



**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 06/ 5718 -2024  
December 26, 2024

Chief Executive Officer, MEPCO,  
MEPCO Complex, WAPDA Colony,  
Khanewal Road, Multan.

Subject: **DECISION IN THE MATTER OF ORDER PASSED BY THE HONORABLE  
LAHORE HIGH COURT, MULTAN BENCH, MULTAN IN WRIT PETITION NO.  
16084/2023: M/S SILVER LINE SPINNING MILLS LIMITED VS FOP ETC.,  
(A/C NO. 30 15442 1084212).  
MEPCO-NHQ-33297-01-24**

Please find enclosed herewith the decision of the NEPRA Complaints  
Resolution Committee (CRC) dated December 26, 2024, regarding the subject matter  
for necessary action.

**Encl: As above**

  
(Muhammad Abid)  
Assistant Director (CAD)  
NEPRA  
Islamabad  
(CAD)

Copy: -

1. C.E/ Customer Services Director, MEPCO,  
MEPCO Complex, WAPDA Colony,  
Khanewal Road, Multan.
2. Mr. Raheel Azhar, Additional Director,  
NEPRA Regional Office, 39-First Floor, Orient Mall,  
Khanewal Road, Multan.
3. Mr. Muammad Ali Siddiqui,  
Advocate Supreme Court of Pakistan,  
2nd Floor, Golden Heights Plaza,  
Opposite Public Gate High Court, Multan.  
0322-6103403
4. Mr. Muhammad Munawwar Khan Niazi,  
M/s Silver Line Spinning Mills Limited, Multan Road,  
Lodhran.



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

**Complaint No. MEPCO-NHQ-33297-01-24**

**M/s Silver Line Spinning Mills Limited**

Through Mr. Muhammad Ali Siddiqui Advocate,  
2<sup>nd</sup> Floor, Golden Heights Plaza,  
Opposite Public Gate High Court, Multan.  
Contact: 0322-6103403

..... Complainant

**VERSUS**

**Multan Electric Power Company (MEPCO)**

MEPCO Complex, WAPDA Colony,  
Khanewal Road, Multan.

..... Respondent

**Date of Hearing:** July 24, 2024

**On behalf of:**

**Complainant:** Mr. Muhammad Ali Siddiqui, Advocate

**Respondent:** Mr. Asad Hammad, Director (Commercial), MEPCO

**SUBJECT:** DECISION IN THE MATTER OF WRIT PETITION NO. 16084/2023: M/S SILVER LINE SPINNING MILLS LIMITED VS FOP ETC.. PASSED BY THE HONORABLE LAHORE HIGH COURT, MULTAN BENCH, MULTAN (A/C NO. 30 15442 10842121)

**DECISION**

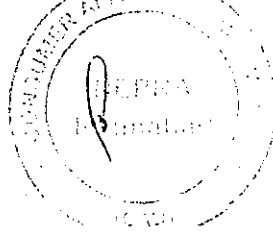
This decision shall dispose of the complaint referred by the honorable Lahore High Court, Multan Bench, Multan vide order dated May 18, 2023 in Writ Petition No. 16084/2023 whereby the Court directed NEPRA to decide the case filed by M/S Silver Line Spinning Mills Limited (hereinafter referred to as the "Complainant") against Multan Electric Power Company (hereinafter referred to as the "Respondent" or "MEPCO"), 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 NEPRA received Orders dated May 18, 2023 of the honorable Lahore High Court, Multan Bench in Writ Petition No. 13914-2013 wherein the Court transmitted the petition of the Complainant to NEPRA to treat it as representation of the Complainant and to decide the grievance after providing hearing opportunity to all concerned, expeditiously. The Complainant vide the said Petition submitted that MEPCO has charged markup and Late payment surcharge (LPS) on electricity bills from the billing month May, 2022 to September, 2023 and onwards which is illegal; hence, this act of the MEPCO is infringing the fundamental rights of the Complainant as protected under the Constitution being an illegal act which is void ab-initio and without any lawful authority.

3. The Complainant requested to direct MEPCO to stop charging of extra fees (mark-up and LPS) on electricity bills and refund the already charged amount during the period from May, 2022 to September, 2023 and onwards being unjustified. The Complainant claims that these charges are illegal and are in violation of relevant provisions of Consumer Service Manual (CSM). The complainant argues that the CSM does not allow MEPCO to charge

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*CRC Decision: M/s Silver Line Spinning Mills Ltd vs MEPC (MEPCO-NHQ-33297-01-24)*



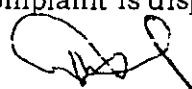
mark-up for extended due dates and explicitly states that LPS should not be applied in such cases. The Complainant requested for interim relief by restraining MEPCO from taking coercive measures for recovery until the final decision, and granting any other appropriate relief in the circumstances


4. The subject matter was taken up with MEPCO and hearing was held on July 24, 2024 at NEPRA Head Office, Islamabad which was attended by both parties (i.e., MEPCO and the Complainant), wherein the case was discussed in detail. During the hearing, MEPCO officials submitted that the Complainant M/s Silver Line Spinning Mills Limited, approached MEPCO for the extension of due date for Billing Month of May, 2022. The original due date, June 27, 2022, was extended to June 30, 2022 and later to July 5, 2022. Although the consumer paid Rs. 80 million on June 30, 2022; the remaining amount was settled in installments. LPS was applied for May, June, and July, 2022. Additional LPS charges were incurred due to missed payments in subsequent billing months, including LPS of Rs. 170,389 in July, 2022, LPS of Rs. 1,066,092 in September, 2022 LPS of Rs. 1,237,974 in November, 2022 and LPS of Rs. 176,000 in March, 2023.

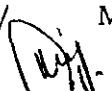
5. The case has been analyzed in the light of arguments advanced by the parties, documents placed on record and applicable law. It has been observed that the Complainant was charged an amount of Rs. 4,296,465 on account of Late Payment Surcharge (LPS) during the period from May, 2022 to September, 2023. Moreover, the Complainant was allowed 04-Installments of the bill for the month of September, 2022 (total bill was amounting to Rs. 23358168/-). The Complainant paid first instalment amounting to Rs. 10-Million on 31-Oct-2022, 2<sup>nd</sup> Instalment amounting to Rs. 3.755 Million on 04-Nov-2022 and didn't pay the 3<sup>rd</sup> & 4<sup>th</sup> Installments. Moreover, the Complainant instead of making payment of markup on installments; challenged its levy in the Honorable Lahore High Court, Multan Bench vide W.P. No. 16084/2023. The Honorable Lahore High Court, Multan Bench directed MEPCO to defer the recovery of markup amount which was deferred accordingly. As far as the matter of charging of markup on installments & LPS is concerned, it was submitted that every consumer who avails the facility of installments is being charged with markup @ 14% per annum in the light of different notifications issued from time to time.

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. Markup is being levied on installments/extension of due date of electricity bills etc. @ 14% (per annum) in light of WAPDA's notification dated December 03, 2003. The delayed payments have financial costs. Consumer Service Manual (CSM) is silent with respect to charging of markup, however, charging of markup is not in contravention of any provisions of the NEPRA Act, Rules & Regulations and applicable documents. According to amendments in Consumer Service Manual (CSM) circulated vide letter dated May 23, 2024; there shall be no markup or Late Payment Surcharge (LPS) if first installment is paid within the due date, however, remaining installments shall be paid with markup @ 14% (per annum) on pro rata basis.

7. The complaint is disposed of in above terms.

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

  
(Muhammad Irfan Ul Haq)  
Member Consumer Complaints Tribunal  
Assistant Legal Advisor

  
(Naweed Nadeem Shaikh)  
Convener Consumer Complaints Tribunal/  
Director General (CAD)

Islamabad, December 26, 2024

