



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/DG(CAD)/TCD-05/6506-08

April 27, 2022

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

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY
MR. ALAMGIR AHMED UNDER SECTION 39 OF THE REGULATION
OF GENERATION, TRANSMISSION AND DISTRIBUTION OF
ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING
FICTITIOUS BILLING
Case No.LHR-4726-21

Please find enclosed herewith the Decision of the Member (Consumer Affairs)
dated April 25, 2022 (03 Pages) regarding the subject matter for necessary action and
compliance within thirty (30) days, positively.

Encl: As above

27/4/22
(Iftikhar Ali Khan)
Director

Copy to:

1. C.E/Customer Services Director, LESCO, 22-A, Queens Road, Lahore.
2. Mr. Alamgir Ahmed, House No. 08, Block No. 7/8, CP, Berrar Housing Society Ameer
Khusro Road, Karachi.



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. LHR-4726-21

Mr. Alamgir Ahmed
House No. 08, Block No. 7/8,
CP, Berrar Housing Society
Ameer Khusro Road, Karachi.

..... Complainant

VERSUS

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

..... Respondent

Date of Hearing: August 06, 2021
October 09, 2021
November 23, 2021
March 03, 2022

On behalf of

Complainant:
Dalda Foods

- 1) Mr. Hamayun Akhtar
- 2) Mr. Muhammad Asghar, Deputy Manager Admin

Respondent:

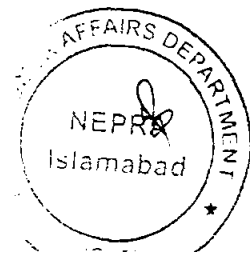
- 1) Mr. Usman Ijaz, SDO (Operation), LESCO
- 2) Mr. Waseem Arshad, Revenue Officer, LESCO

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. ALAMGIR AHMED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING FICTITIOUS BILLING

DECISION

Through this decision, the complaint filed by Mr. Alamgir Ahmed (hereinafter referred to as the "Complainant") against Lahore Electric Supply Company (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), is being disposed of.

2. The Complainant in his complaint stated that he had an industrial connection bearing reference No. 24-11225-1004200 in the name of Al-Hamra Industries Private Limited (hereinafter referred to as the "Al-Hamra"), however, the industry was sold to M/s Dalda Food (Pvt) Ltd (hereinafter referred to as the "Dalda Foods") in June, 2013. He settled all electricity bills and dues against the connection at the time of sale of the industry. LESCO is issuing fictitious electricity bills to Al-Hamra Industries C/o Mr. Alamgir Ahmed i.e. the Complainant. The Complainant



requested to direct LESCO to shift arrears of electricity bills to the current occupant of the premises i.e. M/s Dalda Foods Pvt. Ltd.

3. The subject matter was taken up with LESCO. In response, LESCO vide report dated May 20, 2021 stated that the Complainant is a dead defaulter of LESCO. Hence, an amount of Rs. 1,899,152/- has been charged to the Complainant for recovery of arrear amount. The report of LESCO was sent to the Complainant for information/comments whereby the Complainant vide letter dated June 04, 2021 raised observations over the report of LESCO and stated that LESCO's response is based on mala fide intentions and facts have been ignored. The Complainant again requested to investigate the matter and reiterated his prayer.

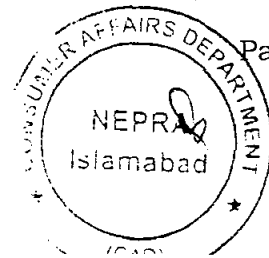
4. In order to probe into the matter, various hearings were held wherein all the parties (i.e. LESCO, M/s Dalda Foods and the Complainant) participated. During the hearings the complainant submitted that there was no outstanding amount/arrears against reference No. 24-11225-1004200 before its sale to the Dalda Foods i.e. June 27, 2013. M/s Dalda Foods argued that they had cleared all dues/arrears/charges against reference No. 24-11225-1004200 before shifting to new connection under reference No. 24-11919-0233000 and bills/dues against this new connection are also being paid regularly. In order to reach at an informed decision LESCO was directed to provide following details:

- (i) To provide concrete evidence/rational for charging of the bill amounting to Rs. 1,899,152/- to Al-Hamra Industries under Reference No. 24-11225-1004200.
- (ii) If the said bill pertains to Al-Hamra then provide the basis for installation of another connection having reference No. 24-11919-0233000 on the same premises.
- (iii) If the said bill pertains to Dalda Foods then provide evidence that units are actually consumed by Dalda Foods because Dalda Foods is of the view that they used electricity supply from new connection installed against reference No. 24-11919-0233000.
- (iv) MRN record of the previous transformer installed against Ref #. 24-11225-1004200 and CA-22 against reference No. 24-11225-1004200.
- (v) Estimates/Demand Notice issued to M/s Dalda Foods for provision of new connection under reference No. 24-11919-0233000.
- (vi) Units consumed by M/s Dalda Foods since November, 2016 to August, 2017 against Ref # 24-11919-0233000 and 24-11225-1004200 alongwith meter reading snaps.
- (vii) Report of the committee regarding installation of new meter against Ref # 24-11919-0233000 (1600 kW).

In response LESCO failed to submit above requisite information and also failed to establish consumption of 180,000/- units at the premises.

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

- (i) Al-Hamra Industries Pvt. Ltd located at 2.5 KM Raiwand-Manga Road, District Kasur was sold to M/s Dalda Foods Pvt. Ltd by the owner i.e. the Complainant Mr. Alamgir Ahmed on June 27, 2013. A small piece of land was retained by the Complainant.
- (ii) Al-Hamra had an industrial connection under reference No. 24-11225-1004200 having sanctioned load of 70 kW (B-2 tariff) and had no



no outstanding amount/arrears before its sale to the Dalda Industries. Application for change of name to Dalda Industries and extension of load from 70 kW to 1600 kW was also processed by LESCO on December 19, 2013. However, the change of name was not finalized by LESCO and the same connection remained in the name of Al-Hamra.

- (iii) During the period July, 2013 to September, 2016 electricity bills issued in the name of Al-Hamra had regularly been paid by the M/s Dalda Foods. Meanwhile, another separate connection bearing Reference No. 24-11919-0233000 having load of 1600 kW under B-3 tariff was also provided to M/s Dalda Foods on October 24, 2016. Accordingly, bills are being paid by M/s Dalda Foods against the B-3 connection w.e.f. October 24, 2016.
- (iv) The then Consumer Service Manual (CSM) provides that if a consumer sells the premises where connection is installed, it shall be obligatory upon the new owner to apply to distribution company for change of name. In this case, the new occupant i.e. M/s Dalda Foods applied for change of name, however, the same was not materialized by LESCO. LESCO should have processed the case for change of name in accordance with the relevant provisions of Consumer Service Manual (CSM) rather installation of another connection at the same premises.
- (v) In March 2021, Al-Hamra approached LESCO for a new connection at his remaining piece of land adjacent to Dalda Industries. LESCO rejected the application and issued a manual detection bill amounting to Rs. 1,899,152/- on March 15, 2021 for payment as alleged arrears pending. PTC billing history revealed that no bills were charged from November, 2016 to August, 2017 against reference No. 24-11225-1004200, however, a bill amounting to Rs. 2,829,613/- against 180,000 units was charged by LESCO without any justification in September, 2017.
- (vi) Accordingly to LESCO arrears for 180,000 units were pending against reference No. 24-11225-1004200 (i.e. Al-Hamra Industries) whereas the facts remains that the complainant had cleared all LESCO's dues before handing over the premises to M/s Dalda Food. Furthermore, M/s Dalda Foods also paid all bills against reference No. 24-11225-1004200 before shifting to new connection under reference No. 24-11919-0233000 in the month of October 2016. LESCO was provided an ample opportunity to justify charging of 180,000 units, however, LESCO failed to provide any concrete justification.

6. Foregoing in view, LESCO is directed to provide a new connection to the Complainant at his premises (remaining piece of land) after completion of all codal formalities. The bill for 180,000 units in the name of Al-Hamra Industries Pvt. Ltd be withdrawn being illegal and unjustified. Disciplinary action be also taken against LESCO officials involved for charging of this fictitious bill under LESCO Service Rules. Compliance report be submitted within (30) days.

Islamabad, April 25, 2022


(Rafique Ahmad Shaikh)
Member (Consumer Affairs)

