



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 05/ 4833 -2023
October 18, 2023

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

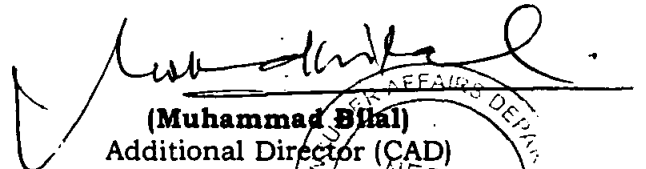
Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY M/S BECO STEEL,
UNDER SECTION 39 OF THE REGULATION OF GENERATION,
TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997
AGAINST LESCO REGARDING RE-CONNECTION OF ELECTRICITY SUPPLY
(A/C# 24 11152 0039008).
LESCO-NHQ-29067-09-23**

Please find enclosed herewith the decision of NEPRA Consumer Complaints Tribunal dated October 18, 2023 regarding the subject matter for necessary action and compliance within fifteen (15) days.

Encl: As above

Copy to:

1. Chief Engineer/Customer Services Director,
LESCO, 22-A, Queen's Road, Lahore.
2. Engr. Dr. Bilal Masood, (Incharge/Additional Director),
NEPRA Provincial Office, 1st Floor, Link Arcade,
54B, GECH Society, Phase 3, Link Road, Model Town, Lahore.
3. Manager (Commercial),
LESCO, 22-A, Queen's Road, Lahore.
4. Ms. Masooma Adil,
Manager/ Incharge Complaint Cell, (Focal Person to NEPRA)
LESCO, 22-A, Queens Road, Lahore.
Email: dmcs1lesco@gmail.com
5. M/s BECO Steel,
79-Peco Road, Badami Bagh, Lahore.
0322-4664338


(Muhammad Bilal)
Additional Director (CAD)
NEPRA
Islamabad
* CONSUMER AFFAIRS DEPARTMENT *
(CAD)



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

Complaint No. LESCO-NHQ-29067-09-23

M/s BECO Steel Limited,
79-Peco Road, Badami Bagh, Lahore.
Contact: 0322-4664338

.....Complainant

Versus

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

..... Respondent

Date of Hearing: October 09, 2023
October 13, 2023

On behalf of:

Complainant: Mr. Waleed Akbar, Manager BECO Steel
Mr. Zeeshan Latif, Assistant Manager BECO Steel

Respondent: Rai Asghar, CSD LESCO

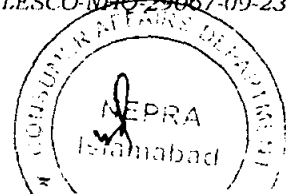
Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY M/S BECO STEEL, UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING RE-CONNECTION OF ELECTRICITY SUPPLY (A/C# 24 11152 0039008).

DECISION

This decision shall dispose of the complaint filed by M/s BECO Steel Limited (hereinafter referred to as "the Complainant") 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 M/s BECO Steel Limited approached Honorable Lahore High Court for re-connection of electricity supply. The Honorable Lahore High Court vide its Order dated September 15, 2023 advised the Complainant to approach the Regulator against LESCO for alleged violation of terms and conditions of license. Accordingly, the Complainant has filed the instant case wherein it has been submitted that due to some maintenance purpose they shut down their factory in the month of October-2022, therefore, LESCO disconnected electricity supply on the request of the Complainant. Upon completion of maintenance work the Complainant approached LESCO for reconnection, however, LESCO refused for reconnection till the payment of deferred amount i.e. Rs. 89,531,192/-. The deferred amount pertains to sales tax and the same was deferred on orders of Lahore High Court Lahore during the month of July, 2019. Moreover, the disputed amount purely pertains to FBR and as per Lahore High Court judgment, LESCO cannot recover the FBR's amount.

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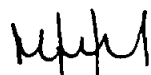
3. In order to arrive at an informed decision a hearing was held on October 13, 2023 at NEPRA Head Office, Islamabad which was attended by both the parties. The case was discussed in detail. LESCO in its written/ verbal arguments submitted that an amount of Rs. 89,531,192/- on account of special sales tax was deferred in light of orders passed by Lahore High Court, Lahore on July 29, 2019 in writ petition No. 45633/2019; however, the said writ petition has already been disposed-off through consolidated order dated February 02, 2021 in writ petition No. 5136/2019 titled as M/s Siddique Iron Industry vs LESCO etc. along with other writ petitions on similar issue, whereby the petitions were referred to Commissioner Inland Revenue to communicate breakup of arrears of sales tax arrears which were not recovered earlier within thirty (30) days. LESCO added that no decision of relevant Commissioner Inland Revenue has been received to LESCO. LESCO added that upon recovery of sales tax amounting to Rs. 89,531,192/- the connection will be re-connected. LESCO also apprised that Title name in LESCO record of the Complainant is M/s Malik Engineering Works, whereas, in writ petition No. 45633/2019 the petition was filed under name M/s Chaudhry Steel Re-Rolling Mills (Pvt.) Limited and before NEPRA complaint is under process with title M/s BECO Steel, therefore, the Complainant should apply for change of name if ownership has been changed.


4. The Complainant is an industrial consumer of LESCO under tariff B-3 having reference No. 24-11152-0039008. The connection is installed in the name of Malik Engineering Works. The Complainant i.e. M/s BECO Steel Limited approached NEPRA in compliance of the directions of Lahore High Court passed in writ petition No. 58416/2023 for re-connection. Earlier, Chaudhary Steel Re-Rolling Mills (Pvt.) Ltd. having the same connection approached Lahore High Court vide writ petition No. 45633/2019 and raised the issue of charging arrears of sales tax amounting to Rs. Rs. 89,531,192/- by LESCO, and the Honorable Court vide Order dated July 29, 2019 restrained LESCO from charging of the sales tax to the tune of Rs. 89,531,192/- till next date of hearing. During the hearing at NEPRA both the parties confirmed that thereafter no hearing has been fixed by Lahore High Court. This implies that the stay granted by Lahore High Court is still in field.

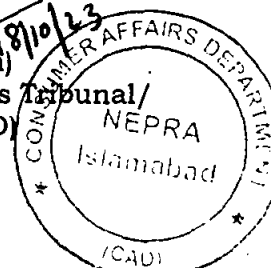
5. Foregoing in view, LESCO is directed to re-connect the electricity supply of the Complainant without demand of Rs. 89,531,192/-. The Complainant is required to pay other dues of LESCO if any. LESCO shall obtain an under taking from the Complainant to the effect that issue of tax will be settled with FBR by the Complainant within three (03) months from the date of RCO. If the Complainant fails to settle the issue with FBR within three (03) months LESCO is at liberty to take necessary action as deemed appropriate. The Complainant will pay its current bills regularly including all applicable taxes except the deferred amount.

6. Compliance report be submitted within fifteen (15) days.


(Lashkar Khan Qambrani)
Member Consumer Complaints Tribunal
Director (CAD)


(Moqem ul Hassan)
Member Consumer Complaints Tribunal
Assistant Legal Advisor (CAD)


(Naweed Maahi Shaikh)
Convener Consumer Complaints Tribunal/
Director General (CAD)
Islamabad, October 18, 2023



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