IN THE SUPREME COURT OF PAKISTAN

(Appellate Jurisdiction)

Present:

Mr. Justice Muhammad Ali Mazhar Mr. Justice Syed Hasan Azhar Rizvi

Civil Petitions No.3589, 3590 & 3602/2022.

(On appeal against the judgment dated 25.07.2022 passed by the Islamabad High Court in R.F.A.Nos.35, 89 & 143/2018)

Sui Northern Gas Pipelines Ltd (SNGPL), Islamabad (In all cases)

...Petitioner

<u>Versus</u>

M/s S.K. Pvt. Limited and others M/s GASCO 2000 CNG Station and others Waqas Amjad and another (In CP.3589/22) (In CP.3590/22) (In CP.3602/22) ...Respondents

For the Petitioner: Ch. Hafeez Ullah Yaqub, ASC

For the Respondents: N.R.

Date of Hearing: 29.10.2024

Judgment

<u>Muhammad Ali Mazhar, J.</u> These Civil Petitions for leave to appeal are directed against the consolidated Judgment dated 25.07.2022, passed by the Islamabad High Court in R.F.A. Nos. 35, 89 & 143/2018.

2. According to the sequence of events outlined in the aforesaid civil petitions, the respondents, as consumers, instituted suits for Declaration, Permanent & Mandatory Injunction, and recovery of undue excessive amounts in monthly gas bills against the petitioner (SNGPL) before the Judge, Gas Utility Court, Islamabad. They alleged that the bills issued to them from 2012-2014 were in sheer violation of the contract for the supply of gas. Although they paid the bills under protest, they filed the above-cited suits for recovery of overcharged/excessive amounts. The petitioner/defendant contested the suits and submitted written statements. However, the Trial Court

observed that an alternate remedy was available to the respondents and rejected the plaint under Order VII Rule 11 of the Code of Civil Procedure, 1908 ("CPC"), vide its judgment and decree dated 29.03.2018. The respondents preferred their First Appeal Against Order (FAO) before the Islamabad High Court, and vide the impugned judgment, the appeals were allowed, and the matter was remanded to the Gas Utility Court to decide the lawsuits on merits.

- 3. The learned counsel for the petitioner argued that, while passing the impugned judgment, the High Court did not bother to consider that the subject suits were neither competent nor maintainable before the Trial Court, which had no jurisdiction to adjudicate in the presence of an alternate remedy. It was further averred that the respondents should have approached the Oil & Gas Regulatory Authority (OGRA) under the OGRA Ordinance, 2002, read with the Complaint Resolution Procedure (for Natural Gas, LPG, CNG & Refined Oil Products) Regulations, 2003, where a mechanism for dispute resolution was provided. It was further contended that the High Court overlooked the well-justified findings of the Gas Utility Court, which had discussed the basic methodology, criteria, and scope of Section 6 of the Gas (Theft, Control & Recovery) Act, 2016 ("2016 Act"), after substantiating its real intent/object, provided in its preamble. Likewise, the learned Trial Court, while authoring its judgment, also referred to the relevant provisions of Section 6, 7 (iv), 8, 9, and 29 of the 2016 Act, wherein it was held that for all intents and purposes, the 2016 Act was enacted solely for the recovery of outstanding amounts from defaulters and the prosecution of offenders.
- 4. Heard the arguments. The Trial Court, while rejecting the plaint on its own motion, heavily relied on the preamble of the 2016 Act, which in fact accentuates the prosecution of cases of gas theft and related offences, as well as the expeditious recovery of amounts due, value of gas, fines, penalties, and other outstanding amounts payable and sums due to Gas Utility Companies and for matters ancillary and related thereto. According to Section 3 of the 2016 Act, the Federal Minister-in-Charge, Law and Justice Division, in consultation with the Chief Justice of the concerned High Court, may establish Gas Utility Courts in a district for the purposes of the aforesaid Act and appoint a

Judge for each of such Courts from amongst the District and Sessions Judges in that district. Whereas, by virtue of Section 4 of the 2016 Act, the Gas Utility Court has exclusive jurisdiction with respect to all matters covered by this Act and the Court having jurisdiction under this Act shall be a Gas Utility Court having jurisdiction in the place in which the Gas Utility Company, consumer, gas producer or offender, as the case may be, is situated. While the gist of Section 5 of the 2016 Act confers upon the Gas Utility Court all the powers vested in a Civil Court under the CPC in the exercise of its civil jurisdiction, and all the powers vested in a Court of Sessions under the Code of Criminal Procedure, 1898 ("Cr.P.C."), while exercising its jurisdiction for trying offences punishable under this Act, with the rider that the Gas Utility Court shall not take cognizance of any offence punishable under this Act except upon a complaint made in writing by a person authorized in this behalf by a Gas Utility Company in respect of which the offence was committed. All proceedings before a Gas Utility Court are deemed to be judicial proceedings within the meaning of Sections 193 and 228 of the Pakistan Penal Code, 1860, and a Gas Utility Court shall be deemed to be a Court for the purposes of the Cr.P.C. An overriding clause is also provided in the same Section, that no court or authority shall have or exercise any jurisdiction with respect to any matter to which the jurisdiction of a Gas Utility Court extends under this Act. At the same time, it is significant to note that while the right of a Gas Utility Company and a gas consumer to seek any remedy before any other court, tribunal, or forum, including official liquidator or receiver that may otherwise be available to it under the law, is not affected, the Section also provides for the immediate transfer of cases to a Gas Utility Court of any proceeding pending before any such court, before the coming into force of this Act, and all proceedings pending in any other court, including suits for recovery, shall stand transferred to, or be deemed to be transferred to, and heard and disposed of by the Gas Utility Court having jurisdiction under this Act, upon the transfer of proceedings. It is further provided that in respect of proceedings transferred to a Gas Utility Court, the Gas Utility Court shall proceed from the stage which the proceedings had reached immediately prior to the transfer and shall not recall and rehear any witness and may act

on the evidence already recorded or produced before the court from which the proceedings were transferred.

- 5. At this juncture, Section 6 of the 2016 Act is quite relevant, which is reproduced as under:-
 - "6. Procedure for complaints and suits for default before Gas Utility Courts.—(1) Where a person is involved in an offence under this Act or where there are sums due or recoverable from any person, or where a consumer has a dispute regarding billing or metering against a Gas Utility Company, a consumer or Gas Utility Company, as the case may be, may file a complaint or suit, as the case may be, before a Gas Utility Court as prescribed by the Code of Civil Procedure, 1908 (Act V of 1908) or the Code of Criminal Procedure, 1898 (Act V of 1898). [Emphasis supplied].
 - (2) The plaint shall be supported by a gas sales agreement or gas bill or such other documentation that evidences such contract or obligation. Copies of the plaint, statement of dues and other relevant documents shall be filed with the Gas Utility Court in sufficient numbers so that there is one set of copies for each defendant and one extra copy.
 - (3) The plaint, in the case of a suit for recovery instituted by a Gas Utility Company, shall specifically state.—
 - (a) the quantity of gas consumed or extracted by the defendant from the Gas Utility Company;
 - (b) the amounts, if any, paid by the defendant to the Gas Utility Company and the dates of payment; and
 - (c) the total dues relating to the supply, consumption or extraction of gas and all other dues by the defendant to the Gas Utility Company up to the date of institution of the suit.
 - (4) On a plaint being presented to the Gas Utility Court, a summons in Form No.4 in Appendix 'B' to the Code of Civil Procedure, 1908 (Act V of 1908) or in such other form as may, from time to time, be prescribed by rules, shall be served on the defendant through the bailiff or process server of the Gas Utility Court, by registered post acknowledgement due, by courier and by publication in one English language and one Urdu language daily newspaper, and service of summons duly effected in any one of the aforesaid modes shall be deemed to be valid service for purposes of this Act. In the case of service of the summons through the bailiff or process server, a copy of the plaint shall be attached therewith and in all other cases the defendant shall be entitled to obtain a copy of the plaint from the office of the Gas Utility Court without making a written application but against due acknowledgement. The Gas Utility Court shall ensure that the publication of summons takes place in newspapers with a wide circulation within its territorial limits".
- 6. It is clear beyond any shadow of doubt that Section 6 of the 2016 Act provides both Gas Utility Companies and consumers with an

equitable and expeditious remedy for filing a complaint or suit, as the case may be, for resolving disputes regarding billing or metering. A statute or its provisions must be construed effectively and operatively, as per the maxim "ut res magis valeat quam pereat". The Trial Court, while non-suiting the respondents, primarily focused on the preamble of the 2016 Act. However, the learned High Court, after a comprehensive discussion, rightly held that issues of overbilling, including overcharging of Gas Calorific Value (GCV), penalties, and estimated bills due to meter stoppage, fall within the scope of Section 6 of the 2016 Act. Therefore, the lawsuit was within the exclusive jurisdiction of the Gas Utility Court.

7. No doubt, a preamble can play both constructive and contextual roles in statutory interpretation. If the scope of the preamble is narrower than that of a substantive section, the statutory provision in such an enactment cannot be restricted inconsiderately merely because the preamble of the statute is narrower. A straightforward and uncomplicated provision in any law cannot be controlled, restrained, or limited by a narrow preamble. Equally, a wide-ranging preamble cannot be deemed to have automatically enlarged the scope of any law. In interpreting any statute, the Court must adopt a holistic approach. However, there are two vivid rules of interpretation: first, the preamble of any law may articulate the purpose the legislature intended to achieve; and second, if the enactment and its provisions are welldefined and unequivocal, the preamble cannot be relied upon solely to expurgate or override the express provisions of the law without considering its pith and substance. The Trial Court's judgment is beyond comprehension in holding that only the Gas Utility Company may file a suit before the Gas Utility Court while requiring the consumer to seek recourse under the provisions of the Oil & Gas Regulatory Authority (OGRA) Ordinance, 2002, read with the Complaint Resolution Procedure (for Natural Gas, LPG, CNG & Refined Oil Products) Regulations, 2003. This position disregards the clear overriding effect under Section 31 of the 2016 Act, which states that the provisions of this Act shall have effect notwithstanding anything to the contrary contained in any other law for the time being in force. In our view, a remedy provided through recourse to a court of law cannot be suppressed or supplanted by an inbuilt dispute resolution

mechanism, especially when the law expressly permits the consumer to lodge grievances before the Gas Utility Court. This court is specifically constituted to settle disputes and complaints brought by the Gas Utility Company and the consumer, *vice versa*. The rule of purposive interpretation emphasizes that even if an alternate remedy for dispute resolution is provided under the OGRA Ordinance, 2002, the consumer cannot be compelled to first avail the remedy under the Complaint Resolution Procedure. This is because Section 6 of the 2016 Act neither imposes such an embargo nor debars the consumer from directly invoking the jurisdiction of the Gas Utility Court. On the contrary, a visible inference can be drawn that the consumer has the choice of which remedy to opt for in resolving billing or metering disputes. Therefore, the consumer cannot be nonsuited by the Gas Utility Court on this basis.

- 8. In accordance with Section 9 of the CPC, courts have jurisdiction to try all suits of a civil nature except for those whose cognizance is either expressly or impliedly barred. The well-settled rule of statutory interpretation is that where a special law is enacted, it overrides general law. The provisions of the special law exclude the application of general law, subject to the context in which the special law has been enacted to deal with specific issues. Where a special law establishes a proper mechanism and procedure to challenge certain actions, recourse to general law through collateral proceedings may not be permissible. The Latin maxim "generalia specialibus non derogant" means "things general do not derogate from things special". This is a routine tenet of statutory interpretation, emphasizing that where there is a conflict between general and special law, the special law prevails. Similarly, the Latin maxims "ejusdem generis" and "expressio unius est exclusio alterius" exemplify that when two rules or laws exist, one general and one specific, the specific rule takes precedence over the general rule.
- 9. At the heart of the various rules of interpretation, the most important rule is to remain faithful to the intent of the lawmaker and adopt an interpretation which supports the attainment of the statute's objective. With this approach, whenever two interpretations are plausible or achievable, the Court ought to prefer the interpretation

that expands the remedy and represses the mischief. The Court should also avoid and eschew interpretations that render the statute or its provisions ineffective without good reason and, instead, the Court should sustain the elementary objective of the statute. The renowned principle of statutory interpretation reverberates that if the words are clear and free from vagueness or uncertainty, then obviously, there shall be no need to turn to other mediums of interpretation, but if the words are vague or ambiguous, then certainly the Court may rely on internal support for accurate interpretation. The Court may also put into operation the interpretative tools/paraphernalia and may set the situation right by adding, omitting, or substituting the words in the statute to harmonize its intent and purpose and, according to the exigencies, may even apply the doctrine of reading down. However, in doing so, the statute should be examined as a whole, with proper strength of mind, to understand its veritable spirit and intention and to ensure whether anything that is unclear or uncertain in one section has been taken due care of and explained in another part of the same section or another section, and perhaps a conjoined reading of both such parts/sections dispel the ambiguity or the need of reading down. Any departure from the literal rule and adoption of such a form of interpretation which gives rise to structural changes or substitutes words in a well-defined statutory provision should be avoided. Such changes could jeopardize the legislative intent and disrupt the statute's balance and substratum. It might even make the whole statute or its provisions unworkable. The rudimentary object of statutory construction is to uncover the will of the legislature, using the language of the statute, and adopt a pathway that is reasonable and sensible.

10. According to *Salmond on Jurisprudence* (12th ed.), by P. J. Fitzgerald, M.A., at page 132, interpretation or construction is the process by which the courts seek to ascertain the meaning or intention of the legislature through the medium of the authoritative forms in which it is expressed. The rule of purposive interpretation of statutes originated in the 16th Century with the decision in the celebrated Heydon's Case [(1584) 76 ER 637] which laid down the keystone of the purposive rule of interpretation, that is, if the literal interpretation of any provision of law is not acceptable or leads to absurdity, then

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such provision may be interpreted in line with the object and purpose which the legislature had in mind while enacting the law. According to Maxwell on the Interpretation of Statutes (12th ed.), at page 228, where the language of a statute, in its ordinary meaning and grammatical construction, leads to a manifest contradiction of the apparent purpose of the enactment, or to some inconvenience or absurdity, hardship or injustice, which can hardly have been intended, a construction may be put upon it which modifies the meaning of the words, and even the structure of the sentence. This may be done by departing from the rules of grammar, by giving an unusual meaning to particular words, or by rejecting them altogether, on the ground that the legislature could not possibly have intended what its words signify, and that the modifications made are mere corrections of careless language and really give the true meaning. While Bennion on Statutory Interpretation (4th, ed.), at page 810, describes a purposive construction of an enactment as one that gives effect to the legislative purpose by: (a) following the literal meaning of the enactment where that meaning is in accordance with the legislative purpose, or (b) applying a strained meaning where the literal meaning is not in accordance with the legislative purpose.

11. In the wake of the above discussion, we do not find any justification to cause any interference in the well-reasoned judgment rendered by the learned Judge of the Islamabad High Court. The Civil Petitions are dismissed and leave is refused.

Judge

Judge

<u>Islamabad</u> 29th October, 2024 Khalid Approved for reporting