



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

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No. NEPRA/AB/Appeal-048/POI-2017/1479-1483

October 06, 2017

1. Muhammad Iqbal Siddiqui,  
S/o Shafi Siddiqui,  
House No. R-246 A,  
Block-I, North Nazimabad,  
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, First Floor,  
Block F, Elander Complex,  
Elander Road, Karachi
5. Electric Inspector,  
Karachi Region-II,  
Block No. 51, Pak Secretariat,  
Shahra-e-Iraq, Saddar,  
Karachi

Subject: Appeal Titled K-Electric Ltd Vs. Muhammad Iqbal Siddiqui Against the Decision Dated 10.02.2017 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 04.10.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel)

No. NEPRA/AB/Appeal-048/POI-2017/1484

October 06, 2017

Forwarded for information please.

Assistant Director  
Appellate Board

✓ Registrar

CC:

1. Member (CA)



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

### Appeal No. NEPRA/Appeal-048/POI-2017

K-Electric Ltd

.....Appellant

Versus

Muhammad Iqbal Siddiqui S/o Shafi Siddiqui,  
House No.R-246 A, Block-I, North Nazimabad, Karachi

.....Respondent

#### For the appellant

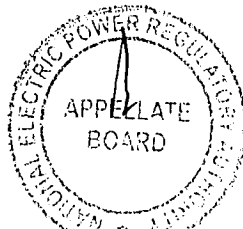
Ms. Tatheera Fatima Deputy General Manager (Legal Distribution)  
Mr. Faisal Shafat Manager  
Mr. Masahib Ali Manager  
Mr. Imran Hanif Deputy Manager

#### For the respondent:

Nemo

### DECISION

1. This decision shall dispose of the appeal filed by K-Electric against the decision dated 10.02.2017 of Provincial Office of Inspection/Electric Inspector, Karachi Region-II, Karachi (hereinafter referred to as POI).
2. Brief facts of the case are that the respondent is a commercial consumer of K-Electric bearing Ref No. AL-242817 with a sanctioned load of 10 kW under A-2C tariff. K-Electric alleged that premises of the respondent was inspected on 06.02.2016 and the respondent was found stealing electricity directly and the connected load was noticed as 20.913 kW including 4 AC units. After issuing notice dated 06.12.2016 to the

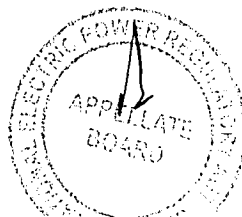




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respondent, a detection bill of Rs.739,843/- for 28,945 units for the period 28.05.2016 to 25.11.2016 (6 months) was charged to the respondent by K-Electric on the basis of connected load.

3. Being aggrieved, the respondent filed an application before POI on 06.01.2017 and challenged the aforesaid detection bill. POI vide its decision dated 10.02.2017 cancelled the detection bill of Rs.739,843/- for 28,945 units for the period 28.05.2016 to 25.11.2016 charged on the basis of 0.42 load factor of the connected load.
4. K-Electric was dissatisfied with the POI decision dated 10.02.2017 (hereinafter referred to as the impugned decision), therefore filed the instant appeal under Section 38 (3) of the NEPRA Act 1997). In its appeal, K-Electric contended that premises of the respondent was inspected by K-Electric on 06.12.2016 and the respondent was found consuming electricity illegally and the connected load was also observed much higher than the sanctioned load. As per contention of K-Electric, the detection bill amounting to Rs.739,843/- for 28,945 units for the period 28.05.2016 to 25.11.2016 (6 months) charged to the respondent is legal, justified and the respondent is liable to pay the same. K-Electric raised the preliminary objection regarding jurisdiction of POI and contended that being a case of theft of electricity by bypassing the meter, POI was not authorized to adjudicate the complaint of the respondent. K-Electric stated that a notice under Section 20 of the Electricity Act 1910 was issued prior the inspection and is well within the knowledge of the respondent. K-Electric explained that FIR was not lodged against the respondent as he conceded the offense and agreed for payment of the aforesaid detection bill.
5. A notice for filing reply/parawise comments to the appeal was issued to the respondent,

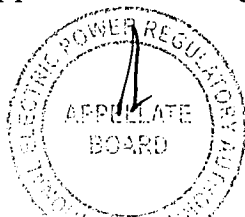




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which however were not filed.

6. After issuing notice to both the parties, hearing of the appeal was held in NEPRA office Karachi on 22.09.2017, wherein K-Electric participated but no one appeared for the respondent. 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 declared that the detection bill of Rs.739,843/- for 28,945 units for the period 28.05.2016 to 25.11.2016 (6 months) was charged to the respondent in order to recover the revenue loss sustained by K-Electric due to theft of electricity and the same is payable. Learned representative for K-Electric pleaded that the impugned decision is not based on facts and law, therefore liable to be set aside.
7. Argument heard and the record perused, 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 regarding theft of electricity. Objection of K-Electric in this regards is devoid of force, therefore rejected.
  - ii. The detection bill of Rs.739,843/- for 28,945 units for the period 28.05.2016 to 25.11.2016 (June 2016 to November 2016) was charged to the respondent, which was assailed by him before POI on 06.01.2017.
  - iii. Charging the aforesaid detection bill for six months to the respondent by K-Electric is inconsistent with provisions of CSM. According to clause 9.1 c (3) of CSM, the respondent is liable to be billed maximum for three billing cycles being a general supply consumer bearing A-II tariff as nothing has been placed on record by K-Electric showing that approval for charging the detection bill beyond three





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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. Under these circumstances, the detection bill of Rs.739,843/- for 28,945 units for the period June 2016 to November 2016 charged to the respondent by K-Electric is illegal, unjustified, therefore cancelled as already determined by POI.

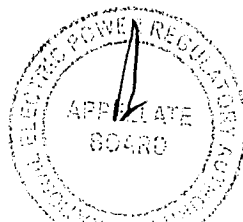
iv. Consumption of the respondent as per data provided by K-Electric is given below:

Period	Normal Mode Average Units/Month
<b>Period before dispute</b> July 2015 to May 2016 (11 months)	1,883
<b>Corresponding period before dispute</b> September 2015 to November 2015 (3 months)	2,010
<b>Disputed period</b> September 2016 to November 2016 (3 months)	1,119

Above table exhibits that the average consumption in normal mode during the disputed period is considerably lower than the average consumption of other two undisputed periods, which establishes that the actual consumption was not recorded by the meter during the disputed period. Pursuant to clause 9.1 c (3) of CSM, the respondent is liable to be charged the detection bill @ 2010 units/month for the disputed period September 2016 to November 2016 (3 months) as recorded during the undisputed corresponding period before the dispute. Impugned decision is liable to be modified to this extent.

8. In view of foregoing consideration, it is concluded that:

i. The detection bill of Rs.739,843/- for 28,945 units for the period 28.05.2016 to 25.11.2016 (6 months) charged to the respondent by K-Electric is not correct and





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instead of the aforesaid detection bill, the respondent should be charged 2010 units/month for the period September 2016 to November 2016 (3 months).

Billing account of the respondent should be overhauled after adjustment of the units already charged and payments made (if any) during the same period.

9. Impugned decision is modified in above terms.

Muhammad Qamar-uz-Zaman  
Member

Muhammad Shafique  
Member

Nadir Ali Khoso  
Convener

Dated: 04.10.2017

