



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

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No. NEPRA/AB/Appeal/039/POI/2022/ 442

April 22, 2022

1. Muhammad Ismail,  
House No. R-610, Block No. 14,  
Dastagir, Federal B. Area,  
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,  
Plot No. ST-2, Block-N, North Nazimabad,  
Near Sarina Mobile Market,  
Main Sakhi Hassan Cowrangi. Karachi

Subject: **Appeal Titled K-Electric Vs. Muhammad Ismail the Decision Dated 09.02.2022 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 22.04.2022, 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. Additional Director (IT) for uploading the decision on NEPRA website



# National Electric Power Regulatory Authority

## Before The Appellate Board

In the matter of

### Appeal No.039/POI-2022

K-Electric Limited

.....Appellant

Versus

Muhammad Ismail Khan, House No.R-610, Block No.14,  
Dastagir, Federal B. Area, Karachi

.....Respondent

### **APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 09.02.2022 PASSED BY THE PROVINCIAL OFFICE OF INSPECTION KARACHI REGION-II, KARACHI**

#### For the Appellant:

Mr. Asif Shajer General Manager  
Ms. Tatheera Fatima Deputy General Manager  
Mr. Sohail Sheikh Deputy General Manager  
Mr. Masahib Ali Manager

#### For the Respondent:

Mr. Muhammad Ismail Khan

### **DECISION**

1. Briefly speaking, the Respondent is a domestic consumer of the K-Electric bearing Ref No. LB-184368 with a sanctioned load of 5 kW under the tariff category A-1R. Premises of the Respondent was inspected by the K-Electric on 13.06.2018 and allegedly the Respondent was found stealing electricity through the extra phase and the connected load observed was 9.97 kW, which is higher than the sanctioned load. After issuing notice dated 13.06.2018, a detection bill amounting to Rs.181,168/- for 8,219 units for the period 09.12.2017 to 07.06.2018 six (6) months was charged by the K-Electric to the Respondent on the basis of 25% load factor of the connected load.



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2. Being aggrieved, the Respondent file a complaint before the Provincial Office of Inspection, Karachi Region-II, Karachi ('the POI') on 12.11.2019 and agitated the abovementioned detection bill. The complaint of the Respondent was disposed of by the POI vide decision dated 09.02.2022, wherein the detection bill of Rs.181,168/- for 8,219 units for the period, 09.12.2017 to 07.06.2018 six (6) months was cancelled.
3. Through the instant appeal, K-Electric has assailed the above-referred decision of the POI (hereinafter referred to as 'the impugned decision') before the NEPRA in which it is contended that the premises of the Respondent was inspected on 13.06.2018 and the Respondent was found consuming electricity directly, two families were living and the connected load was observed as 9.97 kW. As per the K-Electric, notice dated 13.06.2018 thereof was served to the Respondent, and a detection bill of Rs.181,168/- for 8,219 units for the period 09.12.2017 to 07.06.2018 six (6) months was charged to the Respondent after the completion of codal formalities, which is payable by the Respondent. 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. 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. K-Electric submitted that the site inspection report and consumption data reflect that the Respondent was involved in the theft of electricity by using a hook connection. K-Electric further submitted that the POI did not consider that the Respondent is habitual in creating hurdles in recording the actual consumption, hence the impugned decision does not cover fair justice. K-Electric stated that the POI did not conduct the joint inspection of the premises of the Respondent to verify the



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connected load. K-Electric prayed that the impugned decision be struck down.

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 11.04.2022, wherein the representatives for the K-Electric were present 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 premises of the Respondent was inspected on 13.06.2018, wherein he was found stealing the electricity directly, two families were living and the connected load was found as 9.97 kW for which the prior notice was served to the Respondent and a detection bill of Rs.181,168/- for 8,219 units for the period, 09.12.2017 to 07.06.2018 six (6) months was charged to the Respondent. According to the K-Electric, the Respondent was involved in the illegal abstraction of electricity, as such the consumption of the Respondent cannot be based for the determination of the fate of the detection bill. K-Electric prayed for setting aside the impugned decision and further pleaded to allow the above-said detection bill. On the contrary, the Respondent appearing in person refuted the allegation of theft of electricity levelled by the K-Electric and argued that the detection bill of Rs.181,168/- for 8,219 units for the period 09.12.2017 to 07.06.2018 six (6) months was rightly cancelled by the POI after perusal of the billing record. The Respondent supported the impugned decision and prayed for upholding the same.



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6. Arguments were heard and the record placed before us was perused. Following are our observations:

- i. K-Electric raised the preliminary objection for the jurisdiction of the POI being theft 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 and 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.)
13.06.2018	Through bypassing the meter/extra phase	Detection	09.12.2017	07.06.2018	8,219	181,168/-

K-Electric claims that the FIR was not registered against the Respondent as he admitted theft of electricity and was ready to pay the above detection bill, however, K-Electric did not produce any document in this regard. It is further noted that the above detection bill was charged on the basis of connected load i.e. 9.97 kW but such illegally extended load was neither regularized nor any action was taken by the K-Electric against the Respondent as per provisions of the CSM. It is observed that the detection bill was charged for a period of six months i.e. 09.12.2017 to 07.06.2018 to the Respondent, who is a general supply consumer i.e. A-1R, and can be charged maximum for three months in the absence of



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approval of the Chief Executive Officer K-Electric as per Clause 9.1c(3) of the Consumer Service Manual (CSM). For the foregoing reasons, we are inclined to agree with the determination of POI that the detection bill of Rs.181,168/- for 8,219 units for the period from 09.12.2017 to 07.06.2018 six (6) months charged by the K-Electric to the Respondent is unjustified and the same is liable to be withdrawn to this extent.

- iii. According to Clause 9.1c(3) of the CSM, the Respondent is liable to be charged the detection bill maximum for three months i.e. April 2018 to June 2018 based on sanctioned load i.e.5 kW, and calculation of the detection bill be made as per the formula given in Annex-VIII of the CSM in below table:

**Table-B**

Bill type	Months	Duration	Units/month to be charged
Detection	Apr-2018 to Jun-2018	03	Connected load (kW) x Load Factor x No. of Hours/month <div>5      x      0.2      x      730      = <b>730 units</b></div>
(A) Total units to be charged		= Units/month x No. of Months allowed as per CSM = 730 x 3      = <b>2,190 units</b>	
(B) Units already charged		= 208+361+428    = <b>997 units</b>	
(C) Net units to be charged		= (A) – (B) = 2,190 – 997      = <b>1,193 units</b>	

7. From forgoing discussion, we have concluded that:

- i. The detection bill of Rs.181,168/- for 8,219 units for the period from 09.12.2017 to 07.06.2018 six (6) months charged by K-Electric to the Respondent is unjustified, hence the same should be cancelled.



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- ii. The Respondent may be charged the detection bill for net 1,193 units for the period April 2018 to June 2018.
  - iii. The billing account of the Respondent may be overhauled after making the adjustment of payments made against the above detection bill.
8. The impugned decision is modified in the above terms.

Abid Hussain  
Member/Advisor (CAD)

Nadir Ali Khoso  
Convener/Senior Advisor (CAD)

Dated: 22.04.2022