



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

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No. NEPRA/AB/Appeal/073/POI/2021/ 263

March 01, 2022

- | | |
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| 1. Muhammad Abdul Bari, Plot No. A-604, Block-II, 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/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. Muhammad Abdul Bari Against the Decision Dated 14.04.2021 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 15.02.2022, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel)
Deputy Director (M&E)/
Appellate Board

Forwarded for information please.

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



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No.073/POI-2021

K-Electric Limited

.....Appellant

Versus

Muhammad Abdul Bari, Plot No.A-604,
Block-II, North Nazimabad, Karachi

.....Respondent

APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 14.04.2021 PASSED BY PROVINCIAL OFFICE OF INSPECTION KARACHI REGION-II, KARACHI

For the Appellant:

Mr. Asif Shajer General Manager
Ms. Tatheera Fatima Deputy General Manager
Mr. Najamuddin Sheikh Deputy General Manager
Mr. Masahib Ali Manager
Mr. Sunil Kumar Manager

For the Respondent:

Mr. Muhammad Abdul Bari
Mr. Saif Bari

DECISION

1. Brief facts of the case are that the Respondent is a domestic consumer of the K-Electric bearing Ref No. LA-850560 having a sanctioned load of 5 kW under the A-1R tariff. Premises of the Respondent was inspected by the K-Electric on 05.09.2020 and allegedly the Respondent was found stealing electricity through the kunda and the connected load observed was 12.412 kW beyond the sanctioned load of 5 kW. Resultantly, a detection bill of Rs.210,046/- for 11,489 units for the period March 2020 to August 2020 six (6) months was charged by the K-Electric to the



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Respondent.

2. Being aggrieved, the Respondent approached the Provincial Office of Inspection, Karachi Region-II, Karachi (the POI) on 29.12.2020 and disputed the abovementioned detection bill. The complaint of the Respondent was disposed of by the POI vide its decision dated 14.04.2021, wherein the detection bill of Rs.210,046/- for 11,489 units for the period March 2020 to August 2020 six (6) months was cancelled.
3. The appeal in hand has been filed against the above-referred decision of the POI (hereinafter referred to as the impugned decision) by the K-Electric before the NEPRA in which it is contended that the premises of the Respondent was inspected on 05.09.2020 and the Respondent was found consuming electricity through the hook connection and the connected load was observed as 12 kW. As per the K-Electric, the detection bill of Rs.210,046/- for 11,489 units for the period March 2020 to August 2020 six (6) months was charged to the Respondent to recover the loss incurred due to theft of electricity as per provisions of the Consumer Service Manual (CSM). According to the K-Electric, the FIR was not registered against the Respondent as he accepted theft of electricity and agreed to pay the above detection bill. The K-Electric pointed out that being a case of theft of electricity through bypassing the meter, the POI was not authorized to decide the instant matter as per verdict of the apex court.
4. The Respondent was issued the notice for filing reply/para-wise comments to the appeal, which however were not filed.
5. After issuing notice, hearing of the appeal was held at the NEPRA Regional Office Karachi on 20.01.2020, wherein the representatives for the K-Electric were present



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and the Respondent appeared in person. The representatives for the K-Electric reiterated the same arguments as contained in memo of the appeal and contended that the Respondent was found stealing the electricity through the hook connection for which the notice dated 05.09.2020 was served to the Respondent and a detection bill of Rs.210,046/- for 11,489 units for the period March 2020 to August 2020 six (6) months was charged to the Respondent. According to the K-Electric, the Respondent was involved in the illegal abstraction of electricity since long but the above detection bill was debited for six (6) months only as per the provisions of the CSM. K-Electric averred that the Respondent admitted theft of electricity and paid an amount of Rs.1 lac against the above detection bill. The K-Electric prayed for setting aside the impugned decision on the plea that the dispute of billing pertains to the theft of electricity committed through the hook connection and the POI has no lawful jurisdiction to entertain the instant matter, pursuant to the judgment of the Supreme Court of Pakistan reported in PLD 2012 SC 371. On the contrary, the Respondent denied the allegation of theft of electricity levelled by the K-Electric and argued that neither prior notice was served nor he was present during the disputed inspection. He stated that the partial payment was made under coercion to avoid disconnection of the electric supply. As per the Respondent, the above detection bill is illegal, unjustified and the POI has rightly cancelled the same. The Respondent finally defended the impugned decision and prayed for upholding the same.

6. Arguments heard and the record perused. Following are our observations:

- i. K-Electric raised the preliminary objection for the jurisdiction of the POI being theft



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of electricity case but failed to follow the procedure as laid down in the CSM and did not take any legal action against the Respondent on account of theft of electricity. Indeed, it is a metering and billing dispute and falls in the jurisdiction of the POI. The objection of the K-Electric in this regard is devoid of force, therefore rejected.

ii. Following detection bill was charged by the K-Electric to the Respondent:

Table-A

| SIR dated | Discrepancies | Bill type | Period | | Units | Amount (Rs.) |
|------------|----------------------|-----------|----------|----------|--------|--------------|
| 05.09.2020 | Theft of electricity | Detection | Mar-2020 | Aug-2020 | 11,489 | 210,046/- |

Examination of the record shows that the above detection bill was prepared on the basis of the connected load i.e. 12.412 kW as found during the inspection of the premises. However, the connected load of the Respondent was neither verified by the POI nor any action was initiated by the K-Electric for regularization of the connected load beyond the sanctioned load i.e 5 kW. Besides, the above detection bill was charged by the K-Electric to the Respondent for six (6) months in violation of the Clause 9.1c(3) of the CSM, which allows the K-Electric to charge the detection bill maximum for three (3) months to the Respondent being a general supply consumer i.e. A-1 sans approval of the Chief Executive Officer. Under these circumstances, the detection bill of Rs.210,046/- for 11,489 units for the period March 2020 to August 2020 six (6) months is unjustified and the same is liable to be declared null and void as already decided by the POI.

iii. It would be judicious to charge the detection bill for three (3) months as per the formula given in Annex-VIII of the CSM, the calculation in this regard is done



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below:

Table-B

| Bill type | Months | Duration | Units/month to be charged |
|-----------|--------------------------|----------|---|
| Detection | June 2020 to August 2020 | 03 | = Sanctioned load (kW) x Load Factor x No. of Hours/month = 5 x 0.2 x 730 = 730 units |

7. From forgoing discussion, we have concluded that the detection bill of Rs.210,046/- for 11,489 units for the period March 2020 to August 2020 six (6) months is unjustified, hence the same should be cancelled. The Respondent may be charged the detection bill @ 730 units/month for the period June 2020 to August 2020. The billing account of the Respondent may be overhauled after making the adjustment of payments made/units already charged against the above-disputed detection bill.

8. In view of the above, the appeal is partially accepted.

Abid Hussain
Member/Advisor (CAD)

Nadir Ali Khoso
Convener/Senior Advisor (CAD)

Dated: 15.02.2022