



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

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No. NEPRA/AB/Appeal-040/POI-2017/1012-1016

July 11, 2017

1. Kamran Mughal,  
(Representative of Mst. Najma Mughal),  
House No. C-75, Block-2,  
Clifton, 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. Kamran Mughal Against the Decision Dated 24.01.2017 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 11.07.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

No. NEPRA/AB/Appeal-040/POI-2017/1017

Forwarded for information please.

(Ikram Shakeel)

July 11, 2017

Assistant Director  
Appellate Board

✓ 1. Registrar

CC:

1. Member (CA)



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-040/POI-2017

K-Electric Limited

.....Appellant

Versus

Kamran Mughal (Mst. Najma Mughal),  
Plot No.C-75, Block-2, Clifton, Karachi

.....Respondent

### For the appellant

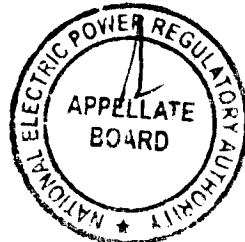
Ms. Tatheera Fatima Deputy General Manager (Legal Distribution)  
Ch. Ehtashamullah Senior Legal Coordinator  
Mr. Imran Hanif Deputy Manager

### For the respondent:

Mr. Kamran Mughal

## DECISION

1. Through this decision, an appeal filed by K-Electric against the decision dated 24.01.2017 of Provincial Office of Inspection/Electric Inspector, Karachi Region-I, Karachi (hereinafter referred to as POI) is being disposed of.
2. The respondent is a domestic consumer of K-Electric bearing Ref No. LA-413640 with a sanctioned load of 3 kW under A1-R tariff. As per facts of the case, premises of the respondent was inspected by K-Electric on 20.06.2015 and allegedly the respondent was found involved in dishonest abstraction of



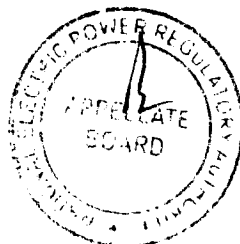


## National Electric Power Regulatory Authority

electricity through an underground cable and the connected load was observed as 24.875kW including 8 ACs being much higher than the sanctioned load. After issuing notice dated 20.06.2015 to the respondent regarding the above discrepancy, a detection bill amounting to Rs.474,848/- for 24,854 units for the period January 2015 to June 2015 (6 months) was charged by K-Electric to the respondent in June 2015 on the basis of connected load. The electric supply of the respondent was disconnected on 20.06.2015 and was restored by the K-Electric after an undertaking and the payment of Rs.150,000/- by the respondent.

3. Being aggrieved, the respondent filed a complaint before POI on 30.07.2015 and challenged the aforesaid detection bill. POI disposed of the matter vide its decision dated 24.01.2017, the operative portion of which is reproduced below:

*“As explained above, evidences provide by opponent party are insufficient, burden of proof was required to be provided by opponent party but they could not prove that the complainant was involved in the theft of electricity. After examining all evidential material produced before this office, this office therefore, by giving benefit of doubt to the complainant, the detection bill amounting to Rs.474,848/- for 24854 units for the period from January 2015 to June 2015 issued by the Opponent has no any legal and technical merit. Hence, it stands cancelled. Simultaneously K-Electric/opponent part is directed to adjust the amount of Rs.150,000/- deposited by the complainant/consumer as token money shall be adjusted against his*

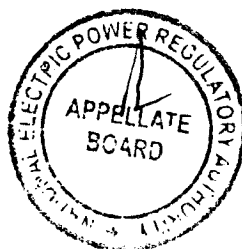




## National Electric Power Regulatory Authority

*forthcoming bills within the period of six months after issuance of this decision. K-Electric is further directed to make sure removal of underground cable which is still lying unattended on site within the premises of complainant."*

4. Being dissatisfied with the POI decision dated 24.01.2017 (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 complaints were lodged by several residents of Block 2 Clifton on 20.06.2015 regarding the discontinuity of electric supply. In response K-Electric inspected the site instantly. As per K-Electric, failure of the electric supply to the entire area was due to a blasted underground service cable laid for the premises of the respondent, however K-Electric could not check the premises of the respondent due to non-cooperation of the respondent's family. According to K-Electric, premises of the respondent was again checked and dishonest abstraction of electricity was noticed through the underground cable and the connected load was found much higher than the sanctioned load, therefore a detection bill of Rs.474,848/- for 24,854 units for the period January 2015 to June 2015 was charged to the respondent in June 2015 on the basis of connected. K-Electric averred that FIR was not lodged against the respondent as he admitted theft of electricity and submitted an undertaking to the effect that he would make payment of the detection bill. According to K-Electric, the respondent paid

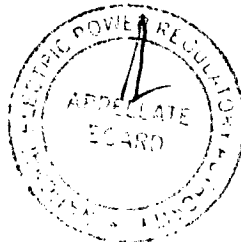




## National Electric Power Regulatory Authority

Rs. 150,000/- as token money. K-Electric averred that other formalities for dishonest abstraction of electricity could not be completed as laid down in CSM due to difficulties faced in the ground. K-Electric asserted that POI was not authorized to adjudicate the instant complaint being a case of theft of electricity.

5. The respondent was issued a notice for filing reply/parawise comments to the above appeal, which were filed on 23.05.2017. In his reply, the respondent refuted the allegation of theft of electricity levelled by K-Electric and contended that in response to his complaint regarding the discontinuation of supply, K-Electric inspected the premises on 20.06.2016 and informed that the failure in power supply was due to the punctured underground cable of his premises. As per respondent, K-Electric immediately disconnected the supply, which was restored after submission of undertaking and making payment of Rs.150,000/- by his brother under coercion. The respondent denied receipt of any prior notice before the inspection as per CSM and informed that both the notice and site inspection report (SIR) were prepared by K-Electric with malafide intention. According to the respondent, the consumption recorded during the corresponding undisputed periods is even lesser than the consumption of disputed period, which establishes that the respondent was not stealing electricity through unfair means. The respondent finally pleaded for upholding the impugned decision.
6. After issuing notice to both the parties, hearing of the appeal was conducted in Karachi on 13.06.2017 in which both the parties appeared. Ms. Tatheera Fatima

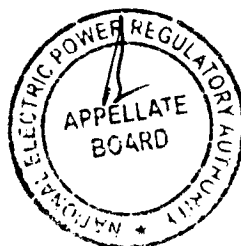




## National Electric Power Regulatory Authority

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 on 20.06.2015 and he was found consuming electricity illegally through underground cable. According to K-Electric, the detection bill of Rs.474,848/- for 24,854 units for the period January 2015 to June 2015 was charged to the respondent as per CSM in order to recover the revenue loss sustained by K-Electric due to theft of electricity. K-Electric pleaded that the impugned decision was unjustified and liable to be set aside. The respondent in his rebuttal contended that neither any notice was served to the respondent nor any change in consumption occurred before and after the dispute, therefore the aforesaid detection bill charged to the respondent was neither justified nor payable. The respondent defended the impugned decision and prayed for upholding the same.

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 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. Therefore objection of K-Electric regarding jurisdiction of POI is not valid, therefore dismissed.
  - ii. Detection bill of Rs.474,848/- for 24,854 units for the period January 2015 to June 2015 (6 months) charged by K-Electric to the respondent on the basis of





## National Electric Power Regulatory Authority

connected load was challenged by the respondent before POI vide his complaint on 30.07.2015.

Comparison of the consumption between the disputed and corresponding undisputed periods is given below:

Months	Units charged during the corresponding period before dispute (Year 2014)	Units charged during the disputed period (Year 2015)	Units charged during the corresponding period after dispute (Year 2016)
January	1,894	1,568	1,304
February	1,439	1,576	1,540
March	1,558	1,326	1,325
April	1,948	2,346	1,736
May	2,800	2,527	2,368
June	1,897	3,055	2,934
<b>Total</b>	<b>11,536</b>	<b>12,398</b>	<b>11,207</b>

It is evident from the above table that the total normal consumption recorded during the disputed period i.e. January 2015 to June 2015 is even higher than the normal consumption of corresponding undisputed periods prior and after respectively, which displayed that the actual consumption was recorded by the meter during the disputed meter. We are inclined to hold that POI has rightly declared the detection bill of Rs.474,848/- for 24,854 units for the period January 2015 to June 2015 (6 months) as null and void after correct appraisal of facts as well as law. The consumer's account of the respondent should be over hauled after making the adjustment of Rs.150,000/- already paid by the respondent against the aforesaid detection bill as decided by POI.





## National Electric Power Regulatory Authority

8. In view of above, we do not find any reason to interfere with the impugned decision, which is upheld and consequently the appeal is dismissed.

Muhammad Qamar-uz-Zaman  
Member

Muhammad Shafique  
Member

Nadir Ali Khoso  
Convener

Dated: 11.07.2017

