



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

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No. NEPRA/AB/Appeal/305/POI/2019/ 1169

November 30, 2020

1. Noor-ul-Wahab  
S/o. Muhammad Gul,  
House No. 479-A, Mominabad,  
Sector 4-F, Aurangi Town,  
Lahore
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/POI  
Karachi Region-II, Government of Sindh,  
Plot No. ST-2, Block-N, North Nazimabad,  
Near Sarina Mobile Market,  
Main Sakhi Hasan Chowrangi, Karachi

Subject: Appeal Titled K-Electric Vs. Noor-ul-Wahab Against the Decision Dated 01.10.2019 of the Provincial Office of Inspection to Government of the Sindh Karachi Region-II, Karachi

Please find enclosed herewith the decision of the Appellate Board dated 25.11.2020, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel)  
Deputy Director (M&E)

✓ Forwarded for information please.

1. Director (IT) –for uploading the decision on NEPRA website



# National Electric Power Regulatory Authority

## Before Appellate Board National Electric Power Regulatory Authority Islamabad

In the matter of

### Appeal No. 305/POI-2019

K-Electric Limited

.....Appellant

Versus

Noor ul Wahab s/o Muhammad Gul, House No.479-A,  
Mominabad, Sector 4-F, Aurangi Town, Karachi

.....Respondent

### **APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 01.10.2019 PASSED BY PROVINCIAL OFFICE OF INSPECTION KARACHI REGION-II, KARACHI**

#### For the appellant

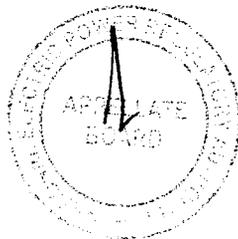
Ms. Tatheera Fatima Deputy General Manager (Legal Distribution)  
Mr. Najamddin Sheikh Deputy General Manager  
Mr. Masahib Ali Manager  
Mr. Afshad Ahmed Manager

#### For the respondent:

Nemo

### **DECISION**

1. Brief facts leading to the filing of instant appeal are that the respondent is a domestic consumer of K-Electric bearing Ref No. AP-074536 having a sanctioned load of 8 kW under the A-IR tariff. The respondent filed an application before the Provincial Office of Inspection (POI) on 24.11.2017 and challenged the arrears of Rs.720,835/- reflected in the bill for November 2017. The premises of the respondent was inspected by POI on 13.02.2018 in presence of both the parties, wherein the connected load was noticed as



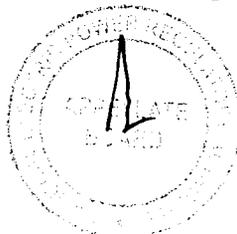


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0.346 kW and no running load was found. The complaint of the respondent was decided by POI vide decision dated 01.10.2019 with the following conclusion:

*“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 laws & Regulations and above findings, this authority is of the firm view that the opponent is directed to cancel all assessed billing and issue the minimum charged bill to the complainant. The complainant is also directed he may apply for disconnection impugned meter connection if the load is not in use. The opponents are directed to act in terms of the above instructions, accordingly.”*

2. Being dissatisfied with the above-referred decision, K-Electric has filed the instant appeal wherein a preliminary objection is raised regarding jurisdiction of POI being a case of theft of electricity through bypassing the meter. As per K-Electric, the respondent was billed 73 electricity bills during the period September 2013 to September 2019 but only 27 bills were paid during that period, which increased arrears to the tune of Rs.720,835/-. According to K-Electric, the electric supply of the respondent was disconnected time and again due to default in payment, which was restored by him illegally, hence the assessed bills were charged to the respondent. K-Electric submitted that the respondent was consuming electricity through the hook connection and the connected load was found as 2.425 kW during the site inspection dated 02.01.2018. K-Electric further submitted that the POI had to decide the dispute of billing of Rs.193,644/- for 11,700 units for three years i.e. November 2014 to November 2017 but he decided the fate of the entire disputed arrears of Rs.720,835/-. K-Electric stated that the dues pertaining to the undisputed period amounting to Rs.536,223/- are liable to be paid by the respondent. K-Electric finally

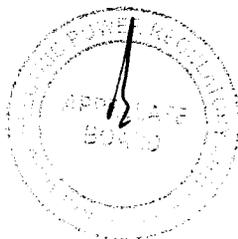




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prayed for setting aside the impugned decision.

3. Notice for filing reply/para-wise comments to the above appeal was issued to the respondent, which however were not replied.
4. Notice was issued and hearing of the appeal was conducted in NEPRA Regional Office Karachi on 16.11.2020 in which Ms. Tatheera Fatima Deputy General Manager (Distribution Legal) along with other officials represented the appellant K-Electric and no one appeared for the respondent. Learned representative of K-Electric repeated the same arguments as contained in memo of the appeal and argued that the respondent assailed the assessed bills till November 2017 before POI, hence the billing of last three years i.e. November 2014 to November 2017 amounting to Rs.193,644/- for 11,700 units be decided by POI but the determination of POI for cancellation of entire assessed bills total amounting to Rs.720,835/- is unjustified and beyond the prayer of the respondent. As per the representative for K-Electric, the impugned decision is not speaking as the arrears before three years are not mentioned. K-Electric prayed for setting aside the impugned decision and for remanding back the matter to POI.
5. We have heard arguments of K-Electric, it has been observed as under:
  - i. The allegation of theft of electricity was leveled by K-Electric but no FIR and other criminal proceedings as required under law and CSM were initiated by K-Electric. Further K-Electric could not give any cogent reason for its failure to adhere to the provisions of CSM and other proceedings as required under the law. As no theft of





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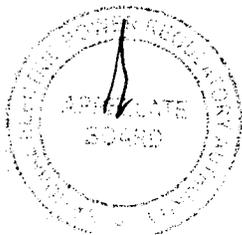
electricity was established by K-Electric against the respondent, the objection regarding jurisdiction of POI is not valid, therefore dismissed.

- ii. On merits, the respondent disputed the arrears of Rs.720,835/- accumulated till November 2017 before POI, who was competent to take into consideration the period of three years prior to the application filed in November 2017, as such the maximum period could be December 2014 to November 2017. Reliance in this regard is placed on the Lahore High Court, Lahore judgment dated 30.11.2015 in respect of writ petition No.17314-2015 titled “Muhammad Hanif v/s NEPRA and others”, which is reproduced below:

*“-the period of three years for filing an application applies when the right to apply accrues as prescribed in Article 181 of Limitation Act, 1908.”*

We are convinced with the arguments of K-Electric that the impugned decision for cancellation of the entire assessed bills and revision of the same on the basis of minimum charges is unjustified and the same is liable to be set aside. Scrutiny of the billing statement as provide by K-Electric disclosed that the respondent was charged in detection mode during the following months in last three years i.e. December 2014 to November 2017 on the plea that the respondent was stealing electricity through hook connection:

Detection months			
Months	Units	Months	Units
Dec-16	600	May-17	1,500
Jan-17	600	Aug-17	4,000
Feb-17	1,000	Oct-17	2,000





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Mar-17	1,000	Nov-17	500
Apr-17	1,000	-	-
Total Units		<b>12,200</b>	
No. of Months		<b>09</b>	
<b>Average detection units = Total units/ No. of Months</b> = 12,200/09 = <b>1,356 units/month</b>			
<b>Units/month = Load in kW x Load factor x No. of Hours</b> <b>assessed = 2.425 x 0.15 x 730 = 265 units</b>			

From the above table, it is evident that the detection bills charged @ 1,356 units/month during the disputed months are excessive as compared to the units assessed as per the connected load of the respondent as observed by K-Electric on 02.01.2018. Therefore the detection bills charged by K-Electric during the nine months i.e. December 2016 to May 2017, August 2017, October 2017 and November 2017 are unjustified and liable to be cancelled. The respondent is liable to be billed the electricity bills @ 265 units/month for the above said months.

Total units chargeable= 265 units/month x 9 months = **1,805 units**

6. In view of the foregoing discussion, we have concluded that:

- i. The impugned decision for cancellation of entire assessed bills and revision of the same on minimum charges is incorrect, contrary to Article 181 of Limitation Act, 1908 and should be struck down.
- ii. Similarly, the detection bills charged for a total of 12,200 units during nine months i.e. December 2016 to May 2017, August 2017, October 2017 and November 2017 by K-Electric to the respondent are illegal, unjustified and the same should be withdrawn. The respondent should pay total 1,805 units for nine months i.e.





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December 2016 to May 2017, August 2017, October 2017 and November 2017.

iii. The consumer's account of the respondent should be overhauled after adjusting electricity bills already paid and the revised bills be issued accordingly.

7. The impugned decision is modified in the above terms.

Muhammad Qamar-uz-Zaman  
Member/SA (Finance)

Nadir Ali Khoso  
Convener/DG (M&E)

Muhammad Shafique  
Member/SA (Legal)

Dated: 25.11.2020

