹2,77,759 Sundry dated 28-1-26. ( Copy attached)
- 10.11 This act of respondent clearly establishes that:
  - i. The Petitioner's claim was correct from the beginning;
  - ii. The Respondent's earlier stand was untenable and unsustainable;

- iii. The prolonged litigation was entirely avoidable;
- iv. The non-compliance petition became necessary solely due to Respondent's refusal to acknowledge its statutory obligation.

10.12 The Respondent did not comply the directions of CGRF deliberately . The Respondent did not correct its record on its own. The Respondent complied only after regulatory intervention and judicial scrutiny. That too after repeated hearings.

Such conduct reflects institutional stubbornness, disregard for statutory regulations, and a troubling pattern of regulatory indiscipline that necessitates imposition of costs to ensure accountability.

## II. PROLONGED LITIGATION

10.13 The Petitioner was forced to:

- i. Approach CGRF for a grievance which could have been sorted out at sub division level in first instance.
- ii. Then approach this Hon'ble Commission for non-compliance,
- iii. Contest misleading compliance report,
- iv. Face further remand back proceedings before CGRF DHBVN Gurgaon.

10.14 All this was for enforcement of a statutory interest obligation which the Respondent was duty-bound to adjust automatically.

10.15 Had the Respondent verified its own ledger in 2024 itself, the matter would have ended at the first stage.

10.16 Instead, the consumer had to litigate for nearly two years to secure what was legally and regulatorily due.

## III. FINANCIAL & REGULATORY PREJUDICE CAUSED

10.17 Because of the Respondent's conduct:

- i. The Petitioner's working capital remained blocked;
- ii. Litigation expenses were incurred;
- iii. Management time was diverted;
- iv. The Commission's valuable judicial time was consumed;
- v. Additional delayed interest liability accrued upon the Nigam itself.

10.18 Such conduct not only prejudices the consumer but also reflects systemic disregard for regulatory discipline.

10.19 If such behaviour goes unchecked, it sends a message that CGRF orders can be ignored until penal proceedings are initiated.

## IV. PRINCIPLE OF REGULATORY ACCOUNTABILITY

10.20 Section 142 of the Electricity Act, 2003 empowers this Hon'ble Commission to impose penalty for non-compliance of orders and regulations.

10.21 Compensation in the present case is not merely for reimbursement — it is to:

- i. Deter repeated non-compliance;
- ii. Ensure accountability of field officers;
- iii. Prevent consumers from being forced into execution-style litigation for statutory dues.

10.22 The Hon'ble Supreme Court has consistently held that wilful or negligent non-compliance undermines regulatory authority and must attract consequences.

10.23 When a statutory liability is denied without basis and ultimately paid only after coercive proceedings, costs must follow.

#### V. WHY COSTS ARE NECESSARY IN THE PRESENT CASE

10.24 This is a fit case for awarding substantial costs because:

- The grievance was straightforward and record-based;
- The Respondent had all relevant documents in its custody;
- The amount ultimately refunded validates the Petitioner's claim;
- The Respondent's earlier stand stands disproved by its own later action;
- Litigation was prolonged solely due to Respondent's rigid and evasive approach.

10.25 The Petitioner should not suffer financially for enforcing a regulatory right.

10.26 Litigation expenses must not become the cost of regulatory compliance for consumers.

#### VI. PRAYER FOR COST & COMPENSATION

In light of the above, it is respectfully prayed that this Hon'ble Commission may:

10.27 Award litigation costs of ₹1,00,000/- to the Petitioner;

10.28 Impose penalty under Section 142 of the Electricity Act for failure to comply with CGRF order within stipulated time;

10.29 Direct payment of compensation for delayed compliance;

10.30 Pass appropriate observations to ensure future adherence to HERC Regulations regarding ACD interest.

#### 11. **Written submissions of respondent received on 18/02/2026**

11.1 The present Written Submission is being filed on behalf of Dakshin Haryana Bijli Vitran Nigam Limited ("DHBVN") in furtherance of its arguments advanced on 03.02.2026, wherein it was respectfully prayed that the Hon'ble Commission may graciously consider refraining from imposing any costs upon DHBVN, particularly in light of its observation that the CGRF has not determined the exact amount which it was required to decide.

11.2 At the outset, it is respectfully submitted that the present proceedings arise out of a Petition alleging non-compliance of the Order dated 26.12.2024 passed by the Consumer Grievance Redressal Forum ("CGRF"). It is a settled principle that an allegation of non-compliance can be sustained only where the directions contained in the order are clear, specific, and capable of implementation without ambiguity.

11.3 In the present case, as has already been observed by the Hon'ble Commission vide its order dated 24.09.2025, the CGRF, in its earlier Order, had not determined the exact amount to be refunded to the consumer. For ease of reference, the relevant portion of the order dated 24.09.2025 is reproduced below:

*5. The Commission observes that prima facie the disagreement is whether the petitioner is entitled to interest on the ACD amount that was charged but allegedly not paid until a later date. The respondent's defense rests on the pleading that no interest is due on an unpaid deposit. Conversely, the petitioner's argument implies that by forcing*

*them to pay a surcharge, the respondent has implicitly treated the ACD as a paid liability on which interest should have accrued.*

*6. After going through the order passed by the forum and hearing both parties, the Commission observes that the Forum has not concluded in its decision the exact amount of ACD, interest on ACD and from which date interest on ACD is payable, which ought have been decided by the Forum after thoroughly checking and verifying the data from supporting documents submitted by the parties. This matter is therefore, referred back to the CGRF, Gurugram for deciding issue of exact amount of ACD, interest on ACD and from which date interest on ACD is payable after giving proper opportunity of hearing to both parties and pass a speaking order in the case in a time bound manner preferably within 45 days and report the decision to the Commission.*

- 11.4 It is most respectfully submitted that where the amount alleged to be refundable has not been ascertained or quantified by the CGRF, the aspect of compliance would necessarily remain subject to such determination. Compliance can only be meaningfully assessed with reference to a clear and executable direction. In the absence of such quantification, any allegation of non-compliance at that stage would be premature in law.
- 11.5 It is further submitted that pursuant to the directions passed by this Hon'ble Commission, as reproduced above, the CGRF thereafter passed a detailed Order, in the form of a report dated 24.11.2025 addressed to this Hon'ble Commission, determining the exact amount payable, if any, to the Petitioner. Upon such determination and crystallization of the amount by the CGRF, DHBVN acted expeditiously and duly further adjusted the amount of INR 25,78,253 so determined, in accordance with the CGRF's directions (*this fact was not disputed by the Petitioner's counsel*). The prompt action taken by DHBVN immediately upon determination of the quantified amount demonstrates its bona fide conduct.
- 11.6 It is, therefore, most respectfully submitted that DHBVN ought not to be viewed as being in non-compliance of the CGRF's earlier Order, which had not conclusively determined the amount payable to the Petitioner and was, therefore, not capable of definitive implementation at that stage. It is respectfully prayed that this Hon'ble Commission may be pleased to take a balanced and holistic view of the matter, particularly in light of the fact that, immediately upon the determination and crystallization of the amount by the CGRF pursuant to the directions of this Hon'ble Commission, DHBVN duly and without delay adjusted the requisite amount in favour of the Petitioner. This conduct clearly reflects DHBVN's bona fide intent and its earnest compliance with the applicable directions. It is, therefore, most humbly prayed that the Hon'ble Commission may be pleased to take the same on record and refrain from imposing any costs upon DHBVN.
- 11.7 Additionally, it is most humbly and respectfully submitted that this Hon'ble Commission had been pleased to impose costs of INR 25,000/-

upon the concerned officials of DHBVN, which amount has already been deposited in compliance with the directions of this Hon'ble Commission. However, it is most respectfully and earnestly submitted that the said costs came to be imposed at a stage when the CGRF had not conclusively determined the exact amount payable to the Petitioner, and the operative directions were yet to attain finality. In these circumstances, and in light of the subsequent conclusive determination by the CGRF and the prompt adjustment of the requisite amount by DHBVN in faithful compliance thereof, it is most humbly prayed that this Hon'ble Commission may graciously be pleased to recall the aforesaid direction imposing costs of INR 25,000/- upon the officials of DHBVN. DHBVN respectfully seeks the indulgence of this Hon'ble Commission to take a compassionate and balanced view of the matter in the interest of justice and equity.

**Commission's Order:**

1. The Commission considered the contents of the petition, replies, rejoinders, written submissions and the material placed on record, the dispute arises from persistent non-compliance of statutory orders relating ACD interest payable to petitioner M/s Dharmesh Textile Ltd., Bhiwani. The CGRF DHBVN Gurgaon vide order dated 26-12-2024 disposed the case and issued directions to refund the interest as applicable from the date of connection.
2. The respondent failed to comply with the order passed by CGRF DHBVN Gurgaon which forced complainant petitioner to file the present petition 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 26.12.2024.
3. After going through the order passed by the forum and hearing both parties, the Commission observes that the Forum has not concluded in its decision the exact amount of ACD, interest on ACD and from which date interest on ACD is payable, which ought have been decided by the Forum after thoroughly checking and verifying the data from supporting documents submitted by the parties. This matter was referred back to the CGRF, Gurugram for deciding issue of exact amount of ACD, interest on ACD and from which date interest on ACD is payable after 4 giving proper opportunity of hearing to both parties and pass a speaking order in the case in a time bound manner preferably within 45 days and report the decision to the Commission.
4. The CGRF, DHBVN , Gurugram submitted its report dated 24/11/2025 and held that the Complainant is entitled to interest on the ACD amount

of Rs. 99,53,132/- from January 2019 till the year 2022 and directed the Respondent to

- i. Adjust the interest on ACD amount of Rs. 99 53,132/- for the period from January 2019 to 2022 in favour of the Complainant;
  - ii. Pay penal interest for the delayed payment as per HERC Regulations,
  - iii. Since interest for the period 2022-2025 has already been paid no further adjustment is required for the period thereafter.
  - iv. The above adjustment shall be carried out within 15 days' time as per regulations and reflected in the subsequent electricity bill of the Complainant.
5. In view of the consensus conveyed by the petitioner during the hearing held on 03/02/2026 regarding refund of ₹26,24,145/- which aligns with the Petitioner's calculations, the respondent has now complied with the CGRF order and refunded /adjusted the interest payable to the petitioner. The respondent submitted that DHBVN should not be viewed as being in non-compliance of the CGRF's earlier Order, which had not conclusively determined the amount payable and prayed that a balanced and holistic view of the matter may be taken, in light of the fact that, upon determination of the amount by the CGRF, DHBVN without delay adjusted the requisite amount in favour of the Petitioner.
6. The Commission finds that the compliance of the CGRF order was delayed without reasonable justification. If the respondents were aggrieved by the said order, their remedy lay in challenging the same before the appropriate Forum or Court within the prescribed period of limitation. Instead, the Commission was compelled to intervene by referring the order back to the CGRF. Consequently, the Respondents' prolonged failure to implement the order warrants the initiation of proceedings under Section 142 of the Act for the duration of the default.
7. Since 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, due to which the consumer had to suffer and had to knock the doors of CGRF for relief in the first instance and then had to approach the Commission for implementation of CGRF orders. Nigam has been burdened with interest and litigation charges in addition to wastage of valuable time of the officers/officials.

8. 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.
9. 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 with in 3 months.
10. The petition is disposed of, in above terms

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

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