

## Before the Appellate Board National Electric Power Regulatory Authority (NEPRA)

### Islamic Republic of Pakistan

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## No. NEPRA/Appeal/02/2025/ 630

June 30, 2025

- Muhammad Saleem Akhtar, M/s. Tatara Pharma,
   192-B Industrial Estate,
   Jamrod Road, Hayatabad,
   Peshawar
   Cell No. 0331-9353424
   0312-9244880
- Israr Iqbal Khatak, Advocate High Court, Bilour Plaza, Saddar, Peshawar Cell No. 0310-5112078
- Sub Divisional Officer (Operation), PESCO Ltd, Hayatabad-II Sub Division, Near S.S Kanta & Opposite Al-Hafiz Crystoplast Industry, Hayatabad, Peshawar Cell No. 0370-1340216

- Chief Executive Officer, PESCO Ltd, WAPDA House, Sakhi Chashma, Shami Road, Peshawar
- Executive Engineer (Operation), PESCO Ltd, Khyber Division, 41/B-1, Phase-5, Hayatabad, Peshawar Cell No. 0370-1340210
- 6. POI/Electric Inspector,
  Peshawar Region,
  Benevolent Fund Building,
  3rd Floor, Near Jans Bakers,
  Peshawar Cantt,
  Phone No. 091-9211343

Subject:

Appeal No.002/2025 (PESCO vs. Muhammad Saleem Akhtar) Against the Decision Dated 05.08.2024 of the Provincial Office of Inspection to Government of the Khyber Pakhtunkhwa Peshawar Region, Peshawar

Please find enclosed herewith the decision of the Appellate Board dated 30.06.2025 (05 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



### **Before Appellate Board**

In the matter of

### Appeal No. 002/POI-2025

Peshawar Electric Supply Company Limited	Appellant
Versus	
Muhammad Saleem Akhtar, M/s. Tatara Pharma,	Respondent

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

For the Appellant: Mr. Naqeeb Ullah SDO

<u>For the Respondent:</u> Mr. Isar Iqbal Advocate

#### **DECISION**

1. Brief facts of the case are that Muhammad Saleem Akhtar (hereinafter referred to as the "Respondent") is a commercial consumer of Peshawar Electric Supply Company Limited (hereinafter referred to as the "Appellant") bearing Ref No.30-26216-003900 having sanctioned load of 63 kW and the applicable tariff category is A-2(C). Previously, Major Akbar Khan was the owner of the premises, and the old electricity connection bearing Ref No.15-26214-0363170 was installed by the Appellant on the premises. Reportedly, the previous owner of the premises defaulted in making payments of the bills for the period from June 2014 to February 2016, due to which arrears of Rs.2,132,334/- accumulated against the old connection. Therefore, the Appellant permanently disconnected the old connection of the premises in February 2016. Meanwhile, the previous owner sold out the said premises to the Respondent, who initially filed the civil suit in the Consumer Court Peshawar on 30.01.2016 against the irregular billing, which was dismissed by the Consumer Court Peshawar vide order dated 19.01.2017. Thereafter, a notice dated 24.02.017 was issued to the Respondent regarding the recovery of the impugned arrears, which was challenged by him before the Civil Court-3, Peshawar on 16.05.2017. Reportedly, the Appellant installed a new connection on the premises of the Respondent and

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debited the arrears of Rs.2,132,334/- of the old connection to the billing account of the new connection of the Respondent. Meter of the new connection was found 33% slow, therefore the Appellant debited a detection bill of Rs.820,796/- to the Respondent @ 33% slowness of the meter and added to the bill for May 2017, which was challenged before the Consumer Court Peshawar. The said court vide order dated 06.08.2018 decided the case with the remarks that the Respondent may approach the POI as being a competent forum for vetting assessment of the slowness of the impugned meter of the new connection.

2. After litigation in different courts, the Respondent finally approached the Provincial Office of Inspection, Peshawar Region, Khyber Pakhtunkhwa (the "POI") and assailed the abovesaid arrears of Rs.2,132,334/- charged against the old connection and the detection bill of Rs.820,796/- charged due to 33% slowness of the meter of the new connection. The POI disposed of the matter vide decision dated 05.08.2024 with the following conclusion:

"It is therefore decided that the arrears of Rs.2,132,334/- debited against new meter Ref No.30-26216-0039300 in the name of Mr. Muhammad Saleem Akhtar reflected in the deferred column shall be waived off.

Furthermore, it is witnessed from M&T laboratory vide No.10015-18/M&T dated 19.12.2016 that meter ref No.30-262216-0039300 was tested/checked and 33% slowness was detected due to red phase CT in the backup meter failed and in May 2017 the Respondents debited amount to Rs.1,002,031/- in total against the meter No.30-26216-0039300 i.e. (assessment of Rs.820,796/- plus current bill) and the same assessment was vetted by this formation vide this department No.4/DG/GC/999 dated 28.02.2017, wherein it was held that the defect in the meter was occurred on 05.02.2016 and was set right on 19.12.2016 (10 months) which may be changed but due to the crucial financial condition of the petitioner he could not paid the same amount yet.

It is therefore decided that keeping in view the crucial condition of the Petitioner, the amount of Rs. 1002031/- reflected in the deferred column may be recovered from the Petitioner in easy installments through adjustment in future billing."

3. Being dissatisfied, the Appellant has filed the instant appeal before NEPRA and assailed the decision dated 05.08.2024 of the POI (hereinafter referred to as the "impugned decision"). In its appeal, the Appellant opposed the maintainability of the impugned decision, *inter-alia*, on the following grounds that the POI has personal grudge against the Appellant which results in unprofessional and non-cooperative behavior of the POI; that no documentary evidence was mentioned by the lower forum while deciding the matter; that the impugned decision is negating the facts in the light of record provided by the Appellant; that the premises was occupied by the previous owner, who was habitual in tampering with the meter and defaulted in making payments

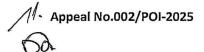
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due to which the arrears increased; that the Respondent agitated the impugned arrears before the courts as well as POI and did not negate the arrears of old connection of previous owner; that the POI neither afforded the opportunity of hearing nor rendered the impugned decision based on merits of the case and that the impugned decision is liable to be set aside.

- 4. Notice dated 10.01.2025 of the appeal was issued to the Respondent for filing reply/para-wise comments, which were filed on 20.01.2025. In the reply, the Respondent prayed for dismissal of the appeal *inter alia*, on the main grounds that the appeal is time-barred; that the Appellant intends to hamstring and hamper the execution proceedings due to process of law and thwart the administration justice; that the instant appeal has been filed with bad faith, which is based on inaccurate and misleading information; that the Respondent denied the allegation of the Appellant; that the POI has personal grudge against the Appellant, which is completely baseless, speculative and unsupported by any concrete evidence; that the impugned decision is well reasoned and based on merits and the same is liable to be maintained.
- 5. Hearing of the appeal was conducted at NEPRA Regional Office Peshawar on 17.03.2025, wherein both parties tendered appearance. At the outset of the hearing, learned counsel for the Respondent raised the preliminary objection regarding limitation and contended that the appeal filed by the Appellant is badly time barred being filed after the prescribed limit of 30 days as envisaged in Section 38(3) of the NEPRA Act. In response, the representative for the Appellant contended that the copy of the impugned decision dated 05.08,2024 was obtained on 26.08.2024 and the appeal was initially filed before the NEPRA on 25.09.2024 within thirty days. He further contended that the NEPRA returned the said appeal vide letter dated 23.10.2024, which was resubmitted on 12.12.2024. On merits, the Appellant submitted that the old connection of the premises was disconnected in February 2016 due to non-payment of arrears of Rs.2,132,334/-. The Appellant further submitted that the previous owner sold the premises to the Respondent. who applied for a new connection, which was sanctioned, and the aforementioned arrears were added to the said account. As per the Appellant, the meter of the Respondent became 33% slow, therefore a detection bill of Rs.820,796/- was debited to the Respondent in May 2017 to account for revenue loss sustained by the Appellant. According to the Appellant, the POI did not consider the real aspects of the case and erroneously declared the aforementioned arrears as null and void and allowed the Appellant to recover the detection bill charged due to 33% slowness of the impugned meter in easy installments. The Appellant finally prayed that the impugned decision







is unjustified and liable to be struck down. On the contrary, the learned counsel for the Respondent rebutted the version of the Appellant and averred that the inclusion of the abovementioned arrears of Rs. 2,132,334/- pertaining to the old connection into the new connection of the Respondent is not correct and the POI has rightly set aside the same being unjustified. He pleaded for the dismissal of the appeal being barred by time.

- 6. Having heard the arguments and record perused. Following are our observations:
- 6.1 While considering the preliminary objection of limitation raised by the Respondent, it is noted that the Appellant obtained a copy of the impugned decision dated 05.08.2024 on 26.08.2024 and filed the present appeal before the NEPRA on 25.09.2024, which is within time as given in Section 38(3) of the NEPRA Act. There is no force in the arguments of the Respondent that the time of limitation starts from the date of announcement. Reliance in this regard is placed on the judgment of the honorable Lahore High Court Lahore cited as 2016 YLR 1916, wherein it was held that the POI is required to send a copy of the impugned decision to the parties and the period of limitation for filing the appeal will start from the date of receipt of the impugned decision. In view of the above, the objection of the Respondent regarding limitation is not valid and, therefore, dismissed.
- 6.2 On merits, the Respondent filed a complaint before the POI and assailed the arrears of Rs.2,132,334/- charged for the period from June 2014 to February 2016 against the old connection and the detection bill of Rs.820,796/- charged due to 33% slowness of the meter of the new connection. The POI vide impugned decision dated 05.08.2024 cancelled the aforesaid arrears and directed the Appellant to recover the impugned bill of Rs.1,002,031/- in easy installments against which the Appellant filed the instant appeal before NEPRA.
- 6.3 Since 33% slowness in the impugned meter was vetted by the POI, in such cases, the Appellant may charge the detection bill maximum for two months as per Clause 4.4(e) of the CSM-2010, whereas in the instanty case, the Appellant debited the detection bill against OP=34264+P=7756 units+136 kW MDI for eleven months i.e. February 2016 to December 2016, which is violative of ibid clause of the CSM-2010, hence the same is cancelled.
- 6.4 The Respondent may be charged the detection bill maximum for two months retrospectively prior to checking dated 19.12.2016 in case of slow meter as per Clause 4.4(e) of the CSM-2010 and the bills with enhanced MF w.e.f checking dated 19.12.2016 and onwards till the replacement of the impugned meter as per Clause 4.4(c) of the CSM-2010. Impugend decision is modified to this extent.

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- 6.5 As far as the arrears of Rs.2,132,334/- pertaining to the old connection are concerned, it is observed that the above-mentioned arrears accumulated due to non-payment of bills for the period from June 2014 to February 2016 of the old connection, which were subsequently added in the bill of new connection charged in April 2022.
- 6.6 In such cases, Clause 8.2.7 and 8.2.8 of the CSM-2021 are relevant, which are reproduced below for the sake of convenience:
  - 8.2.7 A premises where more than one connection exists in different names in different portions, and any of the consumer defaults in making payments, the other connections shall not be disconnected. However, the DISCO shall strictly keep the premises under observation that the defaulted portion shall not take supply from any other connection.
  - 8.2.8 If more than one connection exists in the name of single owner and any of the connections defaults, and the DISCO allots permanent disconnection code as per procedure, in such a case the DISCO may transfer the outstanding dues of the defaulting connection to the other running connection(s) of the same owner for recovery purposes."
- 6.7 As envisaged above, where one or more connections are installed at the same premises and any of the connections defaulted in payments, the DISCO may shift the arrears of the defaulted connection to another connection that exists on the premise. Even otherwise, the present owner was under obligation to verify the clearance of dues pertaing to both connections exist at the same premises.
- 6.8 In view of the above, we are of the considered view that the arrears of Rs.2,132,434/- added on the bill of new connection are justified and the same are recoverable from the Respondent being present owner of the premises.

7. The impugned decision is modified in the above terms.

Dated: 30-06-2025

Member/Advisor (CAD)

Naweed Illahi Sheikh Convener/DG (CAD)

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Muhammad Irfan-ul-Haq

Member/ALA (Lic.)