

# IN THE HIGH COURT OF SINDH, KARACHI

Before:

Justice Muhammad Saleem Jessar

Justice Nisar Ahmed Bhanbhro

CP No.D-1265 OF 2025

*(Muhammad Arif v. the Federation of Pakistan & Ors.)*

Petitioner : Through Mr. Aziz ur Rehman Akhund,  
advocate

Respondents : Through Mr. Moazam Ali Soomro,  
Special Prosecutor, NAB

Date of hearing and order: 18.02.2026

## ORDER

**NISAR AHMED BHANBHRO, J.** Through this petition, the petitioner seeks following relief(s):-

A) *To declare that the NAB/Respondents have no power and jurisdiction to conduct the Inquiry bearing No.NABHQ20220-223265071/IW-III/CO-C/NAB(K)/2023/K-3925 involving value of suspicious transaction [alleged anti-money laundering], not exceeding 122 million, which is below the threshold of 500 million as per amendment in National Accountability Ordinance and the continuation of such inquiry shall be corram non-judice in view of the amendment in NAB Ordinance as well as decision of the Honourable Supreme Court of Pakistan, passed in I.C.A.2, 3 & 4 of 2023.*

B) *To direct the Respondents to transfer the Inquiry bearing No.NABHQ20220-223265071/IW-III/CO-C/NAB(K)/2023/K 3925 to the competent Authority FIA [Federal Investigation Agency] so that pending inquiry shall be concluded timely in proper jurisdiction in accordance with law.*

C) *To restrain the Respondents from continuing the Inquiry bearing No.NABHQ20220-223265071/IW-III/CO-C/NAB(K)/2023/K-3925 against the Petitioner and his family in any manner whatsoever nature.*

D) *To grant any other relief as deemed fit and proper looking to the circumstances of the case."*

2. Learned counsel for the petitioner contended that the petitioner is serving in Sindh Health Department and has throughout discharged his duties with honesty and integrity. It was argued that the National Accountability Bureau (NAB) has initiated an inquiry against petitioner merely based on the analysis of Suspicious Transaction Report (STR) and Currency Transaction Report (CTR) forwarded by the State Bank of Pakistan. It was alleged that during the preceding three years the aggregate credit turnover in nine accounts of the family of the petitioner amounted to Rs.121.633 million. In explanation thereof, learned counsel pointed out that out of the said amount, PKR 45,750,104 pertains to a joint account of the petitioner and his wife, whereas PKR 50,039,675 relates to the account of his daughter Dr. Areej Arif, which was opened during her student life and continues to be operated by her in the ordinary course of banking. He contended that the mere omission to convert a student account into a regular account does not constitute any offence, much less a heinous one, nor can routine inter-account transfers be construed as an offence under the Anti-Money Laundering Act, 2010. Learned counsel further submitted that during the course of inquiry, a statement of alleged suspicious transactions was shown to the petitioner, which contained manifestly incorrect particulars, as the accounts titled M/s Ishtiaq Brothers, M/s Umair Enterprises and S.M. Corporation were attributed to the petitioner, though he neither opened nor operated such accounts, nor conducted any transaction therein, furthermore, four closed accounts and one inactive account were deliberately, malafidely and unlawfully included in the inquiry so as to inflate the aggregate credit turnover. It was lastly contended that the alleged value of suspicious transactions, even if taken at its face, does not exceed Rs.122 million, which is far below the statutory threshold of Rs.500 million as introduced through amendments in the National Accountability Ordinance, 1999 (NAO). Per Learned Counsel, the jurisdiction of NAB in the present matter is clearly ousted. In these circumstances, the petitioner submitted an application

dated 20.09.2024 before Respondent No.4, seeking transfer of the inquiry to the competent forum having lawful jurisdiction to inquire into and decide the matter in accordance with law, but remained unheeded, hence this Petition. Learned counsel further placed reliance upon the judgment of the Honourable Supreme Court of Pakistan rendered in I.C.A. Nos. 2, 3 & 4 of 2023 and prayed to allow this petition.

3. Learned Special Prosecutor for the NAB contended that a Suspicious Transaction Report (STR) was received from the Financial Monitoring Unit regarding Muhammad Arif, Assistant Accountant, his spouse Mst. Asma Ghazal, and their daughter Ms. Areej Arif. The STR disclosed financial activity grossly disproportionate to the declared income of suspects. The matter was placed before the Executive Board Meeting (EBM), at NAB Karachi Bureau. EBM, upon observing significant disproportionate transactions, recommended initiation of inquiry, duly approved by the competent authority. It was submitted that, pursuant to authorization, a comprehensive probe was undertaken. Banking data, financial instruments, and immovable properties were identified and subjected to forensic financial analysis, which reflected extraordinary turnover in the accounts of the petitioner and his family, cumulatively approximating PKR 1 billion, including high-value transactions with companies supplying medicines, medical equipment, and food items to government hospitals, thereby raising grave suspicion of illicit financial activity. He argued that cash deposits of approximately PKR 71 million remain unexplained and prima facie disproportionate to known sources of income with further substantial investments traced through the National Bank of Pakistan, including PKR 25,305,947 in NBP Islamic Mahana Amdani Fund, besides PKR 2.4 million invested with the Central Directorate of National Savings. He argued that these investments, along with acquisition of gold and residential properties valuing approximately PKR 100 million, are asserted to be beyond the declared financial capacity of the accused persons. It was argued that significant credit transfers were received from companies supplying goods to government hospitals, and in view of the petitioner's position in the Health Department, Government of Sindh, such transactions prima facie indicate abuse of official authority for monetary gain. It was apprised that during the inquiry it also revealed that deposits of government cheques into supplier accounts, suggesting possible kickbacks and routing of public funds. Learned Special

Prosecutor submitted that the petitioner appeared before the Investigating Officer pursuant to court directions, furnished a written statement and partial assets proforma, and responded to a detailed questionnaire, which is under scrutiny. Owing to the extraordinary financial turnover and emerging material, the inquiry has been lawfully extended, several counterparties have been summoned; however, most have failed to appear despite issuance of reminders and final notices. It was lastly contended that preliminary findings indicate the possible operation of companies through nominees for personal enrichment by the Petitioner, therefore, further summoning and examination of concerned firms and nominee-linked entities is essential to ascertain the full extent of financial misconduct and misappropriation of public funds. He prayed to dismiss the petition.

4. Heard learned counsel for the parties and perused the material available on record.

5. The principal contention of the petitioner is that the NAB unearthed an amount of PKR 122 Million through STR which did not meet the pecuniary threshold prescribed under section 5(o) of the NAO, thus the jurisdiction of NAB to prosecute the offender is ousted. Conversely, the stance of the respondent NAB is that the STR received from the Financial Monitoring Unit, followed by forensic financial analysis, has revealed extraordinary financial turnover, substantial cash deposits, investments, acquisition of immovable properties, and transactions with government suppliers, cumulatively approximating PKR 1 billion, prima facie disproportionate to the known sources of income of the petitioner and his family members thus the alleged offence fell within the dominion of NAB to probe into.

6. It transpired from scanning of the record made available before us that during the Course of Inquiry bearing No. NABHQ20220-223265071/IW-III/CO-C/NAB(K)/2023/K-3925 the petitioner was issued call-up notices and was directed to furnish certain information, concerning the petitioner, namely Muhammad Arif (Assistant Accountant, Sindh Health Department), his spouse Mst. Asma Ghazal (Lady Health Visitor, Sindh Health Department), and his daughter Dr. Areej Arif, which he supplied in full compliance by making repeated personal appearances before the Case Officer/Investigation Team. On analysis of the material

collected during inquiry, the Investigation Officer formed a tentative opinion that amount of ill gains involved in the present case exceeded minimum threshold of Rs 500 Million Rupees to constitute an offence of corruption and corrupt practices defined under section 5(o) of the NAO.

7. At this stage, it is to be noted that the matter is at inquiry phase. The law is well settled that constitutional jurisdiction is not to be exercised to stifle statutory proceedings when the competent authority is acting within the four corners of law. It is further evident from the record that the petitioner has appeared before the Investigating Officer pursuant to Court directions, submitted written replies, and partially furnished asset declarations, which are presently under examination. There are serious allegations of amassing wealth beyond known sources of income against petitioner, which need a thorough probe. Petitioner an accountant in the Health Department is accused of gaining benefits from pharmaceutical companies and substantial amounts from those companies allegedly parked into the personal accounts of Petitioner and his family. Several counterparties have yet to record their statements. The inquiry, therefore, is incomplete. Interference at this premature stage would amount to curtailing a lawful investigative process and would tantamount to uncalled for interference into the investigation process, needless to observe that this Court cannot assume the role of investigator in criminal matters which purely was an internal affair of prosecuting agency (NAB).

8. Petitioner though has alleged mala fides in inquiry proceedings. It is a trite law that mala fide is not to be presumed but must be established with cogent material. No such material has been brought on record to demonstrate that the proceedings are actuated by ulterior motive or are *coram non judice*. The reliance placed by the petitioner upon the judgment of Honorable Supreme Court in the case of I.C.A. Nos. 2, 3 & 4 of 2023 is not helpful to the case of Petitioner. The said judgment of the Honourable Supreme Court indeed recognized the legislative intent behind prescribing a pecuniary threshold for the offence of Corruption and Corrupt practices falling under the domain of NAB. The determination of the actual quantum involved in any case, is a matter requiring factual examination on the basis of complete financial record and forensic scrutiny and this Court under its writ jurisdiction cannot embark upon to resolve a dispute involving factual disputes. In the case in hand the

investigating agency has placed prima facie material demonstrating transactions, assets and investments allegedly disproportionate and cumulatively extending to approximately PKR 1 billion, squarely falling within the limb of the definition of offence envisaged under section 5(o) of the NAO, hence, it cannot be said that the assumption of jurisdiction by NAB is ex facie without lawful authority, rather the respondent NAB has acted within its statutory competence. The material on record prima facie suggests continuation of inquiry and the question whether the alleged amount meets the statutory threshold defined under section 5(o) is a matter to be determined upon completion of the investigative process in accordance with law.

9. In wake of the above discussion' no case for indulgence of this Court to exercise the powers of judicial review is made out. Consequently, the petition, being devoid of merits, is hereby dismissed along with listed applications. The respondent shall, however, ensure that the inquiry is concluded expeditiously, strictly in accordance with law and rules.

**JUDGE**

**JUDGE**

**HEAD OF CONST. BENCHES**

Nadir\*

Approved for reporting