



**Before the Appellate Board**  
**National Electric Power Regulatory Authority**  
**(NEPRA)**  
**Islamic Republic of Pakistan**

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No. NEPRA/Appeal/069/2022/ 385


May 02, 2025

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| 1. Muhammad Mustafa,<br>S/o. Muhammad Rafique,<br>R/o. Dera Bawry, Bashmula Mahndi Abad,<br>Vanike Tarar, Tehsil & District Hafizabad<br>Cell No. 0300-7866070 | 2. Chief Executive Officer,<br>GEPCO Ltd, 565-A,<br>Model Town, G. T. Road,<br>Gujranwala  |
| 3. Muhammad Siddique Malik,<br>Advocate High Court,<br>Room No. 6, 2 <sup>nd</sup> Floor,<br>Imtiaz Plaza, 85-The Mall,<br>Lahore<br>Cell No. 0300-6450979     | 4. Executive Engineer,<br>GEPCO Ltd,<br>Jalalpur Bhattian Division,<br>District Hafizabad  |
| 5. Sub Divisional Officer (Operation),<br>GEPCO Ltd,<br>Vanike Tarar Sub Division,<br>Vanike Tarar, District Hafizabad   | 6. POI/Electric Inspector,<br>Gujranwala Region,<br>Energy Department, Govt. of Punjab,<br>Munir Chowk, Near Kacheri Road,<br>Gujranwala |

Subject: **Appeal No.069/2022 (GEPCO Vs. Muhammad Mustafa) Against the Decision Dated 12.04.2022 of the Provincial Office of Inspection to Government of the Punjab Gujranwala Region, Gujranwala**

Please find enclosed herewith the decision of the Appellate Board dated 02.05.2025 (06 pages), regarding the subject matter, for information and necessary action, accordingly.

**Encl: As Above**

  
**(Ikram Shakeel)**  
**Deputy Director**  
**Appellate Board**

Forwarded for information please.

1. Director (IT) –for uploading the decision of the Appellate Board on the NEPRA website



# National Electric Power Regulatory Authority

## Before The Appellate Board

In the matter of

### Appeal No.069/POI-2022

Gujranwala Electric Power Company Limited

.....Appellant

Versus

Muhammad Mustafa S/o. Muhammad Rafique,  
R/o. Dera Bawry Mahndi Abad, Vanike Tarar,  
Tehsil & District Hafizabad

.....Respondent

## **APPEAL UNDER SECTION 38(3) OF THE REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997**

### For the Appellant:

Mr. Muhammad Siddique Malik Advocate  
Mr. Zulfiqar Ali Bhatti Commercial Assistant

### For the Respondent:

Mr. Muhammad Mustafa

## **DECISION**

1. As per the facts of the case, Muhammad Mustafa (the "Respondent") is an industrial consumer of GEPCO (the "Appellant") bearing Ref No.28-12254-0796300 with a sanctioned load of 320 kW and the applicable tariff category is B-2(b). The billing meter bearing No.209912 (the "old meter") was found 33.33% slow during checking dated 02.09.2020, therefore, it was replaced with a new meter bearing No.210194 (the "impugned meter") by the Appellant on 23.01.2021. Later on, the impugned meter of the Respondent was found 66.66% slow due to two phases being dead during checking dated 23.06.2021, hence the MF was further raised from 160 to 480 w.ef June 2021 and onwards.
2. Being aggrieved, the Respondent approached the Provincial Office of Inspection, Gujranwala Region, Gujranwala (the "POI") vide application dated 12.08.2021 and challenged the bills for June 2021 and July 2021. Metering equipment of the Respondent was checked by the POI on 05.10.2021 in the presence of both parties and the impugned meter was found tampered with (all three phases were intentionally cut) for the dishonest abstraction of electricity, joint





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checking report dated 05.10.2021 was signed by both parties without raising any objection. The Appellant registered FIR No.530/21 dated 08.10.2021 with the police against the Respondent and debited a detection bill of Rs.12,218,680/- for 496,800 units for the period from February 2021 to July 2021 @ 60% load factor of the sanctioned load i.e. 320 kW.

3. The Respondent filed another application dated 24.01.2022 before the POI and challenged the above detection bill. Both the applications were clubbed and disposed of by the POI vide single consolidated decision dated 12.04.2022, wherein the above detection bill along with the bills for the period April 2021 to July 2021 and FPA charges were cancelled. As per the impugned decision, the Appellant was allowed to charge net 27,901 units for the period from April 2021 to 19.07.2021.
4. The Appellant filed an appeal before the NEPRA against the above-referred decision of the POI (the "impugned decision"), which was registered as Appeal No.069/POI 2022 (GEPCO Vs. Muhammad Mustafa). NEPRA Appellate Board vide decision dated 10.10.2023 disposed of the appeal with the following conclusion:

*"7. In view of the above, we have reached the conclusion that:*

*7.1 Detection bill of Rs. 12,218,680/- for 496,800 units for six months i.e. February 2021 to July 2021 charged by the Appellant to the Respondent @ 60% load factor of the sanctioned load i.e. 320 kW is unjustified and the same is cancelled.*

*7.2 The arrears of Rs. 106,115/- added in the bill of December 2021 are illegal and unjustified and the same are null and void.*

*7.3 The Respondent may be charged the revised bills as per the details given below: 66% slowness for the previous two months, i.e. April 2021 and May 2021 as per Clause 4.3.3c(ii) of the CSM-2021.*

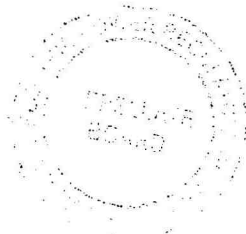
*ii. Bill of June 2021 with enhanced MF=480 due to 66% slowness of the second meter.*

*iii. Detection bill of net 56,320 units for July 2021 as per Clause 9.1.3 of the CSM-2021.*

*7.4 The billing account of the Respondent may be overhauled, accordingly.*

*8. Impugned decision is modified in the above terms."*

5. The Appellant filed Appeal No.109/NT/2024 before the Appellate Tribunal (NEPRA) against the decision dated 10.10.2023 of the NEPRA Appellate Board. The Appellate Tribunal (NEPRA) vide order dated 19.04.2024 set aside the aforesaid decision of the Appellate Board and remanded back the matter to NEPRA for decision afresh in accordance with law after compliance of the order of the honorable Supreme Court of Pakistan for revisiting Clause 4.4(e) of Consumer Service Manual-2010 (the "CSM-2010") (existing Clause 4.3.3 of the CSM-2021). Subsequently, the NEPRA Authority vide order dated 13.06.2024 retained the period of supplementary/detection bill for two billing cycles in case of the slowness of the metering



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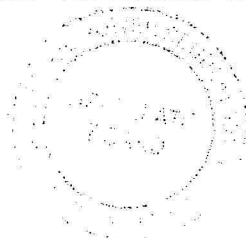
equipment/defective CTs as mentioned in Clause 4.4(e) of CSM- 2010 (existing Clause 4.3.3 of CSM-2021), the operative portion of which is reproduced below:

*"For the reasons stated above, we reject the proposal of the distribution companies and retain the period of the supplementary bills for two (02) billing cycles in the case of the slowness of the metering installation/defective CTs as mentioned in clause 4.4(e) of CSM-2010 (existing clause 4.3 of CSM-2021). In a vigilant system, slowness of the metering installation should be detected timely, hence the distribution companies must bring efficiency in their working and replace the slow meters/defective CTs within the stipulated period as provided in clause 4.3 of the CSM-2021 in true letter and spirit. The distribution companies should ensure the charging of supplementary bills maximum for two billing cycles. If in the cases where the slowness of the metering installation is not pointed out timely and the metering installation is not replaced within maximum period of two (02) billing cycles, the competent authority of the relevant distribution company shall take disciplinary action against the concerned officials and fix the responsibility for negligence in such cases."*

6. Accordingly, a hearing in the subject appeal was conducted at NEPRA Regional Office Lahore on 02.11.2024, wherein learned counsel along with an official tendered appearance for the Appellant and the Respondent appeared in person. Learned counsel for the Appellant contended that the Respondent was involved in the dishonest abstraction of electricity through tampering with the impugned meter during joint checking dated 05.10.2021 of the POI, therefore FIR was registered against him, and a detection bill of Rs.12,218,680/- for 496,800 units for six months was debited to the Respondent. Learned counsel for the Appellant further contended that the joint checking report was signed by both parties without raising any objection, as such the above detection bill be allowed in the interest of justice. Learned counsel for the Appellant opposed the impugned decision for revision of the bills for the period from April 2021 to July 2021 and further pleaded to declare the aforementioned bills as justified and payable by the Respondent. On the contrary, the Respondent appearing in person opposed the contention of the Appellant and averred that the impugned meter was initially checked by the M&T team of the Appellant on 23.06.2021 and the said meter was found 66% slow, therefore the Appellant enhanced MF from 160 to 480 w.e.f June 2021 and onwards. As per Respondent, he cannot be further penalized for the same cause of action. According to the Respondent, the Appellant did not point out any discrepancy before the alleged checking dated 23.06.2021, as such he cannot be held accountable for the negligence on the part of the Appellant. The Respondent finally prayed for dismissal of the appeal being devoid of merits.

7. Arguments were heard and the record was perused. The following has been observed:

7.1 Impugned meter of the Respondent was installed on 23.01.2021 and 66% slowness was





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observed by the Appellant during subsequent checking dated 23.06.2021. MF was enhanced from 160 to 480 w.e.f June 2021 and onwards. During joint checking dated 05.10.2021 of the POI, the impugned meter was found tampered (three phases intentionally cut) for theft of electricity, joint checking report was signed by both parties without raising any objection. Therefore, a detection bill of Rs.12,218,680/- for 496,800 units for the period from February 2021 to July 2021 was charged to the Respondent @ 60% load factor of the sanctioned load i.e. 320 kW.

7.2 To check the authenticity of the impugned detection bill, the consumption data of the Respondent is compared with the corresponding consumption of the preceding year in the below table:

Period before dispute		Disputed period	
Month	Units	Month	Units
Feb-20	92,800	Feb-21	47,419
Mar-20	68,480	Mar-21	46,080
Apr-20	9,760	Apr-21	47,680
May-20	65,920	May-21	37,760
Jun-20	83,680	Jun-21	104,640
Jul-20	60,320	Jul-21	60,480
<b>Average</b>	<b>63,493</b>	<b>Average</b>	<b>57,343</b>
<b>Detection bill @ 140,160 units/month</b>			

The above table shows that the average consumption charged during the disputed period is much less than the average consumption of corresponding months of the preceding year. This indicates that the actual consumption was not recorded by the impugned meter during the disputed period. However, the detection bill charged @ 140,160 units/month for the disputed period is much higher than the average consumption of corresponding months of the year 2020.

7.3 In view of the foregoing discussion, we are of the considered view that the detection bill of Rs.12,218,680/- for 496,800 units for six months i.e. February 2021 to July 2021 is unjustified, and the same is cancelled as already decided by POI.

7.4 Metering equipment of the Respondent was initially checked by the M&T team of the Appellant on 23.06.2021, wherein the impugned meter was found 66% slow. In the said checking of the Appellant, there is no evidence that the Respondent was involved in the illegal abstraction of electricity through tampering with the impugned meter. Therefore the

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Respondent is liable to be charged 66% slowness maximum for two months i.e. April 2021 and May 2021 retrospectively as per Clause 4.3.3c(ii) of the CSM-2021. Moreover, the bill already charged with enhanced MF=480 for June 2021 due to 66% slowness of the meter is consistent with Clause 4.3.3c(i) of the CSM-2021 and payable by the Respondent.

### 7.5 Disputed bill for July 2021:

The Appellant debited the bill for July 2021 with enhanced MF=480 due to 66% slowness of the impugned meter, thereafter the bills for August 2021 and onwards were debited with nil consumption. On 17.08.2021, the metering equipment of the Respondent was checked by the POI in the presence of both parties and the impugned meter was found burnt. During another joint checking of the POI on 05.10.2021, the impugned meter was found tampered (three phases intentionally cut) for committing theft of electricity, the Respondent did not object to the said checking report. In this scenario, the Appellant may charge the detection bill for one month only, i.e. July 2021 to the Respondent as per Clause 9.1.3 of the CSM-2021, calculation of the said detection bill be made as per Annex-V of the CSM-2021 in the below table:

#### Period of detection bill: July 2021

A. Units to be charged = S/L (kW) x LF x No. of Hrs.

$$= 320 \times 0.5 \times 730 = 116,800 \text{ units}$$

B. Units already charged = 60480 units

C. Net units to be charged A - B = **56,320 units**

7.6 In view of the above, the Respondent is liable to be charged the revised detection bill for net 56,320 units as calculated in the above table. The impugned decision is liable to be modified to this extent.

8. In view of what has been stated above, it is concluded that:

8.1 The detection bill of Rs.12,218,680/- for 496,800 units for six months i.e. February 2021 to July 2021 charged to the Respondent is unjustified and the same is cancelled.

8.2 The Respondent may be charged the revised bills as per the details given below:

- i 66% slowness for the previous two months i.e. April 2021 and May 2021 as per Clause 4.3.3c(ii) of the CSM-2021.





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ii The bill of June 2021 with enhanced MF=480 due to 66% slowness of the impugned meter.


iii Detection bill of net 56,320 units for July 2021 as per Clause 9.1.3 of the CSM-2021.

8.3 The billing account of the Respondent may be overhauled after making adjustments of payments against the impugned detection bill.

9. Impugned decision is modified in the above terms.

On leave  
Abid Hussain  
Member/Advisor (CAD)

  
Naweed Illahi Sheikh  
Convener/DG (CAD)

  
Muhammad Irfan-ul-Haq  
Member/ALA (Lic.)

Dated: 02-05-2025

