



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

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No. NEPRA/Appeal/065/2022/ *off*

February 03, 2025

- | | |
|---|---|
| 1. Jamal Nasir,
M/s. City Lab, Kashmir Gate Plaza,
Murree Road, Rawalpindi | 2. Chief Executive Officer,
IESCO Ltd,
Head Office, St. No. 40,
Sector G-7/4, Islamabad |
| 3. Sub Divisional Officer (Operation),
IESCO Ltd,
Chandni Chowk Sub Division,
Rawalpindi
Cell no. 0319-5990313 | 4. Faisal Bin Khurshid,
Advocate Supreme Court,
Office No. 3, First Floor,
National Arcade, 4-A (NBP),
F-8 Markaz, Islamabad
Cell No. 0333-5119299 |
| 5. Syed Moazzam Ali Rizvi,
Advocate Supreme Court,
House No. 60, Street No. 4-B,
Lawyers Township, Near Gulzar-e-Quaid,
Rawalpindi
Cell No. 0333-5321214 | 6. POI/Electric Inspector,
Islamabad Region,
XEN Office, Irrigation & Power Department,
Rawal Dam Colony, Park Road,
Islamabad |

Subject: **Appeal No.065/2022 (IESCO Vs. Jamal Nasir) Against the Decision Dated 13.04.2022 of the Provincial Office of Inspection to Government of the Punjab Islamabad Region, Islamabad**

Please find enclosed herewith the decision of the Appellate Board dated 03.02.2025 (04 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.065/POI-2022

Islamabad Electric Supply Company Limited

.....Appellant

Versus

Jamal Nasir, M/s. City Lab,
Kashmir Gate Plaza, Murree Road, Rawalpindi

.....Respondent

APPEAL UNDER SECTION 38(3) OF THE REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT

For the Appellant:

Mr. Faisal Bin Khursheed Advocate
Mr. Babar Zia SDO

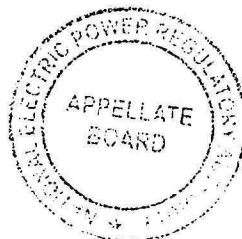
For the Respondent:

Syed Moazzam Ali Rizwi Advocate
Mr. Kamran Khalid

DECISION

1. As per the facts of the case, Jamal Nasir (hereinafter referred to as the "Respondent") is a commercial consumer of Islamabad Electric Supply Company Limited (hereinafter referred to as the "Appellant") bearing Ref No.28-14313-4296800-U with a sanctioned load of 40 kW and the applicable tariff category is A-2(C). Reportedly, 21% slowness in the impugned billing meter of the Respondent was observed during the checking dated 10.09.2020 of the Appellant, therefore, notice dated 23.09.2020 was issued to the Respondent regarding 21% slowness of the meter. Thereafter, the impugned meter was replaced with a new meter by the Appellant vide Meter Change Order (the "MCO") dated 23.10.2020. Audit Department vide Audit Note No.164 dated 05.07.2021 pointed out less recovery of units due to 21% slowness of the impugned meter and recommended to charge a bill of Rs.722,855/- to the Respondent. Resultantly, a detection bill of Rs.722,855/- for 24,439 (OP=20,062+P=4,377) units+49 kW MDI for the period June 2020 to November 2020 (06 months) was debited to the Respondent due to 21% slowness of the meter.

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2. Being aggrieved with the above actions of the Appellant, the Respondent filed a complaint before the Provincial Office of Inspection, Islamabad Region, Islamabad (hereinafter referred to as the "POI") and challenged the above detection bill. The complaint of the Respondent was disposed of by POI vide decision dated 13.04.2022 (hereinafter referred to as the "impugned decision"), wherein the detection bill of Rs.722,855/- debited based on Audit Note No.164 dated 05.07.2021 was cancelled.
3. Being dissatisfied, the Appellant filed subject appeal before NEPRA against the impugned decision of the POI. In its appeal, the Appellant opposed the impugned decision inter alia, on the main grounds that the assertions made under the impugned order are manifestly against the law and facts of the case; that the sweeping statement of the POI regarding the impugned detection bill of Rs.722,855/- is not correct; that the impugned meter was running 21% slow; that the POI erred with the factual bearing reported under test check proforma and relevant reports; that the impugned decision is scanty and without valid basis, which is reflection of wheeling and dealing as it is passed without taking into account the expert opinion; that the POI flouted the legal technical and factual aspects of the case and that the impugned decision is liable to be set aside.
4. Upon filing of the instant appeal, a Notice dated 15.06.2022 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days. The Respondent filed his reply on 28.06.2022, wherein he rebutted the version of the Appellant and submitted that the impugned detection bill was debited on the basis of audit note, which is not binding upon him as per the judgment of the apex courts. The Respondent supported the impugned decision and prayed for upholding the same.
5. A hearing was conducted at NEPRA Head Office Islamabad on 22.10.2024 wherein both parties were in attendance. Learned counsel for the Appellant repeated the same version as given in memo of the appeal and contended that the impugned meter was found 21% slow during checking dated 10.09.2020, which was also endorsed by the Audit Department vide Audit Note No.164 dated 05.07.2021. Learned counsel for the Appellant further contended that the impugned detection bill of Rs.722,855/- for 24,439 (OP=20,062+P=4,377) units +49 kW MDI for the period June 2020 to November 2020 (06 months) was debited to the Respondent @ 21% slowness of the impugned meter. Learned counsel for the Appellant defended the charging of the impugned detection bill and prayed that the impugned decision for cancellation of the same is not based on the merits of the case. On the contrary, learned counsel for the Respondent rebutted the version of the Appellant regarding the charging of the



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impugned detection bill, supported the impugned decision and prayed for the dismissal of the appeal being devoid of merit.

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

6.1 The impugned meter of the Respondent was found 21% slow during checking dated 10.09.2020, hence it was replaced with a new meter by the Appellant on 23.10.2020. Subsequently, the Appellant debited a detection bill of Rs.722,855/- for 24,439 (OP=20,062+P=4,377) units +49 kW MDI for the period June 2020 to November 2020 (06 months) to the Respondent due to 21% slowness of the meter on the basis of audit observation, which was challenged before the POI.

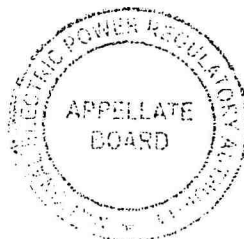
6.2 According to Clause 4.3.3c(ii) of the CSM-2020, the Respondent may be charged the detection bill maximum for two months in case of a slow meter. However, in the instant case, the Appellant debited the impugned detection bill for six months @ 21% slowness of the impugned meter, which is contradictory with the ibid clause of the CSM-2021.

6.3 Even otherwise, the impugned detection bill of Rs.722,855/- raised on the basis of Audit observation is not tenable in the eyes of the law. The Audit observation is an internal matter between the DISCO and the Audit Department and the Consumer cannot be held responsible for the payment of any detection bill based on the Audit Para. The honorable Lahore High Court in its judgment in the “Water and Power Development Authority, etc v. Umaid Khan” (1988 CLC 501) held that *no amount could be recovered from the consumer on the basis of the audit report as the audit affair is between the WAPDA and its audit department and no audit report could in any manner make consumer liable for any amount and the same could not bring about any agreement between the WAPDA and the consumer making consumer liable on the basis of so-called audit report.* The courts in similar cases relied on the same principle in cases reported cited as 2014 MLD 1253 and 2008 YLR 308.

6.4 In view of the foregoing discussion, we are of the considered view that the detection bill of Rs.722,855/- for 24,439 (OP=20,062+P=4,377) units +49 kW MDI for the period June 2020 to November 2020 charged to the Respondent based on audit observation is unjustified and the same is cancelled, which is also the determination of the POI.

6.5 The Respondent is liable to be charged the revised detection bill maximum for two billing cycles before checking dated 10.09.2020 of the Appellant @ 21% slowness of the impugned meter, according to Clause 4.3.3c(ii) of the CSM-2020.

6.6 Similarly, the bills w.e.f checking dated 10.09.2020 and onwards till MCO dated 23.10.2020 be revised by raising the MF due to 21% slowness of the impugned meter as per




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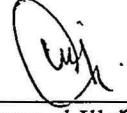
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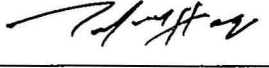
Clause 4.3.3c(i) of the CSM-2020. The impugned decision is liable to be modified to this extent.

7. Summing up the foregoing discussion, it is concluded that
- 7.1 The detection bill of Rs.722,855/- for 24,439 (OP=20,062+P=4,377) units +49 kW MDI for the period June 2020 to November 2020 charged by the Appellant to the Respondent @ 21% slowness of the impugned billing meter is unjustified and the same is cancelled.
- 7.2 The Respondent may be charged the revised bills as per the below detail:
- i Detection bill for two billing cycles before checking dated 10.09.2020 of the Appellant @ 21% slowness of the impugned meter, under Clause 4.3.3c(ii) of the CSM-2020.
 - ii The bills w.e.f checking dated 10.09.2020 and onwards till MCO dated 23.10.2020 be revised by raising the MF due to 21% slowness of the impugned meter as per Clause 4.3.3c(i) of the CSM-2020.
- 7.3 The billing account of the Respondent be overhauled after adjusting payments made against the above detection bills.
8. The impugned decision is modified in the above terms.


Abid Hussain
Member/Advisor (CAD)

Dated: 03-02-2025


Naweed Illahi Sheikh
Convener/DG (CAD)


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

