



Brisk Lumbini Apartment Resident Welfare Association

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Frequently Asked Questions for Maintenance and Electricity Bill

	Question	Answer
Regulatory Information		
1.	What was the directive as per DTP after meeting between Builder, RWA and DTP on 23 Jan 2020	<p>1. Since RWA has been formed, but handover of Maintenance, IFMS etc has not been done by the builder to the RWA. So it was <u>DECIDED AMONG BOTH THE PARTIES</u> THAT BUILDER WILL OFFICIALLY HANDOVER the maintenance, AMC, NOC, Operational manual etc, to RWA w.e.f 1st November 2019</p> <p>2. The <u>BUILDER WILL BE LIABLE FOR MAINTENANCE AND OPERATION AND COLLECTION of previous dues till 31st October 2019</u></p> <p>3. The builder will complete the official/legal process of handover including handover of IFMS etc by 31st March 2020</p> <p>4. The builder agreed to transfer single point connection to RWA in consultation with DHBVN.</p>
2.	Has PEC Connection been transferred in the name of RWA	No, that has not happened so far. (Refer to point # 4 in Q 1 above)
3.	What is the rule for charging by area?	<p>Haryana Apartment Ownership Act, 1983 and Rules thereunder provide that maintenance charges will charged by area of the flat. Specific Rule of Haryana Government dated 22 June 2018 clearly directs all RWA as below</p> <p>“33. Fixation of maintenance charges.-The society shall fix the charges on the basis of size of apartment for maintenance of common area and facilities”</p>
4.	If I have paid the electricity bill, but not the other amounts, my electricity cannot be disconnected.	<p>Grid supply is consumed within the flats as well as in running common service like Fire Fighting system, Water Treatment Plant, Sewage Treatment Plant, Lifts, Common Lobby lighting, Common area lighting, operating pumps to pump water to storage and overhead tanks, basement ventilation, basement lighting etc.</p> <p>Government mandates operation of services like firefighting, STP, Lifts, DG and transformers etc as without these systems being operational, habitation is not possible in societies using shared common services.</p> <p>While CAM is used to maintain AMC/NOCs for these systems, Grid and DG supply is consumed in operating these and hence payment of CAE and CAM for maintenance and operation of these systems is mandatory for all owners.</p> <p>Imagine some people not paying Maintenance or CAE towards these services, it will lead to default in AMCs and thus disruption of these common shared services. Society can't function w/o operational Lifts, WTP, STP, Firefighting systems.</p> <p>Prepaid system is an accepted across large section of GHS (including Haryana) and is considered as an effective and fair measure for avoiding default in collection and payment. It also gives transparent view to all on their individual consumption and finally, prevents discomfort to those paying their bills on account of defaulters.</p>

		<p>People may like to read few recent articles for more clarity</p> <p><i>Haryana to expand single-point connection, HERC okays 10,000 Smart Meters .- dated 26 Jan 2020</i> <i>"This comes along with the electricity distribution companies plans to install 10,000 prepaid smart electricity meters in the urban areas to make supply and collection of revenue more effective"</i></p> <p><i>Haryana kicks off prepaid power meter project – dated 20 June 2019</i> <i>Chairman & MD DHBVN Sh Shatrujeet "Kapur said the department has bought 10 lakh smart meters for the four districts of Gurugram, Faridabad, Panchkula and Panipat, and the work to install these meters have already started"</i></p>
5	Can we have a system of reduced maintenance charge for non-residents	No. Government regulations do not permit any such provision. AS PER GOVERNMENT RULES EVEN FOR UNSOLD FLATS BUILDER IS SUPPOSED TO PAY MAINTENANCE
6	Transparency of RWA account	RWA is working on appointing an accountant. Thereafter RWA accounts can be made available in RWA office for people to inspect.
Common Terms in Maintenance & Electricity Bill		
1	What is CAE?	CAE means Common Area Electricity. It is the electricity used for common purposes (such as lift, water treatment plant, sewage treatment plant, basement light) and in common areas (such as boundary lights, tower lobby on ground floor and each floor).
2	What is CAM?	CAM means Common Area Maintenance. It includes (a) Salary and other costs of Security Guards, Housekeeping Staff, Gardeners, Electricians, Plumber, Office Staff and Manager; (b) Running costs of utilities and systems (Lift, STP, WTP, Firefighting, etc.); (c) Maintenance costs (AMC) of these utilities and systems.
3	What are other terms mentioned in the bill?	<p>FSA = Fuel Surcharge Adjustments ED = Electricity Duty MT = Municipal Tax Sinking Fund- This is a fund that is deliberately created and set aside to cater unplanned/unexpected emergencies like replacement of wasting assets, long-term repair costs etc. CAE = Common Area Electricity CAM= Common Area Maintenance</p>
Billing Related		
1	Why are the starting dates of electricity charges and maintenance charges different in the bill up to 29.2.2020?	<p>1. As per District Town Planner (DTP)'s Action Taken Report (ATR) submitted to the Chief Minister's Office, builder has agreed to hand over the maintenance of the group housing society to the RWA w.e.f 01 November retrospectively. Therefore, RWA has raised maintenance charges w.e.f 01 November 2019.</p> <p>2. District Court, Gurgaon, vide its Order dated 16 March 2020 has directed Electricity billing by RWA and since builder has raised Electricity bill only until 10 Oct 2019. Hence Electricity bill is w.e.f. 11 Oct 2019</p>
2	Why are two separate bills not raised?	<p>A combined bill is raised for all charges. This is the practice adopted by almost all RWAs now. It reduces paperwork. It makes collection much easier.</p> <p>And it is permitted by law. Even the state govt. and central govt. encourage reduction in paperwork.</p>

		Just to give an example, for transactions at National Stock Exchange and Bombay Stock Exchange two separate bills were generated but the central authorities decided and ordered that a combined bill will be generated for both stock exchanges to reduce paperwork and make it user-friendly.
3	Why has the electricity meter been made prepaid?	<p>The electricity meter has been made prepaid to reduce the defaults in collection. This is the practice adopted by almost all RWAs now. It facilitates disconnection of electricity if the net amount in the flat owner's account goes below a predetermined level. For the time being, it is set at minus Rs.1,000.</p> <p>A message will come to your phone when the balance falls below zero and will be repeated every day. Please update your phone number if the phone number stated in the bill up to 29.2.2020 is different.</p> <p>It is permitted by law and HERC and DHBVN also encourage it. Refer to Point#4 under "Regulatory Information"</p>
4	How is the balance in the account calculated? Do we have to pay maintenance and electricity charges for March 2020 in advance?	<p>Ideally Automatic disconnection for March 2020 unpaid bill should be triggered on 1.4.2020. However, since this is a new change and still in testing phase, people will take some time to understand. Further prevailing situation of city Shut down till 31 March 2020, puts severe restrictions on people.</p> <p>HENCE ELECTRICITY WILL NOT BE DISCONNECTED TILL THE NEW SYSTEM IS UNDERSTOOD COMPLETELY BY MAJORITY OF OWNERS.</p> <p>However, we urge people to keep their account balance in POSITIVE to avoid getting reminder SMS.</p> <p>Note (Example to explain calculation)</p> <ol style="list-style-type: none"> 1. The balance shown in the bill up to 29.2.2020 is the starting amount (say minus 3000) 2. Add to it deductions till today w.e.f 01 March (say 2000) 3. Total balance that will be shown in Radius app will be minus (3000+2000) = Minus 5000 4. Suppose you recharged 8000 (using Radius App) 5. The balance shown in Radius app will be 8000 – 5000 = Positive 3000 (For online payment, the Radius system will be updated by maintenance team upon confirmation from bank, which may take a day or two. Whereas payment via Radius App is updated instantly) <p>Prepaid system means that the system will automatically debit one-thirtieth (1/30) of your monthly bill to your account every day. You have to recharge this amount to your account to stay connected. The minimum amount of recharge will be Rs.1,000 (and Rs.500 for EWS flats) but it will be advisable to recharge larger amounts to avoid frequent recharging.</p> <p>More details will be shared/explained in a circular to the flat owners about Prepaid system</p>
5	How can I recharge my account?	<p>You can recharge (a) through the RWA App, (b) by remitting the amount to the RWA's bank account in Bank of Baroda (earlier known as Vijaya Bank) or (c) by cheque. A cheque will not be accepted if your cheque had bounced earlier or if you have negative balance in your account.</p> <p>With cheque payment, your account will be credited only on realization of the cheque. If your balance falls below minus 1,000 before the cheque is realized, electricity will be disconnected. Therefore pay well in time if you intend to pay by cheque.</p>
6	Is my account updated automatically?	Your account will be updated immediately if you recharge through the Xenius App as stated in the next answer.

		<p>If you remit the money to the RWA bank account, the RWA will update your account on receiving the daily bank statement.</p> <p>If you pay by cheque, the account will be updated only when the cheque is realized, which may take 2 to 4 days.</p>
7	Where is this Xenius App available and how do I use it?	<p>XENIUS Mobile App provided by Radius which maintains the smart electricity meters in our society can be downloaded from Google Play store /App store in your mobile phone. Or click on the link https://play.google.com/store/apps/details?id=com.e.xeniusapp https://apps.apple.com/in/app/xenius-sems/id963563451 to download the App. Login by using the login ID and password provided in the bill up to 29.2.2020. The App provides you all the information for billing, balance, payments. You can recharge through this App.</p> <p>You can also see daily deduction from your account by using this App. You can see your recharge history also.</p>
8	How is CAE calculated?	<p>In the Bill CAE is separated in two sections:</p> <p>CAE in Grid supply - Units have been calculated on the basis of units billed by DHBVN, reduced by the total individual consumptions (in the flats, EWS flats and shops), and balance divided by the total Sq. ft. area of the society. This number is multiplied by the area of the flat and per unit electricity rate to arrive at the CAE amount in Rs. for that flat.</p> <p>CAE in Power Back Up- Units have been calculated on the basis of total expenditure towards Diesel & Lubricants etc. reduced by the proceeds against total individual consumption, and balance divided by the total applicable Sq.ft. of the society. This number is multiplied by the area of the flat and per unit rate to arrive at the CAE amount in Rs. for that flat.</p>
9	Is there a surcharge or penalty in DHBVN bill due to court cases?	<p>Surcharge is applied even if a little amount is pending for payment. Builder has not paid about 2.25 lacs for bill upto 10 Oct (since BIDPL claims it was unable to collect it from defaulters).</p> <p>Even if RWA pays the entire amount due w.e.f 11 Oct 2019 (About 19 Lacs), to DHBVN, there still will be about 30,000 surcharge added in March Bill and all subsequent monthly bills, if BIDPL does not pay its dues (2.25 Lacs) by 25th March.</p> <p>Due date for payment of RWA amount (@ Rs 19Lacs) and BIDPL amount (@ 2.25 Lacs) is 25th March 2020.</p> <p><i>Even delayed payment by 1 day attracts surcharge in next bill, irrespective of amount due and this will go on month on month till all dues are cleared with DHBVN indicated due date.</i></p>
10	How is the per unit rate calculated for DG? What will be the rate if 500 KVA DG set is run to give electricity to homes?	<p>DG Unit Rate have been calculated on the basis of total expenditure towards diesel & lubricants etc. during billing period divided by the total units consumed.</p> <p>Mockup Calculation : Total Expenses towards Diesel & Lubricants etc. = Rs.176000 Units consumed in flats & used up for Common area = 11000 Per Unit cost will be (176000/11000)= Rs.16/- <i>(Note- Figures assumed for calculation purpose)</i></p> <p>As the load on 500 kVA DG set is very low due to low number of families living here, the per unit rate in the next bill will be very high.</p> <p>If the load is more, per unit cost will come down.</p>
11	Does CAM include water charges?	<p>Yes, water charges are included in CAM (Common Area Maintenance) as there are no separate water meters for each flat.</p>

12	Why is the RWA charging Rs.2.50 as CAM ?	<p>The cost of security, housekeeping, gardening, water bill, maintenance and repairs of common facilities (such as lift, water treatment plant, sewage treatment plant, firefighting equipment, basement light) have to be met from current billing only.</p> <p>Rate calculation method- All costs towards CAM (+ GST where applicable) divided by total area of the society.</p> <p>Mockup Calculation :</p> <p>Monthly expenses for CAM = 13 Lacs (Assume)</p> <p>GST (18%) = Rs.2,34,000</p> <ul style="list-style-type: none"> Total = Rs.15,34,000 Area = 617000 Sq.ft (Approx.) <p>CAM rate will be calculated as 15.35 L divided by 617000 = Rs 2.49 per sq.ft</p> <p><i>(Note- Figures assumed for calculation purpose, FCFML or BIDPL account details including actual collection and expenses are not available. CAM rates are basis expected expenses)</i></p>
13	Why is GST charged for only some flats and not for other flats?	<p>GST is charged as per GST Act and Rules, Circulars and Notifications.</p> <p>Government circular no. 109/28/2019-GST dated 22.7.2019 specifies that an RWA is exempted from charging GST to its those members whose monthly bill does not exceed Rs.7,500.</p> <p>The RWA has charged GST for flats that do not meet this criterion. The GST law specifies that GST is charged on the billed amount and not on the amount reduced by any set off.</p>
14	What are Gym charges?	As the Gym is closed now due to Coronavirus, this will be decided later.
15	What is Meter AMC Rs 106?	It is the cost of maintenance of the smart electricity meters by the supplier. It was agreed by the builder with the supplier of the meters. It includes maintaining the meters, live downloading of the meter readings every few minutes through internet, maintaining the master data and preparing the monthly bills.
Future liability and takeover challenges		
1	Is RWA ready to take over complete maintenance by 31 March as per DTP directive	No. Despite repeated requests BIDPL has not shared the details of building approved/as build drawings, past AMC documents, past repair details etc. There are severe gaps in various systems, which builder is not facilitating RWA to understand and take corrective action.
2	Are all systems in working condition	<p>No.</p> <p>Internal assessment has been done by RWA and some volunteers, and we have realized that STP, WTP, Firefighting system, CCTV, Generators, Electric Panels, Basement exhaust ventilation system, Rain water harvesting system, solar system etc need serious repairs.</p> <p>The building is also plagued with leakage in basement due to possibly defect in expansion joint, which has been there for last 3 years.</p> <p>REPAIR OF THESE WOULD TAKE HUGE AMOUNT OF EXPENDITURE. ROUGH ESTIMATES WOULD BE PROBABLY IN EXCESS OF 35-40 LACS.</p>
3	Project Management Committee/ Auditor for evaluation of various fitted systems	In order to have proper estimate of above mentioned shortfall, RWA was planning on engaging services of authorized PMC/Auditor, but same is delayed due to ongoing nation-wide crisis.
Tenant Related Queries		

1	Is CAE to be paid by the tenant or the owner?	<p>It depends on the terms of the rent agreement between the owner and the tenant. If the agreement states that the tenant has to pay for “electricity consumed in the flat”, then the tenant may pay for only the actual units consumed in the flat. If the agreement states that the tenant has to pay for “electricity”, then the tenant may pay for the CAE charges in addition to the actual units consumed in the flat.</p> <p>Also if the agreement states that the tenant has to pay the rent but not maintenance charges, or if it states that the owner will bear the maintenance charges, then the tenant may not pay CAE charges.</p> <p>This is not a legally binding clarification. A lawyer may be consulted for advice if the terms of the rent agreement are not clear.</p>
2	Why is CAE not shown separately in Rs. for recovering from the tenant?	<p>This is a suggestion that will be considered for the next bill.</p> <p>However, the CAE amount in Rs. can be easily calculated by multiplying the CAW rate with the area of the flat and the per unit cost of electricity in Rs.</p>