



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

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

Ph: 051-2013200 Fax: 051-2600021

**Consumer Affairs
Department**

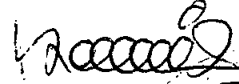
TCD.05/ ³³⁰⁰ -2026
August 31, 2026

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

**Subject: DECISION IN THE MATTER OF ORDER OF HONORABLE ISLAMABAD
HIGH COURT, ISLAMABAD DATED JULY 23, 2026 IN WRIT PETITION
NO. 3533/2026: M/s RAFIQ & SONS VS NEPRA ETC
LESCO-NHQ-77221-07-26**

Please find enclosed herewith the decision of NEPRA Complaints Resolution Committee (CRC), dated August 31, 2026 regarding the subject matter for necessary action and compliance.

Encl: As above


(Muhammad Abid)
Deputy Director (CAD)

Copy to:

1. Chief Engineer/Customer Services Director,
LESCO, 22-A, Queen's Road, Lahore.
2. Incharge Complaint Cell, (Focal Person to NEPRA),
LESCO, 22-A, Queens Road, Lahore.
3. M/s Rafiq & Sons,
4-Km, Faisalabad Road, Sheikhpura.
4. Mr. Khalil-ur-Rehman, Advocate High Court,
SKB Law Associates, 3rd Floor, Hameed Law Chambers,
Near Al-Taj Hotel, 1-Turner Road, Lahore.
Email: skblawassociates@gmail.com
0321-4457240/ 042-37363919

Note: In case of any complaint, the consumers are advised to approach their respective distribution company in the first instance. In case of non-redressal of their grievances, the consumers can file ONLINE complaint on NEPRA's website at <https://nepra.org.pk/CAD-Database/CMS-CAD/home.php>



**BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)**

Complaint No. LESCO-NHQ-77221-07-26

M/s Rafiq & Sons,

Through: Mr. Haseeb ur Rehman
4-KM, Faisalabad Road, Sheikhpura

..... Complainant

VERSUS

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

..... Respondent

Date of Hearing: August 12, 2026

**On Behalf of
Complainant:**

Mr. Khalil-ur-Rehman, Advocate Supreme Court

Respondent:

Mr. Waseem Iqbal, Director (Complaints)

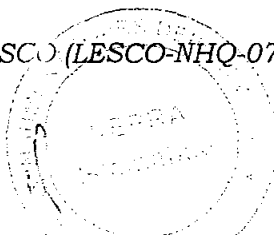
Subject: DECISION IN THE MATTER OF ORDER OF HONORABLE ISLAMABAD HIGH COURT, ISLAMABAD DATED JULY 23, 2026 IN WRIT PETITION NO. 3533/2026: M/S RAFIQ & SONS VS NEPRA ETC

DECISION

In pursuance to the Orders of Honorable Islamabad High Court, Islamabad dated July 23, 2026 in Writ Petition No. 3533/2026, this decision shall dispose of the complaint filed by M/s Rafiq & Sons, 4-KM, Faisalabad Road, Sheikhpura (hereinafter referred to as the "Complainant" or "Petitioner") against Lahore Electric Supply Company Limited (hereinafter referred to as the "Respondent" or "LESCO"), under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").

2. Brief facts of the case are that the Honorable Islamabad High Court vide order dated July 23, 2026 in W.P. No. 3533/2026 directed NEPRA to decide the pending complaint within 30 days. The primary grievance of the Complainant pertains to an amount of Rs. 1,391,423/- charged under the heads of "deferred amount / unpaid debt / arrears" charged by LESCO in the electricity bill issued for the month of June, 2026. According to the Complainant, LESCO initially charged extra tax (Rs. 1,126,390/-) and further tax (Rs. 265,033/-) for the billing month of October, 2023. Although the same amount was withdrawn/refunded to the Complainant by LESCO, however, LESCO again charged the said disputed arrears amounting i.e. Rs. 1,391,423/- in the bill issued for the month of June, 2026.

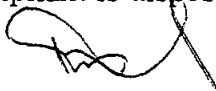
3. The matter was taken up with LESCO and a hearing was held at NEPRA Head Office, Islamabad on August 12, 2026, which was attended by both the parties wherein the case was discussed in detail. During the hearing, LESCO submitted that the disputed amount of Rs. 1,391,423/- pertains to statutory taxes (extra tax and further tax) levied in accordance with the provisions of the Sales Tax Act, 1990, and applicable Federal Board of Revenue (FBR) notifications. LESCO further apprised that as a licensee, LESCO acts merely as a collecting agent on behalf of the Federal Government (FBR) for statutory taxes, and the levy, deferment, or waiver of statutory taxes does not fall under the operational jurisdiction or tariff determination domain of LESCO.



4. The case has been examined in detail in the light of arguments advanced by the parties, documents placed on record, and applicable law. Following has been observed:

- (i) The Complainant has an industrial connection from LESCO under the name of M/s Rafiq & Sons located at 4-KM, Faisalabad Road, Sheikhpura against Reference No. 24 11621 2113303 U with a sanctioned load of 380 kW under tariff category B2b(12)T.
- (ii) During the hearing, the representative of the Complainant apprised that LESCO had added extra tax and further tax totaling Rs. 1,391,423/- in previous billing cycles, which was contested before the High Court and referred to the Commissioner Inland Revenue (CIR). The CIR passed an order dated June 2, 2026, which has been further assailed in appeal before the Appellate Tribunal Inland Revenue (ATIR). However, LESCO added the said disputed amount of Rs. 1,391,423/- in the electricity bill of June, 2026 under the head of deferred amount / unpaid debt while the matter remains under adjudication before the appellate tax forum.
- (iii) The Complainant approached the Honorable Islamabad High Court, whereby the court vide order dated July 23, 2026 in W.P. No. 3533/2026 directed NEPRA to decide the pending complaint within thirty days under Section 39 of the NEPRA Act. Pursuant to the directions of the court in the above writ petition, NEPRA conducted a hearing whereby LESCO maintained the earlier submissions that the disputed amount represents statutory extra and further taxes levied under the Sales Tax Act, 1990 and FBR notifications, arguing that LESCO as a mere collection agent for the Federal Government, the levy, deferment, or waiver of such statutory taxes falls entirely outside its operational jurisdiction and NEPRA's tariff determination domain.
- (i) Imposition, calculation, exemption, or collection of statutory taxes such as General Sales Tax (GST), Extra Tax, Further Tax, and Income Tax are statutory levies imposed by the Parliament / Federal Government under fiscal legislation (Sales Tax Act, 1990 / Income Tax Ordinance, 2001) and administered exclusively by the Federal Board of Revenue (FBR), whereas NEPRA's regulatory scope under Section 39 of the NEPRA Act and the Consumer Service Manual (CSM) is limited to complaints for violation of NEPRA Act and other enabling rules and regulations. Therefore, determination of tax liabilities or disputes involving FBR statutory levies falls outside the regulatory domain and purview of NEPRA.

5. Foregoing in view, it is concluded that the dispute raised by the Complainant pertains to the levy and recovery of statutory taxes (Extra Tax / Further Tax) under federal tax laws, which does not fall under the purview of NEPRA. Therefore, the Complainant may approach the appropriate tax forum(s) for the redressal of its grievance regarding the disputed tax amount. The complaint is disposed of in above terms.


(Lashkar Khan Qambrani)

Member, Complaints Resolution Committee
Director (Consumer Affairs)


(Muhammad Irfan ul Haq)

Member, Complaints Resolution Committee
Assistant Legal Advisor


(Naveed Hafeez Shaikh)

Convener, Complaints Resolution Committee
Director General (Consumer Affairs)

Islamabad, August 31, 2026

