



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

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No. NEPRA/Appeal/003/2026/ 656

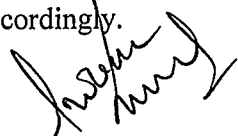
September 07, 2026

- | | |
|--|---|
| 1. Syed Shahid Mehmood,
S/o. Syed Mehmood Shah,
R/o. House No. 206, Street N. 5, Sector-A,
Mohallah Jalil Town, Near Chan Da Qila,
G. T. Road, Tehsil & District Gujranwala
Cell No. 0333-8100879 | 2. Chief Executive Officer,
GEPCO Ltd, 565-A,
Model Town, G. T. Road,
Gujranwala |
| 3. Muhammad Siddique Malik,
Advocate High Court,
Room No. 6 & 7, 2 nd Floor,
Imtiaz Plaza, 85-The Mall,
Lahore
Cell No. 0300-6450979 | 4. Sub Divisional Officer (Operation),
GEPCO Ltd,
Eimanabad Sub Division,
Wapda Town, Grid Station,
Gujranwala
Cell No. 0318-3992134 |
| 5. POI/Electric Inspector,
Gujranwala Region,
Energy Department, Govt. of Punjab,
29A, 272 Gondlanwala Road,
Block-A, Model Town, Gujranwala
Phone No. 055-9330515 | |

Subject: **Appeal No.003/2026 (GEPCO vs. Syed Shahid Mehmood) Against the Decision Dated 28.11.2025 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 07.09.2026 (04 pages), regarding the subject matter, for information and necessary action, accordingly.

Encl: **As Above**


(Ikram Shakeel)
Additional 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.003/POI-2026

Gujranwala Electric Power Company Limited

.....Appellant

Versus

Syed Shahid Mehmood Shah, R/o. House No.206, St.05, Sector-A,
Mohallah Jalil Town, Near Chan Da Qilla, G.T Road,
Tehsil and District Gujranwala

.....Respondent

APPEAL U/S 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997

For the Appellant:

Mr. Muhammad Siddique Malik Advocate
Mr. Usman Asghar SDO

For the Respondent:

Nemo

DECISION

1. Brief facts leading to the filing of the instant appeal are that Syed Shahid Mehmood Shah (hereinafter referred to as the "Respondent") is an industrial consumer of Gujranwala Electric Power Company Limited (hereinafter referred to as the "Appellant") bearing Ref No.24-12134-0286100-R having sanctioned load of 7.86 kW. Audit Department vide Draft Para No.312/2024-25 pointed out illegal extension of load beyond 25 kW, and recommended to debit the fixed charges for the period from July 2023 to June 2024 to the Respondent on account of wrong application of tariff category, i.e., B-1 instead of B-2. Accordingly, the Appellant debited a detection bill of Rs.555,984/- for the period from July 2023 to June 2024 to the Respondent based on the audit recommendation and added to the bill for November 2024.
2. Being aggrieved, the Respondent filed an application before the Provincial Office of Inspection, Gujranwala Region, Gujranwala (hereinafter referred to as the "POI") on 27.05.2025 and challenged the abovementioned detection bill. The complaint of the Respondent was disposed of by the POI vide the decision dated 28.11.2025, wherein the





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detection bill of Rs.555,984/- for the period from July 2023 to June 2024 was cancelled, and the Appellant was directed to refund 1/3rd of the impugned detection bill paid by the Respondent.

3. Subject appeal has been filed against the afore-referred decision dated 28.11.2025 of the POI by the Appellant before the NEPRA. In its appeal, the Appellant opposed the impugned decision *inter alia*, on the following grounds that the audit observations/paras have full legal sanctity under the NEPRA Act, Electricity Act 1910 as well as the Appellant approved audit manual; that charging of the bill on account of fixed charges was legally valid and justified, pursuant to Clause 7.5 of the CSM-2021; that charging was based on actual recorded MDI; that the impugned decision for cancellation of the above detection bill as null and void is illegal, unlawful, unjustified; that the impugned decision is result of misreading and non-reading of record; that the POI neither recorded the evidence nor perused the consumption data; and that the impugned decision is liable to be set aside.
4. Notice dated 15.01.2026 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days, which however, were not filed.
5. Hearing was conducted at NEPRA Regional Office Lahore on 07.05.2026, wherein learned counsel along with an official appeared for the Appellant, and no one represented the Respondent. Learned counsel for the Appellant contended that the Respondent was found involved in the misuse of the tariff as pointed out by the Audit Department; therefore, a detection bill of Rs.555,984/- for the period from July 2023 to June 2024 was debited to the Respondent based on audit recommendation to recover the revenue loss sustained by the Appellant. Learned counsel for the Appellant opposed the impugned decision for cancellation of the above detection bill and prayed that the same is liable to be set aside. To further verify the assertion of the Appellant regarding charging the impugned detection bill, another hearing was conducted at NEPRA Regional Office on 21.08.2026, wherein the counsel appearing on behalf of the Appellant reiterated the same contention as contained in memo of the appeal and argued that the Respondent has illegal extended his load, which fall under the tariff category B-2, therefore the above detection bill charged to the Respondent on the basis of audit observation is justified and payable by the Respondent.



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6. Arguments were heard and the record was perused. Following are our observations:

- i. Audit Department of the Appellant vide Draft Para No.312/2024-25 pointed out the discrepancy of misuse of the tariff for the period from July 2023 to December 2024. Accordingly, the Appellant debited a detection bill of Rs.555,984/- for the period from July 2023 to June 2024 to the Respondent in November 2024, which was challenged by him before the POI.
- ii. To verify the contention of the Appellant, the billing history of the Respondent is examined in the below table:

Month	Units	Status	Month	Units	Status	Month	Units	Status
Jan-22	271	Active	Jan-23	361	Defective	Jan-24	0	Disc.
Feb-22	403	Active	Feb-23	489	Defective	Feb-24	0	Disc.
Mar-22	57	Active	Mar-23	39	Disc.	Mar-24	0	Disc.
Apr-22	225	Active	Apr-23	0	Disc.	Apr-24	0	Disc.
May-22	346	Active	May-23	0	Disc.	May-24	0	Disc.
Jun-22	336	Active	Jun-23	0	Disc.	Jun-24	0	Disc.
Jul-22	317	Active	Jul-23	0	Disc.	Jul-24	0	Disc.
Aug-22	310	Active	Aug-23	0	Disc.	Aug-24	0	Disc.
Sep-22	1235	Active	Sep-23	0	Disc.	Sep-24	0	Disc.
Oct-22	349	Active	Oct-23	0	Disc.	Oct-24	0	Disc.
Nov-22	57	Active	Nov-23	0	Disc.	Nov-24	0	Disc.
Dec-22	34	Active	Dec-23	0	Disc.	Dec-24	74	Disc.

The above table shows that the impugned meter of the Respondent became defective in January 2023, hence the bills for January 2023 and February 2023 were charged to the Respondent on DEF-EST code. The Respondent defaulted in making payment of said bills, therefore electricity of the Respondent was disconnected by the Appellant in March 2023. Since then, the electricity of the Respondent remained disconnected; hence, there is no justification to charge the detection bill for the period from July 2023 to June 2024 against the disconnected connection of the Respondent.

- iii. The Appellant did not even point out misuse of tariff during the disputed period, which is the prime responsibility of the meter reader as per Chapter 6 of the CSM-2021. Subsequently, the Audit Department vide the above-referred audit note recommended the Appellant to charge the detection bill of Rs.555,984/- for the period from July 2023 to June 2024 to the Respondent on account of misuse of tariff in November 2024.
- iv. As per Clause 12 of the clarification dated 26.03.2021 rendered in the revised CSM-2021, if due to any reason, the charges i.e. MDI/Fixed charges, multiplication factor,



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power factor penalty, tariff category, etc., have been skipped by the DISCO, the difference of these charges can be raised within one year for a maximum period of six months, retrospectively. Thus, the recovery of the impugned detection bill for twelve (12) months after a lapse of more than one year from the disconnection of electricity is contradictory to the above-mentioned clarification of the revised CSM-2021.

7. In view of the foregoing discussion, we are of the considered view that:

- i. The detection bill of Rs.555,984/- for the period from July 2023 to June 2024 charged to the Respondent is unjustified being contrary to clause 12 of the clarification dated 26.03.2021 rendered in the revised CSM-2021 and the same is cancelled, which is also the determination of the POI.
- ii. Further, upon the reconnection, the load of the Respondent's premises be checked by the Appellant and load and the tariff category be revised accordingly for the billing purpose in the future.

8. Foregoing in view, the appeal is dismissed.


Abid Hussain
Member/Advisor (CAD)


Naweed Illahi Sheikh
Convener/DG (CAD)


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

Dated: 07-09-2026

