



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

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No. NEPRA/AB/Appeal-128//POI-2016/ 376-380

March 21, 2017

1. M/s Remedial Centre Hospital & Nursing Home,  
Plot No. D-9, 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 Ltd,  
3<sup>rd</sup> floor, KE Block,  
Civic Centre, Gulshan-e-Iqbal,  
Karachi
5. Electric Inspector,  
Karachi Region-II,  
Block No. 51, Pak Secretariat,  
Shahra-e-Iraq, Saddar,  
Karachi

Subject: **Appeal Titled K-Electric Ltd Vs. M/s Remedial Centre Hospital & Nursing Home Against the Decision Dated 26.05.2016 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 17.03.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: **As Above**

(Ikram Shakeel)

No. NEPRA/AB/Appeal-128//POI-2016/ 381

March 21, 2017

Forwarded for information please.

  
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-128/POI-2016

K-Electric Ltd

.....Appellant

Versus

M/s. Remedial Centre Hospital & Nursing Home,  
Plot No.D-9, Block-I, North Nazimabad, Karachi

.....Respondent

For the appellant:

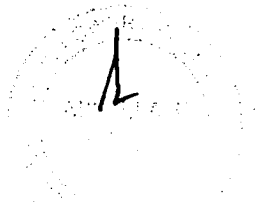
Ms. Tatheera Fatima Deputy General Manager (Distribution-Legal)  
Mr. Faisal Shafat Manager  
Mr. Salman Rajan Deputy Manager (Regulations)  
Mr. Imran Hanif Assistant Manager

For the respondent:

Mr. Muhammad Latif Advocate

### DECISION

1. This decision shall dispose of the appeal filed by K-Electric against the decision dated 26.05.2016 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-162248 with a sanctioned load of 26 kW under A-2c tariff. Premises of the respondent was inspected by K-Electric on 03.01.2015 and allegedly found cut and joint





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before the meter for theft of electricity and the connected load was noticed as 76.024 kW including two split AC units, being much higher than the sanctioned load. As stated by K-Electric, after issuing notices dated 03.01.2015 & 14.01.2015 to the respondent regarding above discrepancy, a detection bill amounting to Rs.2,511,830/- for 98,787 units for the period 19.06.2014 to 18.12.2014 (July 2014 to December 2014) was charged to the respondent in March 2015 on the basis of connected load.

3. The respondent filed an application dated 20.05.2015 before POI and agitated the detection bill of Rs.2,511,830/-. Meanwhile the respondent also challenged the same detection bill before Sindh High Court, Karachi vide CP No.2997/2015 and the honorable High Court remanded the case to POI for further adjudication vide its Order dated 10.12.2015. The matter was disposed of by POI vide its decision dated 26.05.2016, 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 authority and in the light of relevant law and Regulations and above findings, this authority is of the firm view that irregular bill amounting to Rs.25,11,383/- of 98,786 units for the period from 19.06.2014 to 18.12.2014 issued by the opponents has no justification on legal and technical grounds, therefore direct the opponents to cancel the said bill.. The applicant is directed to regularize his unauthorized extended load as per codal formalities of the K-Electric Limited. The Opponents are directed to act in terms of above instructions accordingly. The complaint of the complainant is disposed off with above remarks."*





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4. Being aggrieved with the POI decision dated 26.05.2016 (hereinafter referred to as the impugned decision), K-Electric has filed the instant appeal. It is contended by K-Electric that the premises of the respondent was inspected on 03.01.2015 and a cut/joint before the meter was observed in the cable for stealing electricity, moreover the connected load of the respondent was much higher than the sanctioned load. According to K-Electric, the detection bill of Rs.2,511,830/- for 98,787 units for the period July 2014 to December 2014 charged to the respondent in March 2015 is justified and the respondent should pay the same. K-Electric pointed out that in-spite of order dated 10.12.2015 of the honorable High Court, POI failed to decide the matter within 60 days, hence the impugned decision became null and void. K-Electric explained that as the respondent agreed for payment of the aforesaid detection bill, FIR was not registered against him. K-Electric submitted that being a case of theft of electricity, the matter falls beyond the jurisdiction of POI.
5. Reply/parawise comments were solicited, which were filed on 19.09.2016. The respondent raised the preliminary objection regarding limitation and contended that the appeal against the impugned decision dated 26.05.2016 was filed before NEPRA on 11.07.2016, which is barred by time 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). The respondent refuted the allegation of dishonest abstraction of electricity and contended that neither he received any notice nor any inspection was carried out by K-Electric in his presence. The respondent prayed for maintainability of the impugned decision.
6. Notice issued and hearing of the appeal was conducted in Karachi on 23.02.2017 in which





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Ms. Tatheera Fatima Deputy General Manager (Distribution- Legal) along with other officials represented the appellant K-Electric and Mr. Muhammad Latif Advocate appeared for the respondent. K-Electric reiterated the same arguments as contained in memo of the appeal and contended that premises of the respondent was inspected thrice and on all occasions, the respondent was found involved in theft of electricity and connected load of the respondent was much higher than the sanctioned load. As per representative for K-Electric, the detection bill amounting to Rs.2,511,830/- for 98,787 units for the period July 2014 to December 2014(6 months) charged to the respondent on the basis of connected load is in accordance with the provisions of Consumer Service Manual (CSM) and should be paid by the respondent. According to the representatives for K-Electric, the impugned decision announced after 60 days against the time limit prescribed by the honorable Sindh High Court Karachi is void, ab-initio and liable to be dismissed. Besides K-Electric pleaded that the consumption of another meter bearing Ref No. AL-634996 installed in the same premises of the respondent reduced considerably during the disputed period due to shifting of load from this meter to the disputed meter. On the Contrary, learned counsel for the respondent rebutted the stance of K-Electric and pleaded that he was not involved in theft of electricity, as such there is no justification for charging the detection bill of Rs.2,511,830/- for 98,787 units for the period July 2014 to December 2014 to the respondent. He pleaded for dismissal of the appeal on the ground of limitation as well as on merit.

7. We have heard arguments of both the parties and examined the record placed before us. It is observed as under:



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- i. Copy of the impugned decision was admittedly received by K-Electric on 03.06.2016 and the appeal against the same was filed before the NEPRA on 11.07.2016 after a lapse of more than 30 days, which is obviously time barred under Section 38 (3) of NEPRA Act 1997. Moreover no application for condonation of the delay has been filed by K-Electric.
- ii. There is no force in the stance of K-Electric regarding lack of jurisdiction of POI being a theft case as no formalities as required under CSM and law were completed for proving the theft. Since this objection was not pressed during the arguments, therefore dismissed.
- iii. As regards announcement of the impugned decision after the prescribed limit of 60 days, pursuant to the honorable High Court order dated 10.12.2015, it is noticed that the same is of directory in nature and not mandatory as no consequences have been defined. The objection of K-Electric being devoid of force is rejected.
- iv. Analysis of consumption of the disputed meter as provided by K-Electric is given below:

**Table-A**

Disputed Meter: AL-162248	Normal Mode Average Units/Month	Detection Mode Average Units/Month
Period		
<b>Period before dispute</b> August 2013 to June 2014(11 months)	4,300	-
<b>Corresponding period before dispute</b> July 2013 to December 2013(6 months)	1,391	-
<b>Disputed period</b> July 2014 to December 2014(6 months)	10,690	27,300
<b>Period after dispute</b> January 2015 to May 2015(5 months)	7,265	-





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From the above table it is revealed that the average consumption of 10,690 units/month recorded in normal mode during the disputed period i.e. July 2014 to December 2014 is much higher than the average consumption recorded in normal mode during the undisputed periods before and after the disputed period. Under these circumstances, there is no justification for K-Electric to charge any detection bill to the respondent during the disputed period.

- v. Analysis of consumption of the meter No. AL-634995, where low consumption due to shifting of load is alleged, is given below.

**Table-B**

Another Meter: AL-634995	Normal Mode Average Units/Month
Period	
Corresponding period before dispute July 2013 to December 2013(6 months)	5,179
Disputed period July 2014 to December 2014(6 months)	4,088
Corresponding period after dispute July 2015 to December 2015 (6 months)	4,890

From the above table, it emerges that there is no considerable difference of consumption between the disputed and undisputed periods as claimed by K-Electric.

- vi. In view of the position stated in para iv and v above, there is no justification for charging the detection bill amounting to Rs.2,511,830/- for 98,787 units for the period July 2014 to

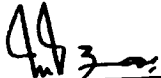


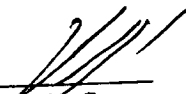


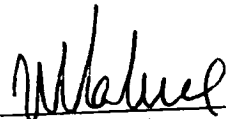
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December 2014 to the respondent and should be withdrawn as already decided by POI.

8. Forgoing in view, the appeal is dismissed.

  
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Muhammad Qamar-uz-Zaman  
Member

  
\_\_\_\_\_  
Muhammad Shafique  
Member

  
\_\_\_\_\_  
Nadir Ali Khoso  
Convener

Dated: 17.03.2017