



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

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No. NEPRA/AB/Appeal-008/POI-2015/ 538-542

June 04, 2015

1. M/s Zeenat Steel Mills,  
Through its Managing Partner,  
Tanveer Ahmed, Near Thokar Niaz Baig,  
13-KM, Multan Road, Lahore
2. The Chief Executive Officer  
LESCO Ltd,  
22-A, Queens Road,  
Lahore
3. Muhammad Younas Chaudhary,  
Advocate,  
Chaudhary Law Associates,  
4-Begum Road, Lahore
4. Saeed Ahmed Bhatti,  
Advocate High Court,  
2<sup>nd</sup> Floor, Akram Mansion,  
Neela Gumbad, Lahore
5. The Assistant Manager (Operation),  
LESCO Ltd,  
Niaz Baig Sub Division,  
Lahore

Subject: Appeal Titled LESCO Vs. M/s Zeenat Steel Mills Against the Decision Dated 16.12.2014 of the Electric Inspector/POI to Government of the Punjab Lahore Region, Lahore

Please find enclosed herewith the order of the Appellate Board dated 04.06.2015, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(M. Qamar Uz Zaman)

No. NEPRA/AB/Appeal-008/POI-2015/ 543

June 04, 2015

Forwarded for information please.

1. Registrar
2. Director (CAD)
3. Electric Inspector/POI, Lahore Region
4. Master File

CC:

1. Chairman
2. Vice Chairman/Member (CA)
3. Member (Tariff)
4. Member (M&E)
5. Member (Licensing)

49  
Member Appellate Board

05/06/15

- D Ray-I  
- m/AD

Registrar	6204
By No.....	.....
Date: 05-06-15	.....



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-008/POI-2015

Lahore Electric Supply Company Limited

.....Appellant

Versus

M/S Zeenat Steel Mills near Thokar Niaz Baig, 13 KM Multan Road, Lahore through  
Mr. Tanveer Ahmad, its Managing Partner, Lahore.

.....Respondent

Date of Hearing:

04/05/2015

For the appellant:

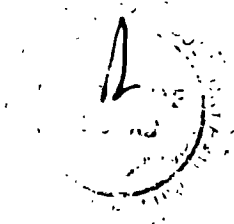
Saeed Ahmed Bhatti Advocate  
Nadeem Akhtar SDO  
Muhammad Shahbaz TA M&T  
Tahir Iqbal Court Coordinator

For the respondent:

Muhammad Younas Chaudhary Advocate

## ORDER

1. This order shall dispose of an appeal filed by Lahore Electric Supply Company Limited (hereinafter referred to as LESCO) against the decision dated 16.12.2014 of the Provincial Office of Inspection/Electric Inspector Lahore Region, Lahore (hereinafter referred to as





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POI) under Section 38(3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as "the Act").

2. Brief facts giving rise to the instant appeal are that LESCO is a licensee of National Electric Power Regulatory Authority (hereinafter referred to as NEPRA) for distribution of electricity in the territory specified as per terms and conditions of the license and the respondent is its industrial consumer bearing Ref No.24-11234-9370200 with the sanctioned load of 450 kW under B-2a tariff. The meter of the respondent was checked by M&T LESCO on 14.03.2012 and the display of the billing meter was found washed but the backup meter was found working correctly. M&T LESCO recommended that the billing of the respondent be shifted to the backup meter from April 2012 onwards whose multiplication factor (hereinafter referred to as "MF") was  $160 \times 0.5$  whereas; the M.F. of the defective billing meter was 160.
3. The respondent submitted an application to POI on 14.01.2015 and stated that LESCO issued electricity bills as per reading index of the billing meter till March 2010 but shifted the billing upon the reading recorded by the backup meter due to certain defect of the billing meter w.e.f April 2010. According to the respondent the MF of the backup meter was  $0.5 \times 160$  whereas, LESCO issued electricity bills taking MF as 160. He contended that his billing from April 2010 to September 2012 charged on the basis of MF 160 was wrong and same be charged with  $0.5 \times 160 = 80$  as MF. In support of his version, he supplied M&T check report dated 27.04.2010. The prayer of the respondent before POI was as under:

*"It is, therefore, respectfully prayed that the electricity bills issued w.e.f April 2010 to September 2012 through old backup meter (which still exists at site) by application of wrong multiplying factor as meter reading  $\times 160$  instead of meter reading  $\times 0.5 \times 160$  may kindly be declared as illegal, void, ultra vires and mala fide and this fails to carry any legal sanction to the extent of 50% excess charges.*

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*It is further prayed that the respondents may kindly be directed to overhaul petitioner's account by refunding/adjusting the cost of 159040 KWH Units plus fuel adjustment and other requisite/ incidental charges alongwith 10% profit/mark up qua the said Units at the prevalent rate in the disputed period to the petitioner.*

*Any other relief deems fit, just and proper by this hon'ble Tribunal may also be awarded in the interest justice, fair-play and equity."*

4. In response LESCO contested the case before POI and stated that bills charged to the respondent were legal, valid and fully justified and those have been paid by the respondent willingly and without raising any objection.
5. The matter was decided by POI vide his decision dated 16.12.2014 and the operative portion of the decision is reproduced below:

*"Summing up the foregoing discussion, it is held,*

- I. That the impugned electromechanical meter have been found working accurately within specified limits of accuracy having Multiplying Factor as "KWH Reading x 0.5 x 160".*
- II. That the impugned monthly bills for the period from 04/2010 to 09/2012 charged on the basis of "Kwh reading x 160" are void, unjustified and of no legal effect; therefore, the petitioner is not liable to pay the same.*
- III. However, the respondents are allowed to charge revised monthly bills for the above said period on the basis of actual Multiplying Factor i.e "Kwh Reading x 0.5 x 160" after excluding the already charged units during the said period. The respondents are directed to over-haul the account of the petitioner accordingly and any excess amount recovered be adjusted in future bills.*

*The petition is disposed of in above terms."*



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6. Being aggrieved with the above decision dated 16.12.2014 of POI, LESCO has filed the instant appeal through Saeed Ahmed Bhatti Advocate before NEPRA under section 38 (3) of the Act. In the appeal, LESCO inter-alia stated that the impugned decision dated 16.12.2014 was against the facts of the case and law applicable there to. LESCO contented that the impugned decision was illegal, void, without jurisdiction, misconceived, self contradictory, biased and based on mere assertion of the respondent and the same was liable to be set aside. Finally LESCO prayed as under:

*"it is, therefore, most respectfully prayed that the impugned decision of the Electric Inspector to Govt. of Punjab Lahore Region Lahore/POI dated 16.12.2014 may kindly be set aside and the monthly bills for the period 04/2010 to 09/2012 may very kindly be declared, as legal, valid and justified and the application moved by the respondent be dismissed with costs throughout."*

7. In response to the instant appeal, a notice was issued to the respondent for filing reply/parawise comments which were received on 26.02.2015. In his reply/parawise comments the respondent denied the assertions of LESCO and stated that the impugned decision was given by POI after application of judicial mind, providing full opportunity of hearing to both the contesting parties and keeping in view the relevant facts/pleadings of the parties. The respondent submitted that the impugned decision was self contained, well reasoned and free from any sort of illegality or infirmity. Finally the respondent prayed for dismissal of the appeal.
8. The appeal was heard in Lahore on 04.05.2015 in which both the parties were present. Mr. Saeed Ahmed Bhatti Advocate appeared for LESCO and he repeated the same arguments earlier given in memo of the appeal. Learned counsel for LESCO, submitted that the meter of the respondent was replaced as confirmed by the M&T report dated 27.04.2010. According to him, the version of the respondent, that the meter was found defective was not correct and the billing of the respondent was continued on the newly



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installed meter from April 2010 till the meter was replaced on 15.08.2012. He pleaded that the respondent was liable to be charged on the basis of billing meter with MF as 160 w.e.f its date of installation that is April 2010 till its display was found washed on 14.03.2012 and billing was shifted to backup meter. He argued that the impugned decision of POI for dismissing the billing from April 2010 to September 2012 with MF=160 was without facts and law and he requested for acceptance of the appeal. Mr. Muhmmad Younas Chaudhary Advocate, learned counsel for the respondent, defended the impugned decision of POI and prayed for the maintenance of the same and dismissal of the appeal.

9. We have heard arguments of both the parties and examined the record placed before us.

Following are the observations:

- i. A new meter was installed on the premises of the respondent on 27.04.2010 which had MF as 160 for the billing meter and 0.5x160 for the backup meter.
- ii. M&T LESCO checked the meter on 14.03.2012 and found that the display of billing meter (MF=160) was found washed and the backup meter (MF=0.5x160) was working correctly.
- iii. Billing of the respondent was to be shifted from April 2012 onwards on the backup meter (MF=0.5x160), but it is observed that LESCO continued billing on the defective billing meter (MF=160) which was incorrect.
- iv. The defective meter was replaced on 15.08.2012. The respondent is liable to be charged on the basis of backup meter (MF=0.5x160) from April 2012 till replacement of the meter on 15.08.2012.

10. In view of the foregoing discussion it is concluded as under:-

- i. The monthly bills already charged by LESCO against the respondent from April 2010 to March 2012 on the basis of the billing meter (MF=160) are correct and justified and the respondent is liable to pay the same.

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- ii. The monthly bills charged by LESCO against the respondent from April 2012 to September 2012 on the basis of the billing meter (MF=160) are incorrect and unjustified and the consumer is not liable to pay the same. LESCO is directed to charge the respondent on the basis of backup meter reading (M.F = 0.5 x 160) from April 2012 to September 2012.
11. LESCO is directed to revise the billing of the respondent according to para (i) & (ii) above.
12. The appeal is disposed of in above terms.

Muhammad Qamar-uz-Zaman  
Member

Nadir Ali Khoso  
Convener

Muhammad Shafique  
Member

Date: 04.06.2015