



Before the Appellate Board  
National Electric Power Regulatory Authority  
(NEPRA)  
Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal-074/POI-2016/ 1543-1547

December 05, 2016

1. Muhammad Abid,  
S/o Muhammad Rasheed,  
Hosue No. 691,  
Block-H, North Nazimabad,  
Karachi
2. The Chief Executive Officer,  
K-Electric,  
KE House, 39-B,  
Sunset Boulevard, DHA-II,  
Karachi
3. Asif Shajer,  
Deputy General Manager,  
K-Electric, KE House, 39-B,  
Sunset Boulevard, DHA-II,  
Karachi
4. Ms. Tatheera Fatima,  
Deputy General Manager,  
K-Electric Ltd,  
3<sup>rd</sup> floor, KE Block,  
Civic Centre, Gulshan-e-Iqbal,  
Karachi
5. Electric Inspector,  
Karachi Region-II,  
Block No. 51, Pak Secretariat,  
Shahra-e-Iraq, Saddar,  
Karachi

Subject: Appeal Titled K-Electric Ltd Vs. Islam Hamid Against the Decision Dated 07.03.2016 of the Electric Inspector/POI to Government of the Sindh Karachi Region-II, Karachi

Please find enclosed herewith the decision of the Appellate Board dated 02.12.2016, regarding the subject matter, for information and necessary action accordingly.

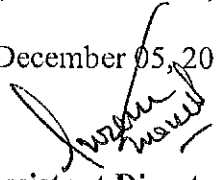
Encl: As Above

No. NEPRA/AB/Appeal-074/POI-2016/ 1548

Forwarded for information please.

(Ikram Shakeel)

December 05, 2016

  
Assistant Director  
Appellate Board

1. Registrar
2. Director (CAD)

CC:

1. Member (CA)



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-074/POI-2016

K-Electric Ltd

.....Appellant

Versus

Muhammad Abid S/o Muhammad Rasheed, House No.691,  
Block-H, North Nazimabad, Karachi

.....Respondent

### For the appellant:

Mr. Nursing Lal Manager  
Mr. Masahib Ali Deputy Manager  
Mr. Imran Hanif Assistant Manager

### For the respondent:

Mr. Muhammad Tariq Advocate

## DECISION

1. Brief facts leading to the disposal of this appeal are that the respondent is a domestic consumer of K-Electric having two connections bearing Ref No.AL-184835 with sanctioned load of 2 kW under A-1R tariff (hereinafter referred to as the first connection) and Ref No. LA-445618 with sanctioned load of 5 kW under A-1 R tariff (hereinafter referred to as the second connection). The premises of the respondent was inspected by K-Electric on 10.08.2015 and allegedly the respondent was found involved in dishonest abstraction of electricity through use of an extra phase/hook, moreover the connected loads were noticed as 10.536 kW and 10.176 kW against the first and second connection respectively, which were considerably higher than the sanctioned loads of both the connections. After issuing notice dated 10.08.2015 to the respondent regarding above discrepancy, a detection bill amounting to Rs. 46,506/- for 2,570 units for the period 07.02.2015 to 06.08.2015 against the first connection and another detection bill amounting to Rs. 95,324/- for 5,452 units for the period 07.02.2015 to 06.08.2015 against the second connection were charged by K-Electric to the



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respondent in September 2015 on the basis of connected load.

2. Being aggrieved with the action of K-Electric, the respondent filed an application before Provincial Office of Inspection (POI) on 28.09.2015 and contended that no prior notice was served to him against illegal abstraction of electricity, hence the electricity bills charged to him in September 2015 are illegal, unlawful and not payable by the respondent. The respondent pleaded for revision of the inflated electricity bills for September 2015 on the basis of actual consumption recorded by the meters. The matter was disposed of by POI vide its decision dated 07.03.2016 while holding that the irregular bills amounting to Rs. 46,506/- of 2,570 units for the period from 07.02.2015 to 06.08.2015, bearing consumer No. AL-184835, and amounting to Rs. 95,324/- of 5,452 units for the period from 07.02.2015 to 06.08.2015 bearing consumer No. LA-445618 have no justification on legal and technical grounds, therefore the same should be cancelled.
3. Hence this appeal has been filed u/s 38 of NEPRA Act, 1997 by K-Electric against the decision of POI dated 08.03.2016 inter-alia on the grounds that the premises of the respondent was inspected on 10.08.2015 and the respondent was found stealing electricity through use of an extra phase/hook and the connected loads observed were much above the sanctioned loads of both the connections. According to K-Electric, the detection bill of Rs. 46,506/- for 2,570 units for the period 07.02.2015 to 06.08.2015 against the first connection and the detection bill of Rs. 95,324/- for 5,452 units for the period 07.02.2015 to 06.08.2015 against the second connection charged to the respondent in September 2015 were legal, valid, justified and the respondent is liable to pay the same. As per K-Electric, being a case of theft of electricity, POI was not empowered to decide the matter. Notice of the appeal was served upon the respondent for filing reply/parawise comments, which however were not submitted and the hearing into the matter was conducted in Karachi on 28.11.16 for which prior notices were also served upon the parties.
4. Mr. Nursing Lal Manager along with other officials represented the appellant K-Electric and Mr. Muhammad Tariq advocate appeared for the respondent. Representatives of K-Electric repeated the same arguments as earlier narrated in memo of the appeal and contended that the premises of the respondent was inspected by K-Electric on 10.08.2015 and he was found stealing electricity through an extra phase/hook connection and the connected loads of both the connections were much higher than the sanctioned loads. As per representative for K-Electric, the detection bill of Rs. 46,506/- for 2,570 units for the period 07.02.2015 to 06.08.2015 against the



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first connection and the detection bill of Rs. 95,324/- for 5,452 units for the period 07.02.2015 to 06.08.2015 against the second connection were charged to the respondent in order to recover the revenue loss sustained by K-Electric due to dishonest abstraction of electricity by the respondent. According to K-Electric, consumption of the respondent before the disputed period was also low, which established that the respondent was using unfair means. K-Electric pleaded that the impugned decision was unjustified and therefore liable to be set aside. Conversely, learned counsel for the respondent in his rebuttal denied the allegation of theft of electricity levelled by K-Electric and contended that if it is presumed that the respondent was using electricity through unfair means, then why K-Electric was reluctant to take appropriate action against the respondent as per provisions of Criminal Law.

5. Arguments heard and record perused. It is an admitted position on record that theft of electricity by the respondent is alleged by K-Electric but no FIR or other proceedings as required under law and Consumer Service Manual were initiated by K-Electric. Therefore objection of K-Electric regarding jurisdiction of POI being a theft case is not valid. As regards the detection bill of Rs.46,506/- for 2,570 units for the period 07.02.2015 to 06.08.2015 against the first connection charged to the respondent in September 2015, the comparison of the consumption recorded between the disputed and undisputed periods (prior/after)as provided by K-Electric is tabulated as under:

Ref: AL-184835 Period	Normal Mode Average Units/Month	Detection Mode Average Units/Month
<b>Period before dispute</b> April 2014 to February 2015 (11 months)	922	-
<b>Disputed period</b> March 2015 to August 2015 (6 months)	988	1,430
<b>Period after dispute</b> September 2015 to July 2016 (11 months)	962	-

It is evident from the above table that the consumption of 988 units during the disputed period in normal mode is higher than the consumption of 922 units/month and 962 units/month during the periods before and after dispute respectively. There seems to be no significant variation observed in consumption between the disputed and undisputed periods. Regarding the detection bill of Rs. 95,324/- for 5,452 units for the period 07.02.2015 to 06.08.2015 against the second connection charged to the respondent in September 2015, the comparison



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of the consumption recorded between the disputed and undisputed periods (prior/after) as provided by K-Electric is tabulated as under:

Ref: LA-445618 Period	Normal Mode Average Units/Month	Detection Mode Average Units/Month
<b>Period before dispute</b> April 2014 to February 2015 (11 months)	507	-
<b>Disputed period</b> March 2015 to August 2015 (6 months)	451	1,360
<b>Period after dispute</b> September 2015 to July 2016 (11 months)	590	-

From the above table, it is revealed that the detection bill charged @ 1,360 units/month during the disputed period March 2015 to August 2015 (6 months) is remarkably higher than the consumption of 507 units/month and 590 units/month during the periods before and after dispute respectively, however, the consumption of 451 units recorded during the disputed period in normal mode is lesser than the consumption of 507 units/month and 590 units/month during the periods before and after dispute respectively, which revealed that the actual consumption was not recorded during the disputed period. As the period before dispute was also disputed by K-Electric, therefore it would be fair and appropriate to charge the detection bill @ 590 units/month for the disputed period as recorded during the period after dispute i.e. September 2015 to July 2016. According to clause 9.1 c (3) of CSM, the respondent is liable to be billed maximum for three billing cycles, being a domestic consumer as nothing has been placed before us by K-Electric showing that approval for charging the detection bill for six months was obtained from Chief Executive (or any officer authorized in this behalf) of K-Electric and any action was initiated against the officer in charge for not being vigilant enough.

6. For the foregoing discussion, we have reached to the conclusion that the objection of K-Electric regarding jurisdiction of POI is not valid and the detection bill of Rs.46,506/- for 2,570 units for the period 07.02.2015 to 06.08.2015 against the first connection and the detection bill of Rs.95,324/- for 5,452 units for the period 07.02.2015 to 06.08.2015 against the second connection charged to the respondent in September 2015 are declared null, void and not payable by the respondent. The impugned decision to this extent is upheld.



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No detection bill is chargeable against the first connection, however, the respondent should be charged the detection bill @ 590 units/month for the period June 2015 to August 2015 (3 months) only against the second connection. Consumer account of the respondent should be overhauled by K-Electric after the adjustment of units already charged in normal mode to the respondent for the same period. The impugned decision is modified to this extent.

Muhammad Qamar-uz-Zaman  
Member

Muhammad Shafique  
Member

Nadir Ali Khoso  
Convener

Date: 02.12.2016