

**IN HIGH COURT OF SINDH, CIRCUIT COURT  
MIRPURKHAS**

**C.P No.D-958 of 2025**

[Zahid Ali Khan v. Assistant Director FIA Circle Mirpurkhas & Others]

**Before:**

**Mr. Justice Arbab Ali Hakro**  
**Mr. Justice Riazat Ali Sahar**

Petitioner : Zahid Ali Khan through Mr. Shankar Lal Meghwar, Advocate.

Respondent Nos.1,2&7 : Assistant Director FIA Crime Circle Mirpurkhas through Mr. Muhammad Sabir Hussain, Assistant Attorney General for Pakistan along with Sub-Inspector Muhammad Yousif, FIA Mirpurkhas.

M/s. Muhammad Sharif Solangi,  
Assistant A.G. Sindh and Dhani Bux,  
A.P.G. Sindh.

Respondent No.3 : Shahbaz Usman through Mr. Abdul Rauf Arain, Advocate.

Respondents No.4to6: Nemo.

Date of Hearing : **04.02.2026**

Date of Order : **04.02.2026**

**O R D E R**

**RIAZAT ALI SAHAR J:** - Through this Judgment, we intend to dispose of captioned petition filed by the petitioner with the following prayers:-

- a. That this Honourable Court may be pleased to set-aside order dated 04.12.2024 passed by learned Additional Session Judge-II/Ex-officio Justice of Peace Mirpurkhas;
- b. That this Honourable Court may be pleased to direct the Respondent No.1 and 2 to proceed with the complaint and register the FIR against the accused persons as well as Bank authorities after proper, fair and impartial inquiry accordingly.
- c. Any other relief which this Honourable Court deems fit and proper.

2. The petitioner has invoked the constitutional jurisdiction of this Court under Article 199 of the Constitution of the Islamic Republic of Pakistan, 1973, assailing the order dated 04.12.2024 passed by the learned Additional Sessions Judge-I/Ex-Officio Justice of Peace, Mirpurkhas, whereby his application under Section 22-A(6) Cr.P.C. seeking direction for registration of FIR was dismissed. The petitioner stated that the impugned order suffers from illegality and non-application of judicial mind, as the learned Justice of Peace failed to appreciate that the allegations disclosed commission of cognizable offences.

3. In his petition, the petitioner has claimed to be an account holder of Dubai Islamic Bank of Pakistan Limited, Mirpurkhas Branch and stated that he availed auto finance facility for purchase of Honda Civic 1.8L Oriol, Model 2021, bearing Registration No. BTL-326. According to him, though the vehicle was registered in his name and installments were allegedly paid by him up to 22.04.2024, he temporarily entrusted the vehicle to respondent No.3/proposed accused No.1 "Respondent No.3", his business partner in M/s Usman Icon Tower, for official use. It is alleged that, owing to subsequent business disputes, respondent No.3 dishonestly retained the vehicle, removed its tracker and in collusion with bank officials, fabricated a forged power of attorney bearing petitioner's forged signatures. On the strength of such alleged forged document, the original file of the vehicle was handed over to the respondent, who then initiated transfer proceedings in favour of Respondent No.4/proposed accused No.2 "Respondnet No.4" and ultimately in favour of Mst. Ghazala

Usman. The petitioner further stated that upon receiving intimation from the Excise authorities regarding proposed transfer of the vehicle, he approached the local police, FIA authorities and other forums; however, no FIR was registered. His complaint before FIA was reported as not falling within the purview of the FIA Act, 1974. An earlier application under Section 22-A Cr.P.C. was dismissed for non-prosecution and a subsequent application was dismissed on merits vide order dated 04.12.2024. The petitioner had also filed Criminal Miscellaneous Application No.15 of 2025 under Section 561-A Cr.P.C. before this Court, which stood dismissed on 25.08.2025 as not maintainable in view of the law laid down in the case of *Younas Abbas v. Additional I.G. Police (PLD 2016 SC 581)*, with liberty to avail constitutional remedy. Hence, the present petition has been filed seeking setting aside of the impugned order and direction for registration of FIR.

4. The learned counsel for the petitioner submitted that earlier Criminal Miscellaneous Application No.S-15 of 2025 challenging the same impugned order had been dismissed on 25.08.2025 on the ground of non-maintainability under Section 561-A Cr.P.C., in light of the Larger Bench judgment in *Younas Abbas v. Additional I.G. Police (PLD 2016 SC 581)*, holding that orders of Justice of Peace are quasi-judicial and amenable to constitutional jurisdiction. Vide order dated 14.01.2026, this Court, however, noted that the present petition was filed on 08.12.2025, raising questions regarding delay and laches and further regarding the proper forum, whether petitions arising out of orders of Ex-Officio Justice of Peace

are to be heard by a Single Bench or Division Bench, in view of Letter No.RHC/PA/1080 dated 21.02.2014 issued by the Registrar of this Court. Accordingly, notice was issued to respondents and law officers and the Additional Registrar was directed to place on record any relevant circular or notification regarding bench jurisdiction.

5. The learned Assistant Attorney General, appearing for respondents No.1, 2 and 7 (FIA authorities), filed a statement wherein he has stated that the controversy essentially arises out of a private business transaction between partners and does not fall within the statutory domain of the Federal Investigation Agency under the FIA Act, 1974. It is submitted that, however, any direction issued by this Court shall be complied with strictly in accordance with law.

6. It is reported that the petitioner lodged a complaint before FIA Crime Circle Hyderabad against alleged persons, including Shahbaz Usman and others, accusing them of fraudulently transferring the vehicle in connivance with officials of Dubai Islamic Bank of Pakistan Limited. The complaint was registered as Verification No.67/2024 at FIA Composite Circle Mirpurkhas and entrusted to Sub-Inspector Waqar Ahmed for inquiry. During verification proceedings, the said officer addressed letter dated 09.08.2024 to the Head of Compliance of the Bank seeking comprehensive comments along with relevant record. In response, the Bank categorically denied allegations of collusion or fraud. It was stated that the auto finance facility had been sanctioned on 25.02.2021 in favour of the petitioner on the basis of partnership

documents of M/s Usman Icon Tower & Company. The Bank detailed execution of requisite finance documents and partnership records, including power of attorney and authorization letters. The Bank asserted that all installments were paid by partner Shahbaz Usman; original deposit slips and record were produced before the Bank; and after completion of legal formalities, the original file was handed over to the authorized partner. The Bank disclaimed any personal interest and characterized the dispute as inter-se between partners, remediable before civil court.

7. The Verification Officer, after examining record and statements, concluded that the petitioner failed to provide *prima facie* evidence of commission of offences falling within FIA's jurisdiction and that the controversy mainly related to partnership and financial disputes. The report was endorsed by the Deputy Director and Zonal Director FIA. Consequently, the matter was referred to the Senior Superintendent of Police, Mirpurkhas, for appropriate action, as it did not fall within the purview of the FIA Act, 1974. A similar report was submitted before the learned Ex-Officio Justice of Peace in Criminal Misc. Application No.1292 of 2024, whereupon the application was dismissed.

8. Respondent No.3 has contested the petition both on preliminary and factual grounds. It is contended that the vehicle in question was purchased through auto finance from Dubai Islamic Bank of Pakistan Limited under DIBL Auto Finance Scheme, with down payment made from the partnership account of M/s Usman Icon Tower & Company. The respondent asserts that he remained in

peaceful possession of the vehicle since its delivery on 16.03.2021 and that all installments were paid by him through banking channels, culminating in full and final payment on 29.04.2024, whereafter the Bank handed over complete record to him. It is further stated that the vehicle was thereafter sold to respondent No.4, who initiated transfer before the Excise authorities. **As preliminary objections, respondent No.3 submits that: (i) the dispute is purely civil arising out of partnership business and vehicle ownership; (ii) efficacious alternate remedies in civil law are available; (iii) the petitioner has not approached this Court with clean hands and suppressed material facts relating to partnership disputes and pending civil litigation; (iv) the petition suffers from delay and laches; and (v) this Court lacks territorial jurisdiction as the finance facility, documentation, delivery of vehicle and related transactions took place at Karachi.** It is further stated that the learned Justice of Peace, after considering reports and documents, rightly concluded that no *prima facie* cognizable offence was made out and that the petition is an attempt to convert a civil dispute into criminal proceedings.

9. Learned A.A.G. Sindh and A.P.G. Sindh are of the view that the matter is purely of civil nature and petitioner has attempted to convert it into criminal.

10. We have heard the learned counsel for the parties at length, perused the record, examined the impugned order dated 04.12.2024 passed by the learned Ex-Officio Justice of Peace and considered the reports submitted by the FIA authorities and the bank.

11. At the very outset, it is to be observed that the jurisdiction of a Justice of Peace under Section 22-A (6) Cr.P.C. is limited in scope. The Justice of Peace is required to examine whether the contents of the complaint *prima facie* disclose commission of a cognizable offence and whether the police have failed to perform their statutory duty under Section 154 Cr.P.C. in cognizable offence where FIR can be lodged directly but in the instant matter there is separate provision provided by FIA Laws where no direct FIR can be lodged without conducting inquiry and seeking approval from competent forum except trap cases. The Justice of Peace does not adjudicate disputed questions of title, partnership rights, proprietary interests, or evaluate the authenticity of documents in depth; nor does he resolve complex factual controversies requiring recording of evidence. In the present case, the learned Ex-Officio Justice of Peace considered the partnership relationship between the parties, the admitted entrustment of the vehicle to respondent No.3, the existence of pending civil litigation, the production of bank statements and original receipts by the respondent side and the report of FIA declaring the matter to be beyond its statutory domain. After such consideration, the learned Justice of Peace concluded that the controversy was essentially rooted in a business and financial dispute between partners and did not *prima facie* disclose a cognizable offence warranting direction for registration of FIR.

12. The petitioner admittedly entered into a business partnership with respondent No.3 under M/s Usman Icon Tower; the vehicle was purchased in the backdrop of such partnership

arrangement; possession of the vehicle was voluntarily handed over; and installments were admittedly paid through banking channels from partnership or related accounts. The rival claims as to who paid the installments, whether a power of attorney was executed voluntarily or otherwise and whether the transfer of the vehicle was legally justified, are matters that squarely fall within the domain of civil adjudication. These issues require evidence, cross-examination and determination of rights arising out of partnership and contractual arrangements. **Criminal process cannot be permitted to be employed as a substitute for civil remedies or as a coercive mechanism in a commercial dispute.**

13. Turning to the report of the FIA authorities, we find that it clearly reflects that Verification No.67/2024 was conducted; comments were sought from Dubai Islamic Bank of Pakistan Limited; the Bank furnished detailed documentation of the finance facility and asserted that the file was handed over after completion of legal formalities to an authorized partner; and ultimately the matter was referred to the local police for want of jurisdiction under the FIA Act, 1974. The petitioner has not demonstrated that such verification was *mala fide*, perfunctory or tainted by illegality. Similarly, the learned Justice of Peace recorded reasons, considered the material placed before him and declined the prayer for registration of FIR. It is settled law that mere refusal to direct registration of FIR does not, by itself, warrant constitutional interference unless the order is shown to be arbitrary, without jurisdiction, or suffering from non-application of mind. No such ground has been substantiated. The allegations of

forgery and fraud automatically mandate registration of FIR is also misconceived. The Court must look beyond the nomenclature of offences and examine the substance of the dispute. Where the foundational facts arise out of admitted partnership dealings, financial transactions through recognized banking channels and competing claims over business assets, the matter assumes a mostly civil complexion. The criminal law cannot be set in motion merely to settle scores or to exert pressure in an ongoing commercial discord.

14. Furthermore, the petitioner had earlier invoked inherent jurisdiction under Section 561-A Cr.P.C., which was dismissed as not maintainable. The present petition, though styled under Article 199 of the Constitution, essentially seeks re-appreciation of factual controversies already examined by the Justice of Peace. Constitutional jurisdiction is supervisory in nature and is not meant to substitute the discretion exercised by a **quasi-judicial** forum in absence of jurisdictional error. The petitioner has failed to establish violation of any fundamental right, absence of alternate remedy, or manifest miscarriage of justice.

15. It is necessary to address the recurring question regarding the appropriate forum for challenging orders passed by an Ex-Officio Justice of Peace under Section 22-A (6) Cr.P.C. as this issue has generated procedural uncertainty.

16. We have examined the report submitted by the learned Additional Registrar of this Court, wherein he has stated that, by order dated 25.08.2025 passed by learned Single Bench of this Court

in Criminal Miscellaneous Application No.26 of 2025 etc. whereby Criminal Miscellaneous Applications under Section 561-A Cr.P.C. were dismissed as not maintainable, such matters were thereafter being filed as “**Constitutional Petitions**” and placed before Constitutional Benches. He has also stated that in C.P. No.D-771 of 2025, a **Constitutional Bench converted a petition arising from order under Sections 22-A & 22-B Cr.P.C. into Criminal Miscellaneous Application for placement before Regular Bench.** It was further reported that no specific circular or notification exists expressly providing whether such matters are to be heard by Single or Division Bench. The office had raised objection regarding maintainability of the present Constitutional Petition but, in absence of clear notification, placed the matter before this Court for appropriate orders. The said report has been taken on record.

17. In this regard, we have gone through the case law of the Honourable Surpeme Court of Pakistan i.e. YOUNAS ABBAS and others v. ADDITIONAL SESSIONS JUDGE, CHAKWAL and others (P L D 2016 Supreme Court 581). The ratio decidendi of this case law authoritatively settles that the powers exercised by an Ex-Officio Justice of Peace under Section 22-A( 6) Cr.P.C. are **quasi-judicial** in character. The Honourable Supreme Court held that while entertaining an application for registration of FIR or transfer of investigation, **the Justice of Peace performs a quasi-judicial function** requiring application of judicial mind and passing of a reasoned order. Such jurisdiction was declared constitutionally valid and not violative of Article 175 (3) of the Constitution. Importantly,

the Honourable Court clarified that orders of the Justice of Peace remain amenable to judicial scrutiny in cases of illegality, excess of jurisdiction or *mala fides*.

18. Following the above dictum, divergent practices emerged regarding the proper procedural vehicle for challenge. A Division Bench of this Court at Sukkur Bench, in order dated 09.11.2016 passed in C.P. No.D-2787 of 2016, observed that since the order of the Justice of Peace is **quasi-judicial** in nature on criminal side and amenable to judicial review, such orders could more appropriately be examined under **inherent powers** of High Court under section 561-A Cr.P.C. rather than by invoking **constitutional jurisdiction**, particularly where adequate remedy exists. Consequently, that constitutional petition was converted into a Criminal Miscellaneous Application to be placed before the learned Single Bench. Likewise, a Division Bench at Principal Seat of this Court, in order dated 20.03.2018 passed in C.P. No.D-3165 of 2017, after referring to Younas Abbas case [supra], reiterated that the functions of Ex-Officio Justice of Peace are quasi-judicial and **converted the constitutional petition into a Criminal Miscellaneous Application under section 561-A Cr.P.C.** for adjudication by the Single Bench. These judicial precedents reflect a consistent understanding that supervisory correction of orders under Section 22-A (6) Cr.P.C. properly falls within the “**inherent jurisdiction**” of the this Court preserved under Section 561-A Cr.P.C. rather than the extraordinary constitutional jurisdiction, except in exceptional circumstances.

19. In the context of maintainability under “**inherent jurisdiction**”, the essential implication of the ratio in Younas Abbas case [supra] is that since an order under Section 22-A (6) constitutes a quasi-judicial determination affecting initiation of criminal process, it partakes of the character of judicial proceedings within the criminal justice framework. Such order may have serious civil consequences and may set criminal law in motion. Therefore, where such order suffers from jurisdictional defect, patent illegality, procedural impropriety or manifest abuse of process, this Court’s **inherent jurisdiction under Section 561-A Cr.P.C**, preserved to prevent abuse of the process of any court and to secure the ends of justice, can validly be invoked to examine its legality and propriety. Nothing in Younas Abbas case [supra] excludes supervisory correction by this Court; rather, it affirms that orders of the Justice of Peace are subject to judicial oversight.

20. In view of the above authoritative pronouncements and consistent practice of this Court, it is observed that, as a general rule, future challenges to orders passed under Section 22-A (6) Cr.P.C. should ordinarily be instituted as **Criminal Miscellaneous Applications under Section 561-A Cr.P.C**, to be heard by the appropriate Single Bench in accordance with the roster. Resort to **constitutional jurisdiction** under Article 199 should be confined to exceptional cases where fundamental rights are directly implicated, where **inherent jurisdiction** is demonstrably inadequate or where the challenge raises questions exceeding the criminal procedural framework. This approach will ensure procedural clarity, prevent

multiplicity of proceedings and align with the binding ratio of Younas Abbas case and subsequent orders of this Court. Hence, **the instant petition is converted into Criminal Miscellaneous Application under section 561-A Cr.P.C.**, which shall be placed before the learned Single Bench of this Court. Office is directed to assign it number accordingly.

21. Let a copy of this judgment be communicated to the learned Registrar of this Court for circulation to all concerned Additional Registrars of this Court for compliance.

**JUDGE.**

**JUDGE.**

**Approved for reporting.**

\*Abdullahchanna/PS\*