



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

NEPRA Office Building, G-5/1, Attaturk Avenue (East), Islamabad

Phone: 051-9206500, Fax: 051-2600026

Website: www.nepra.org.pk, Email: registrar@nepra.org.pk

**OFFICE OF THE
REGISTRAR**

No. NEPRA/R/DCAD/TCD.09/15848-49

December 01, 2014

Chief Executive Officer
K-Electric Limited,
(Formerly Karachi Electric Supply Company Limited)
KE House, 39-B,
Sunset Boulevard, DHA-II,
Karachi.

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. S. M. KALEEM MAKKI UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING DETECTION BILL**
Complaint # KE-97/2014

Please find enclosed the decision of NEPRA in the subject matter for necessary action and compliance within 30 days of this decision.

Encl:/As above


(Iftikhar Ali Khan)
Deputy Registrar

Copy to:

Mr. S. M. Kaleem Makki,
House No. 36, Street No. 20,
Off Khayaban-e-Mujahid,
Phase-V, DHA, Karach



NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. KE-97/2014

S. M. Kaleem Makki **Complainant**
House No-36, Street No. 20,
Off Khayaban-e-Mujahid, Phase-V
DHA, Karachi.

Vs

K- Electric Limited **Respondent**
(Formerly, Karachi Electric Supply Company (KESC))
KE House, 39-B, Sunset Boulevard, DHA II
Karachi

Date of Hearing: September 05, 2014

Date of Decision: November 28, 2014

On behalf of:

Complainant: Mr. Karam Dad Khan Tanoli, Advocate

Respondent:

- 1) Mr. Rafiq Ahmed Shaikh, General Manager (Regulations)
- 2) Mr. Maroof Solangi, Deputy General Manager
- 3) Mr. Imran Hanif

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY S.M. KALEEM MAKKI UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING DETECTION BILL**

Decision

1. This decision will dispose of the complaint dated February 18, 2014 filed by S.M Kaleem Makki (hereinafter referred to as the "Complainant") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 against K-Electric Limited (hereinafter referred to as the "Respondent" or "KE").



2. The Complainant in his complaint stated that KE team visited his premises on August 21, 2013 in the evening without any intimation or prior notice and alleged theft of electricity by way of direct connection and despite his insistence, the team could not provide him with any proof thereof. KE officials disconnected his electricity supply and upon visiting KE office for restoration of electricity, a detection bill amounting to Rs. 785,000/- was handed over to him for payment besides regular bill for the month of August 2013 amounting to Rs. 17,490/-. The Complainant added that owing to medical condition of his wife, (who had undergone major surgery) he had no other option but to pay the detection bill. Further, KE coerced him to sign a paper which, according to KE, was merely a formality to avoid legal complications w.r.t. delay in restoration of electricity supply, and the same was signed by him without reading the contents. The Complainant's connection was restored, however, the new meter was installed far away from the premises and mounted on electric pole, whereas, the old meter was installed outside the premises. The Complainant added that in the next bill for the month of September 2013, there were arrears amounting to Rs. 13,469/- without any reason. Upon approaching KE, he was informed that the previous bill amounting to Rs. 785,000/- was provisional and an additional amount of Rs. 13,469/- is to be paid. The Complainant added that he paid this amount also. The Complainant further stated that KE issued bill for the month of October 2013 amounting to Rs. 40,054/- showing current charges of Rs. 16,874/- and arrears of Rs. 23,179/-. Thereafter, he approached Provincial Office of Inspection/Electric Inspector Karachi and a stay was granted. Moreover, KE is continuously charging inflated bills (i.e. with arrears), correct bills have been paid by the Complainant upto January 2014, however, KE disconnected the supply on February 17, 2014 without any intimation/notice despite stay order by POI/E.I. The Complainant prayed that KE be directed to refund the entire exorbitant amount.
3. The matter was taken up with KE for submission of para wise comments. In response, KE vide letter dated March 17, 2014 reported that a site inspection was carried out at the said premise in presence of consumer on August 21, 2013. As per Site Inspection Report (SIR) dated August 21, 2013, discrepancy of "One phase direct used from underground cable joint" was found with connected load of 24.183 kW. The consumer witnessed the said discrepancy and also acknowledged the SIR. Accordingly, a notice dated August 21, 2013 under section 39, 39A, 44 & 26A of Electricity Act 1910 was served to the consumer. Consequently, as per chapter 9.1 of Consumer Service Manual (CSM), the electricity of the consumer was immediately disconnected as it was a case of direct theft and material being used for theft of electricity was removed and preserved as proof of theft. On next day i.e. August 22, 2013, KE team was dispatched along with the preserved material of theft to Police station for lodging of FIR and meanwhile the consumer requested the concerned IBC not to lodge FIR as he is ready to reimburse the loss occurred to KE as a result of aforesaid theft of electricity. Subsequently, an

undertaking was also submitted by the consumer whereby he agreed unconditionally and irrevocably to all the contents of the said SIR. The undertaking also mentions that the detection bill is being charged on the basis of SIR, covering the period of 36 months from August 10, 2010 to August 12, 2013. KE added that the consumer was charged a detection bill for 46990 units in light of chapter 9.1 (a) (iii) of CSM which says that KE shall be authorized to recover its loss by raising a detection bill as per its own procedure in case of direct theft of electricity by registered consumers of KE. The detection bill was charged after fulfilling all the provisions of CSM and FIR was not lodged as per the request of the consumer. KE added that the detection bill charged to the Complainant is justified and liable to be paid by him.

4. The report of KE was forwarded to the Complainant for information and comments. In response, the Complainant vide his letter dated May 20, 2014 raised his observations over the report of KE. Besides reiterating his earlier version, the Complainant further stated that KE team visited the premises on August 21, 2013 in the evening and informed him that they suspect some sort of direct use of electricity at his premises. He requested them to show the same practically/physically but KE officials informed that the place needs to be dug and he allowed them for digging. KE team asked him to go inside the premises as the whole process may take long time. After some time he was called and a small piece of wire was shown to him, without being any joint on either ends. Instead of providing him opportunity to comprehend the situation, the supply was disconnected. The Complainant added that he never requested KE for any clemency, however coercion was used to get the paper signed.
5. To probe further into the matter, a hearing was held on September 05, 2014 at Karachi which was attended by representatives of both the parties. During the hearing, the parties advanced arguments on the basis of their earlier versions. The representative of the Complainant provided documents with respect to withdrawal of the complaint from the office of Provincial Office of Inspection/Electric Inspector Karachi and further stated that the Complainant paid unwarranted bills under protest and he emphasized that the affidavit was gotten signed from the Complainant under coercion by KE officials.
6. The case has been examined in detail in light of written/verbal arguments of K-Electric and the Complainant and applicable documents/law. Following has been observed:
 - i) As per report of KE, the premises was inspected on August 21, 2013 and use of direct electricity was suspected through the testing equipment and the Complainant was informed accordingly. KE informed the Complainant that the area underneath the meter is required to be dug. The Complainant allowed KE



to dig that place. As per KE, upon digging direct use of one phase was found. KE also placed a video on record as per which a direct wire was shown from the incoming cable. The Complainant has denied the charges leveled against him by KE and has informed that KE dug the place when he was inside the premises and later he was called by KE officials and a wire was shown to him, without having any joint at both ends. KE disconnected supply at the premises on spot without serving any prior notice.

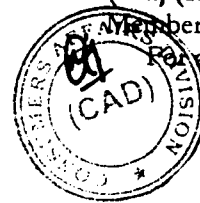
- ii) On the basis of alleged theft of electricity through direct wire, KE charged a detection bill for 46990 units for the period from August 10, 2010 to August 12, 2013 (36 months). The Complainant is of the view that he paid the bill under protest due to medical condition of his wife.
- iii) As per KE, the material was preserved and KE team was dispatched to Police station for lodging of FIR and meanwhile the Complainant requested the concerned IBC not to lodge FIR as he is ready to make good of the loss sustained by KE as a result of theft of electricity. However, KE has not placed any letter on record as per which police was requested to lodge FIR. The Complainant has denied submitting any request to KE officials for clemency.
- iv) As per provisions of Consumer Service Manual, FIR is mandatory in case of direct theft of electricity, whereas neither any FIR was lodged nor the matter was reported to the concerned police station for lodging of FIR by KE. If we accept the plea of KE that the FIR was not lodged because the Complainant submitted an affidavit whereby he agreed unconditionally and irrevocably to all the contents of site inspection report, the undertaking taken by KE has no legal justification as the undertaking was signed by the Complainant on August 22, 2013 on a stamp paper which was issued on June 27, 2013. The stamp paper is also silent with respect to the identity of the person and it is not clear from the stamp paper that to whom it was issued. This clearly shows that the Complainant was made to sign the undertaken coercely.
- v) Evidences provided by KE are insufficient, from which it cannot be ascertained that the Complainant was involved in theft of electricity. The stamp paper signed by the Complainant on August 22, 2013 was issued on June 27, 2013. From this the Complainant's version appears to be correct that the electricity supply was disconnected and he was forced to sign the papers.
- vi) There is a minor increase in the consumption pattern of the Complainant after site inspection. The consumption pattern can be increased due to various



reasons. It could also be due to slowness of previous meter. Even if we accept the plea of KE, still the units charged by KE are on higher side i.e 46990 units charged for 36 months.

7. As explained above, it cannot be established from the record provided by K-Electric that the Complainant was involved in theft of electricity, however, there is minor increase in consumption pattern of the Complainant which could be due to various reasons and may be due to slowness of previous meter. Therefore, by giving benefit of doubt to the Complainant, K-Electric is hereby directed to revise the detection bill from 36 months to 6 months.

Islamabad, November 28, 2014



(Maj (R) Haroon Rashid)
Member (Consumer Affairs)
and on behalf of
NEPRA