



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

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No. NEPRA/Appeal/067/2025//137

November 10, 2025

- | | |
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| 1. Raheel Arshad,
S/o. Arshad Iqbal,
R/o. House No. 09-E, Mohallah Phase-I,
Defence Housing Authority, Lahore
Cell No. 0300-4522132 | 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. Assistant Manager (Operation),
LESCO Ltd,
Qilla Sattar Shah Sub Division,
Sheikhupura |
| 5. POI/Electric Inspector
Lahore Region-I, Energy Department,
Govt. of Punjab, Block No. 1,
Irrigation Complex, Canal Bank,
Dharampura, Lahore | |

Subject: Appeal No.067/2025 (LESCO vs. Raheel Arshad) Against the Decision Dated 28.02.2025 of the Provincial Office of Inspection to Government of the Punjab Lahore Region-I, Lahore

Please find enclosed herewith the decision of the Appellate Board dated 10.11.2025 (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.067/POI-2025

Lahore Electric Supply Company Limited

.....Appellant

Versus

Raheel Arshad S/o. Arshad Iqbal, R/o. House No.09-E,
Mohallah Pahse-1, DHA, 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

For the Respondent:

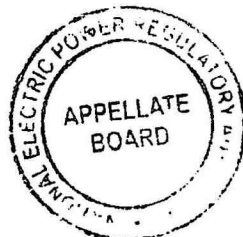
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DECISION

1. Through this decision, the appeal filed by Lahore Electric Supply Company Limited (hereinafter referred to as the "Appellant") against the decision dated 28.02.2025 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 Raheel Arshad (hereinafter referred to as the "Respondent") is an agricultural consumer of the Appellant bearing Ref No.45-11612-0060301-R with a sanctioned load of 05 kW and the applicable Tariff category is D-2(b). Metering equipment of the Respondent was checked by the M&T team of the Appellant on 22.05.2023 and allegedly, the Respondent was found involved in theft of electricity through tampering with the meter. Thereafter, a detection bill (the "first detection bill") of 4,734 units from June 2023 to July 2023 (2 months) was charged to the Respondent on the basis of consumption of corresponding months of the year 2021. Subsequently, during another checking dated 03.10.2023 of the Appellant, the impugned meter was found running at the site, whereas the status of said meter in PITC was given as replaced. Therefore, another detection bill (the "second detection bill") of 10,626 units for the period from August 2023 to September 2023 (2 months) was charged to the Respondent by the Appellant based on the consumption of corresponding months of the year 2022.
3. Being dissatisfied with the above actions of the Appellant, the Respondent filed a

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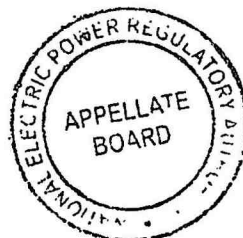
complaint before the POI on 24.04.2024 against the above detection bills. The complaint of the Respondent was disposed of by POI on 28.02.2025, wherein both the first detection bill of 4,734 units and the second detection bill of 10,626 units were cancelled and the Appellant was directed to overhaul the billing account of the Respondent.

4. Subject appeal has been filed by the Appellant before the NEPRA against the afore-referred decision of the POI (the “impugned decision”), which was registered as Appeal No.067/POI-2025. In its appeal, the Appellant contended that the billing meter of the Respondent was found tampered during the M&T checking dated 22.05.2023 for the dishonest abstraction of electricity; therefore, the first detection bill of 4,734 units for June 2023 and July 2023 was charged to the Respondent. As per the Appellant, during another checking dated 03.10.2023, the impugned meter was running at site, therefore second detection bill of 10,626 units was charged to the Respondent. According to the Appellant, the POI misconceived the real facts of the case and erred in holding that both above detection bills are unjustified. The Appellant submitted that the POI failed to consider the consumption data and did not peruse the documentary evidence in the true spirit. The Appellant further submitted that the POI failed to decide the matter within 90 days, which is violative of Section 26(6) of the Electricity Act 1910. The Appellant stated that the POI has not taken into consideration that the complaint could not be entertained as no notice as required under Section 26(6) of the Electricity Act 1910 was served upon the Appellants before filing the same. The Appellant prayed that the impugned decision is not sustainable in law and the same is liable to be set aside.
5. Notice dated 07.05.2025 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days, which were not filed.
6. Hearing was fixed for 16.08.2025 at the NEPRA Regional Office Lahore, wherein learned counsel appeared for the Appellant, and no one entered appearance for the Respondent. During the hearing, learned counsel for the Appellant reiterated the same version as contained in memo of the appeal and contended that the billing meter of the Respondent was checked by the M&T team on 22.05.2023, wherein it was declared tampered, therefore, the first detection bill of 4,734 units and the second detection bill of 10,626 units were debited to the Respondent. As per learned counsel for the Appellant, the POI vide impugned decision cancelled the above detection bills, which is contrary to the provisions of the CSM-2021. Learned counsel for the Appellant defended the charging of

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the impugned detection bills and prayed that the same be declared as justified and payable by the Respondent.

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

7.1 Preliminary objection of the Appellant regarding the time limit for POI:

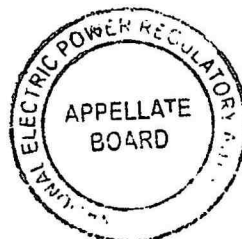
While addressing the objection of the Appellant regarding the jurisdiction of the POI, the Respondent filed his complaint before the POI on 22.04.2024 under Section 38 of the NEPRA Act. POI pronounced its decision on 28.02.2025, i.e. after ninety (90) days of receipt of the complaint. The Appellant has 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, 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



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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.

7.2 Objection regarding prior notice before approaching the POI:

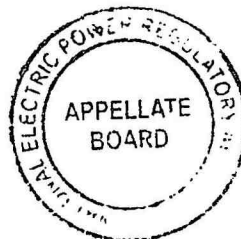
As regards another objection of the Appellant for not issuing notice as per the Electricity Act, 1910 by the Respondent before filing a complaint to the POI, it is elucidated that the matter was adjudicated by the POI under Section 38 of the NEPRA Act, 1997 and as per procedure laid down in Punjab (Establishment and Powers of Office of Inspection) Order, 2005, which do not require for service of any notice before approaching the POI. The above objection of the Appellant is not valid and, therefore, overruled.

7.3 First detection bill of 4,734 units from June 2023 to July 2023 (2 months), and second detection bill of 10,626 units for August 2023 and September 2023 (2 months)

In the instant case, the Appellant claimed that M&T on 22.05.2023 detected that the impugned meter of the Respondent had been tampered for dishonest abstraction of electricity. The Appellant debited the first detection bill 4,734 units for two months, i.e., June 2023 and July 2023, to the Respondent. During another checking dated 03.10.2023 of the Appellant, the impugned meter was found running at site, therefore second detection bill of 10,626 units for the period from August 2023 and September 2023.

7.4 Having found the above discrepancies, the Appellant was required to follow the procedure stipulated in Clause 9.2 of the CSM-2021 to confirm the illegal abstraction of electricity by the Respondent and thereafter charge the Respondent accordingly. However, in the instant case, the Appellant has not followed the procedure as stipulated under the ibid clause of the CSM-2021. From the submissions of the Appellant, it appears that the billing meter of the Respondent was checked and removed by the Appellant in the absence of the Respondent.

7.5 As per the judgment of the Supreme Court of Pakistan reported in *PLD 2012 SC 371*, the POI is the competent forum to check the metering equipment, wherein theft of electricity was committed through tampering with the meter and decide the fate of the disputed bill, accordingly. However, in the instant case, the Appellant did not produce the impugned meter before the POI for verification of the allegation regarding tampering.



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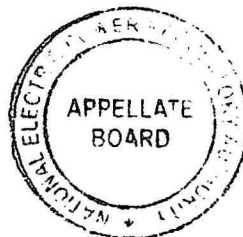
7.6 To further check the contention of the Appellant regarding charging the first and second detection bills, the consumption data is analyzed in the table below:

Month	Units	Status	Month	Units	Status	Month	Units	Status
Jan-21	45	Active	Jan-22	0	Active	Jan-23	3587	Defective
Feb-21	2033	Active	Feb-22	3	Active	Feb-23	3914	Defective
Mar-21	270	Active	Mar-22	2935	Active	Mar-23	4002	Defective
Apr-21	302	Active	Apr-22	336	Active	Apr-23	4336	Defective
May-21	3159	Active	May-22	3623	Active	May-23	4417	Defective
Jun-21	7592	Active	Jun-22	3417	Active	Jun-23	4491	Defective
Jul-21	8029	Active	Jul-22	6396	Active	Jul-23	6396	Defective
Aug-21	10020	Active	Aug-22	8985	Active	Aug-23	1651	Replaced
Sep-21	2537	Active	Sep-22	3292	Defective	Sep-23	0	Same Read
Oct-21	3082	Active	Oct-22	3313	Defective	Oct-23	0	Same Read
Nov-21	43	Active	Nov-22	3574	Defective	Nov-23	3376	Active
Dec-21	3440	Active	Dec-22	3587	Defective	Dec-23	28	Active

The above table shows that the impugned meter of the Respondent became defective in September 2022, and the Appellant debited the bills w.e.f September 2022 and onwards on DEF-EST code. The Appellant was required to replace the impugned meter within two billing cycles as per Clause 4.3.1(a) of the CSM-2021; however, in the instant case, the Appellant failed to replace the same within two months. It is further observed that the Appellant again observed the said discrepancy in the impugned meter on 22.05.2023; however, the Appellant again did not replace the impugned meter. This shows gross negligence on the part of the Appellant. As far as the first detection bill of 4,734 units charged for June 2023 and July 2023, the Appellant debited the said bills on DEF-EST code, hence there is no justification to debit further detection bills to the Respondent for the same cause of action.

7.7 Similarly, the Appellant debited the second detection bill of 10,626 units for August 2023 and September 2023 on the basis of consumption of the corresponding months of the previous year, which is consistent with the provisions of the CSM-2021.

7.8 In view of the foregoing discussion, we are of the considered view that the first detection bill of 4,734 units for June 2023 and July 2023, and the second detection bill of 10,626 units for August 2023 and September 2023, charged by the Appellant to the Respondent, are unjustified and the same are liable to be cancelled as already determined by the POI.



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- 7.9 The discrepancy in the impugned meter of the Respondent was observed by the Appellant on 22.05.2023, and actual consumption was not charged by the Appellant in August 2023 and September 2023, as evident from the consumption data. The Respondent did not even join the proceedings before this forum to defend the case. Under these circumstances, it would be fair and appropriate to debit the revised w.e.f August 2023 and onwards till the replacement of the impugned meter on DEF-EST code as per Clause 4.3.1(b) of the CSM-2021. 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 first detection bill of 4,734 units and the second detection bill of 10,626 units are unjustified and the same are cancelled.
- 8.2 The Appellant may charge the revised bills w.e.f August 2023 and onwards till the replacement of the impugned meter of the Respondent on DEF-EST code as per Clause 4.3.1(b) of the CSM-2021.
- 8.3 The billing account of the Respondent may be overhauled accordingly.
9. The impugned decision is modified in the above terms.

Abid Hussain
Member/Advisor (CAD)

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

Naweed Illahi Sheikh
Convener/DG (CAD)

Dated: 10-11-2025

