



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

NEPRA Office, Atta Turk Avenue (East), G5/1, Islamabad
Tel. No. +92 051 2013200 Fax No. +92 051 2600030
Website: www.nepra.org.pk E-mail: office@nepra.org.pk

No. NEPRA/AB/Appeal-076/POI-2017/1728+732

November 29, 2017

1. Muhammad Zaman Akram,
S/o Muhammad Akram,
Plot No. 1-H, 1/16,
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. Zaman Akram Against the Decision Dated 13.04.2017 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 24.11.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel)

November 29, 2017

Assistant Director
Appellate Board

No. NEPRA/AB/Appeal-076/POI-2017/1733

Forwarded for information please.

1. Registrar

CC:

1. Member (CA)

For n/a h.
- DD (IT) [Signature]
Copy to: 20.12.17
- Dir (CAO)
- DR/Dir-II/mf



Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-076/POI-2017

K-Electric Limited

.....Appellant

Versus

Muhammad Zaman Akram S/o Muhammad Akram,
Plot No.1-H, 1/16, Nazimabad, Karachi

.....Respondent

For the appellant

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

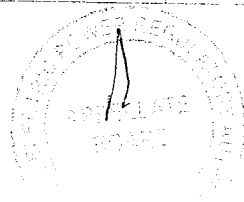
For the respondent:

Mr. Muhammad Zaman Akram

DECISION

1. Brief facts of the case are that the respondent is a domestic consumer of K-Electric bearing Ref No.AL-302959 with a sanctioned load of 1 kW under the A1-R tariff. As per K-Electric, premises of the respondent was inspected on 08.08.2016 and 09.11.2016 and on both the occasions, the respondent was allegedly dishonestly abstracting electricity through an extra phase and the connected loads were observed as 13.32 kW & 12.924 kW respectively, against the sanctioned load of 1 kW. After issuing notice to the respondent, two detection bills were charged by K-Electric, detail of which is tabulated below:

Bill	Period	Months	Units	Amount(Rs.)
First detection	20.01.2016 to 20.07.2016	6	6,794	150,243/-
Second detection	21.07.2016 to 21.10.2016	3	4,263	94,345/-





National Electric Power Regulatory Authority

2. Being aggrieved with the action of K-Electric, the respondent filed an application before the Provincial Office of Inspection, Karachi Region-II, Karachi (hereinafter referred to as POI) on 04.01.2017 and challenged the arrears of Rs.242,632/- charged by K-Electric in November 2016. Said complaint was decided by POI vide its decision dated 13.04.2017, 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 authority and in the light of relevant law & Regulations and above findings, this authority is of the firm view that 1st detection bill amounting to Rs.150,243/- of 6,794 units for the period from 20.01.2016 to 20.07.2016 and 2nd detection bill amounting to Rs.94,345/- of 4,263 units for the period from 21.07.2016 to 21.10.2016 issued by the opponents is hereby cancelled and revised the same up-to two billing cycles instead of 10 months. The opponents are directed to act in terms of above instructions, accordingly. The complaint of the complainant is disposed off with above remarks.”

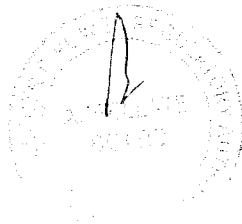
3. The appeal in hand has been filed by K-Electric against the aforementioned decision of POI inter-alia on the grounds that the premises of the respondent was inspected by K-Electric twice and on both the occasions, the respondent was found consuming electricity illegally through an extra phase and the connected load was much higher than the sanctioned load. As per contention of K-Electric. first detection bill of Rs.150,243/- for 6,794 units for the period 20.01.2016 to 20.07.2016 (6 months) and the second





detection bill of Rs.94,345/- for 4,263 units for the period 21.07.2016 to 21.10.2016 (3 months) were charged to the respondent due to theft of electricity. K-Electric prayed that the impugned decision for cancellation of both the aforesaid detection bills and revision of the same only for two billing cycles is contrary to the merits of the case and liable to be set aside. K-Electric further submitted that it is not binding for it to lodge 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 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 by bypassing the meter.

4. The respondent was issued a notice for filing reply/para-wise comments, which were filed on 15.08.2017. In his reply, the respondent rebutted the contention of K-Electric regarding the jurisdiction of POI and contended that POI is empowered to entertain the instant matter being a billing dispute; that neither any prior notice was served nor he was associated during both the alleged inspections; that there is no significant variation in the consumption trend during both the undisputed periods (prior/after); that both the detection bills of Rs.150,243/- and Rs.94,345/- are illegal, unjustified and he is not responsible for payment of the same, that the impugned decision is justified and liable to be upheld.
5. Hearing of the appeal was held in NEPRA regional office, Karachi on 16.10.2017 in which both the parties were in attendance. Ms. Tatheera Fatima Deputy General Manager(Distribution Legal), learned representative of K-Electric repeated the same





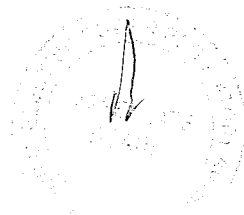
National Electric Power Regulatory Authority

arguments as earlier contained in the 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 of Rs.150,243/- and Rs.94,345/- were charged to the respondent to recover the revenue loss sustained by K-Electric due to the dishonest abstraction of electricity by the respondent. Representatives of K-Electric pointed out that the consumption recorded during the disputed period is lesser than the consumption of undisputed periods, which confirms the illegal abstraction of electricity by the respondent during the disputed period. On the contrary, Mr. Muhammad Zaman Akram the respondent contradicted allegation of theft and explained that consumption reduced due to the winter season. The respondent further denied the service of any notice and his presence during both the inspections of K-Electric. The respondent supported the impugned decision and prayed that the same should be upheld.

6. 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 legal proceedings in accordance with law 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 the jurisdiction of POI is not valid, therefore dismissed.
- ii. It is observed that the two detection bills were charged consecutively for the period 20.01.2016 to 21.10.2016 (09 months) to the respondent by K-Electric, which are





contrary to the 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 domestic consumer as nothing has been placed on record by K-Electric showing that approval for charging the detection bills beyond three billing cycles was obtained from the Chief Executive (or any officer authorized in this behalf) of the K-Electric and any action was initiated against the officer in charge for not being vigilant enough.

iii. Pursuant to clause 9.1c (3), the respondent is liable to be charged the detection bill for three months only i.e. August 2016 to October 2016, if justified. Perusal of consumption statement as provided by K-Electric has revealed that the normal average consumption of the disputed period i.e. August 2016 to October 2016 is much lesser than the normal average consumption of corresponding undisputed period of the preceding year, which establishes that the actual consumption was not recorded during the said period. The respondent is liable to be charged only the second detection bill of Rs. 94,345/- for the period 21.07.2016 to 21.10.2016 (3 months). The impugned decision allowing detection bill for two months only is not justified and requires modification to this extent.

7. From what has been discussed above, we are of the view that the first detection bill of Rs.150,243/- for 6,794 units for the period 20.01.2016 to 20.07.2016 charged to the respondent is unjustified therefore declared null and void, however, the other detection bill amounting to Rs. 94,345/- for 4,263 units for the period 21.07.2016 to 21.10.2016 (3 months) is justified and in accordance with law, therefore, should be paid by the





National Electric Power Regulatory Authority

respondent.

8. The impugned decision stands modified in above terms.

Muhammad Qamar-uz-Zaman
Member

Muhammad Shafique
Member

Nadir Ali Khoso
Convener

Dated: 24.11.2017

