



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

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No. NEPRA/AB/Appeal-001/POI-2017/ 587-591

April 19, 2017

1. Mst. Munawara Begum,  
Plot No. L/73, Block A,  
Millat Garden Society (Malir),  
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-I,  
Block No. 51, Pak Secretariat,  
Shahra-e-Iraq, Saddar,  
Karachi

Subject: Appeal Titled K-Electric Ltd Vs. Mst. Munawara Begum Against the Decision Dated 21.11.2016 of the Electric Inspector/POI to Government of the Sindh Karachi Region-I, Karachi

Please find enclosed herewith the decision of the Appellate Board dated 18.04.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

No. NEPRA/AB/Appeal-001/POI-2017/ 592

Forwarded for information please.

(Ikram Shakeel)

April 19, 2017

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-001/POI-2017

K-Electric Ltd

.....Appellant

Versus

Mst. Munawara Begum Plot No. L-73, Block-A,  
Millat Garden Society, Malir, Karachi

.....Respondent

### For the appellant

Ms. Tatheera Fatima Deputy General Manager (Legal Distribution)  
Mr. Masahib Ali Manager  
Mr. Imran Hanif Deputy Manager  
Mr. Ali Nisar Ahmed Assistant Manager

### For the respondent:

Ms. Faiza Ali Advocate  
Mst. Munawara Begum  
Ms. Sadia Khan

## DECISION

1. This decision shall dispose of the appeal filed by K-Electric against the decision dated 21.11.2016 of Provincial Office of Inspection/Electric Inspector, Karachi Region-I, Karachi (hereinafter referred to as POI).
2. Brief facts of the case are that the respondent is a domestic consumer of K-Electric bearing Ref No. LA-964949 with a sanctioned load of 2kW under A1-R tariff.

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K-Electric alleged that the respondent indulged in theft of electricity through extra phase and the connected load was noticed as 8.699 kW, much above the sanctioned load, therefore the first detection bill of Rs.64,933/- for 4,531 units for the period 23.10.2014 to 21.04.2015 was charged to the respondent in June 2015 on the basis of connected load. Premises of the respondent was again inspected by K-Electric on 21.08.2015 and as per Site Inspection Report (SIR) the respondent was dishonestly abstracting electricity through extra phase/Kunda and the connected load was observed as 8.015 kW. After issuing notice dated 21.08.2015 to the respondent, second detection bill of Rs.103,734/- for 5,590 units for the period 22.04.2015 to 13.10.2016 (6 months) was charged by K-Electric to the respondent in October 2015 on the basis of connected load.

3. Being aggrieved, the respondent filed an application before POI on 08.12.2015 and challenged the aforesaid both the detection bills. POI disposed of the matter vide its decision dated 21.11.2016, the operative portion of which is reproduced below:

*“After conducting several number of hearings, giving fair opportunities to hear both the parties, scrutinizing the record, made available with this office and in the light of above findings. The Provincial Office of Inspection is of the view that Opponents have violated the mandatory requirements of Electricity Act 1910 and guide lines communicated through Consumer Service Manual (CSM) of NEPRA as pointed out in above findings. The Provincial Office of Inspection therefore direct the Opponents to cancel the detection bills amounting to Rs.64,933/- of 4531 units for the period*



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*23.10.2014 to 21.04.2015 & Rs.103,734/- of 5590 units for the period from 22.04.2015 to 13.10.2015, as the same has no justification on technical and legal grounds. It is therefore directed the Opponents to waive all late payment surcharges and disconnection/reconnection charges which is outcome of the impugned irregular bills and afterwards, as the complainant was not found at fault. The complaint is disposed off in terms of above for compliance by the Opponents."*

4. Being dissatisfied with the POI decision dated 21.11.2016 (hereinafter referred to as the impugned decision), K-Electric has filed the instant appeal under section 38 (3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as the NEPRA Act 1997). In its appeal, K-Electric contended that the premises of the respondent was inspected by K-Electric twice and on both the occasions, the respondent was found consuming electricity illegally through extra phase/hook and the connected load was also much higher than the sanctioned load. As per contention of K-Electric, first detection bill of Rs.64,933/- for 4,531 units for the period 23.10.2014 to 21.04.2015 and second detection bill of Rs.103,734/- for 5,590 units for the period 22.04.2015 to 13.10.2015 charged to the respondent are legal, justified and the respondent is liable to pay the same. K-Electric submitted that it is no binding upon a licensee to lodge the FIR against the consumer involved in theft of electricity under section 26-A of Electricity Act 1910. K-Electric notice under section 20 of the Electricity Act 1910 was issued, that dispenses with the necessity of issuing notice under clause 14.1 of the Consumer Service Manual (CSM). K-Electric further

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explained that the presence of POI during inspection of a domestic connection is not mandatory and as regards presence of two witnesses of the area, K-Electric stated that people of the area never agree for such responsibility. As per K-Electric, being a case of theft of electricity, POI was not authorized to adjudicate the instant complaint of the respondent.

5. In response to the above appeal, the respondent was issued a notice for filing reply/parawise comments, which were filed on 24.02.2017. In her reply, the respondent contended that first detection bill of Rs.64,932/- was charged by K-Electric to her in June 2015, which was paid in monthly installments under protest. The respondent submitted that another detection bill of Rs.155,671/- against the actual consumption was charged by K-Electric in October 2015, which is unjustified, illegal and not payable by her. The respondent rebutted the contention of K-Electric regarding the jurisdiction of POI and contended that K-Electric violated the procedure laid down in chapter 9 of Consumer Service Manual (CSM) regarding dishonest abstraction of electricity. The respondent further submitted that the impugned decision is in accordance with law and pleaded for the dismissal of the appeal.
6. After issuing notice to both the parties, hearing of the appeal was conducted in Karachi on 10.04.2017 in which both the parties entered their appearance. Ms. Tatheera Fatima Deputy General Manager (Distribution Legal), learned representative of K-Electric repeated the same arguments as earlier narrated in memo of the appeal and contended



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that premises of the respondent was inspected by K-Electric twice and on both the occasions, the respondents was found consuming electricity illegally through an extra phase/hook. According to K-Electric, all the detection bills 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. Representatives of K-Electric pointed out that the consumption recorded during the disputed period is much lesser than the consumption of undisputed periods, which establishes that the respondent was stealing electricity through unfair means. K-Electric pleaded that the impugned decision was unjustified and therefore liable to be set aside. Learned counsel for the respondent in her rebuttal contended that neither any notice was served to the respondent nor any inspection was carried out in their presence, therefore the detection bills charged are neither justified nor payable. The respondent defended the impugned decision.

7. We have heard arguments of both the parties and examined the record placed before us.

Following is observed:

- i. Theft of electricity by the respondent was alleged by K-Electric but no FIR and other steps as required under law and CSM were taken by K-Electric and moreover as observed by POI, no concrete proof was provided by K-Electric for theft of electricity. Therefore objection of K-Electric regarding jurisdiction of POI is not valid and therefore dismissed as already determined in the impugned decision.
- ii. As regards charging the first detection bill of Rs.64,933/- for 4,533 units for the



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period 23.10.2014 to 21.04.2015, K-Electric failed to provide any document i.e. SIR, notice, which could substantiate their stance that the respondent was dishonestly abstracting electricity through an extra phase. Under these circumstances, we are inclined to agree with the determination of POI that the first detection bill of Rs.64,933/- for 4,533 units for the period 23.10.2014 to 21.04.2015 (6 months) to the respondent is not justified and liable to be cancelled.

- iii. Second detection bill amounting to Rs.103,734/- for 5,590 units for the period 22.04.2015 to 13.10.2015 (6 months) was charged by K-Electric to the respondent in October 2015 on the basis of connected. Comparison of the consumption between the disputed and undisputed periods is given below:

<b>Period</b>	<b>Normal Mode Average Units/Month</b>	<b>Detection Mode Average Units/Month</b>
<b>Period before dispute</b> May 2014 to March 2015 (11 months)	208	-
<b>Disputed period</b> April 2015 to September 2015	253	1,776
<b>Period after dispute</b> October 2015 to August 2016 (11 months)	550	-

It is evident from the above table that the detection bill charged @ 1,776 units/month during the disputed period is much higher than the consumption of 208units/month and 550 units/month in normal mode during the periods before and after the dispute respectively. Moreover pursuant to clause 9.1 c (3) of CSM, the respondent is liable to be billed maximum for three billing cycles being a domestic



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consumer as nothing has been placed on record by K-Electric showing that approval for charging the detection bill for six months was obtained from the Chief Executive (or any officer authorized in this behalf) of the K-Electric and action was also initiated against the officer in charge for not being vigilant enough. Therefore the second detection bill amounting to Rs.103,734/- for 5,590 units for the period 22.04.2015 to 13.10.2015 (April 2015 to September 2015) has no justification and the respondent is not liable to pay the same as already determined in the impugned decision.

- iv. Since the consumption data prior to the disputed period was also disputed by K-Electric, therefore it would be fair and appropriate to charge the second detection bill @ 550 units/month for the period July 2015 to September 2015 (3 months) as recorded during the period after dispute. Impugned decision to this extent is liable to be modified.
- v. We are inclined to agree with the determination of POI regarding cancellation of Late Payment Surcharges (LPS) levied due to default in payment of the aforesaid detection bills.

8. In view of foregoing discussion, we have reached to the conclusion that:

- i. First detection bill amounting to Rs.64,933/- for 4,533 units for the period 23.10.2014 to 21.04.2015 (6 months) and the second detection bill of Rs.103,734/- for 5,590 units for the period 22.04.2015 to 13.10.2015 (April 2015 to





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September 2015) charged to the respondent are unjustified therefore declared null & void. LPS levied due to non-payment of the aforesaid both the detection bills are also cancelled. The impugned decision to this extent is maintained.

ii. The respondent should be charged the second detection bill @ 550 units/month for three months only i.e. July 2015 to September 2015. The impugned decision is modified to this extent.

9. The appeal is disposed of in above terms.

Muhammad Qamar-uz-Zaman  
Member

Nadir Ali Khoso  
Convener

Muhammad Shafique  
Member

Dated: 18.04.2017