



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

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No. NEPRA/Appeals/031/2025/ & 053/2025/ *1031*

October 28, 2025

- | | |
|---|---|
| 1. M/s. Khaista Mir Crush Plant,
Village Surage Gali,
Khanpur, District Haripur | 2. Chief Executive Officer,
PESCO Ltd,
WAPDA House, Sakhi Chashma,
Shami Road, Peshawar |
| 3. Muhammad Hanzala,
Advocate High Court,
Flat 05, Block 69,
PHA-F Apartments,
G-11/4, Islamabad
Cell No. 0311-9636040 | 4. Miss. Nazish Muzaffar,
Advocate High Court,
Sher Dil Khan House No. 2,
PCSIR-Lab Road, Ghareeb Abad,
Shaheen Town, Peshawar
Cell No. 0332-9140967 |
| 5. Director (Commercial),
PESCO Ltd,
WAPDA House, Sakhi Chashma,
Shami Road, Peshawar | 6. Executive Engineer (Operation),
PESCO Ltd,
City Division, Haripur
Cell No. 0370-1340410 |
| 7. Sub Divisional Officer (Operation),
PESCO Ltd,
Mang Sub Division, Haripur
Cell No. 0370-1340415 | 8. POI/Electric Inspector,
Peshawar Region,
Benevolent Fund Building,
3rd Floor, Near Jans Bakers,
Peshawar Cantt,
Phone No. 091-9211343 |

Subject: **Appeal No.031/2025 (Khaista Mir vs. PESCO) and Appeal No.053/2025 (PESCO vs. Khaista Mir) Against the Decision Dated 20.01.2025 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 28.10.2025 (07 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.031/POI-2025

Khaista Mir Crush Plant, Village Surage,
Gali Khanpur District Haripur

.....Appellant

Versus

Peshawar Electric Supply Company Limited

.....Respondent

&

Appeal No.053/POI-2025

Peshawar Electric Supply Company Limited

.....Appellant

Versus

Khaista Mir Crush Plant, Village Surage,
Gali Khanpur District Haripur

.....Respondent

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

For PESCO:

Ms. Nazish Muzaffar Advocate|
Mr. Luqman Shabir SDO

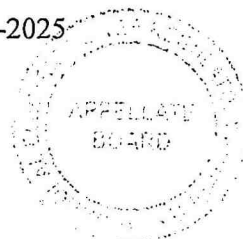
For the Consumer:

Mr. Muhammad Hanzala Advocate through Zoom
Mr. Khaista Mir

DECISION

1. Brief facts leading to the filing of the instant appeal are that Mr. Khaista Mir is an industrial consumer (hereinafter referred to as the "Consumer") of the Peshawar Electric Supply Company Limited (hereinafter referred to as the "PESCO") bearing Ref No.30-26415-0000415 with a sanctioned load of 302 kW, and the applicable Tariff category is B-2(b). Metering equipment of the Consumer was checked by the Metering and Testing (M&T) team of the PESCO on 23.02.2024, wherein the billing meter was found tampered

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for dishonest abstraction of electricity. Therefore, a detection bill of Rs.23,461,619/- for OP=333063+P=66612+1,095 kW MDI for the period from 23.11.2023 to 23.02.2024 was charged to the Consumer against which he made payment of Rs.2,000,000/- on 27.02.2024. Initially, the Consumer assailed the above detection bill before the Consumer Court, Haripur, who vide order dated 09.05.2024 dismissed the complaint of the Consumer due to lack of jurisdiction.

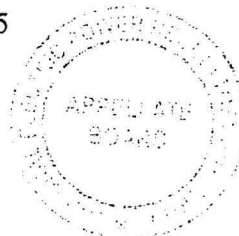
2. Being aggrieved, the Consumer preferred an appeal bearing No. RFA 67-A/2024 before the Peshawar High Court, Abbottabad Bench, against the order dated 09.05.2024 of the Consumer Court, Haripur. The Honorable High Court vide order dated 02.12.2024 disposed of the appeal, the operative portion of which is reproduced below:

“8. In view of the above exposition of law and as stated above, as there were clear allegations of intentional tempering with meter on behalf of the consumer, therefore, the instant matter falls within the domain and jurisdiction of the Electric Inspector, hence, the impugned order and judgment of learned Consumer Court dated: 09.05.2024 is not sustainable, therefore, the instant appeal is allowed and as a result thereof, the impugned order and judgment of learned Consumer Court including its direction to the appellant to approach the civil Court, is set aside.

9. The Court was informed that during the pendency of this appeal, the present appellant has already approached to the Electric Inspector by filing an appeal/reference; however, on the objection of respondents, it has adjourned the same sine die, therefore, it is directed that the case/appeal of the present appellant bearing No. 6477-81 titled: M/s. Khaista Mir Crush Plant-Vs-Peshawar Electric Supply Co: through SE, PESCO & others, shall be restored and the same is to be decided on its own merits.”

3. Accordingly, the Consumer approached the Provincial Office of Inspection, Peshawar Region, Khyber Pakhtunkhwa (the “POI”) against the above detection bill. The POI vide decision dated 20.01.2025 (hereinafter referred to as the “impugned decision”) cancelled the detection bill of OP=333,063 + P=66,612) units + 1,095 kW MDI for the period from 23.11.2023 to 23.02.2024 along with LPS and PESCO was directed to charge the revised detection bill of 41,483 (OP=34,431+P=7,052) units+197 kW MDI based on the average consumption of the last eleven months. As per the impugned decision, PESCO was further directed to adjust the payment of Rs.2,000,000/- against the revised detection bill.
4. Being dissatisfied with the above-referred decision of POI (hereinafter referred to as the “impugned decision”), both parties filed cross-appeals before the NEPRA. As the facts and

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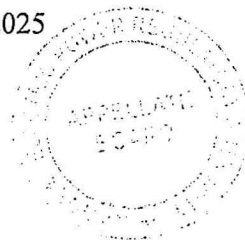


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subject matter of the appeals are the same, both Appeals, i.e., Appeal No.031/POI-2025 and Appeal No.053/POI-2025, have been clubbed and are being disposed of through a single/consolidated decision.

5. In its appeal No.031/POI-2025, the Consumer opposed the impugned decision *inter alia*, on the main grounds that the impugned decision is result of misreading and failure to consider the facts; that the assessment was made hastily; that the Consumer has suffered huge financial loss due to unlawful and illegal disconnection of electricity for twelve months; that it is well settled principle of law that every action should be performed as per the prescribed rules and regulations but in the instant case, the PESCO violated the provisions of CSM; that the Consumer never used electricity illegally; that PESCO removed the metering equipment without issuance of equipment removal order; that PESCO even did not comply the order of POI; that the impugned decision of POI be set aside. In its application for interim relief, the Consumer prayed for restoration of electricity of the disputed connection and suspension of the impugned detection bill till the final disposal of the case.
6. In its appeal No.053-2025, PESCO opposed the maintainability of the impugned decision *inter alia*, on the following main grounds that the impugned decision is against the facts and law; that the PESCO misconceived the real facts of the case and the law applicable to the subject; that the detection bill was charged to the Consumer on account of theft through tampering with the meter; that the impugned decision for revision of the detection bill as per average consumption of last eleven months is misapplication of Clause 4.3 of the CSM; that the impugned decision to waive off the MDI/fixed charges debited after the disconnection is unjust and contrary to the provisions of NEPRA Regulations and that the impugned decision is liable to be set aside.
7. A hearing in the matter was initially conducted at NEPRA Regional Office Peshawar on 04.03.2025, wherein both parties were in attendance. At the outset of the hearing, learned counsel for the Consumer averred that PESCO disconnected the electricity of the disputed connection due to non-payment of the detection bill of Rs.23,461,619/- for OP=333063 +P=66612+1,095 kW MDI for the period from 23.11.2023 to 23.02.2024. Learned counsel for the Consumer asserted that an amount of Rs.2,000,000/- was deposited by the Consumer against the impugned detection bill in February 2024 to avoid disconnection of electricity; however, PESCO disconnected the premises with malafide intentions. Learned counsel for

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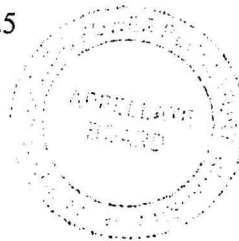
the Consumer prayed that the Consumer is ready to pay the amount of the detection bill of 41,483 (OP=34,431 +P=7,052) units+197 kW MDI as assessed by the POI, along with current bills; however, payment of Rs.2,000,000/- be adjusted in the revised detection bill. Learned counsel for the PESCO showed consent with the statement of the learned counsel for the Consumer that the Consumer will pay the amount as assessed by PESCO as per the revised detection bill of 41,483 (OP=34,431+P=7,052) units + 197 kW MDI, along with the current bill. Thereafter, PESCO will proceed with the restoration of electricity on the premises.

8. NEPRA vide order dated 07.03.2023 disposed of the application for interim relief with the following conclusion:

"In view of the above, the PESCO is directed to issue the revised detection bill of 41,483 (OP=34,431+P7,052) units + 197 kW MDI as assessed by the POI vide the impugned decision and restore the electricity of the premises after confirmation of payment of the revised detection bill and the arrears pertaining to the current bills. The PESCO is further restrained from disconnection of electricity of the premises due to non-payment of remaining arrears of the impugned detection bill subject to the payment of current bills regularly by the Consumer till final disposal of the instant appeal."

9. Notices dated 19.02.2025 and 24.04.2025 were sent to the Consumer and PESCO, respectively, for filing reply/para-wise comments to the cross-appeals within ten (10) days. Both parties submitted counter-replies against the appeals.
10. Hearing in the matter of the subject Appeals was fixed for 24.09.2025 at NEPRA Regional Office Peshawar and accordingly, the notices dated 16.09.2025 were sent to the parties (i.e., PESCO and the Consumer) to attend the hearing. During the hearing, both PESCO and the Consumer, along with their counsels, were present. Learned counsel for PESCO repeated the same contentions as given in memo of the Appeal No.053/2025 and argued that the impugned billing meter of the Consumer was checked by PESCO on 23.02.2024 and it was found tampered for dishonest abstraction of electricity. Learned counsel for PESCO further contended that FIR No.173/2024 dated 24.02.2024 was registered against the Consumer, and a detection bill of Rs.23,461,619/- for OP=333063+P=66612+1,095 kW MDI for the period from 23.11.2023 to 23.02.2024 was debited to the Consumer. Learned counsel for the PESCO averred that the data of the impugned meter of the Consumer confirmed that the Consumer is involved in illegal abstraction of electricity for a long time, which resulted in huge financial loss to PESCO. In support of their contention, PESCO officials submitted

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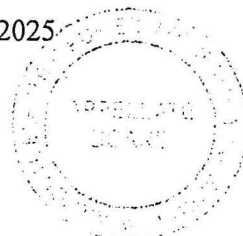
the M&T report, detection assessment, FIR, and consumption data of the Consumer. PESCO officials finally pleaded to allow the whole detection bill for recovery; otherwise, PESCO will face huge financial loss. Learned counsel for the Consumer rebutted the version of PESCO and averred that the impugned billing meter was functioning correctly before the alleged checking dated 23.02.2024. As per learned counsel for the Consumer, if presumed that the impugned meter was bypassed, then why did PESCO not point out the said discrepancy during the monthly readings before the alleged checking? Learned counsel for the Consumer submitted that the impugned decision for recovery of the detection bill 41,483 (OP=34,431+P=7,052) units+197 kW MDI based on the average consumption of the last eleven months is not based on merits, as theft of electricity was not established before the POI. Learned counsel for the Consumer submitted that neither any checking was carried out in the presence of the Consumer nor any report of alleged checking was produced before the POI for verification of the bypassing of the meter. As per learned counsel for the Consumer, PESCO failed to follow the procedure as laid down in CSM-2021 and charged the illegal detection bill. Learned counsel for the Consumer opposed the impugned decision and stated that the Consumer was acquitted from theft charge, hence the Consumer cannot be held responsible for payment of any detection bill due to negligence of PESCO, as such the impugned decision for allowing PESCO to recover detection bill for 41,483 units is illegal, unjustified and the same is liable to be set aside to this extent in the best interest of justice.

11. Arguments heard and the record perused. Following are our observations:

i **Detection bill of Rs.23,461,619/- for OP=333063+P=66612+1,095 kW MDI for the period from 23.11.2023 to 23.02.2024 :**

The impugned meter of Consumer was checked by the M&T team of PESCO on 23.02.2024 and it was found tampered for theft of electricity. Therefore, FIR No. 173/2024 dated 24.02.2024 was registered against the Consumer due to theft of electricity. Thereafter, a detection bill of Rs.23,461,619/- for OP=333063+P=66612+1,095 kW MDI for the period from 23.11.2023 to 23.02.2024 was charged by PESCO to the Consumer @ 50% load factor of the connected load i.e.365 kW, and added to the bill for February 2024, which is under dispute.

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- ii It is observed that PESCO did not point out any discrepancy during monthly readings prior alleged checking dated 23.02.2024, which is a violation of Clause 6.1.4 of the CSM-2021.

The said clause is reproduced below:

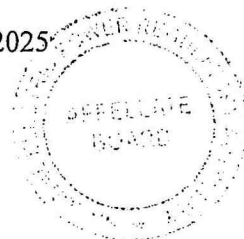
“Meter Readers shall also check the irregularities/discrepancies in the metering system at the time of reading meters / taking snapshots, and report the same in the reading book/ discrepancy book or through any other appropriate method as per the practice. The concerned officer/official will take corrective action to rectify these discrepancies.”

- iii PESCO neither adhered to the procedure to establish theft of electricity as laid down in Chapter 9 of the CSM 2021, nor did the impugned meter check by the POI for verification of alleged tampering.
- iv To further check the authenticity of the impugned detection bill, the consumption data of the Consumer as provided by PESCO is compared below with the consumption of the period before the dispute:

Period before dispute			Disputed period			Period after dispute		
Month	Units	MDI	Month	Units	MDI	Month	Units	MDI
Mar-23	25717	228	Dec-23	22067	204	Mar-24	6109	521
Apr-23	30297	197	Jan-24	114	1	Apr-24	32958	240
May-23	23211	174	Feb-24	1592	238	May-24	26319	249
Jun-23	33097	208				Jun-24	9339	242
Jul-23	31955	210						
Aug-23	28927	185						
Sep-23	36079	181						
Oct-23	37693	219						
Nov-23	33712	189						
Average	31187	199	Average	7924	148	Average	18681	313

The above table shows that the normal consumption charged during the disputed period is much less than the normal consumption of the periods before and after the dispute. This indicates that the actual consumption was not recorded by the impugned meter during the disputed period. However, PESCO charged the detection bill @ 133,225 units+365 kW MDI per month, which is much higher than the sanctioned load of the Consumer as well as the normal average consumption of the Consumer.

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- v In view of the foregoing discussion, we are of the considered view that the detection bill of Rs.23,461,619/- for OP=333063+P=66612+1,095 kW MDI for the period from 23.11.2023 to 23.02.2024 is unjustified, and the same is cancelled as already decided by POI.
- vi It is an admitted fact that actual consumption could not be charged to the Consumer in the past, and electricity remained disconnected in the future period; therefore, the Consumer may be charged the revised detection bill for three months @ 31187 units+199 kW MDI per month as per Clause 9.1.3b(i) of the CSM-2021.

Period: December 2023 to February 2024

-	Determination	Units	MDI
A	To be charged	31187x3=93561	199x3=597
B	Already charged	22067+114+1592=23773	204+1+238=443
C=A-B	Net to be debited	69788	154

- vii In view of the above, the Consumer is liable to be charged the revised detection bill for net 69788 units +154 kW MDI as calculated in the above table. The impugned decision is modified to this extent.

12. Foregoing in view, it is concluded that:

- i The detection bill of Rs.23,461,619/- for OP=333063+P=66612+1,095 kW MDI for the period from 23.11.2023 to 23.02.2024 charged to the Consumer is unjustified, being inconsistent with Clause 9.2.3 of the CSM-2021, and the same is modified for three months against 69788 units+154 kW MDI as calculated in the above para.
- ii The billing account of the Consumer may be overhauled after making adjustments of payments against the impugned detection bill.

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

Abid Hussain
Member/Advisor (CAD)

Naweed Wahid Sheikh
Convener/DG (CAD)

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

Dated: 28-10-2025

