



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

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No. NEPRA/AB/Appeal-033/POI-2017/1363-1367

September 20, 2017

1. Mst. Mehmooda Qasim,  
(Nouman Complex),  
Flat No. 39, Nouman Complex,  
Block No. 13/D/3, Gulshan-e-Iqbal,  
Karachi
2. 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. Mehmooda Qasim Against the Decision Dated 27.01.2017 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 19.09.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

  
(Ikram Shakeel)

No. NEPRA/AB/Appeal-033/POI-2017/1368  
Forwarded for information please.

September 20, 2017

Assistant Director  
Appellate Board

✓ I. Registrar

CC:

1. Member (CA)



**Before Appellate Board**

In the matter of

**Appeal No. NEPRA/Appeal-033/POI-2017**

K-Electric Limited

.....Appellant

Versus

Mst. Mehmooda Qasim, (Noman Complex), Flat No.39,  
Noman Complex, Block No.13/D/3, Gulshan-e-Iqbal, Karachi

.....Respondent

**For the appellant**

Mr. Masahib Ali Manager  
Mr. Saqib Ali Manager  
Mr. Imran Hanif Deputy Manager  
Mr. Nisar Ahmed Assistant Manager

**For the respondent:**

Mst. Mahmooda Qasim Advocate  
Mr. Akbar Ali Advocate

**DECISION**

1. This decision shall dispose of an appeal filed by K-Electric against the decision dated 27.01.2017 of Provincial Office of Inspection, Karachi Region-I, Karachi (hereinafter referred to as POI).
2. As per facts of the case, the respondent is a domestic consumer of K-Electric bearing Ref No. AL-696862 with a sanctioned load of 4kW under A1-R tariff. Premises of the respondent was inspected by K-Electric on 25.03.2016 and allegedly the respondent



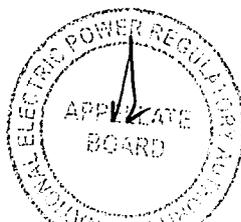


## National Electric Power Regulatory Authority

was stealing electricity through an extra phase from the incoming cable and the connected load was observed to be higher than the sanctioned load. Hence a detection bill (hereinafter referred to as the first detection bill) amounting to Rs.30,005/- for 1,563 units for the period 10.09.2015 to 10.03.2016 (6 months) was charged to the respondent by K-Electric in April 2016 on the basis of connected load.

3. The respondent challenged the first detection bill of Rs.30,005/- along with current bill of Rs.391,978/- before POI through an application dated 24.06.2016. During the pendency of case before POI, premises of the respondent was again checked by K-Electric on 30.08.2016 and as per site inspection report the respondent was again found stealing electricity through an extra phase and the connected load was also noticed higher than the sanctioned load. Another detection bill (hereinafter referred to as the second detection bill) of Rs.32,832/- for 1,711 units for the period 11.03.2016 to 09.08.2016 (6 months) was debited to the respondent, which was also agitated before POI. The matter was disposed of by POI vide its decision dated 27.01.2017, the operative portion of which is reproduced below:

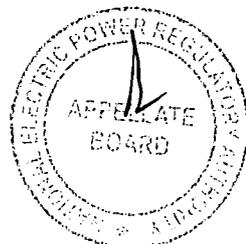
*"After conducting several number of hearings and finally on 12.01.2017, giving fair opportunities to hear both the parties, scrutinizing the record, made available with this office and in the light of above findings, this authority is of view that Opponents have violated the mandatory requirements of Electricity Act 1910 and guide lines communicated through Consumer Service Manual of NEPRA as pointed out in above findings. Therefore Provincial Office of Inspection, direct the opponents to*





*cancel the detection bills amounting to Rs.30,005/- of 1563 units for the period from 10.09.2015 to 09.08.2016 and Rs.32,832/- of 1711 units for the period from 11.03.2016 to 09.08.2016, as the same have no justification on legal and technical grounds. It is further directed the Opponents to waive all late payment surcharges which are outcome of the impugned detection 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 27.01.2017 (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 time and again and on all the occasions, the respondent was found consuming electricity illegally through an extra phase and the connected load was found higher than the sanctioned load. As per contention of K-Electric, both the first detection bill of Rs.30,005/- for 1,563 units for the period 10.09.2015 to 10.03.2016 (6 months) and the second detection bill of Rs.32,832/- for 1,711 units for the period 11.03.2016 to 09.08.2016 (6 months) charged due to commission of theft of electricity are justified and payable by the respondent. K-Electric submitted that there is no binding upon licensee to lodge the FIR against the consumer involved in theft of electricity under Section 26-A of Electricity Act 1910. K-Electric further elaborated that the presence of POI during inspection of a domestic

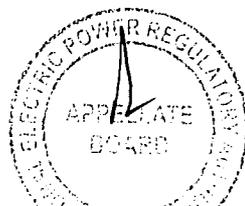




## National Electric Power Regulatory Authority

connection is not mandatory. K-Electric pointed out that POI was not authorized to adjudicate the instant complaint of the respondent being a case of theft of electricity.

5. In response to the above appeal, the respondent was issued a notice for filing reply/parawise comments, which were filed on 07.08.2017. In her reply, the respondent refuted the allegation of theft levelled by K-Electric and contended that neither any notice was served upon her nor any inspection was carried out during her presence, therefore there is no justification for charging any detection bill and she is not responsible for payment of the same. The respondent defended the impugned decision and pleaded for dismissal of the appeal.
6. After issuing notice to both the parties, hearing of the appeal was held in Karachi on 06.09.2017 in which both the parties were in attendance. 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 that premises of the respondent was inspected by K-Electric time and again and the respondent was found consuming electricity illegally through an extra phase. According to K-Electric, both 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. On the other hand, Mr. Akbar Ali, learned counsel for the respondent reiterated the same stance as contained in the reply/parawise comments and pleaded for maintainability of the impugned decision.
7. We have heard arguments of both the parties and examined the record placed before us.





# National Electric Power Regulatory Authority

Following is observed:

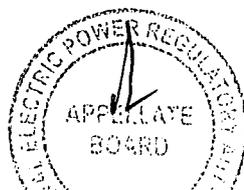
- i. Theft of electricity by the respondent was alleged by K-Electric but no FIR and other proceedings as required under law and CSM were initiated by K-Electric and moreover as observed by POI, no concrete proof was provided by K-Electric regarding theft of electricity. The objection of K-Electric regarding jurisdiction of POI is not valid, therefore dismissed.
- ii. The respondent challenged the two detection bills before POI, which are discussed below:

Bill Type	Period	Units	Amount (Rs.)
First detection	10.09.2015 to 10.03.2016	1,563	30,005/-
Second detection	11.03.2016 to 09.08.2016	1,711	32,832/-

• **First Detection Bill**

In order to ascertain the justification of the first detection bill, comparison of the consumption between the disputed and corresponding undisputed periods is made below:

Period	Normal Mode Average Units/Month	Detection Mode Average Units/Month
<b>Corresponding period before dispute</b> October 2014 to March 2015	137	-
<b>Disputed period</b> October 2015 to March 2016	214	474
<b>Corresponding period after dispute</b> October 2016 to March 2017	230	-





## National Electric Power Regulatory Authority

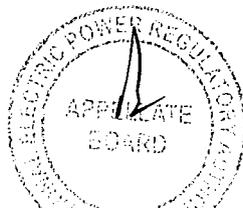
From the above table, it is transpired that the detection bill charged @ 474 units/month during the disputed period i.e. October 2015 to March 2016 is much higher than the normal average consumption of 137 units/month and 230 units/month recorded during the corresponding undisputed periods before and after the dispute respectively. Moreover average consumption for the disputed period is even higher than the average consumption of corresponding period before dispute and also equivalent to the average consumption of corresponding undisputed period after dispute. Hence there is no justification for charging the first detection bill of Rs.30,005/- for 1,563 units for the period 10.09.2015 to 10.03.2016 (6 months) to the respondent and liable to be cancelled as already determined in the impugned decision.

### Second Detection Bill

Second detection bill of Rs.32,832/- for 1,711 units was charged to the respondent for the period 11.03.2016 to 08.09.2016 (April 2016 to August 2016). In order to assess the justification of the second detection bill, following comparison is made:

Period	Normal Mode Average Units/Month	Detection Mode Average Units/Month
<b>Corresponding period before dispute</b> April 2015 to August 2015	189	-
<b>Disputed period</b> April 2016 to August 2016	299	642
<b>Corresponding period after dispute</b> April 2017 to August 2017	339	-

It is evident from the above table that the detection bill charged @ 642 units/month





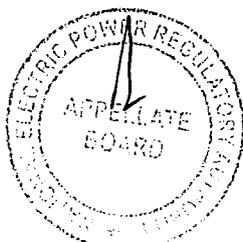
## National Electric Power Regulatory Authority

during the disputed period i.e. April 2016 to August 2016 is remarkably higher than the average consumption recorded during the corresponding undisputed periods (prior/after). 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 consumer as nothing has been placed on record by K-Electric showing that approval for charging the detection bill beyond three billing cycles was obtained from the Chief Executive (or any officer authorized in the behalf) of the K-Electric. Therefore the second detection bill amounting to Rs.32,832/- for 1,711 units for the period 11.03.2016 to 08.09.2016 (April 2016 to August 2016) is unjustified and the respondent is not liable to pay the same as already decided by POI.

iii. Since the consumption data prior to the second disputed period was also assailed by K-Electric, therefore it would be fair and appropriate to charge thesecond detection bill @ 339units/month for the period June 2016 to August 2016 (3 months) as recorded during the corresponding period after dispute. Impugned decision to this extent is liable to be modified.

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

i. First detection bill amounting to Rs.30,005/- for 1,563 units for the period 10.09.2015 to 10.03.2016 (6 months) and the second detection bill of Rs.32,832/- for 1,711 units for the period 11.03.2016 to 08.09.2016 (5 months) charged to the respondent and late payments surcharges levied due to non-payment of aforesaid





## National Electric Power Regulatory Authority

both the detection bill are unjustified therefore declared null, void. The impugned decision to this extent is maintained.

- ii. The respondent is responsible for payment of the second detection bill @ 339 units/month for three months only i.e. June 2016 to August 2016. Billing account of the respondent should be overhauled after making adjustment of normal units charged during the second disputed period and the payment already made (if any).
9. The impugned decision is modified in above terms.

Muhammad Qamar-uz-Zaman  
Member

Nadir Ali Khoso  
Convener

Muhammad Shafique  
Member

Dated: 19.09.2017

