

THE HIGH COURT OF SINDH AT KARACHI

Spl. Cr. Bail Application No. 161 of 2025

Applicant : Maroofur Rehman son of Shafiur Rehman through Mr. Aqil Ahmed, Advocate along with Mr. Fawad Ahmed, Advocate.

Spl. Cr. Bail Application No. 155 of 2025

Applicant : Muhammad Faisal son of Muhammad Younus through Mr. Muhammad Shahnawaz Khan, Advocate.

The State : Through Mr. Ghulam Asghar Pathan, Advocate along with I.O. Qarib Abbas, Zone-IV, RTO-I, Karachi.

Ms. Alizeh Bashir, Assistant Attorney General for Pakistan.

Date of hearing : 15-07-2025

Date of decision : 15-07-2025

*FIR No. 02/2023 dated 28.11.2023
U/s: 2(9), 2(14) (a), 2(16), 2(17), 2(37), 3(1) (a) & (b),
6(1) & (2), 7(1), 7(2)(i), 7(2)(ii), 8(1)(a), 8(1)(ca), 8(1)(caa),
8(1)(d), 8A, 21(3), 22, 23(1), 25, 26(1), 34(1)© and 73 of the
Sales Tax Act, 1990 punishable u/s 33(3), (5), (8), (11c), (13),
(16) & (18) & 471 & 420 of Pakistan Penal Code.
Registered by Zone-IV, RTO-I, Karachi*

ORDER

Adnan Iqbal Chaudhry J. - The Applicants seek post-arrest bail in the aforesaid crime after the same has been declined by the Special Judge (Customs, Taxation & Anti-Smuggling-II) Karachi by separate orders dated 27.05.2025 and 20.05.2025.

2. Heard learned counsel and perused the record.

3. The FIR, lodged on 28.11.2023, had nominated Maroofur Rehman (1st Applicant) as sole proprietor of M/s. Platinum International of having committed the offence of tax fraud as defined in section 2(37) of the Sales Tax Act, 1990 based on fake and flying

sales tax invoices. It was alleged that during the period February 2022 to August 2023, sales tax returns of Platinum International reflected abnormal purchases, in excess of Rs. 200 million, made primarily from M/s. Lime Traders which was suspected to be a dummy business; that based on these such supplies Platinum International reflected fake sales to other registered persons while racking-up input-tax adjustments of over Rs. 351 million; whereas inspection of the registered place of business did not reveal any trading activity. Maroof was eventually arrested on 17.04.2025 when he appeared before the I.O. in response to a notice. As regards Muhammad Faisal (2nd Applicant), he was arrested on 18.04.2025 after being implicated in the scam by Maroof.

4. As investigation progressed, the role of each Applicant was identified in a supplementary challan filed on 15.05.2025. On interrogation, Maroof (1st Applicant) stated that he was a worker in a garment factory in Landhi; that he was lured to commit tax fraud by Faisal (2nd Applicant), who informed him that he could earn Rs. 15,000/- per month if he allowed his CNIC to be used by Muhammad Farhad and Shahzad Siddiq (co-accused) for setting up a dummy business with sales tax registration and a bank account i.e. M/s Platinum International; that Faisal (2nd Applicant) himself had lent his CNIC to Muhammad Farhad and Shahzad Siddiq for setting-up a dummy business namely M/s. Faisal Trading against a monthly consideration of Rs. 25,000/-.

5. Therefore, the role assigned to the Applicants in the supplementary challan is essentially of aiding and abetting tax fraud by the co-accused Muhammad Farhad and Shahzad Siddiq in setting-up dummy units/businesses to use and issue fake and flying sales tax invoices. It does not appear that the Applicants themselves were running those units, making or issuing fake/flying sales tax invoices or uploading false sales tax returns. It has yet to be proved that the role of the Applicants was more than the lending of their CNICs for the tax fraud.

6. Apparently, one of the principal accused, Shahzad Siddiq, who was allegedly running the dummy units opened in the names of the Applicants, has already been granted bail by the trial Court vide order dated 10.05.2025.

7. At the time the offence of tax fraud was allegedly committed by the Applicants, the maximum period of imprisonment provided for the offence in clause 13 of section 33 of the Sales Tax Act, 1990 was that of five years. Therefore, the case against the Applicants also does not fall within the prohibitory clause of section 497 Cr.P.C.

8. In view of the foregoing, the Applicants Maroofur Rehman son of Shafiur Rehman and Muhammad Faisal son of Muhammad Younus are granted bail in FIR No. 02/2023 subject to furnishing solvent surety in the sum of Rs. 300,000/- (Rupees Three Hundred Thousand only) each, along with P.R. Bond in like amount to the satisfaction of the trial court.

Needless to state that the observations above are tentative and shall not be construed to prejudice the case of either side at trial.

JUDGE

Karachi
Dated: 15-07-2025

**PS/SADAM*