



**National Electric Power Regulatory Authority**  
ISLAMIC REPUBLIC OF PAKISTAN  
NEPRA Head Office  
Ataturk Avenue (East) Sector G-5/1, Islamabad.  
Ph:051-2013200, Fax: 051-2600021

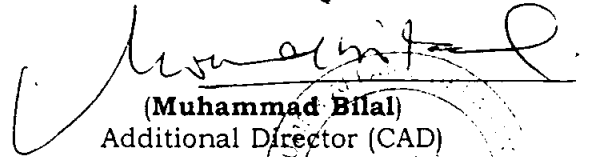
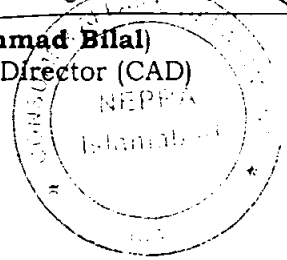
**Consumer Affairs  
Department**

TCD 03/ 4863 -2023  
October 19, 2023

Chief Executive Officer  
Gujranwala Electric Power Company Limited (GEPCO)  
565/A, Model Town GT Road Gujranwala.

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY SHEIKH JAHANGIR IQBAL ON BEHALF OF MR. MUHAMMAD ZAFAR IQBAL UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST GEPCO REGARDING EXTENSION OF LOAD**  
Complaint # **GEPCO-NHQ-25560-06-23**

Please find enclosed herewith the decision of the NEPRA Consumer Complaints Tribunal dated October 18, 2023 regarding the subject matter for necessary action and compliance within thirty (30) days, positively.

  
(Muhammad Bilal)  
Additional Director (CAD)  


Copy:-

1. C.E/ Customer Services Director,  
Gujranwala Electric Power Company (GEPCO),  
565/A, Model Town GT Road, Gujranwala.
2. Assistant Director,  
NEPRA Regional Office, Office # 87, Block M,  
Trust Plaza, Gujranwala.  
Ph: 055-3822766
3. Sheikh Jahangir Iqbal,  
Chairman/CEO - Silver Star Enterprises Pvt Ltd,  
19-KM, Daska Road, Sialkot.  
Ph: 052-111-123-774



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

**Complaint No. GEPCO-NHQ-25560-06-23**

**Sheikh Jahangir Iqbal**

Chairman/CEO – Silver Star Enterprises Pvt Ltd.  
19-KM, Daska Road, Sialkot.  
Cell# 052-111-123-774

.....Complainant

**Versus**

**Gujranwala Electric Power Company (GEPCO)**

565/A, Model Town GT Road, Gujranwala.

..... Respondent

**Date of Hearings:**

- 1) August 03, 2023
- 2) September 25, 2023

**On behalf of:**

**Complainant:**

- 1) Sheikh Jahangir Iqbal, Chairman Silver Star Group
- 2) Mr. Amjad Majeed, General Manager (Elec.)

**Respondent:**

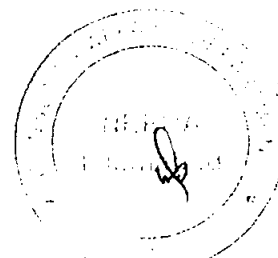
- 1) Mr. Imtiaz Buriro, Executive Engineer (Construction) GEPCO
- 2) Mr. Muhammad Abid, Deputy Director (P&E) GEPCO

**Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY SHEIKH JAHANGIR IQBAL ON BEHALF OF MR. MUHAMMAD ZAFAR IQBAL UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST GEPCO REGARDING EXTENSION OF LOAD**

**DECISION**

This decision shall dispose of the complaint filed by Sheikh Jahangir Iqbal, CEO Silver Star Group, Sialkot (hereinafter referred to as “the Complainant”) against Gujranwala Electric Power Company (hereinafter referred to as the “Respondent” or “GEPCO”), under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the “NEPRA Act”).

2. NEPRA received a complaint wherein the Complainant agitated the matter of issuance of additional demand notice by GEPCO. The Complainant submitted that M/s Silver Star Group is an export-oriented company in Sialkot. In order to get uninterrupted power supply they applied to GEPCO for extension of load/independent feeder on May 13, 2022 whereby GEPCO issued a demand notice dated June 08, 2022 amounting to Rs. 38,130,000/- which was paid by the Complainant vide cheques amounting to Rs. 35,167,725/- and Rs. 2,962,275/- dated June 10, 2022 and June 15, 2022 respectively. However, the work was not initiated by GEPCO on the basis of shortage of material in stock. After lapse of considerable time GEPCO completed the required work but refused to energize the feeder and issued an additional demand notice amounting to Rs. 8,575,000/- dated May 24, 2023, on account of escalation of rates of material. Being aggrieved from issuance of additional demand notice, the Complainant approached NEPRA and requested to direct



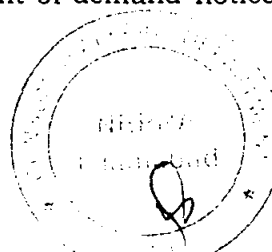
GEPCO to withdraw the additional demand notice issued and to energize their independent feeder without further delay.

3. The matter was taken up with GEPCO whereby GEPCO vide letter dated July 04, 2023 submitted that the case for extension of load for industrial connection in the name of "Silver Star Ltd." c/o Sheikh Jahangir Iqbal situated at Rajokey Tehsil Daska District Sialkot was sanctioned and a demand notice amounting to Rs. 38,130,000/- was issued. The Complainant paid the demand notice, however, at the time of withdrawal of material in April, 2023; the rates of material were on higher side, therefore, an additional demand notice amounting to Rs. 8,575,000/- was issued to the Complainant as difference in cost of material. As per terms and conditions agreed by the Complainant, they are liable to pay the amount of the demand notice which state that *"In case of variation in prices of material due to escalation of rates or additional material is required or any other charges detected at any later stage, by audit or any other agency, the applicant will be liable to pay the same to GEPCO."* Undertaking to this effect was also obtained from the Complainant on Non-Judicial Stamp Paper before issuance of initial demand notice.

4. In order to proceed further into the matter a hearing was held at NEPRA Head Office, Islamabad on August 03, 2023 which was attended by both the parties i.e. GEPCO and the Complainant wherein the case was discussed in detail. During the hearing, GEPCO was directed to provide month-wise store balance of material w.e.f payment of demand notice by the complainant i.e. June-2022 and to confirm whether NOC was issued to the complainant for procurement of material at their own if material was not available in GEPCO stores. The above data was not provided by GEPCO within stipulated time. Therefore, another hearing was held at NEPRA Head Office, Islamabad on September 25, 2023 which was attended by both the parties i.e. GEPCO and the Complainant. During the hearing, GEPCO confirmed that no NOC was issued to the Complainant for procurement of material at its own.

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

- (i) The Complainant applied for extension of load from 900kW to 1500kW with net extension of 600KW for industrial connection in the name of Jahangir Iqbal for Silver Star Group situated at Rajokey Tehsil Daska District Sialkot. Subsequently, GEPCO approved the case and issued a demand notice amounting to Rs. 38,130,000/- on June 08, 2022 (Rs. 35,167,725/- and 2,962,275/- on account of cost of material and security deposit respectively) which was fully paid by the Complainant on June 15, 2022. GEPCO started the execution of work on September 05, 2022 after payment of demand notice by the Complainant but on May 05, 2023 issued an additional demand notice amounting to Rs. 8,575,000/-. The required work was completed on July 19, 2023 but GEPCO did not energize the feeder due to non-payment of additional demand notice by the Complainant.
- (ii) According to the time frame for new connections given in NEPRA Performance Standards (Distribution) Rules-2005 read with Consumer Service Manual (CSM), DISCOs are required to provide electricity connection for load above 500 kW but not exceeding 5000 kW within seventy six (76) days after payment of demand notice. The demand notice was fully paid by the Complainant on June 15, 2022, therefore, according to the said provisions of law; the required work should have been completed by August 30, 2022.
- (iii) According to the Clause 2.4.6 of Consumer Service Manual (CSM), *"once demand notice is issued by DISCO and is paid by the applicant in full, no further charges/demand notice can be raised against the applicant on account of escalation of rates of material"*. Moreover, the law provides seventy six (76) days for energization of connection after payment of demand notice, therefore, the Complainant is liable to pay the cost escalation of material if occurred within seventy six (76) days of payment of demand notice and not liable for



escalation cost if occurred after the prescribed time frame. In the instant case, GEPCO has raised additional demand notice on the basis of rates of undrawn material as applicable during the month of May, 2023, whereas the work was required to be completed by August 30, 2022.

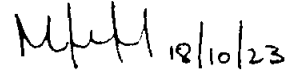
- (iv) Moreover, according to Clause- 2.7.1 of Consumer Service Manual (CSM) if material was not available at stores, GEPCO should have informed the Complainant to purchase the same in accordance with approved specifications of DISCO, from approved vendors, however, GEPCO neither completed the work nor informed the Complainant to purchase the material at its own. During the hearing GEPCO officials informed that feeder has been energized.

6. Foregoing in view, GEPCO is directed to revise the additional demand notice as per the rates applicable as on August 30, 2022 (the time period under which GEPCO was obligated to energize the feeder) and be issued to the Complainant for payment. Compliance report be submitted within thirty (30) days.



**(Lashkar Khan Qambrani)**

Member, Consumer Complaints Tribunal/  
Director (CAD)



**(Moqeem-ul-Hassan)**

Member, Consumer Complaints Tribunal/  
Assistant Legal Advisor (CAD)



**(Naweed Illahi Shaikh)**

Convener, Consumer Complaints Tribunal/  
Director General (CAD)

Islamabad, October 18, 2023.

