### IN THE HIGH COURT OF SINDH, CIRCUIT COURT HYDERABAD

#### Constitution Petition No. D-1754 of 2014

Muhammad Akram v. The Additional Chief Secretary & Others

#### AND

## <u>Constitution Petition No. D–203 of 2023</u> Mir Muhammad v. Additional Chief Secretary & Others

# Present: Arshad Hussain Khan & Sana Akram Minhas JJ

| Petitioner(s):                 | Muhammad Akram (in CP 1754/2014) &<br>Mir Muhammad (in CP 203/2023)<br>Through Mr. Muhammad Aslam Bhatti<br>Advocate  |
|--------------------------------|---|
| Official Respondents:          | Through Mr. Allah Bachayo Soomro, Addl. AG, Mr.<br>Rafiq Ahmed Dahri, Asstt. AG along<br>with Ghulam Sarwar Bhanbhro (Assistant<br>Commissioner, Tando Ghulam Hyder), Zameeruddin,<br>(Executive Engineer, Drainage Division Badin) &<br>Ishtiaq Ahmed (Assistant Engineer Tando<br>Muhammad Khan Sub-Division) |
| Date of Hearing / Short Order: | 3-10-2024   |
| Date of Reasons:               | 21-10-2024  |

# <u>ORDER</u>

 Sana Akram Minhas, J: The Petitioners in both the Petitions are claiming recovery of an alleged unpaid amount of compensation with interest, dating back to 15.9.1975 up to the present date, purportedly under the provisions of the Land Acquisition Act, 1894 ("1894 Act"). Through a short order on 3.10.2024, we had dismissed both the Petitions with costs in the following terms:

#### <u>3-10-2024</u>

We have heard learned Counsel for the parties. For the reasons to be recorded later, both these Petitions are dismissed with costs as follows:

- i) <u>CP No. D–1754 of 2014 & CP No. D–203 of 2023</u>: The Petitioners are ordered to deposit the costs of Rs.2,000,000/- (Rupees Two Million) each;
- ii) <u>CP No. D-1754 of 2014</u>: The Petitioner shall return/redeposit the sum of Rs.3,743,181/- (Rupees Three Million Seven Hundred Forty-Three Thousand One Hundred Eighty-One), which was received as alleged compensation (by cheque dated 20.10.2022), as recorded in this Court's order dated 20.10.2022;
- iii) The Petitioners of both the Petitions are directed to deposit their respective aforesaid amounts with the

Additional Registrar of this Court within thirty (30) days from today;

 iv) In case any Petitioner fails to deposit their respective aforesaid amounts within the stipulated period, the office shall immediately fix the matters in Court for further orders.

## <u>Underlying Facts</u>

# Two Awards Dated 13.2.2012 By Nameless Land Acquisition Officers:

- 2. The two individual Petitioners, through separate Petitions, seek recovery of allegedly unpaid compensation, along with interest and solatium, awarded under the provisions of the 1894 Act. Their claims date back to the purported land acquisition date of 15.9.1975, as claimed in the Petitions a date that notably differs from the one referenced in one of the alleged Awards.
- 3. The first petition, CP No.D-1754/2014 ("CP 1754"), was filed on 15.9.2014 almost <u>39 years</u> after the alleged acquisition (on 15.9.1975). The second petition, CP No.D-203/2023 ("CP 203"), was instituted on 11.2.2023 more than <u>47 years</u> after the same alleged event. Oddly, the alleged Awards in both Petitions are issued by unidentified, unnamed Land Acquisition Officers ("LAO").

## Amounts Awarded & Amounts Claimed:

- 4. The amounts awarded and the amounts being claimed by the respective Petitioners are as follows:
  - i) <u>In CP 1754</u>: A compensation of Rs.3,743,181/- (inclusive of solatium, additional compensation under Section 28-A and interest under Section 34 of 1894 Act) was awarded through the alleged Award. Even though the Petitioner received the entire aforesaid amount vide the High Court's order dated 20.10.2022, the Petitioner thereafter started claiming a further massive sum of Rs.15,822,705.70 allegedly as up-to-date compensation, solatium and interest (as reflected from the Statement dated 27.2.2024 of the Petitioner's Advocate).
  - ii) <u>In CP 203</u>: A compensation of Rs.2,996,450/- (inclusive of solatium, additional compensation under Section 28-A and interest under Section 34 of 1894 Act) was awarded through the purported Award. No amount has been released in this case to-date.

# Respondents Offer No Denial To Petitioners' Claims

5. Remarkably, following the alleged acquisition of their respective lands, both the Petitioners remained silent for nearly half a century. Equally remarkable is the fact that neither made any effort to contact or correspond in writing with the

official Respondents for the settlement of their purported outstanding compensations. Their claims only surfaced for the first time upon the filing of their respective Petitions.

- 6. Alarmingly, following the filing of the Petitions, not a single official Respondent raised any specific objection against the Petitioners' claims. Instead they wrote letters for release of funds for onward payment to the Petitioners, thereby in effect conceding to the Petitioners' claims as demonstrated in CP 1074 from the reply of Respondents No.4 & 5 filed with AAG's Statement dated 7.2.2017; reply of Respondent No.1 dated 11.12.2019 (signed by one Shahab Qamar Ansari) filed with Statements dated 31.1.2020 and 26.4.2021 and Statement of Respondents No.4 & 5 dated 28.9.2022.
- 7. The Petitioner of CP 1754 exploited the Respondents' admission to mislead this Court, using it as a means to obtain a significant sum of money for his unjust enrichment (as detailed in paragraphs 12 to 14 below).

# <u>Court's Specific Objections Regarding Laches & The Requirement To</u> <u>Approach The Competent Forum Of Assistant Commissioner / LAO</u>

- 8. There are not one, but two separate orders of this Court, dated 13.11.2014 and 18.12.2017, raising concerns about the maintainability of CP 1754 due to laches, yet these issues remained unresolved to date.
- 9. The aforesaid two orders pertaining to laches were then followed by another significant order of 21.10.2020. In this order, a Division Bench of this Court observed that any objections or claims by the Petitioner for additional compensation, solatium etc, could only be entertained by the Assistant Commissioner, who was the LAO, and not through a direct petition before this Court especially years after the LAO's order. The Petitioners' Counsel sought time to confer with the Petitioner. The precise order is as follows:

### <u>21-10-2020</u>

The Assistant Commissioner / Land Acquisition Officer has decided the controversy on 24.09.2010 whereby the market price of land in question was decided. The only question, per learned counsel for the petitioner was solatium which in terms of provisions of Land Acquisition Act were not added. Such objections could only be entertained at the level of Assistant Commissioner who was the Land Acquisition Officer who perhaps may under the law referred it to the District Judge as a Reference for determination of fair price and / or interest solatium as deem fit and proper, however, that process has not been adopted and a direct petition is filed after almost four years of the order of the Land Acquisition Officer. He could have approach by filing objections before the Land Acquisition Officer which he has failed. He now seeks time to consult his client as to whether he should approach the appropriate forum for redressal of his grievance or otherwise. Adjourned to a date after two weeks.

[Emphasis Added]

 Similarly, in CP 203 on the very first hearing this Court through its order dated 15.2.2023 put Counsel on notice to address the office objection regarding laches.

# Inadequate Assistance Resulting In Court's Previous Objections Being Overlooked

- 11. The Petitioners' Advocate Mr. Muhammad Aslam Bhatti had a duty to inform the Court about the two previous orders concerning the maintainability of the Petition on the grounds of laches, as well as the aforementioned order dated 21.10.2020 regarding the need to approach the appropriate forum. However, he failed to fulfil this obligation. Similarly, the Government Counsel also overlooked this responsibility.
- 12. In subsequent hearings, the Petitioners' Counsel capitalized on recurrent changes in the Circuit Court bench composition, emphasizing only upon the official Respondents' admission of the Petitioners' claim. As a result of this lack of proper assistance, the Court on 21-4-2021 issued the following order:

### <u>21-4-2021</u>

Counsel for the petitioner submits that despite having admitted the petitioner's claim by respondent No.6 who is the Land Acquisition Officer / Assistant Commissioner to the tune of Rs. 37,43,181/- pending since May 1995 the payment could not be made as allegedly the funds were not received by him. Respondent No.6 has also through his statement dated 10.5.2015 sought funds from respondent No.4. Respondent No.1 has also admitted the liability of Rs.3.744 million; however he has stated that he has no funds. A copy of award has been attached at pages 33 to 37 where admittedly 5-02 acres of the land of the petitioner has been acquired for construction of 2L Matli Branch Drain and the fair market rate was calculated as per clause 11 of the Land Acquisition Act, 1894, however, despite lapse of more than 45 years the said amount has not been released. Counsel by referring to Section 34 of the Land Acquisition Act, 1894 states that not only the principal amount rather the petitioner is also eligible for interest @ Rs. 6% per annum. While various respondents have filed the claim learned A.A.G. states that the claim of the petitioner is belated. In the given circumstances this court has only two options either to let the petitioner reclaim his land and take it into his possession or let the respondents pay the compensation for the land so acquired according to the award.

At this juncture initially we wish to give respondent No.6 first option for which 15 days time is granted to him to make payment of Rs.3.744 million through pay order and deposit the same with the Additional Registrar of this Court. If that act is not done within 15 days this court would be inclined to pass an order to the petitioner for him to reclaim his land. Let the matter come up after 15 days. Let copy of this order be faxed to respondent No.6 for immediate compliance. Adjourned to 6.5.2021.

### **Court Orders Release of Money in CP 1754**

13. After several intervening orders, the Court on 28.9.2022 passed the following directive in CP 1754:

<u>28-9-2022</u>

Learned counsel states that respondents shall effect the subject payment of Rs.37,43,181/ - in accordance with the statement filed by the Additional Secretary Finance (B&E) through his statement dated 14.09.2022, within a period of fifteen (15) days from today, without fail. In case the said payment is not made, bank accounts) of respondent No.4 shall stands attached. To come up on 19.10.2022.

14. In CP 1754, the Court ultimately received cheque(s) totalling Rs. 3,743,181/, and by its order dated 20.10.2022 directed its release in the following manner:

### 20-10-2022

Learned A.A.G along with official present states that compliance report is being submitting and the concerned official is available along with cheque in the sum of Rs.37,43181/-. Let said cheque along with requirements of Land Acquisition Officer be provided to Additional Registrar of this court who should disburse the same complying to the requirements in accordance with law on proper verification. Learned counsel for petitioner requires time in order to establish that further amounts are available in these proceedings. Let the matter be taken up on 01.11.2022.

### **Relentless Pursuit For More Money Proves The Petitioners' Undoing**

- 15. The Petitioner of CP 1754, emboldened by the receipt of Rs.3,743,181/through the Court, his appetite for additional funds increased. He subsequently sought a further mammoth sum of Rs.15,822,705.70 (claiming it as interest, additional compensation and solatium), as outlined in his Counsel's Statement dated 27.2.2024.
- 16. It was this unrelenting quest of a significantly larger amount that ultimately has led to the exposure of both the Petitions as fraudulent, a fact confirmed by the official Respondents in Court on 3.10.2024 (as detailed in paragraphs 20, 21 and 24 below).

### To Rule Out Foul Play

17. On 3.9.2024, the instant Petitions came up before us. Since none of the Respondents had denied the Petitioners' claim of alleged outstanding payments, in order to confirm the legitimacy of the Petitioners' financial claim and to eliminate any possibility of collusion between the Petitioners and the Department, we called for the records substantiating the Petitioners' alleged monetary claims, as outlined below:

### <u>3-9-2024</u>

The Petitioner is seeking recovery of alleged unpaid amount with interest etc <u>with effect from 15.9.1975 to-date</u>, purportedly under the provisions of the Land Acquisition Act, 1894.

There are not one but two orders of this Court dated 13.11.2014 and 18.12.2017, whereby questions were raised

regarding the maintainability of the instant Petition, but the same remains unaddressed to-date. Surprisingly, no objection has been raised by any of the official Respondents / Department, who all appear to be readily accepting the Petitioner's alleged claim which has surfaced for the first time suddenly after <u>more</u> <u>than 40 years</u> approximately by way of the instant Petition instituted in the year 2014.

After filing of the instant Petition, apparently a sum of Rs.3,743,181/- has already been received by the Petitioner (through cheque dated 20.10.2022 as per Respondent No.6's Statement dated 20.10.2022). The Petitioner now seeks further balance amount of Rs.15,822,705.70 as interest, compensation and solatium (as per Petitioner's Statement dated 27.2.2024).

Prima facie this Petition is hit by laches. On the next date, the Petitioner shall first address this Court on the issue of maintainability of the instant Petition. Office is directed to put up an office note referencing the Court's orders in this regard. The Respondents No.4 to 6 (who have all issued documents and/or filed their Comments/Statements supporting and conceding to the Petitioner's alleged claim) shall also be in attendance on the next date along with the original record.

Adjourned to <u>26-9-2024</u>. To come up along with along with CP No. D-203 of 2023.

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[Emphasis in Original

18. On 26.9.2024, we issued the following order that included summoning of specific documents and filing of affidavits by the concerned officials:

#### 26-9-2024

In reference to the previous order dated 3-9-2024, the Respondents No.5 & 6, who are present, request additional time to submit certified copies of the complete record pertaining to the subject matter of these proceedings. Time is allowed. The aforementioned documents shall be submitted under an affidavit of the relevant officer(s). Additionally, this record must include:

- 1) Title/ownership documents of the Petitioner for the concerned land;
- 2) Notification u/s 4 of the Land Acquisition Act, 1894 (LAA) along with copy of official gazette;
- 3) Notices u/s 9 LAA inviting claims for compensation;
- Claims for compensation filed before the Collector pursuant to section 9;
- 5) Award;
- 6) Notice of Award;
- 7) References/Objections against the Award to the court designated for such purpose;
- 8) Documents evidencing prescribed payment made by acquiring department to acquisition officer.

As the Respondent No.4 has not appeared, he is directed to be in attendance positively on the next date, along with the Respondents No.5 & 6.

To come up on <u>3-10-2024 at 11 am</u>. Office to communicate this order to the learned A.A.G. for compliance. [Emphasis in Original]

19. Notably, not a single document (in particular those pertaining to title/ownership of acquired land) was filed by the Petitioners in either of the two Petitions despite our aforesaid order of 26.9.2024.

### <u>Official Respondents & Government Counsel For The First Time</u> <u>Assert Entire Claim Fraudulent & Rooted In Forged Documents</u>

20. On 3.10.2024, the instant Petitions came before us (i.e. the day we dismissed the Petitions through a short order). For the first time, the Respondent No.6

(Ghulam Sarwar Bhanbhro, Assistant Commissioner of Tando Ghulam Hyder) and the learned AAGs unequivocally stated before us that the entire claims of both Petitioners were fraudulent and based on fictitious documents. They averred that very critically, no Notification under Section 4 of 1894 Act had been issued without which LAO lacks jurisdiction to commence proceedings. The AAG(s) submitted two separate Statements dated 3.10.2024 in Court (one for each Petition), which were taken on record. These Statements included signed reply (supported by annex) of the official Respondent No.6.

21. When confronted why the crucial detail, specifically the non-issuance of the Section 4 Notification under the 1894 Act, was not highlighted earlier at the time of the previous Bench's order to release Rs.3,743,181/-, Mr. Rafiq Ahmed Dahiri, Asst. AG promptly conceded and apologized for the failure of his office to provide adequate assistance at that time.

# <u>Opinion of Court</u>

## A Farce Award & A Laundry List Of Illegalities / Defects

- 22. The purported Awards are riddled with inconsistencies and exemplify a gross misapplication of the law, among other serious issues.
- 23. Apart from the assertions of the official Respondents (made in Court on 3.10.2024) that claims of the Petitioners are bogus and certain documents attached to the main Petition are forgeries (which are specified in paragraph 24 below), a closer examination of the Award exposes numerous other critical deficiencies and illegalities. For instance:
  - i) <u>Absence of Mandatory Notification</u>: Significantly, the Award openly admits that no Notification under Section 4 and declaration under Section 6 of the 1894 Act were issued (for reasons stated within). Regardless of the rationale, the issuance of a Section 4 Notification and its subsequent publication in the official Gazette, is mandatory and a legal prerequisite. Without such Notification, the LAO cannot assume jurisdiction i.e. in other words, lacks jurisdiction to proceed. Consequently, all proceedings conducted by the purported LAO are without jurisdiction and lawful authority. This position is validated by the Division Bench judgment of this Court in <u>Dilshad v. Senior</u> <u>Superintendent of Police</u> (PLD 2007 Kar 330).
  - <u>Misquoting Legal Precedent</u>: The Award audaciously and inaccurately cites the decision in <u>Government of West Pakistan v. Muhammad</u> <u>Sadiq</u> (PLD 1968 Kar 697) to assert that issuance of Notifications and declaration under Sections 4 and 6 of the 1894 Act are not necessary. However, the referenced judgment contains no such ruling. On the contrary, *Muhammad Sadiq* (supra) explicitly affirms the necessity of this Notification and (in paragraph 11) distinctly states:

11. It may be mentioned that, the Government had taken over the possession of land of the respondent on the 5th

day of June 1953, but notification under sections 4 and 6 of the Act was not issued and gazetted until 13-2-1959 and 6-3-1959 respectively. Consequently, the entire acquisition proceedings were highly irregular inasmuch as possession of the land in question could not have been taken over by the Government unless such notification was gazetted as a condition precedent. According to section 23 of the Act, the market value of the land, which was the subject-matter of acquisition, was to be determined according to the prevailing rate on the date when notice under section 4, subsection (1) of the Act was gazetted. Therefore, the value of the land in question was to be determined according to the prevailing market rate, on 6-3-1959, when notification under section 4 of the Act was finally gazetted, notwithstanding the fact that its possession was taken over by the Government on 5-6-1953. ... ...

[Emphasis Added]

- Date For Determining Land Value: The purported Awards, which calculate the land value from the date of possession, directly negate the very precedent they claim to follow, viz. *Muhammad Sadiq* (supra). As referenced earlier in paragraph 24(ii), that precedent clearly establishes that the land value should be determined according to the prevailing market rate at the time the Notification under Section 4 is gazetted, and not from the date the Government took possession.
- iv) <u>Discrepancy In Dates Of Land Acquistion in CP 1754</u>: Paragraph 2 of the main Petition in CP 1754 emphatically proclaims that Petitioner's alleged lands were acquired on 17.1.2007, while the alleged Award contrarily asserts that lands were acquired on 15.9.1975. Both the alleged Award and the Petitioner calculate and claim compensation from the latter date.
- v) <u>Discrepancy In Dates Of Land Acquistion in CP 203</u>: While this Petition (in paragraph 2 of main Petition) asserts the land acquisition date to be 15.9.1975, the Award itself claims the acquisition date to be 20.12.1994 and calculates compensation from this latter date.
- vi) <u>Discrepancy In Locations Of Acquired Land & Award Land</u>: The alleged acquired lands are located in Deh Jharkiyati (in CP 1754) and in Deh Chandia (in CP 203), whereas the alleged Awards pertain to Deh Khaso and/or rely on an Award for Deh Khaso. There is no explanation provided as to how lands situated in three distinct Dehs can be equated, nor is the Award for Deh Khaso available on record.
- vii) Jaw-dropping & Unexplained Delay: The alleged Award in CP 1754 claims that land was acquired on 15.9.1975, yet the Award itself was allegedly issued nearly 37 years later, on 20.1.2012. Similarly, in CP 203, alleged Award asserts the acquisition date to be 20.12.1994 whereas the alleged Award has been issued on 20.1.2012 i.e. after almost 17 years. Yet, there is not one word of explanation for these extraordinary delays. Section 11(2) of Act 1894 requires the award to be announced by the Collector within 6 months of the publication of Section 6 declaration. Failure to do so, mandates that the officials responsible for the delay reimburse the additional compensation under

Section 28-A. There is no information about which officials are accountable for this inexplicable delay or the steps taken against them, nor is there any mention of reimbursement.

- viii) <u>Non-speaking Awards</u>: Both the Awards in the two Petitions are nonspeaking, failing to address key aspects such as:
  - The name of the acquiring agency / department, and when and from whom funds were received.
  - Specifics of the land acquired and land use by the owners.
  - Service of notice under Section 9(5) of 1894 Act to "interested persons" including the acquiring agency / department, inviting objections regarding land measurement, compensation claims and ownership/title of land.
  - The claims made by landowners/occupants for compensation and the rate demanded.
  - Objections raised by the acquiring agency / department to the rates demanded by the landowners. The Award also fails to reference any valuation rates for agricultural land in the relevant Dehs or any report from the concerned Mukhtiarkar.
- ix) <u>Arbitrary Rate</u>: The rate of Rs.35,000/- per acre and Rs.50,000/- per acre cited in the respective Awards of CP 1754 and CP 203 are arbitrary, nonsensical and baseless, as the rate should, amongst others, reflect the market value at the time the Section 4 Notification was gazetted. However, no such Notification was issued or gazetted, making the rate completely capricious.
- x) <u>Complete Absence of Reference / Objections</u>: Astonishingly, no objections or references under Section 18 of 1894 Act have been preferred by any interested persons i.e. neither by the owners/occupants of land nor the acquiring agency / department. An Award so universally accepted is unprecedented and immediately raises serious questions about its legitimacy.
- xi) <u>Overemphasis on Financial Compensation</u>: The Award appears solely focused on expediting financial compensation for the Petitioners, calculating various payments such as market value per acre, solatium at 15%, additional compensation under Section 28-A, and interest at 6% under Section 34 of the 1894 Act.
- xii) <u>Lack of Notice Prior To Award Announcement</u>: The Awards themselves provide no indication of when the inquiry occurred or when the notice regarding the Award's announcement was issued. This disregards Section 12(2) of 1894 Act, which calls for notice to all concerned parties prior to the Award's announcement.

- xiii) <u>Minor Petitioner of CP 203</u>: The Affidavit(s) of the Petitioner Mir Muhammad (from time to time sworn before the Identity Section of the Sindh High Court) display that his date of birth is in the year 1960. Given that the Petitioner claims his land was acquired on 15.9.1975, he would have been only 15 years old at the time of the alleged acquisition. It is highly implausible that he participated in or contested the land acquisition proceedings before the LAO while still a minor.
- 24. The illegalities specifically highlighted by the official Respondent No.6 on the date of the short order (i.e. 3.10.2024) are as follows:
  - i) <u>Forged Documents of CP 1754</u>: The documents annexed with the main Petition as Annex A-4 (at Court File Pg. 17), Annex A-6 (at Court File Pg. 23), Annex A-7 (at Court File Pg. 25), Annex B (at Court File Pg. 27) and Annex B-1 (at Court File Pg. 29) are identified as forgeries and do not exist in the Department's record. The alleged correspondence / documents do not bear any outward or inward numbers.
  - ii) <u>Forged Documents of CP 203</u>: The documents attached to the main Petition as Annex A (at Court File Pg. 13), Annex B, C, D, E, E-1 (at Court File Pg. 15 to 23 which are all parts of one document), Annex F (at Court File Pg. 27), Annex H (at Court File Pg. 37), Annex H-1 (at Court File Pg. 39) and Annex H-2 (at Court File Pg. 41) are also forgeries and do not exist in the Department's record. These alleged correspondence / documents also lack any outward or inward numbers.
  - iii) <u>No Issuance of Notification Or Declaration</u>: The alleged Awards emphatically acknowledge that no Notification/declaration under Sections 4 and 6 of 1894 Act have been issued. According to Section 6(1-A), a "declaration" of intended acquisition must be made within 6 months of the publication of Notification under Section 5. If such a "declaration" is not issued within this timeframe, the acquisition proceedings are deemed to have come to an end.
  - iv) <u>Lack Of Prior Proceedings</u>: No proceedings occurred prior to the alleged Awards, such as "*interested persons*" coming forward and participating or any recording of evidence etc, which are essential procedural steps.
  - No Title Documents in CP 1754: The Form-7 submitted with the Comments of the Respondent No.6 (presented in Court on 3.10.2023) expose the following:
    - Petitioner's land is situated in Deh Jharki whereas the alleged Award pertains to Deh Khaso.
    - The Petitioner became the owner (of Deh Jharki land) on 23.5.1987 (as per Entry No.249 dated 12.1.2003). Consequently, the Petitioner was not the landowner when the acquisition was allegedly made on 15.9.1975 yet the monetary compensation has been claimed by him and awarded to him from this latter date.

vi) <u>Unoriginal & Anonymous</u>: The original Awards are not available in the office record and very oddly, neither Award identifies the name of the LAO.

## **Imposition Of Special Costs**

- 25. The Supreme Court in Zakir Mehmood v. Secretary Ministry of Defence (2023 SCMR 960) has emphasized the importance of courts and tribunals consistently imposing reasonable costs to deter frivolous and vexatious cases, which have overwhelmed court dockets and clogged the justice system. The threat of being liable for costs serves as a deterrent, making litigants reconsider before pursuing baseless claims. This practice promotes fairness, encourages the pursuit of genuine grievances, and fosters alternative dispute resolutions by highlighting the financial risks of litigation. Additionally, it helps clear meritless cases, expedites justice, and improves access to courts. The Court also ruled that, aside from awarding actual and compensatory costs under Sections 35 and 35-A of the CPC, civil courts can impose "special costs" under Section 151 CPC on parties that initiate proceedings in blatant disregard of clear facts or law, wasting valuable court resources.
- 26. Despite the Petitioners' claims being grounded on fraud and based on fictitious documents, they managed to prolong the proceedings for years, wasting the Court's valuable time. Their actions were not only vexatious but also an abuse of the judicial process. Furthermore, the Petitioner in CP 1754 deceitfully extracted a sum of Rs.3,743,181/- by misleading the Court into granting orders in his favour. For these reasons, the present cases are a clear instance where the imposition of special costs are fully justified.

### **Conclusion**

- 27. The assertion made by the official Respondent No.6 that the entire claims of both Petitioners were fraudulent and based on forged documents – should have been enough for us to dismiss these Petitions outright, as the Petitioners' fraudulent conduct disqualifies them from receiving any favourable judgment.
- 28. However, given the gravity of the situation and the growing trend of collusive claims increasingly making their way to the courts, we have chosen to delve deeper into this matter to discourage similar attempts in the future and protect the integrity of the judicial process from being misused and exploited as a tool for deception. Such claims, often masked and disguised as legitimate filings, attempt to gain legal legitimacy or judicial validation for fraudulent schemes.
- 29. We hereby direct:
  - The Chief Secretary of the Province of Sindh to conduct a comprehensive inquiry into the conduct and actions of the official Respondents, as well as any other officials who assisted or facilitated

the Petitioners' fraudulent claims, fabricated documents, and submitted misleading statements or comments to mislead the Court.

- ii) All individuals involved must be identified, and if found guilty stern action should be initiated against them including criminal proceedings, where applicable.
- iii) If the Petitioner of CP 1754 fails to return the sum of Rs.3,743,181/wrongfully released to him (as ordered by us on 3.10.2024), the said amount along with up-to-date markup shall be recovered jointly and/or severally from the official Respondents and any other official who supported the said Petitioner's false claim.
- iv) The Chief Secretary shall submit a compliance report, in respect of the above, to the Additional Registrar, High Court of Sindh, Circuit Court Hyderabad within forty-five (45) days of receiving this order.
- v) The Additional Registrar is instructed to monitor the matter and promptly present it to the Court if the compliance report is not filed within the stipulated time.
- vi) The office shall also forward a copy of this order to the learned Advocate General Sindh to ensure compliance of the above, and for any action he considers appropriate against the Government Counsel after evaluating their performance.
- 30. By a short order on 3.10.2024 (reproduced in paragraph 1 above), we had dismissed both the Petitions, amongst others, with costs. This is why.

JUDGE

JUDGE

Hyderabad Dated: <u>21<sup>st</sup></u> October, 2024