

## National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/ADG(CAD)/TCD 06/g/470 -72

August 17, 2020

- Chief Executive Officer
   Multan Electric Power Company (MEPCO),
   MEPCO Complex, WAPDA Colony,
   Khanewal Road, <u>Multan</u>.
- Mr. Shafique Ahmed Anjum Accounts Manager, Imperial Textile Mills Ltd., Khanpur Shumali, Bagga Sher, District <u>Muzaffargarh</u>.

Subject:

DECISION IN THE MATTER OF COMPLAINT OF M/S IMPERIAL TEXTILE MILLS LIMITED IN PURSUANCE OF THE ORDERS OF THE HONORABLE LAHORE HIGH COURT, MULTAN BENCH, MULTAN IN WRIT PETITION NO. 7256/2020: IMPERIAL TEXTILE MILLS VS FOP ETC.

MEPCO-90/07//2020

Please find enclosed herewith the Decision dated 17.08.2020 (03 Pages) regarding the subject matter for information and necessary action, please.

Encl: As above

Hafeez Ullah Khan ) Deputy Registrar

Copy to:

C.E./Customer Service Director, Multan Electric Power Company (MEPCO), MEPCO Complex, WAPDA Colony, Khanewal Road, Multan.



## BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA) Complaint No. MEPCO-90/07/2020

M/s Imperial Textile Mi Khanpur Shumali, Bagg <u>District Muzaffargarh</u> .	a Sher,	Complainant
	Versus	
<b>Multan Electric Power Company (MEPCO)</b> MEPCO Complex, WAPDA Colony, Khanewal Road, <u>Multan</u> .		Respondent
Date of Hearing:	July 16, 2020	

On behalf of

Date of Decision:

Complainant:

Mr. Nazir Akhtar Khokhar, AM

August 17, 2020

Respondent:

Mr. Muhammad Hussain Qureshi, Revenue Officer

Subject:

DECISION IN THE MATTER OF COMPLAINT OF M/S IMPERIAL TEXTILE MILLS LIMITED IN PURSUANCE OF THE ORDERS OF THE HONORABLE LAHORE HIGH COURT, MULTAN BENCH, MULTAN IN WRIT PETITION NO. 7256/2020: IMPERIAL TEXTILE MILLS VS FOP ETC.

## **DECISION**

- 1. This Decision shall dispose of the complaint of M/s Imperial Textile Mills Limited, Khanpur Shumali, Bagga Sher, District Muzaffargarh (hereinafter referred to as the "Petitioner" or the "Complainant") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act") against Multan Electric Power Company Limited (hereinafter referred to as "MEPCO" or the "Respondent") pursuant to the Orders of the Honorable Lahore High Court, Multan Bench, Multan dated 24th June 2020 in Writ Petition No. 7256/2020.
- 2. Brief facts of the case are that NEPRA received a copy of the Order of the Honorable Lahore High Court, Multan Bench, Multan dated 24th June 2020 in Writ Petition No. 7256/2020 in the matter of Imperial Textile Mills vs FOP etc. The Order of the Honorable High Court was

received in this office on 29<sup>th</sup> June 2020. The Honorable High Court, vide the said Order, has referred the case to NEPRA with the direction to treat the same as representation/complaint under Section 39 of the NEPRA Act and decide the same in accordance with law after providing opportunity of hearing to the Petitioner and others concerned.

- 3. In pursuance of the directions of the Honorable High Court, the Petitioner's petition was treated as a complaint under Section 39 of the NEPRA Act. Main contents of the complaint are as under:
  - i. That due to Covid-19 pandemic situation prevailing in the country, the Complainant could not run its Mill and was unable to fulfill the financial liabilities of the Respondent, against which its electricity connection has been disconnected.
  - ii. That the Complainant has repeatedly requested the Respondent to defer the amount for three (03) months and not to permanently remove the installations/connection.
  - iii. That, till date, no positive response has been given by the Respondent and with the apprehension of permanent removal of installations and connection, the Complainant was constrained to file the instant petition to safeguard its legitimate and fundamental right as provided under the Constitution of Pakistan, 1973.
  - iv. That due to the lockdown across the country, the Complainant has been unable to run its business as earlier. Further, the Government of Pakistan has relaxed the payment of electricity dues, however, the Respondent is adamant to pressurize the Complainant to pay the bill, failing which connection will be removed permanently.
  - v. That in the prevalent situation, the Complainant should not be burdened with arrears till subsistence of Covid-19 pandemic.
  - vi. That the removal of permanent connection and installations by the Respondent in in violation of the Government directives, hence, the same are liable to be set-aside.
  - vii. That the letter of Director (Commercial), MEPCO dated 11<sup>th</sup> June 2020 regarding permanent disconnection of the Complainant's Mill is arbitrary, capricious, unjust and unreasonable, and could not be sustainable in the eyes of law.
  - viii. That the act which arbitrarily or excessively invades the rights cannot be said to contain the quality of reasonableness, and unless it strikes a proper balance between the freedom guaranteed under Article 19(1)(g) and the social control permitted by Clause 6 of Article 19, it must be held to be wanting of reasonableness. A law or order which confers arbitrary and uncontrolled power upon the executive in the matter regulating trade or business in normally available commodities cannot be held reasonable. Thus, the impugned demand by the Respondent is liable to be declared ultra vires the Constitution of Pakistan.
  - ix. That it is prayed that the impugned letter dated 11<sup>th</sup> June 2020 issued by the Respondent be set-aside while directing the Respondent to facilitate the Complainant by deferring the payment of electricity dues for next three (03) months, and also restrain the Respondent to permanently disconnect the connection of the Complainant's Mill.
- 4. An opportunity of hearing was provided to both the parties (i.e. MEPCO and the Complainant) on 16<sup>th</sup> July 2020 at NEPRA Head Office, Islamabad. During the hearing, the representative of MEPCO submitted that the Complainant is a defaulter of Rs. 36,175,325/- up till

the month of February 2020 despite being allowed installments on multiple occasions for payment of bills. Further, on the Complainant's request to MEPCO not to disconnect the Mill's connection, it was informed by the representative of MEPCO that due to Covid-19 pandemic and extraordinary situation, MEPCO is facing financial crunch, and the Complainant was requested to make the payment of outstanding bill(s); however, due to non-payment of bill(s), the Complainant's supply was disconnected in April 2020. The Complainant, during the hearing, also endorsed the point of view of MEPCO, however, he requested that his supply may not be disconnected keeping in view the financial crunch due to Covid-19 pandemic.

- 6. The case has been examined in detail in light of the record made so available by the parties, arguments advanced during the hearing and applicable law. The Complainant is a defaulter of his regular bills, which are legitimate and liable to be paid by him. Further, the Complainant has been given relief by MEPCO by allowing him to pay bills in installments on multiple occasions, however, he has failed to deposit the same. At present, an amount of Rs. 36,175,325/-is outstanding against the Complainant.
- 7. Foregoing in view, the prayer of the Complainant to facilitate him by deferring the outstanding amount and restraining MEPCO not to disconnect his supply is not justified and cannot be entertained.

(Rehmatullan Baloch)
Member (Consumer Affairs)

Islamabad, August 17, 2020.