Form No: HCJD/C-121

JUDGEMENT SHEET
IN THE ISLAMABAD HIGH COURT, ISLAMABAD
JUDICIAL DEPARTMENT

F.A.O. No.165 of 2019

Sui Northern Gas Pipelines Ltd.
VERSUS
M/s Rasheed Filling Station and another

APPELLANT BY:	Mr. Tauqeer Ahmed, Advocate
RESPONDENTS BY:	Mr. Arif Qayyum Butt, Advocate
DATE OF HEARING:	05.10.2026

AYYAZ SHAUKAT, J:- Through this appeal preferred under section 13 of the Gas (Theft Control and Recovery) Act, 2016 (the **"Act")**, the appellant has impugned the order dated 02.07.2019 passed by the learned Additional District Judge/Gas Utility Court, Islamabad (West) (the **"Gas Utility Court"**). By the said order, the plaint in the appellant's suit for recovery of Rs.21,117,178/- was returned under Order VII Rule 10 of the Code of Civil Procedure, 1908 (the **"CPC"**) for presentation to the Gas Utility Court at Rawalpindi.

2. The brief facts of the case are that the appellant, Sui Northern Gas Pipelines Limited ("SNGPL"), is a Gas Utility Company within the meaning of section 2 of the Act. Respondent No.1 is a CNG filling station located opposite THQ Hospital, Kahuta, District Rawalpindi. Respondent No.2 is stated to be working thereat. Upon the application of respondent No.1, an offer for supply of gas was made by letter dated 03.03.2004. The supply was commissioned at the filling station on 26.01.2005 under consumer No.51449030009. SNGPL alleges that the respondents committed default in payment of the bills, that the supply was disconnected on 01.04.2015, and that Rs.21,117,178/- remained outstanding. A final notice dated 29.05.2017 was issued demanding payment thereof. In 2017, SNGPL instituted a suit for recovery of the said amount before the Gas Utility Court. It is averred in the plaint that the procedure for acquisition of gas supply was carried out at Islamabad, that the contract for supply of gas was executed at Islamabad, and that the cause of action also accrued there. The respondents moved an application under Order VII Rule 11 CPC. They pleaded, *inter alia*, that the filling station is situated in District Rawalpindi and that the Court at Islamabad has no territorial jurisdiction. The Gas Utility Court took up this objection as a preliminary issue. It held that the matter is governed by section 4(2) of the Act and not by section 20 CPC, and that the place where the contract was executed or the bills were issued is of no relevance under section 4(2). It

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accordingly returned the plaint for presentation to the Gas Utility Court at Rawalpindi, where the gas was supplied and the consumer is situated.

3. Learned counsel for the appellant contends that the contract for supply of gas was executed at Islamabad; that the monthly bills, the billing history, the final notice dated 29.05.2017 and all correspondence were issued from the appellant's office in Sector I-9, Islamabad; and that the appellant is, for all practical purposes, situated at Islamabad within the meaning of section 4(2) of the Act. It is argued that the appellant has no office in District Rawalpindi capable of supplying gas, issuing bills or carrying on its business, and that a site office or a complaint office cannot be equated with the Gas Utility Company. It is further submitted that the Gas Utility Court has misconstrued section 4 of the Act and section 20 CPC, and has erroneously applied the principle of forum of convenience. Lastly, it is urged that a substantial amount of public money is involved and the suit ought to have been decided on merits.

4. Conversely, learned counsel for the respondents defends the impugned order. He contends that the filling station is located at Kahuta, District Rawalpindi; that the gas was supplied and consumed there; and that the respondents are also situated there. According to him, the Gas Utility Court at Islamabad had no territorial jurisdiction and the plaint was rightly returned.

5. The learned counsel for the parties have been heard and the record has been perused with their assistance.

6. The sole question requiring determination in this appeal is which Gas Utility Court has territorial jurisdiction to entertain a suit filed by a Gas Utility Company for recovery of dues from a consumer. The answer lies in the Act itself.

7. The Act is a special law. Section 3 provides for the establishment of Gas Utility Courts by the Federal Government. Section 4 confers exclusive jurisdiction on them. Section 31 gives the Act overriding effect over any other law for the time being in force. Having noticed these provisions, the Hon'ble Supreme Court in *Oil and Gas Regulatory Authority through Chairperson and others v. Sui Southern Gas Company Limited through Chairperson and others (2023 SCMR 908)* observed:

> ***"Therefore, the 2016 Act vests exclusive jurisdiction with the Gas Utility Court to resolve all matters defined in section 2, enumerated in sections 14 to 19 as it has an overriding effect over all laws."***

8. The CPC, on the other hand, is a general law. It prescribes the procedure for civil suits in all courts of civil jurisdiction. It makes no claim to displace a special law. Section 4(1) of the CPC itself provides:

> ***"(1) In the absence of any specific provision to the contrary, nothing in this Code shall be deemed to limit or otherwise affect any special or local law now in force or any***

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> ***special jurisdiction or power conferred, or any special form of procedure prescribed, by or under any other law for the time being in force."***

This reflects a settled rule of interpretation, embodied in the maxim *generalia specialibus non derogant*. General provisions do not derogate from special ones. Where the legislature makes a special law for a particular class of cases, that law governs those cases. The general law operates only to fill the lacunae which the special law leaves open. If the two conflict, the special law prevails. The rule holds good even where the general law contains a non-obstante clause of its own. Explaining its earlier decision in *Muhammad Mohsin Ghuman v. Government of Punjab (2013 SCMR 85)*, the Hon'ble Supreme Court in *Federal Government Employees Housing Foundation, Islamabad and others v. Malik Ghulam Mustafa and others (2021 SCMR 201)* observed:

> ***"The Court opined that the special statute overtakes the general law even if the general law contained a non-obstante clause."***

The present case is stronger still. The CPC contains no non-obstante clause, whereas the Act does. Section 31 gives it overriding effect. Section 5(1) confers the powers of a civil court on a Gas Utility Court only "Subject to the provisions of this Act". The CPC, therefore, comes into play only where the Act is silent.

9. Section 5(3) of the Act so provides in express terms. It requires a Gas Utility Court to follow the procedure laid down in the CPC only "in all matters with respect to which the procedure has not been provided for in this Act". The question of the place of suing stands expressly provided for in the Act. Section 4 reads:

> ***"4. Exclusive jurisdiction of Gas Utility Court.- (1) A Gas Utility Court shall have exclusive jurisdiction with respect to all matters covered by this Act. (2) 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."***

Sub-section (2) is a specific provision regulating territorial jurisdiction. Section 20 CPC is the general rule on the place of suing. Section 4(2) of the Act is the special rule for cases under the Act. The special provision, therefore, governs the determination of territorial jurisdiction in matters falling within the Act, and the general provisions of section 20 CPC cannot be invoked to confer jurisdiction independently of section 4(2).

10. Section 4(2) enumerates four persons, namely the Gas Utility Company, the consumer, the gas producer and the offender. It makes the place where the relevant person "is situated" the basis of jurisdiction. It is silent as to the place where the cause of action arises. Section 20 CPC stands on a different footing. Clause (c) of that section permits a suit to be instituted where the cause of action wholly or in part arises. The legislature did not incorporate that clause into section 4(2) of the Act, and this Court cannot read it in. All the facts on which the appellant relies, namely the execution of the contract, the issuance of bills, the final notice and the correspondence, relate to the cause of action. They might

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have been relevant under section 20(c) CPC. They have no bearing under section 4(2) of the Act. The Gas Utility Court was correct in so holding.

11. The next question is which of the four persons is relevant in a given case. The words "as the case may be" furnish the answer to it. They show that the four places are not open alternatives at the choice of the plaintiff. The relevant person is to be identified from the nature of the case. Section 6(1) of the Act is instructive in this regard. It reads:

> ***"(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)."***

Proceedings under the Act are thus of different kinds. A Gas Utility Company may file a complaint against an offender. It may sue a consumer for recovery of dues. A consumer may sue a Gas Utility Company in respect of a billing or metering dispute. Section 4(2) correlates each kind of case with a place. In a complaint, it is the place where the offender is situated. In a suit by a consumer against the company, the consumer may approach the Court of the place where the company is situated. In a suit by the company for recovery of dues, the case is about the consumer. It pertains to the consumer's premises, its connection, its meter, its consumption and its default. The consumer is the defendant. The relevant place, therefore, is where the consumer is situated. This approach accords with the view of the Hon'ble Supreme Court in *Sui Northern Gas Pipelines Limited v. M/s S.K. (Pvt.) Limited and others (2025 SCMR 570)* that section 6 of the Act furnishes both the Gas Utility Company and the consumer with an equitable and expeditious remedy, by way of complaint or suit as the case may be, before the Gas Utility Court, which alone has exclusive jurisdiction in the matter.

12. This reading is consonant with the fundamental concept of territorial jurisdiction. In *Province of Punjab through Secretary to Government of Punjab, Communication and Works Department, Lahore v. Messrs Muhammad Tufail and Company through Muhammad Tufail (deceased) through Legal Heirs (PLD 2017 SC 53),* the Hon'ble Supreme Court explained:

> ***"The concept of jurisdiction has its genesis in the physical power of a Court to issue process to persons within the reach of the Court. Shorn of all extraneous 'frills', this is the essence of jurisdiction. A Court is to decide matters when persons relating thereto are within its reach."***

A suit for recovery of money is a personal action against the defendant. It is only natural that it should be brought where the defendant can be reached. The scheme of the Act points in the same direction. Section 6(4) provides for a summary mode of service of summons, including publication in newspapers. It then directs that "The Gas Utility Court shall ensure that the publication of summons takes place in newspapers with a wide circulation within

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its territorial limits." The provision assumes that the defendant will be found within the territorial limits of the Court which issues the summons. Section 7 then requires the defendant to apply for leave to defend within a limited time, failing which the claim may be decreed. A consumer cannot in fairness be compelled to do so before a Court of a place where he is not situated.

13. Learned counsel for the appellant submits that the appellant itself is situated at Islamabad. The argument does not advance his case. SNGPL is a company having a network spread across its franchise area. Its general power of attorney placed on record recites that its registered office is at Gas House, 21-Kashmir Road, Lahore. It works through regional and subordinate offices. If the word "situated" refers to the registered office, the Court at Islamabad has no jurisdiction on that basis either. If it refers to every place where the company carries on its business, then SNGPL carries on business at Kahuta no less than at Islamabad. It commissioned the supply at the filling station, installed its meter there and later replaced it, supplied gas there and disconnected the supply there. The documents annexed to the plaint bear this out. On either view, the appellant cannot contend that it is situated at Islamabad alone for the purposes of this case.

14. What the appellant essentially relies upon is that the Kahuta connection is handled by its regional office at Islamabad, which issues the bills and notices. That is a matter of internal administrative arrangement of the company. The company may change it at any time by its own administrative decision. Such an arrangement cannot determine which Court has jurisdiction. The Lahore High Court repelled a similar argument, advanced by SNGPL itself, in *Bahoo Dying Industries (Private) Limited v. Sui Northern Gas Pipelines Limited and others (PLD 2021 Lahore 186)*. There, SNGPL contended that, as the bills were issued from its Sheikhupura zone, only the Gas Utility Court at Sheikhupura could hear a suit by a consumer situated at Lahore. Referring to SNGPL's notification establishing that zone, the Court held:

> ***"The said notification was neither meant nor issued for the purpose of deciding the territorial jurisdiction of the Courts but it was issued for internal management affairs of the Respondent Company and for the billing purposes only. The jurisdiction of the Court is decided through an enactment as per Sections 3 and 4 of the Gas Theft Act and the same cannot be bestowed or taken away by departmental notification issued for the purposes of internal working arrangement."***

The Court then found, from the consumer's address on the tariff bill and other official documents, that the consumer was situated at Lahore, and held that the Gas Utility Court at Lahore had jurisdiction under section 4(2) of the Act. The same reasoning applies here. SNGPL cannot found jurisdiction at Islamabad on the location of the office from which it elects to bill a consumer at Kahuta.

15. In Bahoo Dying Industries (supra), it was also observed that *"a Court within whose jurisdiction any one of the four elements exist, has jurisdiction to deal with the matter".*

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With respect, the observation must be read in the light of the facts of that case. The suit there was instituted by the consumer. The consumer's premises, the gas meter and the cause of action were all in Lahore. Every factor pointed to one and the same place. The Court was not called upon to determine whether a Gas Utility Company could sue a consumer at a place where the consumer is not situated. The observation does not, therefore, support the view that a Gas Utility Company may sue a consumer in any district where it has an office. Such a view would allow the company to select the forum at will across its whole franchise area. It would also render the words "as the case may be" redundant.

16. The respondents' filling station is located at Kahuta, District Rawalpindi. The gas was supplied and consumed there, and the default is alleged there. The consumer is, therefore, situated at Kahuta, outside the Islamabad Capital Territory. The Gas Utility Court at Islamabad (West) had no territorial jurisdiction to entertain the suit. The learned Gas Utility Court also made reference to the forum of convenience, and the appellant takes exception thereto. It suffices to observe that jurisdiction in this case flows from section 4(2) of the Act and not from convenience. The conclusion of the Gas Utility Court is correct. The magnitude of the claim is immaterial. As noted in Bahoo Dying Industries (supra), *"jurisdiction is always conferred upon the Courts by a law and it cannot be decided by the parties inter se."*

7. The respondents had sought rejection of the plaint under Order VII Rule 11 CPC. The Gas Utility Court did not reject it. It returned it under Rule 10, which was the correct course. The two rules serve different ends. Rule 11 empowers a Court to reject a plaint on the grounds listed in it, such as where the plaint does not disclose a cause of action or where the suit appears from the statement in the plaint to be barred by law. An order of rejection amounts to a decision on the plaint itself. Where the Court finds that it lacks territorial jurisdiction to entertain the suit, the appropriate course, ordinarily, is to return the plaint under Order VII Rule 10 CPC for presentation before the competent Court, rather than to adjudicate upon the merits of the claim. The respondents' objection in the present case concerned the territorial competence of the Gas Utility Court and did not, on that ground alone, warrant rejection of the plaint under Order VII Rule 11 CPC. Lack of territorial jurisdiction is, in any case, not one of the grounds in Rule 11. Rule 10 deals with exactly this situation. It provides that the plaint "shall at any stage of the suit be returned to be presented to the Court in which the suit should have been instituted." Whether a Court possesses territorial jurisdiction is to be determined by reference to the contents of the plaint and the subject-matter of the dispute (see *Haji Abdul Malik v. Muhammad Anwar Khan (2003 SCMR 990)*), and where such jurisdiction is found wanting, the proper course is to return the plaint under Rule 10 for presentation to the competent Court. In Bahoo Dying Industries (supra), the Lahore High Court held as follows:

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> ***"If the Court reaches upon the conclusion that it does not have the jurisdiction to decide the lis before it, the Court should return the plaint under Order VII, Rule 10, C.P.C. because decision will have a binding force only when the same is passed by a Court of competent jurisdiction."***

The High Court of Sindh took the same view in *Sui Southern Gas Company Ltd. v. Data CNG Filling Station, Larkana (2021 MLD 568),* which also arose from a suit for recovery of gas charges. It held that a Court lacking jurisdiction could only return the plaint under Rule 10, and could not reject it as barred by law. The other pleas of the respondents, such as the denial of any default and the effect of the earlier proceedings before OGRA, go to the merits of the claim. They are for the Court of competent jurisdiction to decide. The Gas Utility Court rightly left them alone and returned the plaint.

18. For the foregoing reasons, the instant appeal is found to be without merit and is accordingly **dismissed.** The impugned order dated 02.07.2019, whereby the plaint was returned for presentation before the competent Gas Utility Court at Rawalpindi, is maintained. There shall be no order as to costs.

(AYYAZ SHAUKAT)
JUDGE

Announced in open Court on 19.10.2026.

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Approved for reporting.

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