PERFORMANCE AUDIT REPORT
ON OVERBILLING
FAISALABAD ELECTRIC SUPPLY
COMPANY (FESCO)
MINISTRY OF ENERGY
(POWER DIVISION)
AUDIT YEAR 2022-23

AUDITOR-GENERAL OF PAKISTAN

PREFACE

The Auditor-General of Pakistan conducts audit under Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan 1973, read with Sections 8 and 12 of the Auditor-General's (Functions, Power, Terms and Conditions of Service) Ordinance 2001.The Performance Audit of FESCO regarding overbilling was carried out accordingly.

The Directorate General of Audit Power conducted Performance Audit of FESCO with regard to overbilling to consumers during February-March, 2023 for the period 2020-21 & 2021-22 with a view to report significant findings to the relevant stakeholders. The main objectives of the audit were to evaluate the economy, efficiency and effectiveness aspects regarding overbilling in Faisalabad Electric Supply Company (FESCO). Audit examined the performance of FESCO regarding reduction in overbilling and Transmission & Distribution (T&D) losses. The Performance Audit Report indicates specific actions that, if taken, will help the management to realize the objectives of the company. The audit observations, included in this report, have been finalized in the light of discussion in the DAC meeting held on August 04, 2023.

The Performance Audit Report is submitted to the President of Pakistan in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan 1973, for causing it to be laid before both houses of Majlis-e-Shoora [Parliament].

-sd-

(Muhammad Ajmal Gondal)
Auditor-General of Pakistan

Islamabad
Dated: 29 April, 2024

TABLE OF CONTENTS

EXECUTIVE SUMMARY

ABBREVIATIONS AND ACRONYMS

AMI	Automatic Metering Infrastructures
AMR	Automatic Meter Reading
APR	Annual Performance Report
CCMS	Customer Complaint Management System
CP	Commercial Procedure
CSD	Customer Services Directorate
CSM	Consumer Service Manual
DISCOs	Distribution Companies
FPA	Fuel Price Adjustment
GoP	Government of Pakistan
GSO	Grid System Operation
H.T	High Transmission
KW	Kilo Watt
KV	Kilo Volt
L.T	Low Transmission
MCO	Meter Change Order
FESCO	Faisalabad Electric Supply Company
FCC	FESCO Computer Center
LPS	Late Payment Surcharge
MDI	Maximum Demand Indicator
MI	Meter Inspector
MIS	Management Information System
MoWP	Ministry of Water and Power
M&T	Metering & Testing
MWH	Mega Watt Hour
NEPRA	National Electric Power Regulatory Authority
O&M	Operation and Maintenance
Op	Operation
PITC	Power Information Technology Company
PSDR	Performance Standards (Distribution) Rules
QTA	Quarterly Tariff Adjustments
SCO	Service Connection Order
SDO	Sub Divisional Officer
SOPs	Standard Operating Procedures
T&D	Transmission & Distribution
ToU	Time of Use

EXECUTIVE SUMMARY

The Directorate General Audit Power conducted Performance Audit regarding overbilling of Faisalabad Electric Supply Company Limited (FESCO) during Feb-March, 2023 for the financial years 2020-21 and 2021-22. The main objectives of the audit were to evaluate the economy, efficiency and effectiveness of the company in respect of overbilling to consumers. Furthermore, audit evaluated that targets set out regarding reduction in overbilling were not achieved. In addition, issues like misuse of tariff, excessive detection charges levied on the consumers, delay in redressal of complaints, non-bifurcation of feeders were also observed. The audit was conducted in accordance with the INTOSAI Auditing Standards.

The audit revealed that the overall operational performance of company remained less effective due to non-replacement of defective meters within timeline, non-managing excessive line losses of feeders, non-resolving consumer complaints regarding overbilling within prescribed time and non-controlling the issue of electricity theft. The company did not meet the recovery targets during 2020-21 and 2021-22 which resulted in heavy accumulation of receivables from the private and government consumers.

Key audit findings and recommendations are as follows:

a) Key Audit Findings

i. Un-justified charging of same number of adjustment units through detection bills to multiple consumers - Rs.244.761 million.[1]

ii. Overbilling to Government departments - Rs.34.857 million.[2]

iii. Unjustified billing to permanent disconnected consumers for concealment of line losses - Rs.38.772 million.[3]

iv. Huge refund to consumers on account of wrong reading and detection revised through CP-52 and MIS reports- Rs. 5, 293.372 million[4]

[1] Para # 4.1.2
[2] Para # 4.1.3
[3] Para # 4.1.4
[4] Para # 4.1.6

v. Irregular and unjustified exclusion of late payment surcharge (LPS) from consumer bills - Rs.45.436 million.[5]

vi. Unjustified revenue generation through charging meter rentals to consumers - Rs.99.071 million.[6]

vii. Loss of revenue due to non-charging of detection units pointed out by M & T departments - Rs.4.026 million.[7]

viii. Wrong revision of units during peak/off peak hours despite correct reading/snapshot– Rs. 86.720 million.[8]

ix. Recovery deferred by FESCO and courts in violation of the provisions of Electricity Act - Rs.800.047 million.[9]

x. Non-Implementation of AMI Metering Projects due to non-installation of AMI meters - Rs.678.00 million.[10]

xi. Non refund of excess charged units to consumers on account of M&T data retrieval reports - Rs.314.548 million.[11]

xii. Violation of NEPRA instructions regarding resolving consumer complaints on overbilling.[12]

xiii. Non establishing of Key Performance Indicators of FESCO departments wise Employees.[13]

b) RECOMMENDATIONS

i. Accurate billing should be made to consumers in the light of SoPs issued by NEPRA in consumer Service Manual regarding replacement of defective meters.

ii. Effective monitoring system at sub-divisional level needs to be implemented to curb the problem of over-billing to energy

[5] Para # 4.1.9
[6] Para # 4.1.10
[7] Para # 4.1.13
[8] Para # 4.1.14
[9] Para # 4.2.2
[10] Para # 4.3.1
[11] Para # 4.4.1
[12] Para # 4.4.5
[13] Para # 4.4.7

consumers.

iii. AMR/AMI metering system may be installed without further delay and as per approved plan to eliminate theft, as well as to identify actual technical problems / losses.

iv. High loss feeders must be identified and corrective measures may be taken in order to reduce the technical losses and to improve the voltage drop.

v. Defective meters may be replaced within time limit as per NEPRA Consumer Service Manual.

vi. NEPRA safety code/standards may be implemented in its true letter and spirit in order to ensure the safety of staff and to provide reliable power supply to the consumers.

vii. Procurement process of the company needs to be made more efficient in order to attain value of money.

viii. Effective measures may be taken for recovery of long outstanding arrears.

1. INTRODUCTION

FESCO was incorporated as a non-listed public limited Company under Companies Ordinance, 1984 on March 21, 1998. Certificate of Commencement of Business was issued on March 26, 1998. FESCO distributes and supplies electricity, to 4,869,142 customers within its service territory having population of over 26 million, under a Distribution License granted by National Electric Power Regulatory Authority (NEPRA) pursuant to the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (NEPRA Act). Geographical service area of FESCO covers approximately 44,247 Sq. KM of Faisalabad, Sargodha, Mianwali, Khushab, Jhang, Bhakkar, Toba Tek Singh and Chiniot districts **(Annex-A)**.

To serve the consumers in its area of responsibility, FESCO Organization has been divided into various categories like Operation, Construction and Grid System Operation (GSO). Operation has been further divided into Technical and Commercial setups. Construction wing has two further bifurcations like construction of projects of 11KV and below network and 132KV and 66KV network. At present DISCOs are under the administrative control of Government of Pakistan, Ministry of Energy (Power Division).

2. AUDIT OBJECTIVES

The main objective of performance audit was to ensure whether the FESCO, being executing and implementing agency, had successfully envisaged and executed the supply of electricity, implemented proper mechanism of billings and collections in an economical, efficient and effective manner. The audit objectives were to:

a. Check the methods used by management to reduce transmission and distribution (T&D) losses;
b. Check effectiveness of collection of Consumers billings data by the field staff;
c. Review basis of calculations of consumers bills used by MIS department of FESCO;
d. Asses procedure adopted to charge assessed units to defaulter consumers through M&T and S&I Departments;

e. Review billings in accordance with the Tariff approved by NEPRA;
f. Review mechanism regarding recording receipts of billings by ROs after due reconciliation with collection banks;
g. Check whether annual targets of recovery/collection were achieved or not;
h. Examine the projects/steps executed to avoid overbilling; and
i. Evaluate KPIs used by FESCO for measuring performance of Customer Service Department (CSD).

3. AUDIT SCOPE AND METHODOLOGY

The Performance Audit of FESCO was carried out for the years 2020-21 and 2021-22. The main elements of the methodology adopted during the execution of performance audit were as under:

i. Interview and discussion with the management.
ii. Analysis of Monthly, quarterly and Annually Progress Reports.
iii. Analysis of MIS Reports regarding consumers billings.
iv. Probing compliance with the necessary rules, laws and guidelines such as:
   a) NEPRA Performance Standards (Distribution) Rules, 2005.
   b) National Power Policy 2013.
   c) Distribution Rehabilitation Guidelines.
   d) NEPRA Annual Performance Reports.
   e) Consumer Service Manual.
   f) Commercial Procedures of electricity.

4. AUDIT FINDINGS & RECOMMENDATIONS

4. AUDIT FINDINGS AND RECOMMENDATIONS

4.1 Organization and Management

4.1.1 Un-justified charging of same number of adjustment units through detection bills to multiple consumers – Rs. 244.761 million

According to instructions issued by the Managing Director PEPCO vide letter dated December 01, 2010, "strict disciplinary action, without any exception, shall be taken against the officers and staff found involved in the overbilling".

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that 19.754 million energy units amounting to Rs. 244.761 million were advertently charged to various consumers on account of wrong reading and theft detection bills through 45,886 debit adjustment notes. FESCO charged same number of adjustment units through same sub-division on same date by using same adjustment number through detection bills to multiple consumers. This scenario indicated that over billing was made to consumers on account of wrong reading. Moreover, detection bills were not charged as per detection policy. This was done just to conceal the actual line losses and theft of energy. No action was taken against the officers / officials involved in debit adjustments. The detail of data on test check basis for three months is at **(Annex-B)**.

Non-adherence to PEPCO instructions resulted in overcharging of detection bills amounting Rs. 244.761 million to consumers on account of theft of electricity and wrong readings during the financial years 2020-21 and 2021-22.

The matter was taken up with the management in March, 2023. The management replied that these consumers were using single phase meters for agriculture purpose on domestic tariff which caused increase in technical loss. The loss was recovered from the consumers in shape of under charges debited to consumers on various discrepancies pointed out by field offices.

The DAC in its meeting held on 4th August 2023 directed the management to probe the matter within 15 days and provide report duly vetted by GM HR of PPMCL. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC's decision.

4.1.2 Overbilling to Government Departments - Rs. 34.857 million

According to Para # 1.3 of Commercial Procedure, "Revenue Officer is responsible for: (i) Implementing in conjunction with the Executive Engineer, the commercial policy laid down from time to time by the Authority through the Company, (ii) Efficient application of billing and collection procedures".

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that negative billing amounting to Rs. 28.582 million to (114) consumers was made during June 2021 and 2022. Furthermore, overbilling to (24) consumers amounting to Rs. 6.275 million was made having zero units assessed during the months of June 2021 and 2022. Therefore, an amount of Rs. 34.857 million was excessively charged/overbilled to (138) Government departments during June 2021 and 2022. This indicated that over billing was made to the consumers just to conceal the line losses and theft of energy. The detail is as under:

Sr No	Period	Amount of Bill (Rs. in million)	No. of Consumers
1	June 2021	12.932	60
2	June 2022	21.925	78
Total		**34.857**	**138**

Non-adherence to Authority's instructions resulted in unjustified overbilling of Rs. 34.857 million to the consumers during June 2021 and 2022.

The matter was taken up with the management in March, 2023. The management replied that there was no overbilling in Govt. connections and reading posted on bills were according to site reading with posting of snaps. The reply of the management was not tenable because billing was not based on actual meter readings.

The DAC in its meeting held on 4th August 2023 directed the management to verify/reconcile data between Government of Punjab and FESCO to audit. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC's decision.

4.1.3 Violation of NEPRA instructions regarding meter reading snap accuracy

According to Clause 6.1.3 of NEPRA consumer service manual, taking snapshots of meter readings of all consumer categories is mandatory. Meter readings are taken through mobile snapshots/hand held units to ensure correct readings. DISCO shall make available record of snapshots for twelve months for presenting before NEPRA, Court of Law or any other competent forum if required for settlement of billing dispute, raised by any consumer.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that snap accuracy report for Maximum Demand Indicator (MDI) consumers was not prepared and only snaps on bills were counted for record purpose despite the fact that taking of legible snapshots of meters reading of all consumers is mandatory as per NEPRA instructions. The detail of meter reading snapshots is as under:

Sr No.	**Circle Code**	**Circle Name**	**Meter Snap %age 2021-22**		**Meter Snap %age 2020-21**	
			Industrial	**Tubewell**	**Industrial**	**Tubewell**
1	13100	Faisalabad-I	73	57	90	78
2	13200	Faisalabad-II	63	54	94	88
3	13300	Jhang	86	72	96	89
4	13400	Sargodha	79	72	91	74
5	13500	Mianwali	90	76	94	75
	13000	**FESCO**	**76**	**68**	**92**	**82**

It is clear from the above table that meter reading snap accuracy was reduced from 82% to 68% for tubewell connections during the years 2020-21 and 2021-22 respectively. Likewise, meter reading snap accuracy of MDI consumers was reduced from 92% to 76% for industrial connections during the years 2020-21 and 2021-22 respectively. Furthermore, the quality of snap shots with respect to accuracy was not checked which showed slackness on the part of FESCO.

Non adherence to authority's instructions/rules resulted in less accuracy in meter reading snapshots during the financial years 2020-22.

The matter was taken up with the management in March, 2023. The management replied that in MDI Industrial meters cases it was not possible to capture the direct meter snap due to glass of ATB meter Box. As far as tube well connections were concerned, the meters were situated in far-flung areas, accuracy was compromised as day light cast shadow on meters installed on poles. The contention of the management was not tenable because it was the primary responsibility of FESCO to rectify the defective glasses etc.

The DAC in its meeting held on 4th August 2023 directed the GM Technical & Billing Chief to conduct sampling that includes 10% of physical portion and the rest in digital format for the month of July 2023 and submit the result to audit not later than 31st August 2023 duly vetted by PITC. However, no record was provided to audit for verification till finalization of report.

Audit recommends implementation of DAC's decision.

4.1.4 Wrong power factor reading in MDI consumer bills resulting in wrong billing

According to Clause 7.3 of NEPRA consumer service manual regarding Power Factor Penalties, the penalties for low power factor shall be levied according to the "Terms and Conditions" of approved tariff of respective category.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that wrong power factor reading was recorded/charged to 90 MDI consumers during June 2021 and 2022. The commercial and operations departments of FESCO did not bother to reconcile the billing data accuracy with meter readings and CP-34C. This showed inefficiency on part of FESCO management. The detail is as under:

Sr No.	Wrong power factor cases	Period involved
1	48	2021-22
2	42	2020-21
	90	

Non adherence to authority's instructions/rules resulted in less accuracy in meter reading due to non-reconciliation of meter reader's data/CP-34C during the financial years 2020-22.

The matter was taken up with the management in March, 2023. The management replied that basic reason of appearing power factor digit above 1.00 on electricity bills was due to wrong power factor formula. FESCO Computer Center (FCC) calculate power factor as per saved formula while at PITC correct information was updated in electricity bills.

The DAC in its meeting held on 4th August 2023 directed the CEO PITC to inquire the matter within 15 days and to share the report with Ministry of Energy (Power Division), Audit, FESCO and PPMCL. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC's decision.

4.1.5 Unjustified revenue generation through charging meter rentals to consumers - Rs.99.071 million

According to NEPRA Consumer Service Manual 2021, there is no provision of charging meter rent to consumers.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that meter rent amounting to Rs. 99.071 million (Rs.49.765 million in financial year 2021-22 and Rs. 49.306 million in financial year 2020-21) was charged to old consumers. Furthermore, it was observed that rate of charging meter rent was not uniform, and consumers were being charged meter rent ranging from Rs. 5 to Rs. 20. It showed that consumers were being over charged on monthly basis on account of meter rent charges. The detail is as under:

Sr. No	Year	Account Code	Description	Amount
1	2021-22	6010200	Meter Rentals	49,765,206
2	2020-21	6010200	Meter Rentals	49,306278
Total				**99,071,484**

Non-adherence to the commercial procedure resulted in overbilling of Rs. 99.071 million on account of charging meter rent during the financial years 2020-22.

The matter was taken up with the management in March, 2023. The management replied that charging of meter rent policy was very old when free of cost meter was installed and cost recovered in the shape of monthly rent. Meter rent rates varied from Rs. 5 to Rs. 20 each month. FESCO would cease to recover meter rent from customers after approval from FESCO Board of Directors.

The DAC in its meeting held on 4th August 2023 directed the management to verify its stance duly approved by BOD and submit its report to audit till 31st August, 2023. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC's decision.

4.1.6 Overbilling to consumers due to negative figure of line losses-Rs.181.451 million

According to Para-1.3 of Commercial Procedure, the Revenue Officer and Assistant Manager are responsible for; i) implementing in conjunction with the Executive Engineer, the commercial policy laid down from time to time by the Authority through the Company, ii) efficient application of billing and collection procedures.

According to the instructions issued by the Manager Director PEPCO dated December 12, 2010. "Strict disciplinary action, without any exception, shall be taken against the officers and staff found involved in overbilling."

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that total 925.684 million units (295.780 million unit for financial year 2020-21 and 629.904 million units for financial year 2021-22) were billed to the 2,914 consumers (153 consumers in financial year 2020-21 and 2,761 consumers in 2021-22) against 914.718 million units received (293.290 million units in 2020-21 and 621.429 million units in 2021-22) at 137 feeders (96 feeders in 2021-22 and 41 feeders in 2020-21), which reflected negative line losses. This scenario indicated that over billing of 10.966 million units of Rs. 181.451 million was made to the consumers just to conceal the line losses and theft of energy.

The feeder-wise summarize detail is as under:

Year	Total No. of Feeders	No. of Consumers	Units received	Units billed	Excess units billed	Rate (Rs.)	Over Billing (Rs.)
2020-21	43	153	293,289,587	295,780,216	2,490,626	11.94	29,738,074
2021-22	96	2,761	621,428,514	925,684,334	8,475,607	17.90	151,713,365
Total	**139**	**2,914**	**914,718,101**	**1,221,464,550**	**10,966,233**		**181,451,439**

Non-adherence to the Commercial Procedure resulted in undue generation of revenue of Rs. 181.451 million through overbilling to Private and Government connections during the financial year2021-22.

The matter was taken up with the management in March, 2023. The management replied that pointed out feeders were independent feeders. Due to difference of reading & receipt dates negative loss recorded. Moreover, due to wrong feeder coding and non-allotment of feeder code in case of feeder bifurcation negative losses were recorded. The reply of the management was not tenable because errors occurred on wrong feeder coding needed to be rectified which was not done.

The DAC in its meeting held on 4th August 2023 directed the management to verify the record of feeders within permissible limits and prepare analysis of 3 years for the feeders beyond permissible limits, within 15 days and verify it from audit. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC's decision.

4.1.7 Unjustified billing to permanent disconnected consumers for concealment of line losses - Rs. 38.772 million

According to Para-1.3 of WAPDA Commercial Procedure, "the Revenue Officer and Assistant Manager are responsible for: i) implementing in conjunction with the Executive Engineer, the commercial policy laid down from time to time by the Authority through the Company ii) efficient application of billing and collection procedure".

Further, according to instructions issued by the Managing Director PEPCO vide letter dated December 01, 2010, "strict disciplinary action, without any exception, shall be taken against the officers and staff found involved in the overbilling".

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that an amount of Rs. 38.772 million was billed to the permanently disconnected consumers to conceal the position of actual line losses. No departmental action was intimated against the responsible.

Non-adherence to the Authority's instructions resulted in unjustified billing of Rs. 38.772 million to permanent disconnected consumers during the financial years 2020-21 and 2021-22.

The matter was taken up with the management in March, 2023. The management replied that as and when permanently disconnected consumers applied for reconnection the minimum charges / fixed charges were debited to the consumer as per reconnection policy of NEPRA consumer service manual. The reply was not tenable as charging of units to permanent disconnected consumers was not covered under rules.

The DAC in its meeting held on 4th August 2023 directed the management to verify the record whether these are actual fixed charges of permanent disconnected consumers or fuel price adjustment (FPA). Record was not produced to audit for verification till finalization of report.

Audit recommends implementation of DAC's decision.

4.1.8 Irregular debit adjustment with and without units – Rs. 368.424 million

According to Para-1.3 of Commercial Procedure (CP), the Revenue Officer and Assistant Manager are responsible for;

i) Implementing in conjunction with the Executive Engineer, the commercial policy laid down from time to time by the Authority through the Company,
ii) Efficient application of billing and collection procedures and according to CP-52 Bill Adjustment Note, the billing amount is adjusted with units.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that an amount of Rs. 368.424 million was charged as over billing to different categories of consumers to increase revenue and decrease line losses on the other. The adjustments of the said wrong billing was made to 71,153 consumers by debiting an amount of Rs. 368.424 million through adjustment notes with and without debiting corresponding electricity units which was the violation of commercial procedure. Responsibility was not fixed on the delinquent officers/ official's and even figures of line losses were not revised in the relevant period of wrong billing hence; all this practice was nothing but to gloss over the line losses. The detail is as under:

Statement showing amount and unit Debited

S.NO.	Year	No of Consumers	units charged	Amount
1	2020-21	21,274	7,796,002	128,080,057
2	2021-22	22,309	9,946,328	161,610,826
	Grand total	**43,583**	**17,742,330**	**289,690,883**

Statement showing only amount debited

S.NO.	Year	No of Consumers	Amount
1	2020-21	14,112	39,624,882
2	2021-22	13,570	39,107,984
	Grand total	**27,570**	**78,732,866**

Non-adherence to the Commercial Procedure resulted in irregular adjustment / correction of wrong billing to the tune of Rs. 368.424 million with and without units to gloss over the line losses, upto the financial year 2020-22.

The matter was taken up with the management in March, 2023. The management replied that units were debited due to multiple reasons i.e. theft, technical losses. Similarly, only debited amount was due to charging of difference of tariff, charging of taxes, charging of ZRI rebate when asked by FBR to recover it. This practice was not to generate revenue but it was normal course of work. The reply of the management was not tenable because overbilling was made just to conceal the increase in line losses.

The DAC in its meeting held on 4th August 2023 directed the management to probe the matter of overbilling through debit adjustment notes with and without units and to verify record from audit. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC's decision.

4.1.9 Huge refund to consumers on account of wrong reading and detection revised through CP-52 and MIS reports- Rs. 5,293.372 million

According to instructions issued by the Managing Director PEPCO vide letter dated December 01, 2010, "strict disciplinary action, without any exception, shall be taken against the officers and staff found involved in the overbilling". As per Memorandum of understanding (MOU) signed between Ministry of Water & Power and DISCOs, "adjustment / bill corrections will be rationalized / minimized to less than 0.01% of total billing".

Further, according to Para 1.3 of Commercial Procedures Manual of WAPDA Power Wing, Revenue Officer and Assistant Manager are responsible for:
(i) Implementing in conjunction with the Executive Engineer, the commercial policy laid down from time to time by the Authority, through the company.
(ii) Efficient application of billing and collection procedures.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that an amount of Rs. 4,941.355 million on 168.234 million energy units was refunded to various consumers on account of wrong reading and detection revised through 0.465 million adjustment notes. This scenario indicated that over billing was made to consumers and same was refunded subsequently on account of wrong reading. Moreover, detection bills were not charged as per detection policy and had to be revised on consumers' complaints. This was done just to conceal the actual line losses and theft of energy. No action was taken against the officers / officials involved in credit adjustments (**Annex-C)**.

Furthermore, it was also observed that an amount of Rs.352.017 million was refunded to domestic, industrial, commercial and tube well consumers on account of wrong billing to consumers in previous years through MIS reports with and without charging units. The detail is as under:

Statement showing amount and unit credited

Sr. No.	year	No of Consumers	units credited	Amount refunded. (Rs.)
1	2020-21	2,315,811	3,113,943	59,934,001
2	2021-22	302,531	16,306,706	188,333,494
	Grand total	**2,618,342**	**19,420,649**	**248,267,495**

Statement showing only amount credited.

S.NO.	year	No of Consumers	Amount (Rs.)
1	2020-21	3,063	33,289,476
2	2021-22	4,041	70,460,378
	Grand total	**7,104**	**103,749,854**

Non-adherence to PEPCO instructions and commercial procedures of WAPDA resulted in huge refund of Rs. 5,293.372 million to consumers on account of wrong readings and detection revised during the financial years 2020-21 and 2021-22.

The matter was taken up with the management in March, 2023. The management replied that credited units were as per result of data retrieval cases, revision of detection bills in compliance of various courts order, likewise civil courts, electric inspector, NEPRA, correction of reading where wrongly charged, correction of bills in case of arithmetic error. So, there were so many occasions where bills had to be corrected for smooth and accurate billing as emphasized and desired by NEPRA. The reply of the management was not tenable as credit adjustment in detection bills is only made due to wrong charging of detection bills to consumers.

The DAC in its meeting held on 4th August 2023 directed the management to prepare a fact-finding report of these adjustments within 15 days and to verify the record from audit till 31st August, 2023. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC’s decision.

4.1.10 Irregular and unjustified exclusion of late payment surcharge (LPS) from consumer bills – Rs. 45.436 million

According to Clause 6.7.2 of NEPRA consumer service manual regarding late payment surcharge, “in order to avoid Late Payment Surcharge (LPS), consumers shall pay their bills within due date. Consumers can also make payments in Revenue Offices through crossed cheques, pay orders/ bank drafts. However, in order to avoid late payment surcharge, the cheque/bank draft/pay order, be deposited to the Revenue Office and the bank branch at least three days prior to due date so as to ensure realization within due date.

Further, according to clause 8.2.1 the consumer is bound to pay the electricity bill within due date as specified in the bill or with the late payment surcharge if paid after due date. The connection shall not be disconnected if any consumer fails to deposit the current month bill provided that there are no outstanding dues.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that an amount of Rs. 45.436 million was excluded/withdrawn from consumer electricity bills on account of late payment surcharge (LPS) for which no justification was provided to audit. Furthermore, the LPS was waived off without extending the due date. The detail of unauthorized waiver of LPS is as under:

Sr No.	Period	No. of consumers	LPS amount withdrawn (Rs.)
1	June-21	819	20,777,203
2	June-22	1,185	24,658,657
		2,004	**45,435,860**

Non adherence to authority’s instructions/rules resulted in unauthorized waiver of LPS from consumer electricity bills during the financial years 2020-22.

The matter was taken up with the management in March, 2023. The management replied that whenever a bill was corrected LPS was waived off because there was no fault of customer. Moreover, in certain cases of due date extension when competent authority extended due date and LPS if levied then it was corrected. The reply of the management was not tenable because LPS was required to be collected alongwith late payments of electricity bills. In case the due date was extended then a mark up was required to be levied on such bills for future payments, which was not done.

The DAC in its meeting held on 4th August 2023 directed the management to probe the matter of unjustified LPS adjustments and verify record to audit. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC's decision.

4.1.11 Loss due to non-replacement of defective meters

According to Clause 6.1.4 of NEPRA consumer service manual, Meter Readers shall also check the irregularities/discrepancies in the metering system at the time of reading meters / taking snap shots and report the same in the reading book/discrepancy book or through any other appropriate method as per the practice. The concerned officer/official will take corrective action to rectify these discrepancies.

According to Rule-6 of Part-IV of NEPRA Performance Standards (Distribution) Rules, 2005, a distribution company shall ensure any investigation and decision of dispute concerning metering, billing and electricity consumption charges are finalized within twenty-one days. The disputed meter shall be inspected by the authorize distribution company personnel within five days of receipt of the complaint.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that 27,329 defective meters were not replaced during 2020-21. Likewise, 35,412 defective meters were not replaced during 2021-22 registering an increase of 30% as compared to last year. The pendency in replacement of defective meters for more than one to two years caused provisional billing and theft of energy/loss worth millions of rupees as detailed below:

FESCO DEFECTIVE METERS STATEMENT (2022-22)

Period	Defective meters	Same to same readings	Delayed billing
2020-21	27,329	39,578	14,708
2021-22	35,412	44,750	13,801
%age Inc/(Dec)	**29.58%**	**13.07%**	**(6.17) %**

(Source: FESCO annual progress reports 2020-21 and 2021-22)

Furthermore, it was also observed that M&T department of FESCO inspected 1,253 meters of different consumer categories which were found broken, burnt, meter display washed out, meter opened etc. Resultantly meter reading accuracy was compromised which caused overbilling, wrong reading to consumers. The detail is as under:

Sr No	Name of M&T Division	No. of cases involved	Period involved
1	Mianwali	692	2020-21
2	Mianwali	244	2021-22
3	Kalabagh	230	2021-22
4	Bhakkar	53	2021-22
5	Darya Khan	34	2021-22
Total		**1,253**	

Non-observance of Authority's instructions and NEPRA standards resulted into loss to the Company due to non-replacement of defective meters during the financial year 2020-21 and 2021-22.

The matter was taken up with the management in March, 2023. The management replied that defective meters were 01 to 02 months old which were replaced in next months. Same to same readings consumer were those where no electricity consumption was recorded due to vacant premises. The reply of the management was not tenable because it was a continuous process which needed to be implemented effectively in order to reduce the number of non-replacements of defective meters.

The DAC in its meeting held on 4th August 2023 directed the management to probe the matter of delayed billing of defective meters for more than one year as compared to normal billing cycle. It also directed to submit its report to audit within 15 days. Further progress was not intimated till finalization of report.

Audit recommends replacement of old and defective meters besides implementation of DAC's decision.

4.1.12 Loss of revenue due to non-charging of detection units - Rs.4.026 million

According to Para-1.3 of Commercial Procedure, the Revenue Officer and Assistant Manager are responsible for; i) implementing in conjunction with the Executive Engineer, the commercial policy laid down from time to time by the Authority through the Company, ii) efficient application of billing and collection procedures.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that 224,917 units amounting to Rs.4.026 million were retrieved by M & T department, FESCO. These units were required to be charged to consumers but no unit was charged by FESCO to consumers by stating reasons 'wrong account number of consumers', 'not justified by SDO' or 'already excess charged'. It contributed to loss of Rs.4.026 million to FESCO due to non-charging of detection units to consumers.

Non-adherence to the Commercial Procedure resulted loss of revenue of Rs. 4.026 million during the financial year 2020-22.

The matter was taken up with the management in March, 2023. The management replied that whenever meters become defective units were charged on defective basis.

The DAC in its meeting held on 4th August 2023 directed the management to verify its stance along with record from audit. Further progress was not intimated till finalization of report.

Audit recommends pending units should be charged to consumers besides fixing responsibility on persons at fault and implement DAC's decision.

4.1.13 Wrong revision of units during peak/off peak hours despite correct reading/snapshot– Rs. 86.720 million

According to Para-1.3 of Commercial Procedure, the Revenue Officer and Assistant Manager are responsible for; i) implementing in conjunction with the Executive Engineer, the commercial policy laid down from time to time by the Authority through the Company, ii) efficient application of billing and collection procedures.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that undue favor was granted to 36 industrial tariff consumers amounting to Rs. 76.349 million by manipulating peak/off peak meter readings despite the already correct reading was recorded as evident from Meter snap accuracy. The reason behind such manipulation in billing of industrial consumers was best known to FESCO management (**Annex-D)**. Further, it was also observed that undue favor was granted to 06 industrial tariff consumers amounting to Rs. 10.371 million by manipulating peak/off peak meter readings despite the already correct reading was recorded as evident from Meter snap accuracy. The reasons behind such manipulation in wrong billing of industrial consumers was best known to FESCO management (**Annex E)**.

Non-adherence to the Commercial Procedure resulted into wrong revision of industrial consumers energy bills amounting to Rs. 76.349 million during the financial year 2020-22.

The matter was taken up with the management in March, 2023. The management replied that there were punching /human errors while posting meter readings over the mobile app and computer system which were detected after generation of bills. Identified clerical mistakes /errors were rectified through Computer Center for revision of bills to ensure accurate billing before delivery of bills.

The DAC in its meeting held on 4th August 2023 directed the management to constitute an inquiry committee headed by GM (RCO) PPMCL to fix responsibility on person(s) at fault and submit fact finding repot to audit within 30 days. Further progress was not intimated till finalization of report.

Audit recommends fixing responsibility on persons at fault besides implementation of DAC's decision.

4.2 Financial Management

4.2.1 Irregular grant of Zero-Rated Industrial Rebate (ZRI) to Net Metering Industrial consumers - Rs. 10.587million

According to Para-1.3 of Commercial Procedure, the Revenue Officer and Assistant Manager are responsible for; i) implementing in conjunction with the Executive Engineer, the commercial policy laid down from time to time by the Authority through the Company, ii) efficient application of billing and collection procedures.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that an amount of Rs. 10.587 million was wrongly granted to (21) net metering zero rated industrial consumers as rebate. Out of which (16) consumers with zero units' consumption also received ZRI although they did not qualify to get ZRI rebate **(Annex-F)**. Thus, rebate of Rs. 10.587 million was held irregular and unjustified.

The violation of Public Sector Companies (Corporate Governance) Rules resulted in grant of irregular Zero Rated Industrial Rebate of Rs. 10.587 million during the financial year 2020-21 and 2021-22.

The matter was taken up with the management in March, 2023. The management replied that keeping in view notified policy of billing for zero rated connection fixed charges cannot be charged to zero rated connection. Moreover, Government of Pakistan finished the facility of zero rating since 01-03-2023. So, w.e.f. 03/2023 normal billing as notified by NEPRA would be done.

The DAC in its meeting held on 4th August 2023 directed the management to submit revised reply to audit. Further progress was not intimated till finalization of report.

Audit recommends recovery/adjustment of unjustified ZRI rebate granted to industrial consumers besides implementation of DAC's decision.

4.2.2 Recovery deferred by FESCO in violation of the provisions of Electricity Act - Rs. 800.047 million

According to Section 54 (C), “Bar of Jurisdiction” of Electricity Act 1910, “disputed amounts are required to be deposited in court in favour of WAPDA before filing the cases against WAPDA in courts”.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that an amount of Rs. 800.047 million was pending /deferred due to court cases. Improper pursuance of court cases by the company resulted in stay orders granted by the courts without getting the disputed amount deposited in scheduled bank in pursuance of the section 54-C of Electricity Act, 1910. The detail is as under:

Sr No	Year	Amount deferred by FESCO (Rs.)	Amount deferred Courts (Rs.)	Total Deferred amount (Rs.)
1	2020-21	52,309,583	443,227,319	495,536,902
2	2021-22	83,303,870	716,743,073	800,046,943
%age Inc/(Dec) from previous F.Y.		**59%**	**62%**	**61%**

Source: FESCO Management (Legal Department) provided the statement regarding deferred amounts.

Non-implementation of provision of Electricity Act 1910 resulted in non-recovery of disputed amount of Rs. 800.047 million during the financial years 2020-21 and 2021-22.

The matter was taken up with the management in March, 2023. The management replied that Lahore High Court gave stay order to various MDI customers against charging of fuel price adjustments (FPA), quarterly tariff adjustments (QTA) and fixed charges. Later on, the matter was decided against DISCOs for which appeal at Supreme Court of Pakistan has been lodged.

The DAC in its meeting held on 4th August 2023 directed the management to reconcile the figure with audit and pursue the matter for recovery. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC’s decision.

4.2.3 Non-recovery of receivables from energy defaulters - Rs. 82,644.147 million

According to Para-1.3 of commercial Procedure, "the Revenue Officer and Assistant Manager are responsible for: (i) implementing in conjunction with the Executive Engineer, the commercial policy laid down from time to time by the Authority through the Company (ii) efficient application of billing and collection procedure".

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that an amount of Rs. 82,644.147 million was recoverable from energy consumers (Private & Government) having arrears for last many years. However, no efforts were made by the management to accelerate the recovery from defaulters. Owing to increasing trend of receivables, FESCO was facing difficulties in discharging its obligations towards CPPA (G), Power Sector Companies (PSCs) and Independent Power Producers (IPPs). The detail of outstanding receivables as on June 30th 2022 is tabulated as under:

Detail of pending receivables as on 30.06.2022 (Rs. in million)			
	Receivables 2021-22	**Receivables 2020-21**	**%age Inc/(Dec)**
Gross Receivables	84,065.27	44,659.64	88.24
Provision for doubtful debts	1,421.12	1,109.78	28.05
Net Receivables	82,644.15	43,549.86	89.77
Receivables past due one year and above	3,290,922,685	2,457,741,437	33.90
Balance due from Government	**39,821.781**	**32,423.661**	**22.82**

Source: Annual Audited Financial Statements for F.Y. 2020-21 and 2021-22

The above data indicated that receivables were increased from Rs. 43,549.86 million in 2020-21 to Rs. 82,644.15 million in 2021-22 registering an increase of 89.77%. Furthermore, aging analysis revealed that gross receivables amounting to Rs. 3,290.92 million for the year 2021-22 were more than one year old registering an increase of 33.90% as compared to gross receivables for the year 2020-21 amounting to Rs. 2,457.741 million. The continuous accumulation of FESCO's receivables amounting to Rs. 39,821.78

million from Govt. of Pakistan has remained a major concern for the Company and has had a significant impact on the Company's working capital position. The consumer category wise detail of receivables during the month of June 2021 and 2022 is as under:

Categories of Consumers	Jun-22	Jun-21	%age Inc/(Dec)
General A-I	16,793,228,164	7,024,079,771	139.08
General A-II	2,724,991,003	1,756,327,820	55.15
Industrial	40,356,397,723	36,245,720,931	11.34
Bulk Supply	843,664,804	320,909,006	162.90
Agriculture	10,474,958,868	6,938,305,901	50.97
Public Lighting	163,014,342	71,257,599	128.77
Others	1,801,359,986	1,865,911,008	-3.46
Total receivables	**73,157,614,890**	**54,222,512,036**	**34.92**
Payment	38,353,523,023	29,632,710,300	29.43
Balance recoverable	**34,804,091,867**	**24,589,801,736**	**41.54**

Source: Commercial Procedures Statement CP-22 provided by FESCO management

Non-adherence to WAPDA Commercial Procedure resulted in non-recovery of Rs. 82,644.15 million from energy defaulters up to the Financial Year 2020-22.

The matter was taken up with the management in March, 2023. The management replied that out of gross receivable from consumers amounting to Rs.84, 065.27 million, an amount of Rs.30, 123.93 million relate to Fuel Price Adjustment (FPA) accrual. Out of which an amount of Rs.22, 556.18 million had been recovered / charged from consumers during billing cycle of July 2022 and August 2022. The remaining amount of Rs.4, 869.395 million for June 2022 had been deferred by Govt. of Pakistan whereas Rs.2, 698.395 million was still pending / receivable from consumers as the case was pending with NEPRA for rebasing decision.

The DAC in its meeting held on 4th August 2023 directed the management to reconcile figures with relevant departments within 15 days and pursue recovery. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC's decision besides fixing responsibility for inordinate delay in clearance of arrears.

4.2.4 Non-reconciliation of collections of receipts from Banks on account of monthly billings/collections/remittances – Rs. 30.916 million

According to Rule 5 (a) i & ii of the Public Sector Companies (Corporate Governance Rules 2013), the Board shall establish a system of sound internal control, which shall be effectively implemented at all levels within the Public Sector Company, to ensure compliance with the fundamental principles of probity and propriety; objectivity, integrity and honesty and relationship with the stakeholders, in the following manner, (a) the principle of probity and propriety entails that company's assets and resources are not used for private advantage and due economy is exercised so as to reduce wastage. The principle shall be adhered to, especially with respect to the following, (i) handling of public funds, assets, resources and confidential information by directors, executives and employees; and (ii) claiming of expenses.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that the MIS posting and CP-104 (Collection Cash Book) were not reconciled on monthly basis resultantly a huge amount of Rs. 30.916 million was pending and not accounted for in the main receipts account of FESCO. Audit is of the view that non-reconciliation of revenue shows negligence of the management and indicates weak internal controls prevailing in the organization. The detail is as under:

Sr No.	Name of Bank	MIS Code	Amount wrongly posted in CP-104 & 102 (Rs.)	Correct Amount to be posted (Rs.)	Difference amount (Rs.)
1	Bank Al-Habib	14003	27,502,752	28,503,269	1,000,517
2	HBL	02012	3,272,787	3,320,814	48,027
3	Post Office, Makkuanna	20015	6,922,642	4,922,642	2,000,000
4	Bank Alfalah	11013	35,778,426	10,285,316	25,493,110
5	Post Office, Peoples Colony	20014	16,765,459	19,139,985	2,374,526
Total			**90,242,066**	**66,172,026**	**30,916,180**

Non-adherence to the government instructions resulted in non-reconciliation of collections of receipts from banks amounting to Rs. 30.916 million upto the financial year 2020-22.

The matter was taken up with the management in March, 2023. The management replied that each month revenue office submits CP 102 (monthly book remittance) to computer centre to prepare CP 104. Revenue office prepares CP-102 on the basis of book statement (monthly) provided by respective bank. In the instant (pointed out) cases concerned Revenue office quoted wrong figures of bank remittance at CP.102 which were later on corrected keeping in view the amounts in bank statements. The departmental contention is not tenable as record pertaining to corrections/adjustments was not provided to audit for verification.

The DAC in its meeting held on 4th August 2023 directed the management to get the stance verified from audit within 15 days. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC's decision.

4.3 Procurement and Contract Management

4.3.1 Non-Implementation of AMI Metering Project – Rs. 678.00 million

According to Para 3 of PITC letter dated: 29.04.2021 regarding implementation of AMI landscape in Pakistan, "FESCO is required to procure IT related hardware necessary to efficiently deploy or expand the roll out of smart devices like smart meters".

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that a procurement plan of Rs.678.00 million was approved by BOD in its 220th/14th meeting held on 16.08.2021. Furthermore, an inquiry was also held in 2021 and report was issued on 12.08.2021 regarding delay in implementation of AMI project in FESCO since 2014. However, the findings of the report were not shared with the audit. Furthermore, BOD in its 235th/29th meeting dated 25.03.2022 approved procurement of 13,831 AMI 3-phase meters and 2,235 LT/HT/TOU AMR meters amounting to Rs. 388.579 million. The pace of installation of AMI meters was very slow and its implementation couldn't be done in time i.e., during F.Y. 2022-23. This situation shows management inefficiency in implementing the AMI project timely to avoid wrong reading, over/under billing issues faced by consumers at large.

Non-adherence to the PITC instructions resulted in delay in implementation of AMI project which reflected inefficiency by FESCO.

The matter was taken up with the management in March, 2023. The management replied that a rollout plan of installation of 16,066 AMI meters is prepared and as a 1st Phase, FESCO has planned to install 16,066 Nos. AMI meters during FY 2022-23 which were not installed.

The DAC in its meeting held on 4th August 2023 directed the management to reconcile the record and submit revised reply. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC's decision besides fixing responsibility regarding inordinate delay in timely implementation of the AMI project.

4.4 Monitoring and Evaluation

4.4.1 Non refund of excess charged units to consumers on account of M&T data retrieval reports- Rs. 314.548 million

According to Para-1.3 of Commercial Procedure (CP), the Revenue Officer and Assistant Manager are responsible for; implementing in conjunction with the Executive Engineer, the commercial policy laid down from time to time by the Authority through the Company, Efficient application of billing and collection procedures and according to CP-52 Bill Adjustment Note, the billing amount is adjusted with units.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that 21.277 million units amounting to Rs. 314.548 million has been charged to consumers in excess of their actual consumption as evident from scrutiny of data retrieval reports of M&T department. It showed that over billing was made merely to conceal line losses (theft of electricity). This showed inefficiency of FESCO Management due to non-initiating of the action against the staff held responsible for overbilling.

Non-adherence to the commercial procedure resulted into overbilling of Rs. 314.548 million during the financial years 2020-21 and 2021-22.

The matter was taken up with the management in March, 2023. The management replied that when data retrieval carried out in which 3 and 4 parameters were analyzed like difference of reading, accuracy of impulse, make and break, slowness, and dead stop meters. The credit to customer provided only keeping in view all parameters. Merely difference of reading was not basis to give credit to customers.

The DAC in its meeting held on 4th August 2023 directed the management to get the stance verified from audit. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC's decision besides fixing responsibility on persons at fault.

4.4.2 Undue favor to employees by not fixing responsibility in enquiries regarding overbilling to consumers

According to Para III (1) of Guidelines for enforcing the responsibility for losses sustained by the authority through fraud or negligence of individuals, 1982, "All losses, whether of public money or of stores, shall be subjected to preliminary investigation by the officer in whose charge they were, to fix the cause of the loss and the amount involved".

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that 31 inquiries were held against employees involved in overbilling, wrong reading, less billing etc. but the inquiry committees did not fix responsibility on these employees. Furthermore, only censured, exonerated and case withdrawn on technical grounds were recommended. However, neither implementation of any recommendations regarding relief given to consumers was made by FESCO management nor any financial responsibility was fixed in enquiry reports. To achieve desired efficiency in the Power Sector, it was of paramount importance that an effective mechanism of administrative check and balance was implemented i.e. those found involved in negligence, irregularities or fraud should have been promptly and decisively proceeded against. This was necessary to ensure a transparent working environment and to prevent spread of irregular practices. On the identification of irregularity/fraud etc. inquiries were to be initiated at the DISCO level with fruitful conclusion **(Annex-G)**.

Non adherence to authority’s instructions/rules resulted in undue favor given to employees during the financial years 2020-22.

The matter was taken up with the management in March, 2023. The management did not submit reply.

The DAC in its meeting held on 4th August 2023 directed the management to vet the record from GM (HR) PPMCL and submit to audit for verification. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC’s decision.

4.4.3 Violation of NEPRA instructions regarding resolving consumer complaints on overbilling

According to Clause 10.1 of chapter 10 regarding consumer complaints of NEPRA consumer service manual 2021, any complaint in respect of new connections, meter reading and billing, electric supply failures and other matters relating to supply of electric power services shall be handled by DISCO expeditiously. Further, according to clause 10.3.1, (g) complaints regarding detection bills are required to be settled by DISCO within 15 days from the date of receipt of complaint.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that FESCO Customer Complaint Management System could not be implemented in true letter and spirit due to non-implementation of departmental KPIs for customer services department and its customer compliant centers. This situation did not help in resolving complaints within stipulated/prescribed time of 15 working days which violated NEPRA instructions.

Audit is of the view that the management did not implement proper complaint management mechanism which showed weak internal controls and slackness on part of the management. It was also elaborated that the consumer complaints were not resolved timely and persons at fault were also not declared responsible for overbilling/wrong reading issues.

Non adherence to authority's instructions/rules resulted in delay in resolving consumer complaints and undue favor given to defaulted employees involved in overbilling during the financial years 2020-22.

The matter was taken up with the management in March, 2023. The management replied that all the necessary record / files regarding corrections of bills are maintained in the concerned field formations i.e. operation circles, divisions, and sub-divisions. FESCO H/Q Complaint cell does not have record / files as the said record lies with the field formations. This office monitors the complaints appearing on FCC and PMDU Portal, sends these complaints to the field formations and gets the feedback till the satisfaction of citizens. However, time constraints may occur under some justified reasons. The reply of the management is not tenable because NEPRA consumer service manual 2021 instructions regarding timely resolution of consumer complaints were not followed in its true letter and spirit.

The DAC in its meeting held on 4th August 2023 directed the management to verify the implementation of SoPs regarding complaint resolutions to audit. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC's decision besides fixing responsibility regarding delay in resolving consumer complaints.

4.4.4 Non-achievement of recovery targets set by NEPRA for FESCO – Rs. 18,930.00 million

NEPRA rule 7(2) of Performance Standards (Distribution Rules), 2015 states that the Annual Performance Report should contain all relevant information with respect to compliance with these Rules based on the data reported by each distribution company for last five years. The analysis will be based on the parameters including achievement of 100% recovery targets.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that FESCO incurred a financial loss of Rs. 18,930.00 million during the period under review. FESCO failed to achieve the 100% recovery target of NEPRA in both financial years i.e., 2021-22 and 2020-21, which resulted into non-achievement of NEPRA targets in the financial years 2020-21 and 2021-22.

The percentage of non-recovery due to non-achieving NEPRA target of 100% recovery was 5.24% and 2.51% in the Financial Years 2021-22 and 2020-21 respectively as detailed below:

Billing 2021-22			**Collection 2021-22**			**%age 2021-22**		
Govt.	**Private**	**Total**	**Govt.**	**Private**	**Total**	**Govt.**	**Private**	**Total**
15,853.89	350,853.34	366,707.23	15,294.91	332,482.32	347,777.23	96.47	94.76	94.84

Billing 2020-21			**Collection 2020-21**			**%age 2020-21**		
Govt.	**Private**	**Total**	**Govt.**	**Private**	**Total**	**Govt.**	**Private**	**Total**
12,513.30	246,482.21	258,995.51	11,449.36	240,305.21	251,754.57	91.50	97.49	97.20

Source: FESCO management provided annual progress reports for F.Y 2020-21 & 2021-22

Details of non-achievement of recovery targets by FESCO in the FY 2020-21 & 2021-22

Sr. No	**Financial Year**	**Amount (Rs in million)**			**Recovery Percentage (%)**		
		Billing	**Collection**	**Loss**	**Target**	**Recovery**	**Loss**
1	2020-21	258,995.51	240,305.21	18,690.30	100	97.49	2.51
2	2021-22	366,707.23	347,777.23	18,930.00	100	94.76	5.24

Source: Annual reports of FESCO for the years 2020-21 & 2021-22

The above table indicates inefficiency on the part of FESCO management.

Non-adherence to NEPRA target of 100% recovery resulted in non-recovery of Rs. 18,930.00 million during the financial years 2020-22.

The matter was taken up with the management in March, 2023. The management replied that Audit prepared the para by taking with subsidy figures-amount of subsidy be recovered from customers.

The DAC in its meeting held on 4th August directed the management to submit revised reply. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC’s decision.

4.4.5 Non-establishing of Key Performance Indicators of FESCO departments wise Employees

According to performance agreement/contract between Power Division and FESCO for the FYs 2021-22 and 2022-23, Part-II of the contract refers to Responsibilities and Commitments by FESCO BoDs/Management in which clause 3 states that, "The BoDs FESCO and management shall arrange setting performance targets (KPIs) given in this contract and signing the same at appropriate level (BoDs may sign with CEO and CEO may sign with GMs/CEs/Head of each circle/division/sub-division level) and establish performance monitoring and control mechanism within 30 days of the signing of this agreement/contract.

During Performance audit of Faisalabad Electric Supply Company (FESCO) regarding overbilling for the years 2020-21 and 2021-22, it was observed that despite directions of Ministry of Power and Board of Directors (BoD) FESCO, the management failed to prepare and approve Key Performance Indicators (KPIs), department wise for the employees of FESCO from BoD to evaluate their performance as well as of the company. Audit holds that non-establishing of KPI's is not only violation of Ministry directions but also inefficiency on the part of FESCO management.

Non adherence to Ministry directions resulted in non-establishing of Key Performance Indicators of FESCO Employees.

The matter was taken up with the management in March, 2023. The management replied that FESCO has prepared and approved key performance indicator (KPI) for the employees of FESCO. Performance targets cover major activities of FESCO and the performance is being measured in quantifiable way for various categories according to the assigned weights and record is ready for verification by Audit.

The DAC in its meeting held on 4th August 2023 directed the management to verify the newly framed KPIs to audit. Further progress was not intimated till finalization of report.

Audit recommends implementation of DAC's decision.

5. Overall Assessment

The overall operational Performance of FESCO regarding overbilling was analyzed through performance audit. The three E's of Economy, Efficiency and Effectiveness were assessed as under:

i. **Economy:** The procurement of AMI/AMR meters and other material was required to be carried out in such a way that it brings value for money in an efficient and economical way. However, inordinate delay in procurement process was observed which might result in escalation of prices of material to be procured.

ii. **Efficiency:** The performance of FESCO remained inefficient. The company failed to meet the recovery targets during 2020-22 which resulted in heavy accumulation of receivables from the private and government consumers.

iii. **Effectiveness:** The overall operational performance of the company remained less effective in managing overbilling to consumers, excessive line losses of feeders, non-replacement of defective meters within stipulated time and curbing theft of electricity.

6. CONCLUSION

In view of the audit findings, it was concluded that,

- FESCO failed to bifurcate the high losses feeder on priority in order to reduce the technical losses. The theft of energy due to higher rates of electricity is also one of the major factors contributing towards loss of revenue attributed as line losses.
- FESCO did not resolve issues of less snap accuracy while collecting meter reading data as per NEPRA instructions.
- FESCO did not resolve matters relating to consumers overbilling, average billing. FESCO management did not achieve the targets for replacement of defective meters within time limit.
- FESCO failed to resolve the matters of wrong calculation of detection charges and subsequent adjustment of credit units.

- FESCO failed to resolve the matters of over and under billing to consumers based on peak/off peak hours-based meter readings.
- FESCO failed to implement proper mechanism regarding reconciliation of bank receipts/collections with Revenue Offices (ROs) to avoid any discrepancies.
- FESCO failed to achieve its recovery to reduce its receivables for the purpose of bringing improvement in its liquidity and reducing the circular debt as recovery plays a key role in financial health of distribution companies.
- FESCO did not implement AMR/AMI project in time and due to delay in project execution, overbilling/wrong reading issues were still unresolved.
- FESCO did not develop proper mechanism in resolving and addressing consumer complaints regarding overbilling and wrong reading and KPIs were also not followed in its true letter and spirit.

7. ACKNOWLEDGEMENT

We wish to express our appreciation to the management and staff of FESCO for the assistance and cooperation extended to the Auditors during this assignment.

ANNEXES

Annex-A

Tarif wise category of FESCO consumers

Tarif Code	Tarif Name	Tarif Description	No. of Consumers
01	A-1a(01)	Sanctioned load less than 5kW	4,357,771
02	A-1a(02)	DOMESTIC FATA CONSUMER	2
03	A-1b(03)T	TOD DOMESTIC	25,844
04	A-2a(04)	(COMMERCIAL)	425,808
05	A-2b(05)	COMMERCIAL	27
06	A-2c(06)T	Time of use exceeding 5kW	17,214
07	B1(07)	(INDUSTRIAL UPTO 70 KW)	9,591
08	B1(08)	(INDUSTRIAL UPTO 70 KW FOR CINEMAS,	2
09	B1b(09)T	To be shifted B2 (TOD) Tariff-12	29,849
10	B2a(10)	(INDUSTRIAL FROM 71 KW TO 500 KW)	224
12	B2b(12)T	OD (INDUSTRIAL FROM 71 KW TO 500 KW FOR	13,793
13	B3(13)	(INDUSTRIAL FROM 501 KW TO 5000 KW)	4
14	B3(14)T	TOD	404
17	B4(17)T	B-4 (II) TOD	19
19	C-1a(19)	(BULK SUPPLY AT 400 VOLTS)	24
25	C-1b(25)	(BULK SUPPLY AT 400 VOLTS)	23
26	C-1c(26)T	unknown	126
28	C-2a(28)	(BULK SUPPLY AT 11 KV & 33 KV)	3
29	C-2b(29) T	Time of use	52
37	C-3a(37)	(BULK SUPPLY AT 66 KV & 132 KV)	3
38	C-3b(38)T	unknown	3
45	D-1b(45)T	unknown	411
46	D-1a(46)	(RECLAMATION & DRAINAGE TUBEWELLS)	1,072
47	D-2(47)T	(TUBEWELLS & LIFT IRRIGATION PUMPS IN	70
49	D-2(49)	(TUBEWELLS & LIFT IRRIGATION PUMPS IN	553

50	D-2b(50)T	Agricultural Tubewell TOD above 5 KW	50,193
52	D-2(52)	(TUBEWELLS & LIFT IRRIGATION PUMPS IN	1
53	D-2b(53)T	Agricultural Tubewell TOD above 5 KW	537
55	E-1i(55)	(TEMPORARY DOMESTIC) A-1(T)	345
56	E-1ii(56)	(TEMPORARY COMMERCIAL)	2,163
58	E-2(58)	(TEMPORARY INDUSTRIAL UP TO 70 KW)	60
66	A-3a(66)	GENERAL SERVICES	30,565
68	A-2d(68)	Electric vehicle charging station	4
72	G-1(72)	(STREET LIGHTS)	1,686
73	G-2(73)		250
76	H-1(76)	(RESIDENTIAL COLONIES HAVING TRANSFORMER	70
79	H-2(79)	(RESIDENTIAL COLONIES HAVING WAPDA	77
FESCO TOTAL			**4,968,843**

(source: FESCO annual progress report 2021-22)

Annex-B
Para # 4.1.2

Sr No	Month	Amount of D-Bill (Rs.)	No. of Debit Adjustment notes	Units charged (Rs.)
1	Jan-21	9,536,259	2,218	993,538
2	Feb-21	21,204,132	2,575	1,787,178
3	Mar-21	22,850,403	4,199	1,962,007
4	Apr-21	21,709,173	4,419	1,936,011
5	May-21	6,565,009	1,888	693,929
6	Jun-21	3,698,520	296	239,697
7	July-21	1,607,539	259	135,901
8	Aug-21	10,034,969	772	555,016
9	Sep-21	3,923,631	1,147	302,494
10	Oct-21	1,120,114	300	89,266
11	Nov-21	18,415,814	3,581	1,242,591
12	Dec-21	16,798,409	2,161	1,244,544
13	Jan-22	14,577,151	2,208	1,079,014
14	Feb-22	21,519,063	4,167	1,719,884
15	Mar-22	23,789,158	5,968	2,100,952
16	Apr-22	19,812,013	6,069	1,669,153
17	May-22	8,490,756	1,401	657,660
18	Jun-22	19,109,346	2,258	1,345,460
Total		**244,761,459**	**45,886**	**19,754,295**

(Source: FESCO MIS reports 2020-21 and 2021-22)

Annex-C
Para # 4.1.7

Statement Showing amount credited to consumers

For the year 2020-21				For the year 2021-22			
Month	**Units (In million)**	**No. of cases**	**Amount credited (Rs. in million)**	**Month**	**Units (In million)**	**No. of cases**	**Amount credited (Rs. in million)**
Jul-20	4.388	6,064	128.938	Jul-21	2.328	5,766	87.544
Aug-20	2.300	5,793	112.709	Aug-21	2.799	7,159	101.824
Sep-20	7.573	8,744	171.594	Sep-21	6.096	10,305	201.945
Oct-20	8.053	9,222	219.667	Oct-21	6.142	11,318	195.203
Nov-20	5.520	8,134	182.516	Nov-21	0.046	9,951	249.540
Dec-20	3.893	17,627	107.962	Dec-21	5.962	39,269	203.633
Jan-21	3.992	6,036	132.261	Jan-22	11.335	9,399	284.510
Feb-21	3.497	228,594	153.486	Feb-22	8.457	8,876	249.406
Mar-21	5.296	6,832	148.097	Mar-22	8.076	7,437	238.222
Apr-21	10.073	10,503	218.366	Apr-22	26.095	12,932	577.636
May-21	4.180	6,529	108.870	May-22	17.282	11,207	441.575
Jun-21	3.140	6,626	97.365	Jun-22	11.711	10,780	328.486
Total	**61.905**	**320,704**	**1,781.831**		**106.329**	**144,399**	**3,159.524**
Grand Total	**168.234**	**0.465**	**4,941.355**				

(Source: FESCO MIS reports 2020-21 and 2021-22)

Annex-D
Para # 4.1.14

Consumers bills revised after unjustified reduction in energy units

Sr No.	Ref No.	Previous reading as per snapshot	revised reading without revising snapshot	Previous units charged	Revised Units charged	Previous bill Amount (Rs.)	Revised bill Amount (Rs.)	Difference amount (Rs.)
1	30-13215-5500194	24086	23919	25,440	15,420	600,244	375,550	224,694
2	30-13215-5500252	27970	27803	57,480	47,460	1,026,269	865,931	160,338
3	30-13215-5500231	36768	36268	51,880	41,880	925,987	764,199	161,788
4	30-13215-5501065	29199	28865	57,060	37,020	1,328,580	953,924	374,656
5	24-13132-5204855	7116	6625	46,560	26,920	1,041,493	616,477	425,016
6	30-13252-5100150	9801	9601	47,820	120,600	944,800	330,999	613,801
7	27-13241-6100221	796	138	79,238	5,303	1,367,885	118,856	1,249,029
8	24-13123-5309700	97400	5720	592,920	34,360	9,589,627	623,347	8,966,280
9	28-13154-5403700	750	296	31,960	31,960	594,731	391,274	203,457
10	30-13215-5500282	26240	22240	29,680	25,680	731,169	658,122	73,047
11	30-13215-5500119	75300	55320	85,680	65,700	1,508,481	1,205,974	302,507
12	28-13132-5203450	11520	3520	1,128,000	1,128,000	31,519,453	27,391,693	4,127,760
13	27-13131-6117109	44148	24148	21,205	1,205	672,824	43,400	629,424
14	27-13131-6117110	89574	69574	22,860	2,860	729,862	108,953	620,909
15	27-13131-6117112	29562	9562	20,509	509	648,216	18,539	629,677
16	27-13131-6117204	136092	116092	22,428	2,428	634,695	78,901	555,794
17	28-13154-5403100	3979	3939	360,640	36,040	6,975,150	5,871,269	1,103,881
18	28-13215-5502149	553	543	335,600	295,600	9,505,931	8,505,769	1,000,162
19	28-13154-5403800	19480	19417	3,524,000	3,020,080	61,691,919	56,247,834	5,444,085
20	28-13154-5404100	25407	25282	1,770,360	1,270,360	30,989,125	22,348,415	8,640,710
21	28-13154-5401700	20378	20303	1,447,600	1,147,600	26,974,517	21,433,653	5,540,864
22	28-13154-5101700	71885	71756	46,080	35,040	857,169	657,081	200,088
23	28-13154-5101710	14560	14385	70,080	54,800	962,589	809,414	153,175
24	24-13138-5808701	37871	31871	272,760	32,760	3,246,790	740,166	2,506,624
25	27-13213-6379201	7961	0	9,756	1,795	168,727	44,129	124,598
26	27-13213-6382100	12084	0	14,940	2,856	381,616	87,900	293,716
27	27-13213-6382302	333730	303730	339,850	309,850	43,472,327	42,670,994	801,333

28	24-13151-5101700	19480	19417	1,447,600	1,147,600	26,974,516	21,433,653	5,540,863
29	24-13151-5101710	25407	4307	70,080	54,800	962,589	809,414	153,175
30	28-13154-5401700	3595	720	48,080	35,040	857,160	657,081	200,079
31	28-13154-5402700	20378	3312	1,423,920	1,123,920	19,283,961	16,425,951	2,858,010
32	28-13154-5403800	71885	15364	3,524,000	3,020,080	61,691,919	56,247,834	5,444,085
33	28-13154-5404100	14560	3185	1,770,360	1,270,360	30,989,125	22,348,415	8,640,710
34	24-13252-5100150	9801	9601	47,820	12,060	944,800	330,999	613,801
35	24-13128-5802090	18940	18940	24,500	24,500	5,411,297	147,224	5,264,073
36	24-13138-5808701	37871	31871	272,760	32,760	3,246,790	740,166	2,506,624
Total								**76,348,833**

(Source: FESCO CSD department statements and MIS reports 2020-21 and 2021-22)

Annex-E
Para # 4.1.14

Consumers bills revised after unjustified increase in energy units

Sr No.	Ref No.	Previous reading as per snapshot	revised reading without revising snapshot	Previous units charged	Revised Units charged	Previous bill Amount (Rs.)	Revised bill Amount (Rs.)	Difference amount (Rs.)
1	27-13227-6701200	7766	7796	365,140	423,780	77,003,977	78,621,920	1,617,943
2	27-13224-6483800	193347	373347	51	180,050	10,432	3,582,485	3,572,053
3	30-13245-5503733	0	874	0	44,840	1,553	1,784,540	1,782,987
4	30-13245-5504700	12582	12836	1,680	32,160	200,486	897,451	696,965
5	27-13125-6506250	8100	8298	296,000	396,000	84,409,681	87,080,791	2,671,110
6	24-13128-5800310	1440	2148	1,440	2,148	59,473	89,009	29,536
Total								**10,370,594**

(Source: FESCO CSD department statements and MIS reports 2020-21 and 2021-22)

Annex-F
Para # 4.2.1

Sr No.	Ref No.	Name of Consumer	Billing Month	Units Billed	Fixed charges amount (Rs.)
1	24131385802015	Saira Abbas	March 2021	0	44,000
2	28131315103575	Best Export Pvt. Ltd	April 2021	0	474,953
3	28131315103575	Best Export Pvt. Ltd	May 2021	0	722,906
4	28131315103575	Best Export Pvt. Ltd	August 2021	0	572,189
5	28131315103575	Best Export Pvt. Ltd	October 2021	0	1,036,534
6	30132215103607	Muhammad Haris Shafique	October 2021	0	134,272
7	30132215103608	Muhammad Shafique	October 2021	0	11,372
8	28131315103575	Best Export Pvt. Ltd	November 2021	0	1,541,856
9	24131235307520	Bilal Zaighom	April 2021	0	273,877
10	24132445402917	Muhammad Anwar	April 2021	0	298,853
11	28131315103575	Best Export Pvt. Ltd	April 2021	0	1,493,283
12	24132165604812	Sheikh Muhammad Saeed	May 2021	0	110,159
13	24132445402917	Muhammad Anwar	May 2021	0	299,687
14	28131315103575	Best Export Pvt. Ltd	May 2021	0	1,529,333
15	24132145412800	Muhammad Najeeb	June 2021	0	164,802
16	24132155501862	Mian Shoukat Ali	June 2021	0	410,568
Total				**0**	**9,118,644**

Annex-G
Para # 4.2.2

LIST OF DISCIPLINARY CASES INITIATED & DECIDED ON ACCOUNT OF OVERBILLING / WRONG READING FOR THE PERIOD 2020-21 & 2021-2022

Ser No	Name of Officer/Official	Designation	Nature of Case	Date	Remarks
			2020-2021		
1	Mr. Muhammad Amir Shahzad	SDO (Operation)	Meter Readers of GM Raja Sub Division recorded wrong / bogus reading	21.01.2021	*Exonerated*
2	Mr. Ghulam Sarwar	LS-I / Acting SDO	Made overbilling of adjustment of 279349 units	10.11.2020 21.01.2021	*Withholding of one annual increment for a period of one year*
3	Mr. Muhammad Awais Saeed	SDO (Operation)	Parked units to manage the line losses for the billing month of 07/2019	29.12.2020 30.06.2021	*Censured*
4	Mr. Ammar Yasir	LS-I / Acting SDO (Op)	Parked units to manage the line losses for the billing month of 07/2019	29.12.2020 30.06.2021	*Censured*
5	Mr. Muhammad Ibrahim	SDO (Operation)	Parked units to manage the line losses for the billing month of 07/2019	12.11.2020	*Censured*
6	Mr. Muhammad Arslan	LS-I	648 Units pending / unbilled	11.03.2021 30.06.2021	*Censured*
7	Mr. Muhammad Awais Saeed	SDO (Operation)	Parked units to manage the line losses	08.10.2021	*Case withdrawn on technical grounds*
8	Mr. Muhammad Ibrahim	SDO (Operation)	Parked units to manage the line losses	17.09.2021	*Case withdrawn on technical grounds*
9	Mr. Muhammad Jameel	LS-I	Parked units to manage the line losses	08.10.2021	*Case withdrawn on technical grounds*
10	Mr. Muhammad Sabtain	LS-I	Meter Readers under his control recorded wrong / bogus reading	14.10.2021	*Censured*

2021-2022					
11	Mr Rabia Rathor	RO	Staff processed incorrect billing	12.11.2021	*Case withdrawn on technical grounds*
12	Mr Shakeel Ahmad	DEO	Staff processed incorrect billing	21.10.2021	*Exonerated*
13	Mr Saddam Hussain	SDO (Operation)	Staff processed incorrect billing	12.11.2021 29.11.2021	*Censured*
14	Mr Ghulam Sarwar	LS-I / MRSS	Staff processed incorrect billing	12.11.2021 29.11.2021	*Censured*
15	Mr Javed Junego	SDO (Operation)	Staff processed incorrect billing	12.11.2021 29.11.2021	*Censured*
16	Mr Qasim Shah	RO	Staff processed incorrect billing	12.11.2021	*Case withdrawn on technical grounds*
17	Mr Zeeshan Imtiaz	SDE / Data Coder	Staff processed incorrect billing	12.11.2021	*Exonerated*
18	Mr Shahzad Tariq	LS-I / Acting SDO (Operation)	Staff processed incorrect billing	12.11.2021 13.12.2021	*Censured*
19	Mr Meeshan Tariq	LS-I / MI	Staff processed incorrect billing	12.11.2021 13.12.2021	*Censured*
20	Mr Mazhar Iqbal	Commercial Assistant	Reading snaps were cropped / tempered for adjustment of units	06.10.2021	*Exonerated*
21	Mr Abid Ali Haideri	LS-I / MI	Reading snaps were cropped / tempered for adjustment of units	23.11.2021 13.12.2021	*Censured*
22	Mr Shahzad Rafi	DEO	Reading snaps were cropped / tempered for adjustment of units	06.10.2021	*Exonerated*
23	Mr Moazzam Manzoor	SDO (Operation)	Reading snaps were cropped / tempered for adjustment of units	13.12.2021	*Censured*
24	Mr Muhammad Arshad	RO	Reading snaps were cropped / tempered for adjustment of units	06.10.2021	*Exonerated*
25	Mr Muhammad Adeel Yonis	LS-I	3247 units remained unbilled	23.11.2021 13.12.2021	*Censured*
26	Mr Muhammad Naveed	LS-I / Acting SDO (Operation)	14000 units pending on meter	26.11.2021 14.12.2021	*Exonerated*

27	Mr Muhammad Waqas Noor	SDO (Operation)	Posted wrong reading as off peak 3218 with 48751 advance units	16.12.2021	*Exonerated*
28	Mr. Mehmood Ahmad Kisana 50004093	MRSS	Charged excess units against A/C No.27-13216-4611229	18.03.2022	*Censured*
29	Miss Mudassra Rehman 50018094	RO	37385 units less charged	18.03.2022 15.04.2022	*Exonerated*
30	Mr Shafqat Ullah 50020808	SDO (Operation)	508432 units were less charged from 12/2017 to 12/2021 according to AMR reading	13.12.2022	
31	Mr. Muhammad Amin 50002297	LS-I	508432 units were less charged from 12/2017 to 12/2021 according to AMR reading	13.12.2022 09.02.2023	*Withholding of one annual increment for a period of one year*