



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

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No. NEPRA/Appeal/067/2024/ 077

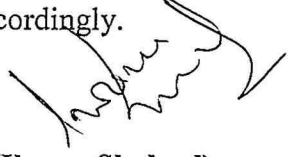
January 10, 2025

- |   |   |
|---|---|
| 1. Rizwan Chhapra,<br>S/o. Yaqoob Chhapra,<br>285 (PECHS) Pakistan Employees<br>Co-operative Housing Society,<br>Block-16/A, Gulistan-e-Jauhar,<br>Karachi<br>Cell No. 0321-2401021 | 2. Chief Executive Officer,<br>K-Electric Ltd,<br>KE House, 39-B, Sunset Boulevard,<br>DHA-II, Karachi  |
| 3. Aamir Shahzad Malik,<br>General Manager (Distribution Legal),<br>39-B, Sunset Boulevard,<br>DHA-II, Karachi  | 4. Asif Shajer,<br>Deputy General Manager,<br>K-Electric Ltd, KE House,<br>39-B, Sunset Boulevard,<br>DHA-II, Karachi   |
| 5. Tatheera Fatima,<br>Deputy General Manager,<br>Distribution Legal, K-Electric Ltd,<br>1 <sup>st</sup> Floor, Block F, Elander Complex,<br>Elander Road, Karachi                  | 6. POI/Electric Inspector,<br>Karachi Region-II, Government of Sindh,<br>Plot No. ST-2, Block-N, North Nazimabad,<br>Near Sarina Mobile Market,<br>Main Sakhi Hasan Chowrangi,<br>Karachi |

**Subject: Appeal No.067/2024 (K-Electric Vs. Rizwan Chhapra) Against the Decision Dated 04.06.2024 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 10.01.2025 (05 pages), regarding the subject matter, for information and necessary action accordingly.

**Encl: As Above**

  
**(Ikram Shakeel)**  
**Deputy Director**  
**Appellate Board**

Forwarded for information please.

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



# National Electric Power Regulatory Authority

## Before The Appellate Board

In the matter of

### Appeal No.067/POI-2024

K-Electric Limited

.....Appellant

Versus

Rizwan Chapra S/o. Yaqoob Chapra,  
R-285, Pakistan Employees Co-operative Housing Society  
(PECHS), Block 16/A, Gulistan-e-Jauhar, Karachi

.....Respondent

## APPEAL U/S 38(3) OF THE REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997

### For the Appellant:

Mr. Asif Shajer General Manager  
Ms. Tatheera Fatima External Legal Counsel  
Mr. Muhammad Salman DGM  
Mr. Muhammad Irshad Manager Legal  
Mr. Zeeshan Ahmed Manager  
Mr. Asif Ahmed Khan Deputy Manager

### For the Respondent:

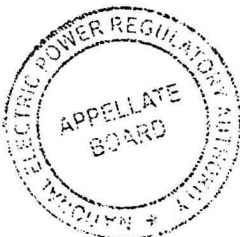
Mr. Rizwan Chhapra

## DECISION

1. Brief facts leading to the filing of instant appeal are that Mr. Rizwan Chhapra (hereinafter referred to as the "Respondent") is a domestic consumer of K-Electric Limited (hereinafter referred to as the "Appellant") bearing Ref No.0400037489687 (AM-231729) with a sanctioned load of 06 kW and the applicable Tariff category is A-1R. As per the site inspection report dated 10.11.2023, the Respondent was stealing electricity through tampering with meter, and the connected load was observed as 9.576 kW. Therefore, a detection bill of Rs.275,122/- for 5,557 units for six months for the period from 14.05.2023 to 17.11.2023 was charged to the Respondent on the basis of 23% load factor of the connected load.
2. Being aggrieved, the Respondent filed a complaint before the Provincial Office of Inspection, Karachi Region-II, Karachi (hereinafter referred to as the "POI") and challenged the above detection bill. The complaint was decided by the POI vide the decision dated 04.06.2024 wherein the detection bill of Rs.275,122/- for 5,557 units for

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Mr. Asif



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six months for the period from 14.05.2023 to 17.11.2023 was cancelled. As per the POI decision, the Appellant was directed to charge the revised detection bill for net 532 units.

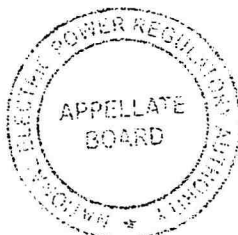
3. Subject appeal has been filed against the afore-referred decision dated 04.06.2024 of the POI (hereinafter referred to as the "impugned decision") by the Appellant before the NEPRA, wherein it is contended that the Respondent was stealing electricity directly through Tampering with meter and the connected load was noticed as 9.516 kW during the checking dated 10.11.2023, therefore a detection bill of Rs.275,122/- for 5,557 units for the period from 14.05.2023 to 17.11.2023 was charged to the Respondent on the basis of the connected load. The Appellant further contended that the above detection bill was served to the Respondent after the completion of codal formalities, however, the POI cancelled the same on the basis of consumption trend and did not consider the pictorial evidence of theft of electricity. The Appellant opposed the finding of the POI with regard to the prior notice and submitted that no notice is required to be served on consumers for conducting a raid in case of the theft of electricity. As per the Appellant, the determination of the POI based on consumption of the previous year is not based on merits as the drop in consumption confirms that the Respondent was stealing electricity through tampering with the meter. According to the Appellant, the consumption of the Respondent significantly increased in the month of June 2024, which confirms the involvement of the Respondent in illegal abstraction of electricity. The Appellant finally prayed for setting aside the impugned decision.

4. **Proceedings by the Appellate Board**

Upon filing of the instant appeal, a Notice dated 31.07.2024 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days. In response, the Respondent submitted his reply on 15.08.2024 wherein he denied the allegation of theft of electricity through tampering with the meter and contended that the TV and UPS load mentioned in the load sheet are not present in the premises and the site inspection report has no basis as the same was not signed by him. The Respondent further contended that the allegation of tampering with the meter had no force as the seals of the impugned meter were intact and the current coil was not burnt out. As per Respondent, neither inspection was carried out in his presence nor video was shared with him, as such allegation of theft is false. The Respondent finally prayed for upholding the impugned decision.

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### 5. Hearing

5.1. Hearing in the matter was fixed for 07.10.2024 at NEPRA Regional Office, Karachi, and accordingly, the notices dated 30.09.2024 were sent to the parties (i.e. the Appellant and the Respondent) to attend the hearing. As per schedule, the hearing was conducted at the NEPRA Regional Office Karachi which was attended by both parties. The representatives for the Appellant contended that the detection bill of Rs.275,122/- for 5,557 units for six months for the period from 14.05.2023 to 17.11.2023 was debited on the basis of connected load i.e. 9.516 kW on account of theft of electricity as evident from the video of the inspection dated 10.11.2023. The Appellant further contended that the impugned finding of the POI on consumption pattern is not correct and the same is liable to be reviewed at the appellate stage. The Appellant defended the charging of the impugned detection bill and prayed that the same be declared as justified and payable by the Respondent.

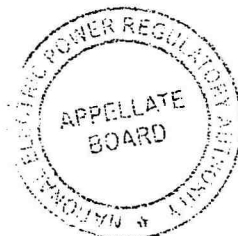
5.2. The Respondent appearing in person denied the allegation of theft of electricity leveled by the Appellant and averred that entire proceedings were carried out unilaterally and the Appellant failed to prove theft of electricity through material evidence. The Respondent supported the impugned decision and prayed for upholding the same.

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

6.1 In its appeal, the Appellant has claimed that M&T on 10.11.2023 detected that the impugned meter of the Respondent was intentionally tampered for dishonest abstraction of electricity. Thereafter, the Appellant debited a detection bill of Rs.275,122/- for 5,557 units for six months for the period from 14.05.2023 to 17.11.2023 to the Respondent, which was challenged by the Respondent before the POI.

6.3. Having found the above discrepancies, the Appellant was required to follow the procedure stipulated in Clause 9.2.2 of the CSM-2021 to confirm the illegal abstraction of electricity by the Respondent and thereafter charge the Respondent accordingly. However, in the instant case, the Appellant has not followed the procedure as stipulated under the ibid clause of the CSM-2021. From the submissions of the Appellant, it appears that the billing meter of the Respondent was checked and removed by the Appellant in the absence of the Respondent.

6.4. As per the judgment of the Supreme Court of Pakistan reported in PLD 2012 SC 371, the POI is the competent forum to check the metering equipment, wherein theft of electricity was committed through tampering with the meter and decide the fate of the disputed bill,





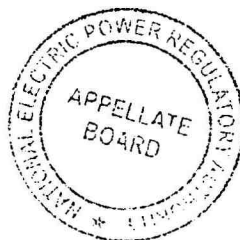
## National Electric Power Regulatory Authority

accordingly. However, in the instant case, the Appellant did not produce the impugned meter before the POI for verification of the allegation regarding tampering.

- 6.5. According to Clause 9.2.3c(i) of the CSM-2021, the Respondent being a general supply consumer i.e. A-I be charged the detection bill maximum for three months in the absence of approval of the CEO, however, the Appellant debited the detection bill for six months without soliciting approval from the CEO being competent authority. This shows gross negligence on the part of the Appellant.
- 6.6. Clause-6.1 of the CSM-2021 provides clear mechanism of meter reading and Clause-6.2 envisages the procedure of percentage checking to ensure the accuracy of meter reading. Recording of correct meter readings is the responsibility of the Appellant. Clause 6.1.4 of CSM-2021 provides that meter readers are responsible for checking irregularities/ discrepancies in the metering system at the time of reading meters and report the same in the reading book/discrepancy book or through any other appropriate method as per the practice. The concerned officer/official has to take corrective action to rectify these discrepancies, however, the officials of the Appellant failed to point out any such discrepancy or take appropriate action timely.
- 6.7. To further check the authenticity of the impugned detection bill, the consumption data of the Respondent is compared with the corresponding consumption of the preceding and succeeding years in the below table:

Period before dispute		Disputed period		Period after dispute	
Month	Units	Month	Units	Month	Units
May-22	899	May-23	649	May-24	580
Jun-22	716	Jun-23	696	Jun-24	1306
Jul-22	711	Jul-23	677	Jul-24	1688
Aug-22	744	Aug-23	714	Aug-24	1021
Sep-22	593	Sep-23	415	Sep-24	847
Oct-22	671	Oct-23	617	Oct-24	534
Average	722.3333	Average	628	Average	996
Detection bill @ 1,554 units/month					

The above table shows that the average consumption charged during the disputed period is much less than the average consumption of corresponding months of the preceding and succeeding years. This indicates that the actual consumption was not recorded by the impugned meter during the disputed period. However, the detection bill charged @ 1,554 units/month for the disputed period is much higher than the average consumption of corresponding months of the preceding and succeeding years. It is further observed that the detection bill was assessed based on connected load i.e.9.5 kW, which has neither been





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verified by the POI being competent forum nor the said load regularized by the Appellant to date as evident from the bill of October 2024.

- 6.8. In view of the foregoing discussion, we are of the considered view that the detection bill of Rs.275,122/- for 5,557 units for six months for the period from 14.05.2023 to 17.11.2023 is unjustified, and the same is cancelled.
- 6.9. According to Clause 9.2.3c(i) of the CSM-2021, the Respondent may be charged the detection bill maximum for three months i.e. August 2023 to October 2023 @ 25% load factor of the connected load i.e. 6 kW. Calculation in this regard is done below:

Period: August 2023 to October 2023

$$\begin{aligned} \text{A. Total units to be charged} &= \text{C/L (kW)} \times \text{LF} \times \text{No. of Hrs.} \times \text{No. of Months} \\ &= 06 \times 0.25 \times 730 \times 03 = 3,285 \text{ units} \end{aligned}$$

$$\text{B. Total units already charged} = 714 + 415 + 617 = 1,746 \text{ units}$$

$$\text{C. Net units to be charged} = \text{A} - \text{B} = 3,285 - 1,746 = 1,539 \text{ units}$$

- 6.10. In view of the above, the Respondent is liable to be charged the revised detection bill for net 1,539 units for three months as calculated in the above table. The impugned decision is liable to be modified to this extent.


7. In view of what has been stated above, it is concluded that:


7.1 The detection bill of Rs.275,122/- for 5,557 units for six months for the period from 14.05.2023 to 17.11.2023 charged to the Respondent is unjustified and the same is cancelled.


7.2 The Respondent may be charged the revised detection bill for net 1,539 units for three months i.e. August 2023 to October 2023 as per Clause 9.2.3c(ii) of the CSM-2021.

7.3 The billing account of the Respondent may be overhauled after making adjustments of units already charged/payments against the impugned detection bill.

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

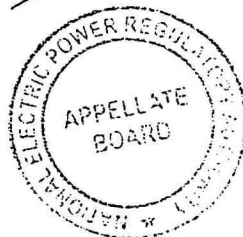
  
Abid Hussain  
Member/Advisor (CAD)

  
Naweed Illahi Sheikh  
Convener/DG (CAD)

  
Muhammad Irfan-ul-Haq  
Member/ALA (Lic.)

Dated: 10-01-2025

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