



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

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No. NEPRA/Appeal/003/2025/ 872

September 24, 2025

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|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. M/s. Madina (Pvt.) Limited,
Through its Manager Legal Affairs,
Imran Nazir, Situated at 9-KM,
Bhobtian Avenue, Main Raiwind Road,
Lahore
Cell No. 0303-5178404 | 2. Chief Executive Officer,
LESCO Ltd,
22-A, Queens Road,
Lahore |
| 3. Saeed Ahmed Bhatti,
Advocate High Court,
66-Khyber Block, Allama Iqbal Town,
Lahore
Cell No. 0300-4350899 | 4. Mahad Abdul Ghafoor,
Advocate High Court,
Law Alliance Advocates & Legal Consultants,
Hussain Building, First Floor,
6-Begum Road, Mazang, Lahore
Cell No. 0322-7212223 |
| 5. Assistant Director (Operation),
LESCO Ltd,
Jati Umrah Sub Division,
Lahore | 6. POI/Electric Inspector,
Lahore Region-II,
Energy Department, Govt. of Punjab,
342-B, Near Allah Hoo Chowk,
Johar Town, Lahore
Phone No. 042-99333968 |

Subject: **Appeal No.003/2025 (LESCO vs. M/s. Madina (Pvt.) Ltd.) Against the Decision Dated 31.10.2024 of the Provincial Office of Inspection to Government of the Punjab Lahore Region-II, Lahore**

Please find enclosed herewith the decision of the Appellate Board dated 24.09.2025 (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.003/POI-2025

Lahore Electric Supply Company Limited

.....Appellant

Versus

M/s. Madina (Pvt.) Limited, through its Manager Legal Affairs,
Mr. Imran Nazir, Situated at 9-KM, Bhohtian Avenue,
Main Raiwind Road, Lahore

.....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. Irfan Ali SDO
Mr. Muhammad Azam SDO
Mr. Muhammad Akram RO

For the Respondent:

Mr. Mahad Abdul Ghafoor Advocate

DECISION

1. Through this decision, the appeal filed by Lahore Electric Supply Company Limited (hereinafter referred to as the "Appellant") against the decision dated 31.10.2024 of the Provincial Office of Inspection, Lahore Region-II, Lahore (hereinafter referred to as the "POI") is being disposed of.
2. Brief facts of the case are that M/s. Madina (Pvt.) Limited (hereinafter referred to as the "Respondent") is a commercial consumer of the Appellant bearing Ref No.24-11224-1012500-U with a sanctioned load of 360 kW and the applicable Tariff category is A-2c. Metering equipment of the Respondent was initially checked by the Appellant on 01.04.2022, and reportedly, both the billing and backup meters were found within specified limits. Metering equipment of the Respondent was again checked by the Metering & Testing (M&T) team of the Appellant on 01.05.2024 and reportedly, the billing meter was found 33% slow and the backup meter was working accurately and a difference of 116,480 units was observed between the readings of the billing and backup meters. Billing of the Respondent was shifted by the Appellant on the healthy backup meter vide MCO dated





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- 01.05.2024. Thereafter, a detection bill for Rs.9,290,582/- for 153,760 units was charged to the Respondent in April 2024, which included the detection bill of 116,480 units due to the difference in readings between the billing and backup meters.
3. Being aggrieved, the Respondent filed a complaint before POI on 19.05.2024 and assailed the above detection bill. During joint checking dated 01.10.2024 of the POI, the impugned meter was found 33% slow due to the red phase being dead, whereas the new billing meter of the Respondent was found working within BSS limits. The joint checking report was signed by both parties without raising any objection. The complaint of the Respondent was disposed of by POI vide the decision dated 31.10.2024, wherein the detection bill of Rs.9,290,582/- for 153,760 units charged to the Respondent in April 2024 was cancelled. The Appellant was directed to charge the revised bills for March 2024 and April 2024 by raising M.F. from 80 to 120 due to 33% slowness of the impugned meter.
4. Subject appeal was filed by the Appellant before the NEPRA against the above-referred decision of the POI. In its appeals, the Appellant objected to the maintainability of the impugned decision, *inter alia*, on the main grounds that the bill of Rs.9,290,582/- was charged to the Respondent in April 2024, which included the detection bill of 116,480 units for the period from 01.04.2022 to 01.05.2024 and the current bill of 36,960 units debited to the Respondent due to the difference in readings between the backup and billing meters as observed on 01.05.2024; that the impugned decision is against the law and facts of the case; that the POI misconstrued the real facts of the case and erred in declaring the detection bill of Rs.9,290,582/- for 153,760 units as null and void; that the aforesaid detection bill was fully proved through authentic documents and consumption data; that the POI failed to appreciate that the backup meter was installed in series with billing meter as per Clause 4.2.7 of CSM-2021; that the procedure to determine the difference between the billing and backup meter is clearly mentioned in Clause 4.3.3(a) of CSM-2021; that Clause 4.3.3c(ii) of CSM-2021 could not be made applicable in the instant case; that the POI neither recorded evidence nor perused the relevant record/consumption data and decided the application on mere surmises and conjectures; that the POI decided the matter after expiry of 90 days, which is violative of Section 26(6) of the Electricity Act, 1910; that the 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 that the impugned decision is liable to be set aside.

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5. Proceedings by the Appellate Board

Upon the filing of the instant appeal, a notice dated 10.01.2025 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days, which were filed on 27.01.2025. In his reply, the Respondent rebutted that version of the Appellant and contended that, if presumed the impugned meter did not record consumption in the last two years, why did the Appellant not shift the billing to the backup meter? The Respondent further contended that 37,162 excessive units were charged by the Appellant as per the reading noted on the checking dated 01.05.2024. The Respondent opposed the charging of the impugned detection bill, defended the impugned decision for cancellation of the same, and prayed for dismissal of the appeal.

6. Hearing

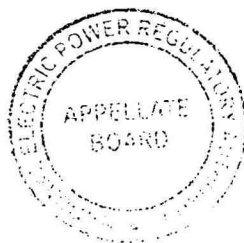
6.1 Hearing was conducted at NEPRA Regional Office Lahore on 12.06.2025, which was attended by counsels for both parties. Learned counsel for the Appellant contended that the billing meter was found slow as compared to the backup meter during the checking dated 01.05.2024 of the Appellant, as such, the detection bill of Rs.9,290,582/- for 153,760 units for the period from 01.04.2022 to 01.05.2024 was debited to the Respondent to recover the revenue loss sustained by the Appellant. As per learned counsel for the Appellant, the above detection bill was cancelled by the POI without perusing the documentary evidence. Learned counsel for the Appellant finally prayed that the impugned decision is liable to be set aside.

6.2 On the contrary, learned counsel for the Respondent repudiated the version of the Appellant and argued that the entire proceedings, including unilateral checking, were carried out by the Appellant unilaterally, and the detection bill of Rs.9,290,582/- for 153,760 units was debited to the Respondent without any justification. Learned counsel for the Respondent further contended that, if presumed that the impugned billing meter had not recorded actual consumption, as to why the Appellant failed to replace the same within two billing cycles. Learned counsel for the Respondent finally pleaded that the appeal is liable to be dismissed with costs.

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

7.1 Objection regarding the time limit for POI to decide the complaint:

As per the record, the Respondent filed his complaint before the POI on 19.05.2024 under Section 38 of the NEPRA Act. POI pronounced its decision on 31.10.2024 after the expiry





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of 90 days from the date 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 of 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 the petitioner rather only the difference of charges between the 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, the argument has no substance.

PLJ-2017-Lahore-309:

The 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 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.



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7.2 Detection bill of Rs.9,290,582/- for 153,760 units debited to the Respondent due to the difference of readings between the billing and backup meters:

The metering equipment of the Respondent was checked by the Appellant on 01.05.2024 and reportedly, 116,480 units were found uncharged due to the difference between the backup and billing meters. Thereafter, a bill of Rs.9,290,582/- for 153,760 units was debited the Respondent, which included the difference bill of 116,480 units for the period from 01.04.2022 to 01.05.2024 was debited to the Respondent due to the difference in readings between the billing and the backup meter, which was challenged before the POI. During joint checking dated 01.10.2024 of the POI, the billing meter of the Respondent was found working within BSS limits, whereas the backup meter was found 33% slow. The joint checking report was signed by both parties without raising any objection.

7.3 According to clause 6.1.2 of the CSM-2021, the meter reading up to 500 kW load is recorded by the SDO/AM (Operation) of the distribution companies, and the said officers will check the irregularities/discrepancies in the metering system and report the same discrepancy, according to Clause 6.1.4 of the CSM-2021. In the instant case, the connection under dispute is sanctioned for 360 kW load and the meter reading is being taken by the senior officer of the Appellant but the Appellant did not point out any irregularity in the billing, as well as the discrepancy in the metering equipment of the Respondent during the monthly readings, except the unilateral checking dated 01.05.2024. The Appellant claims that the impugned billing meter has been running slow since 01.04.2022, but they failed to substantiate their contention before the POI as well as NEPRA. During joint checking dated 01.10.2024 of the POI, the impugned meter was found 33% slow, whereas the backup meter of the Respondent was found working within BSS limits. The joint checking report was signed by both parties without raising any objection.

7.4 Under these circumstances, we are of the considered view that the impugned bill of Rs.9,290,582/- for 153,760 units (detection bill of 116,480 units+36960 units for April 2024) charged to the Respondent in April 2024 is unwarranted, inconsistent with the provision of the CSM-2021, and the same is declared null and void, which is also the determination of the POI.

7.5 It is an admitted fact the impugned meter of the Respondent was found 33% slow during checking dated 01.05.2024 and the billing was shifted on the same date by the Appellant, therefore the Respondent may be charged the supplementary bill for two billing cycles before checking dated 01.05.2024 due to 33% slowness of the impugned meter, according

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to Clause 4.3.3c(ii) of the CSM-2021.

7.6 The billing account of the Respondent be overhauled accordingly.

8. The appeal is disposed of in the above terms.

Abid Hussain
Member/Advisor (CAD)

Naweed Illahi Sheikh
Convener/DG (CAD)

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

Dated: 24-09-2025

