



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

NEPRA Head Office

Ataturk Avenue (East) Sector G-5/1, Islamabad.

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**Consumer Affairs
Department**

TCD.05/ 5382-2025
December 05, 2025

Chief Executive Officer (CEO),
Lahore Electric Supply Company (LESCO),
22-A, Queen's Road Lahore.

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD SHOAB ARSHAD S/O MUHAMMAD ARSHAD, CITY STEEL UAE, THROUGH MR. QADEER AHMAD KHAN, ADVOCATE HIGH COURT, SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION & DISTRIBUTION OF ELECTRIC POWER ACT, 1997, AGAINST LESCO REGARDING EXCESSIVE BILLING (A/C# 36 11162 9009088), LESCO-NHQ-55340-06-25**

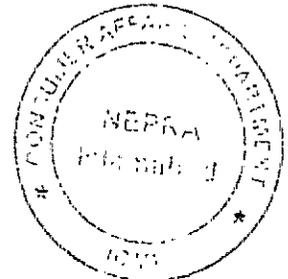
Please find enclosed herewith the decision of the NEPRA Complaints Resolution Committee (CRC) dated December 05, 2025, regarding the subject matter for necessary action and compliance.

Encl: As above


(Muhammad Abid)
Assistant Director (CAD)

Copy to:

1. Chief Engineer/Customer Services Director,
LESCO, 22-A, Queen's Road, Lahore.
2. Director (Commercial),
LESCO, 22-A, Queen's Road, Lahore.
3. Incharge Central Complaint Cell, LESCO & -
Focal Person to NEPRA,
LESCO, 22-A, Queens Road, Lahore.
0370-4990220/ 042-99204859
4. Mr. Qadeer Ahmad Khan, Advocate High Court,
Bhoon Law Chambers, 1-Turner Road, Lahore
5. Mr. Muhammad Shoaib Arshad S/o Muhammad Arshad,
City Steel UAE, Sheikhpura Road, Lahore.





BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY,
(NEPRA)

Complaint No. LESCO-NHQ-55340-06-25

Mr. Muhammad Shoaib Arshad C/o City Steel UAE Complainant
Through Mr. Qadcer Ahmed Khan Advocate
Bhoon Law Chambers, 1-Turner Road, Lahore.

VERSUS

Lahore Electric Supply Company (LESCO) Respondent
22-A, Queens Road, Lahore.

Date of Hearing: September 17, 2025

On behalf of Complainant: Mr. Iftikhar Ahmed Legal Counsel

Respondent: Mr. Waseem Iqbal Director Commercial, LESCO
Mr. Muzammil SE (Operation), LESCO
Mr. Naeem Qasim XEN (Operation), LESCO

Subject: **DECISION IN THE MATTER OF WRIT PETITION NO. 2373/2025: M/S CITY STEEL MILLS (PVT.) LIMITED VS. FOP ETC REFERRED BY THE ISLAMABAD HIGH COURT, ISLAMABAD UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING EXCESSIVE BILLING.**

DECISION

This decision shall dispose of the Writ Petition filed by M/s City Steel Mills (Pvt.) Limited bearing No.2373/2025 referred by the honorable Islamabad High Court, Islamabad to NEPRA for decision.

2. Brief facts of the case are that the City Steel Mills (Pvt.) Ltd. (the "Petitioner" or "Industry" or "Complainant") filed the Petition before the Islamabad High Court, Islamabad wherein it was submitted that the Industry was levied with exorbitant arrears amounting to Rs. 90,117,459/- in respect of QTA, FPA during the month of July, 2024 despite being disconnected having zero consumption since November, 2022 and in violation of the judgment of Honorable High Courts and Supreme Court of Pakistan. The Petitioner apprised that in Civil Petition No. 491 of 2023, Supreme Court of Pakistan has held in abeyance imposition of impugned QTA & FPA in the form of arrears as claimed by DISCOs and later directed NEPRA, in CPLA No. 3392 of 2024 to decide the matter regarding prudence of QTA and FPA vide order dated September 06, 2024. The Petitioner prayed that during the pendency of the matter before NEPRA; LESCO be directed to suspend the recovery of QTA & FPA charges.

3. In order to comply with the directions of the Islamabad High Court, a hearing was held on September 17, 2025 at NEPRA Head office Islamabad. The hearing was attended by both the parties wherein the matter was discussed in detail. During the hearing, LESCO apprised that an amount of Rs. 95,256,302/-, previously deferred as per the decision of honorable High Court, was charged during November, 2023 pertaining to QTA and FPA for billing months of August, September and October, 2022, following the vacation of relevant

stay orders by the competent courts. The Complainant reiterated its version and the matter remained inclusive due to the conflicting arguments.

4. The case has been examined in detail in light of the record made so available by the Complainant, arguments advanced during the hearings and applicable law. Following has been observed:

- (i) The Complainant is an industrial consumer of LESCO under reference No. 36-11162-9009088 with sanctioned load of 10000 KW located at Sheikhpura Road, Lahore. The Complainant applied for temporary disconnection for a period of three months w.e.f. November 01, 2022 which was allowed by LESCO. During the period December, 2022 to September, 2023 (for a period of 10-Months), LESCO continued issuance of bill in credit of a similar amount i.e. Rs. 51,48,843/-, however, LESCO issued bill for the month of October, 2023 (with due date 21-Nov-2023) amounting to Rs. 9,01,17,459/- as arrears which was not paid by the Complainant on the pretext that the premises was vacant and electricity supply was disconnected since November, 2022 as well as the matter pertaining to QTA/FPA was under process/pending before different courts of law/forum(s). Upon non-payment of the said bill, LESCO issued another bill during the month of February, 2025 amounting to Rs. 6,93,37,459/- after adjustment of security deposit against the said connection. Breakup of the bill/arrears charged by LESCO is as under:

Months	QTA AMOUNT	FPA AMOUNT	Total (Rs.) QTA/FPA	Amount Deferred (Rs.)
Oct-22	1,83,84,037	6,86,199	1,90,70,236	1,26,28,139
Scp-22	48,61,352	1,36,61,176	1,85,22,528	1,85,22,528
Aug-22	1,79,74,888	4,61,40,746	6,41,15,634	6,41,15,633
Total deferred amount				9,52,66,300
Nov-19	Deferred Income Tax			23,76,720
Dec-22	Total Deferred (upto billing month 11/2022)			9,76,43,020
Nov-22	Available credit against billing month 11/2022 & 12/2022			(75,25,561)
Dec-24	Security adjustment of Rs. 2,07,80,000/-			(2,07,80,000)
Remaining Balance				6,93,37,459

- (ii) After detailed analysis of the record presented by both the parties, the matter at hand can be narrowed down to issue of imposition of QTA and FPA charges during the month of November, 2023 for the period i.e. August to October, 2022 in the form of arrears by LESCO. It is worth mentioning that impugned matter only relates to QTA and FPA for period whereby the industry was functional and all the relevant charges as determined by NEPRA were applicable against the connection. There is no such dispute regarding spilled over charges and any other infringement over the disconnected period i.e. since November, 2022.
- (iii) The honorable Supreme Court of Pakistan in Civil Petition No. 491-L of 2023 vide its judgment dated October 16, 2023 declared as under.

(a) "8(5) The consumer shall pay the future amounts and that become due as per their bill, however, the same shall, be subject to outcome of the said appeals and the arrears claimed by the concerned electricity distribution Company (DISCO) from the respondent-customer shall be held in abeyance till the decision of the Appellate Tribunal and subject thereto."

(b) Later, the Supreme Court of Pakistan vide its order dated September 06, 2024 disposed the Civil Petitions No. 3392 etc. The operative part is an under:

"(ii) NEPRA will decide the matter pending before it after the aforesaid



exercise is undertaken and after having provided the petitioners an opportunity to examine the said record/documents. (iii) The order of this court dated 16-October 2023 passed in civil petition No. 491 f 2023 etc and paragraph No. 08 shall be abide by all the parties."

(iv) However, during pendency of the same matter before NEPRA referred by the Supreme Court of Pakistan, LESCO issued the bill to the Complainant containing arrears based on QTA & FPA charges of which recovery or demand was held in abeyance by the Order of Supreme Court of Pakistan. In other words, LESCO issued impugned bill in violation of the said order while matter was still pending with NEPRA. The same was challenged before Islamabad High Court in the subject petition by the Complainant on the above noted discrepancy. Upon inquisition, LESCO has also failed to support or substantiate its claim of vacation of above mentioned order through any documentary evidence which gives rises to fact that the noted order of Supreme Court of Pakistan is still required to be complied by all the concerned parties including LESCO.

(v) As per Section 31 (1) of the NEPRA Act, the Authority shall, in the determination, modification or revision of rates, charges and terms and conditions for the provision of electric power services, be guided by the national electricity policy, the national electricity plan and such guidelines as may be issued by the Federal Government in order to give effect to the national electricity policy and national electricity plan. The matter of FPA and QTA charges pertaining the impugned period, is currently under the consideration of NEPRA and shall be decided by engaging all parties while maintaining due diligence in accordance with the NEPRA Act, Rules and Regulations. Until then and in order to comply with the direction of Islamabad High Court, Islamabad, LESCO is not allowed to recover impugned/outstanding QTA and FPA amount from the Complainant until such decision in the matter, is rendered by this office.

5. In light thereof, LESCO is hereby directed to strictly comply with the order of the Honorable Supreme Court passed in CPLA 3392 of 2024. Accordingly, no liability on account of impugned QTA and FPA charges shall be levied or recovered by LESCO from the Complainant's connection/premises, until such time NEPRA issues its final decision in the matter. The Complaint is disposed of in above terms.

(Lashkar Khan Qambrani)
Member, Complaints Resolution Committee/
Director (CAD)

(Muhammad Irfan ul Haq)
Member, Complaints Resolution Committee/
Assistant Legal Advisor (CAD)

(Naweed Ilahi Shaikh)
Convener, Complaints Resolution Committee /
Director General (CAD)

Islamabad, December 05, 2025

