

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

Islamic Republic of Pakistan

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1169-1174 No. NEPRA/AB/Appeal-012/POI-2016/

September 02, 2016

- M/s BBJ Pipe Industires (Pvt.) Ltd, Through its General Manager, Head Office, 40-Abbott Road, Lahore
- 3. Mian Tabassum Ali, Advocate High Court, Annexy Augaf Chowk, High Court, The Mall, Lahore
- 5. Assistant Manager (Operation), LESCO Ltd, College Road Sub Division, Lahore

- 2. The Chief Executive Officer LESCO Ltd, 22-A Queens Road, Lahore
- 4. Mian Muhammad Mudassar Bodla, Advocate Supreme Court of Pakistan, Syed Law Building, 4-Mozang Road, Lahore
- 6. Electric Inspector Lahore Region, Energy Department, Govt. of Punjab, Block No. 1, Irrigation Complex, Canal Bank, Dharampura, Lahore

Subject:

Appeal Titled LESCO Vs. M/s BBJ Pipe Industries (Pvt.) Ltd Against the Decision Dated 29.08.2011 of the Electric Inspector/POI to Government of the Punjab Lahore Region, Lahore

Please find enclosed herewith the Decision of the Appellate Board dated 02.09.2016, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

No. NEPRA/AB/Appeal-012/POI-2016/ //75

Forwarded for information please.

(Ikram Shakeel)

September 02, 2016

**Assistant Director** Appellate Board

Registrar 1.

Director (CAD) 2.

CC:

Member (CA)



### **Before Appellate Board**

In the matter of

#### Appeal No. NEPRA/Appeal-012/POI-2016

Lahore Electric Supply Company Limited	Appellant
Versus	
M/s BBJ Pipe Industries (Pvt.) Ltd, Through its General Manager, Head Office BBJ House, 40-Abbot Road, Lahore	Respondent
For the appellant: Mian Tabassum Advocate Mr. Tassaddaq Hussain SDO	
For the respondent: Mr. Muhammad Irshad	

#### **DECISION**

- 1. Through this decision, an appeal filed by Lahore Electric Supply Company Limited (hereinafter referred to as LESCO) against the decision dated 29.08.2011 of Provincial Office of Inspection, Lahore Region, Lahore (hereinafter referred to as POI) is being disposed of.
- 2. LESCO is a licensee of National Electric Power Regulatory Authority (hereinafter referred to as NEPRA) for distribution of electricity in the territory specified as per terms and conditions of the license and the respondent is its industrial consumer bearing Ref No. 24-1741-91170029 U with a sanctioned load of 360 kW under B-2(b) tariff.
- 3. As per fact of the case, electricity connection was provided to the respondent on 24.12.2008 and first bill was charged by LESCO to the respondent in February 2009. Pursuant to the recommendation of the audit party, LESCO issued a detection bill of Rs. 249,650/- on account of less charged 629 kW MDI in January 2009. The respondent challenged the above mentioned detection bill before LESCO, which was reduced by





LESCO to Rs.157,966/- in January 2010.

4. Being aggrieved with the detection bill of Rs.157,966/- charged in January 2010, the respondent filed an application before POI and contended that the production of the NKK unit started in March 2009 and charging of the detection bill of Rs.157,966/- in January 2010 due to less MDI charged for January 2009 was not justified and liable to be declared as null, void. POI disposed of the matter vide its decision dated 29.08.2011 and operative portion of the same is reproduced below:-

"Summing up the foregoing discussion, it is held, that the impugned detection bill amounting to Rs. 157,966/- as cost of 629 kW MDI added in the bill for the month of 01/2010 is void, unjustified and of na legal effect, therefore the petitioner is not liable to pay the same. The respondents are directed to over-haul the account of the petitioner accordingly and any excess amount recovered be adjusted in future bills. The petition is disposed of in above terms."

- 5. Being dissatisfied with the decision of POI dated29.08.2011 (hereinafter referred to as the inpugned decision), LESCO filed an appeal before Advisory Board Government of Punjab, Lahore (hereinafter referred to as the Advisory Board) on 29.10.2011after a period of 60 days and challenged the impugned decision. However the appeal was returned to LESCO by the Advisory Board vide its decision dated 10.09.2015 with the direction to file the same before NEPRA being the competent forum. LESCO filed the appeal before NEPRA on 30.12.2015 under section 38 (3) of NEPRA Act 1997 after lapse of more than 4 years. In its appeal, LESCO stated that the detection bill of Rs. 249,650/- was charged to the respondent in order to recover the revenue loss sustained by LESCO due to less MDI (kW) charged in January 2009.
- 6. In response to the notice, the respondent filed the reply/parawise comments on 19.02.2016 and contended that the appeal was time barred as it was filed against the impugned decision dated 29.08.2011after lapse of more than 4 years and liable to be dismissed.





- 7. After issuing notice to both parties, hearing of the appeal was held at Lahore on 15.07.2016 in which Mian Tabassum Advocate along with Mr. Tassaddaq Hussain SDO appeared for LESCO and Mr. Muhammad Irshad represented the respondent. In the outset of hearing, the respondent reiterated the preliminary objection regarding limitation and argued that the appeal was time barred and liable to be dismissed. Learned counsel for LESCO contended that the appeal against the impugned decision was filed before the Advisory Board on 29.10.2011 within time limit as provided in section 26(6) of Electricity Act 1910. The learned counsel further averred that as per Advisory Board decision dated 10.09.2015, the appeal against impugned decision was filed before NEPRA on 30.12.2015. Learned counsel for LESCO pleaded that delay in filing the appeal was not intentional and deliberate but it was due to insurmountable circumstances and liable to be condoned. On merits, learned counsel for LESCO contended that sum of Rs. 157,966/- charged to the respondent on account of difference of 629 kW MDI in January 2009, pursuant to audit note was justified and the respondent is liable to pay the same. Learned counsel for the respondent defended the impugned decision and averred that same should be maintained.
- 8. We have heard the arguments and examined the record placed before us. It has been observed as under:
  - The impugned decision was announced by POI on 29.08.2011 and the appeal against the same was filed before the Advisory Board on 29.10.2011 after lapse of 60 days. Pursuant to the clause 10 of Punjab (Establishment and Powers of Office of Inspection) Order, 2005, an appeal against the decision of POI is to be filed within 30 days but the appeal was filed after 60 days which was obviously time barred even before the Advisory Board. No document was placed by LESCO before us to substantiate its contention that the decision of the Advisory Board was received on 02.12.2015 for filing the same before NEPRA. Pursuant to section 38 (3) of NEPRA Act 1997, an appeal has to be filed against the impugned decision within 30 days of its receipt but the appeal was





filed before NEPRA on 30.12.2015 after lapse of more than 4 years which obviously is time barred and liable to be dismissed.

- ii. Pursuant to audit note, sum of Rs. 157,966/- was charged to the respondent in January 2010 due to difference of 629 kW MDI for January 2009. The respondent challenged the difference bill before POI.
- iii. We are in agreement with the determination of POI that connection of the respondent was energized on 24.08.2008 and as such the respondent is not liable to pay the difference bill for the period September 2011 to November 2011. Therefore the detection bill of Rs. 157,966/- for 629 kW MDl is rightly declared null and void and of no legal effect as determined in the impugned decision.
- 9. In view of forgoing discussion, it is concluded as under:

Detection bill of Rs. 157,966/- charged to the respondent in January 2010 due to difference of 629 kW MDI for January 2009 is null, void and the respondent is not liable to pay the same as determined in the impugned decision. Resultantly the appeal being devoid of merit is accordingly dismissed.

Muhammad Qamar-uz-Zaman Member Muhammad shafique Member

Nadir Ali Khoso Convener

Date: 02.09.2016

