

IN THE HIGH COURT OF SINDH AT KARACHI

PRESENT:

Mr. Justice Muhammad Iqbal Kalhoro
Mr. Justice Syed Fiaz ul Hasan Shah

Criminal Accountability Appeal No.35 of 2019

Muhammad Shahid S/o Muhammad Iqbal Dharar

Versus

The STATE (NAB)

APPELLANT : Muhammad Shahid
S/o Muhammad Iqbal Dharar
Through Mr. Muhammad Rahman
Ghous, Advocate.

RESPONDENT /
THE STATE : National Accountability Bureau (NAB)
Through Syed Khurram Kamal,
Special Prosecutor.

: Federation of Pakistan
Through Ms. Shazia Hanjrah,
Deputy Attorney General.

Dates of Hearing : 28.01.2026, 06.02.2026 & 13.02.2026

Date of Decision : 13.02.2026

J U D G M E N T

Syed Fiaz ul Hasan Shah, J :- Through instant Crl. Accountability Appeal, the Appellant has challenged the Judgment dated 02.12.2019 (“**Impugned Judgment**”) passed by the learned Judge, Accountability Court No.IV, Sindh at Karachi (“**Trial Court**”) in NAB Reference No.18 of 2017 filed by the National Accountability Bureau Sindh, Karachi (“**NAB**”) wherein the appellant was convicted and sentenced to suffer Rigorous

Imprisonment (“R.I”) for ten (10) years and to pay fine of Rs.19.701 million only and in default thereof, he shall suffer further R.I. for two (02) years more.

The appellant alongwith co-accused stood disqualified for a period of 10 years to be reckoned from the date they would be released after serving the sentence and further restricted to seek or from being elected, chosen, appointed or nominated as a member or representative of any public body or any statutory or local authority or in service of Pakistan or of any province and also restricted to apply or being granted or allowed any financial facilities in the form of any loan or advances from any bank or Financial Institution in the public sector, for a period of 10 years from the date of conviction while being extended the benefit of Section 382(b), Cr. P.C.

2. The brief facts of this case are that on the basis of source report against proprietors of different registered companies, the Director General NAB, Sindh authorized the inquiry, which was subsequently converted into investigation. The Reference was filed against the Appellant and others before the Court of Administrative Judge Accountability Courts, Sindh, Karachi, and subsequently transferred to trial Court for its disposal according to law. During pendency of the Reference, accused Inam-ul-Haq Butt, Syed Ali Jawad, Syed Masroor Ahmed Burney, Kashif Naseer and Abdul Rasheed were entered into plea bargain under section 25(b) of National Accountability Ordinance, 1999 and their applications were accepted by the NAB and approved by the trial Court vide Orders dated 12.10.2017, 31.05.2019 and 09.07.2019 respectively. While

co-accused Zubair Butt and Iqbal Ahmed Magsi were declared as absconders vide Orders dated 31.10.2017 and 28.02.2019 respectively. Afterwards, on 03.07.2019 absconding accused Iqbal Ahmed Magsi voluntarily appeared before the trial Court after ad-interim pre-arrest bail granted by this Court. His case was separated/bifurcated and renumbered Reference No.18-A of 2017. While in the main Reference No.18 of 2017, the trial which were facing by the available accused was almost concluded and evidence was already recorded.

3. After usual investigation copies were supplied to the appellant under section 265-C, Cr.P.C. and the charge was framed against him alongwith co-accused on 09.11.2017 at Exh.6, which he pleaded not guilty and claimed to be tried vide plea at Exh.7 respectively. The prosecution in order to prove its case has examined nineteen (19) witnesses as PW-1 to PW-19, who produced the documents / record from Exh.14/1 to Exh.33/13 respectively. Thereafter, the prosecution closed its side at Exh.34 and the statement of accused was recorded under section 342, Cr.P.C. at Exh.40, whereby, he denied the allegations leveled against him by the prosecution, however, the appellant neither examined himself on oath, nor produced any witness in his defence. The learned trial Court after hearing the parties passed the judgment, which has been impugned herein before us.

4. The learned counsel for the appellant argued that the appellant is innocent and has falsely been implicated in the case and the learned Trial Court has passed the impugned Judgment without

proper appraisal of the evidence on record and, therefore, a case of mis-reading and non-reading of the evidence and material record has been persisted, which is liable to be set aside and the appellant be freed / acquitted.

5. We have heard the learned counsel for the appellant and learned Special Prosecutor for NAB as well as learned Deputy Attorney General and with their assistance minutely perused the record of the case.

6. We find no merit in the submissions advanced by learned Counsel for the appellant. The testimony of PW-1 Muhammad Arif, Inspector posted at LRO, RTO-III, FBR Office, Gulistan-e-Johar, Karachi, establishes that, through Exhibits 14/5 to 14/23, the Appellant fraudulently filed refund claims based on fabricated sales tax invoices in favor of M/s Moiz Enterprises (through Sabir) and M/s Shayan International (through Mr. Shahid). Although the Appellant sought to challenge the authenticity of this documentary evidence during the investigation, the record incontrovertibly demonstrates that the Appellant was the beneficiary of the amounts in question. The Appellant has failed to produce any credible or rebuttal evidence to displace this fact and the claim accordingly stands proved against him.

7. The forged documents pertaining to Refund Claim No. D331110100134 and ten others were duly seized by the Investigating Officer and exhibited as Exh.14/1. The appellant opened and maintained personal account for layering funds from the false and bogus Sale Tax Claims. It is undisputed that M/s Shayan

International withdrew an amount of 59.977 million while M/s Moiz Enterprises withdrew Rs.51.501 Million were claimed as Input Tax while usurped Rs.31.634 Million and Rs.28.343 Million on account of Sale Refund which were credited through Government Treasury instrument in to the Appellant Account No.0021-011002873601 Silk Bank, Cloth Market branch and Account No.6-1-13-20311-714-179219 Habib Metropolitan bank, Paper Market Branch, Karachi when actually no purchase of stock on which input tax claimed and usurped nor selling of goods were declared in Income Tax Returns as established from the record. The evidence adduced by PW-1 to PW-3 confirmed that the Appellant based his refund claims on fabricated documents and fake sale of goods to impersonated companies, thereby negating that the Appellant was not entitled for such benefits and the refund claims were made on fake documents of purported sale to impersonated companies and even the representative of such companies confirmed during evidence that no business relationship was ever existed with the Appellant or his companies.

8. M/s Moiz Enterprises, through Appellant Abid, and M/s Shayan International, through Appellant Shahid, deliberately caused substantial losses to the public exchequer, thereby attracting the provisions of Section 9 of the NAO. This fact was further corroborated by PW-2 Muhammad Javed, Inspector, RTO-III, FBR, Karachi, and PW-3 Tanveer Siddique, Assistant Director/IRAO, Inland Revenue Audit Officer, FBR, Karachi, who produced Exh.16/1—comprising the seized fake records of M/s Moiz

Enterprises and M/s Shayan International—along with computer-generated statements of the checked profiles of both companies.

9. PW-4 Syed Majid Hussain Zaidi, owner of Emzee Enterprises, also testified before the trial court, categorically denying any business dealings with the Appellant's companies. His testimony confirmed that no goods were ever sold to him by the Appellant. Instead, the Appellant, through impersonation and fraud, prepared fictitious claims in his name and withdrew sales tax refunds from the Government of Pakistan against such fabricated transactions. It is evident that the Appellant misused the concessions available under SRO No.549(1)/2008 dated 11.06.2008 and SRO No.68(1)/2009 dated 27.10.2009. When confronted with the above legal position, learned counsel for the Appellant did not press the appeal on merits and instead requested that the sentence be modified to the period already undergone by the Appellant.

10. In view of above facts and circumstances of the case, we are of the considered view that the Impugned Judgment passed by the learned Trial Court stands maintained, however, with modification that the sentence of the appellant is reduced for the period which he has already been undergone while maintaining fine amount of **Rs.19.701 Million** to be deposited by the appellant Muhammad Shahid and in case of default, he would have to further undergo R.I. for two (02) years. The appellant present on bail is directed to deposit the fine amount **Pak Rupees.19.701 million** on or before **15.04.2026** with the Nazir of this Court, who shall transmit the fine

amount in favor Federal Government Head with SBP / National Bank of Pakistan.

11. In case of default in payment of above fine amount within stipulated period as mentioned hereinabove, office is directed to issue non-bailable warrants through Investigating Officer of the case against the appellant Muhammad Shahid for serving out his sentences accordingly.

12. Consequently, instant Criminal Accountability Appeal is dismissed with above modifications.

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