



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

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No. NEPRA/Appeal/145/2025/ 765

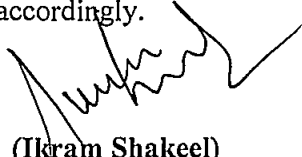
October 15, 2026

- | | |
|--|---|
| 1. Muhammad Irfan,
S/o. Ghulam Nabi,
R/o. Gali Arayanwali No. 1,
New Market, Old Sabzi Mandi,
Gujranwala | 2. Chief Executive Officer,
GEPCO Ltd, 565-A,
Model Town, G. T. Road,
Gujranwala |
| 3. Saeed Ahmed Bhatti,
Advocate High Court,
66-Khyber Block, Allama Iqbal Town,
Lahore
Cell No. 0300-4350899 | 4. Muhammad Jalil Kamboh,
Advocate High Court,
110-Kiyani Chambers,
Session Courts, Gujranwala
Cell No. 0320-6301130 |
| 5. Sub Divisional Officer (Operation),
GEPCO Ltd,
Khiali Sub Division,
Gujranwala | 6. 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.145/2025 (GEPCO vs. Muhammad Irfan) Against the Decision Dated 11.07.2025 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 15.10.2026 (05 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.145/POI-2025

Gujranwala Electric Power Company Limited

.....Appellant

Versus

Muhammad Irfan, S/o. Ghulam Nabi, R/o. Gali Arayanwali No. 1,
New Market, Old Sabzi Mandi, Gujranwala

.....Respondent

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

For the Appellant:

Mr. Saeed Ahmed Bhatti Advocate
Mr. Muhammad Nawaz LS

For the Respondent:

Mr. Muhammad Jalil Advocate

DECISION

1. Through this decision, the appeal filed by Gujranwala Electric Power Company Limited (hereinafter referred to as the "Appellant") against the decision dated 11.07.2025 of the Provincial Office of Inspection, Gujranwala Region, Gujranwala (hereinafter referred to as the "POI") is being disposed of.
2. Brief facts of the case are that Mr. Muhammad Irfan (hereinafter referred to as the "Respondent") is a commercial consumer (Cold storage) of Gujranwala Electric Power Company Limited (hereinafter referred to as the "Appellant") bearing RefNo.24-12133-1246300, having a sanctioned load of 34 kW, and the applicable tariff category is A-2c. NEPRA issued a tariff notification on 25.07.2022 for charging the cold storages under commercial tariff category. Subsequently, the Appellant changed the tariff category of the Respondent w.e.f May 2023 and onwards. Thereafter, the Audit party vide audit note No.102 dated 10.07.2024 recommended to charge the difference of tariff for the period from August 2022 to January 2023 to the Respondent due to change of tariff category i.e. A-2(c) instead of B-2(b). Therefore the Appellant debited following two difference bills to the Respondent on account of change of tariff, i.e., B-2(b) instead of A-2(c):
 - First difference bill of Rs.403,371/- for six months i.e. from November 2022 to April 2023 debited in November 2024.
 - Second difference bill of Rs.812,167/- for three months i.e., from August 2022 to



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October 2022 debited in February 2025.

3. Being aggrieved, the Respondent filed an application before POI on 27.02.2025 and challenged the second difference bill of Rs.812,167/- charged by the Appellant in April 2025. The POI vide impugned decision dated 11.07.2025 cancelled the second difference bill of Rs.812,167/-, whereas the first difference bill of Rs.403,371/- for six months, i.e., November 2022 to April 2023, charged due to the difference of tariff, i.e., B-2(b) instead of A-2(c), was declared as justified and payable by the Respondent.
4. The Appellant filed the instant appeal before the NEPRA against the afore-referred decision of the POI, which was registered as Appeal No.145/POI-2025. In its appeal, the Appellant submitted that POI misconstrued the Clause 7.5.3 of the CSM 2021, which is applicable to the unauthorized consumption or detection bills; that impugned bill arose from an official audit conducted by the Appellant based on NEPRA's notification; that POI erred in treating the billing adjustment as barred by time; that impugned decision suffers from non-appreciation of record as the Appellant submitted complete documentation including the audit report, tariff notification and consumption detail; that the impugned decision is result of misreading and non-reading of the documents placed on record; that impugned decision is *ex-facie coram, non judice, ab initio void* and without jurisdiction; that POI decided the matter after expiry of 90 days, which is violative of Section 26(6) of Electricity Act, 1910; that POI failed to appreciate that the complaint could not be entertained as no notice as required under Section 26(6) of the Electricity Act, 1910 was ever served upon the Appellant before filing the same; and the impugned decision is liable to be set aside.
5. Notice dated 14.10.2025 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days, which however was not filed.
6. Hearing was conducted at the NEPRA Regional Office Lahore on 21.08.2026, which was attended by both parties. Learned counsel for the Appellant repeated the same contention as contained in memo of the Appeal and contended that the NEPRA changed the tariff of cold storage in July 2022, however the tariff of the impugned connection was changed w.e.f May 2023 and onwards. Learned counsel for the Appellant further contended that two difference bills were charged to the Respondent on the basis of recommendation of audit party, however the lower forum declared the first difference bill of Rs.403,371/- as justified, whereas the second difference bill of Rs.812,167/- for three months i.e., from August 2022 to October 2022 was cancelled on the ground of limitation. He pleaded that the above difference bill is in line with the provisions of CSM-2021 as well as the *ibid* notification of NEPRA, hence both difference bills be declared as justified and payable by the





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Respondent. On the contrary, learned counsel for the Respondent rebutted the version of the Appellant and argued that the second difference bill of Rs.812,167/- for three months i.e., from August 2022 to October 2022 was debited to the Respondent in February 2025, which is barred by time as per the clause 12 of the clarification dated 26.03.2021 rendered in the revised CSM-2021. He supported the impugned decision for cancellation of second difference bill of Rs.812,167/- and prayed for dismissal of appeal.

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

- i. While addressing the objection of the Appellant regarding the jurisdiction of the POI, the Respondent filed his complaint before the POI on 27.02.2025 under Section 38 of the NEPRA Act. POI pronounced its decision on 11.07.2025 i.e. after ninety (90) days of receipt of the complaint. The Appellant has objected that the POI was bound to decide the matter within 90 days under Section 26(6) of the Electricity Act, 1910. In this regard, it is observed that the forum of POI has been established under Section 38 of the NEPRA Act which does not put a restriction of 90 days on POI to decide complaints. Section 38 of the NEPRA Act overrides provisions of the Electricity Act, 1910. Reliance in this regard is placed on the judgments of the honorable Lahore High Court Lahore reported in *PLJ 2017-Lahore-627* and *PLJ-2017-Lahore-309*. The relevant excerpt of the above judgments is reproduced below:

"PLJ 2017-Lahore-627:

Regulation of Generation Transmission and Distribution of Electric Power Act, 1997---838(3)--Electricity Act, 1910, S. 26(6)--Constitution of Pakistan, 1973. Art. 199--Constitutional petition--Consumer of LESCO. The sanctioned load was differed with the connected load--Determine the difference of charges of the previous period of misuse to be recovered from the consumer--Validity--No disconnection or penal action was taken against petitioner rather only difference of charges between sanctioned load and load actually used by petitioner was charged, hence Clause 7.5 of Consumer Service Manual has not been violated-Issuance of detection bill itself amounts to notice and petitioner had also availed remedy before POI against determination--Order passed by POI was beyond 90 days--Order was not passed by the respondent under Section 26(6) of the Act as Electric Inspector rather the order was passed by him in the capacity of POI under Section 38(3) of Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (NEPRA Act), therefore, argument has no substance.

PLJ-2017-Lahore-309:

Learned counsel for the petitioner submitted that there was an outer time limit of 90 days for a decision by the Electric Inspector which has not been observed and which rendered the decision of the Electric Inspector a nullity. This submission of the learned counsel has been dealt with by the Appellate Board and in any case, is fallacious- The



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short and simple answer rendered by the Appellate Board was that the decision was made under Section 38 of the Act, 1997 and not in terms of Section 26 of the Electricity Act, 1910. Therefore, the outer time limit of 90 days was inapplicable."

Keeping in view the overriding effect of the NEPRA Act on the Electricity Act, 1910, and the above-referred decisions of the honorable High Court, the objection of the Appellant is dismissed.

- ii. As regards another objection of the Appellant for not issuing notice as per the Electricity Act, 1910 by the Respondent before filing a complaint to the POI, it is elucidated that the matter was adjudicated by the POI under Section 38 of the NEPRA Act, 1997 and as per procedure laid down in Punjab (Establishment and Powers of Office of Inspection) Order, 2005, which does not require for service of any notice before approaching the POI. The above objection of the Appellant is not valid and, therefore, overruled.
- iii. Audit Department of the Appellant vide audit note No.102 dated 10.07.2024 recommended to charge the difference of tariff for the period from August 2022 to January 2023 to the Respondent due to change of tariff category i.e. A-2(C) instead of B-2(b). Therefore the Appellant debited two difference bills to the Respondent on account of change of tariff, i.e., B-2(b) instead of A-2(c), detail of which is given as under:
 - First difference bill of Rs.403,371/- for six months i.e. from November 2022 to April 2023 debited in November 2024.
 - Second difference bill of Rs.812,167/- for three months i.e., from August 2022 to October 2022 debited in February 2025.
- iv. The POI vide impugned decision declared the first detection bill of Rs.403,371/- as justified and payable by the Respondent, whereas the second difference bill of Rs.812,167/- for three months i.e., August 2022 to October 2022 was cancelled. Against which the Appellant filed instant appeal before NEPRA.
- v. With regard to charging the second detection bill of Rs.812,167/- for three months i.e. August 2022 to October 2022, it is observed that the NEPRA issued a decision on 02.0.2022, which was officially notified by the Federal Government through SRO 1168(I)/2022 on 25.07.2022, placing cold storage facilities under the commercial tariff category. However the Appellant change the tariff category of the Respondent w.e.f May 2023 and onwards after lapse of ten (10) months of above-referred notification.



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- vi. The Appellant did not even point out the discrepancy of wrong application 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 dated 10.07.2024 recommended the Appellant to charge the difference bill on account of misuse of tariff, however the Appellant debited the second difference bill of Rs.812,167/- in February 2025.
- vii. 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, 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 second difference bill of Rs.812,167/- for three months i.e., August 2022 to October 2022 in the billing month of February 2025 after a lapse of more than two years is contradictory to the above-mentioned clarification of the revised CSM-2021.
8. In view of the foregoing discussion, we are of the considered view that:
- First difference bill of Rs.403,371/- for six months i.e. from November 2022 to April 2023 debited to the Respondent in November 2024 remained undisputed before the POI as well as before this forum, hence the same has attained finality.
 - Second difference bill of Rs.812,167/- for three months i.e., from August 2022 to October 2022 debited in February 2025 is not justified 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.
9. Foregoing in view, the appeal is dismissed.

Abid Hussain
Member/Advisor (CAD)

Dated: 15-10-2026

Naweed Illahi Sheikh
Convener/DG (CAD)

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