IN THE HIGH COURT OF SINDH AT KARACHI

Criminal Bail Application No. 2983 of 2026

Applicant	:	Adnan son of Muhammad Younus Through Mr. Mohsin Habib Advocate
Complainant	:	Usman Tanzeel son of Tanzeel Azam Through Mr. Azizullah Kumbher Advocate
Respondent	:	The State *Through* Ms. Najma Lateef Golo, Assistant Prosecutor General.
Date of hearing	:	27.10.2026
Date of Order	:	27.10.2026

O R D E R

KHALID HUSSAIN SHAHANI, J. – Applicant Adnan seeks pre-arrest bail in a case bearing Crime No. 466/2026, registered under Section 489-F PPC at Police Station Gulshan-e-Iqbal, Karachi, following dismissal of his earlier application by the learned Xth Additional Sessions Judge, Karachi East, vide order dated 07.09.2026.

2. Briefly, the prosecution case is that the applicant, while serving as Store Manager of M/s Spero Enterprises, allegedly misappropriated certain stock belonging to the complainant, Usman Tanzeel, and, upon being confronted, acknowledged liability for Rs.3,500,000/-, against which he allegedly issued cheque No. 01145955. The said cheque, according to the complainant, was dishonoured upon presentation, resulting in registration of the subject FIR.

3. Learned counsel for the applicant contends that the prosecution is a sequel to an earlier criminal case bearing FIR No. 504/2025, registered by the same complainant against the applicant under Section 408 PPC, arising out of substantially the same allegations of misappropriation. He submits that the parties subsequently entered into a settlement agreement dated 09.10.2025, which was admittedly executed between them. It is particularly emphasized that the cheque forming the subject matter of the present FIR is expressly mentioned at serial No. 4 of the agreement, bearing the date 22.10.2027, and, therefore, the very allegation of its dishonour before the stipulated date is demonstrably premature. He further submits that the offence does not fall within the prohibitory clause

of Section 497 Cr.P.C., the controversy is predominantly documentary in nature, and the successive criminal proceedings arising from the same transaction reflect an attempt to exert pressure upon the applicant. Conversely, learned counsel for the complainant and learned prosecutor oppose the application, maintaining that the applicant acknowledged his financial liability, issued the disputed cheque and failed to honour his commitment.

4. I have heard the learned counsel for the parties and examined the available record with their assistance. Significantly, the execution of the settlement agreement dated 09.10.2025 has been admitted by both sides during arguments. Its contents, therefore, assume considerable importance for the limited purpose of tentative assessment of the prosecution case.

5. A careful examination of the record reveals that the complainant had previously registered FIR No. 504/2025 under Section 408 PPC against the applicant, alleging misappropriation of stock during the course of his employment. The present FIR, although founded upon the alleged dishonour of a cheque, traces its origin to the same underlying transaction. It is true that dishonest issuance of a cheque may constitute an independent offence notwithstanding an earlier prosecution concerning the transaction giving rise to the liability; nevertheless, the existence of earlier proceedings, the intervening settlement and the circumstances attending issuance of the cheque cannot be disregarded while determining whether reasonable grounds exist for believing that the applicant committed the offence alleged.

6. More importantly, the settlement agreement, admittedly executed between the parties, contains particulars of four post-dated cheques, and the cheque bearing No. 01145955, which forms the foundation of the present prosecution, is mentioned at serial No. 4 with the stipulated date of 22.10.2027. The present FIR, however, was registered on 23.07.2026, substantially before the date specified in the agreement for presentation of that cheque. Although the FIR attributes an earlier date to the disputed instrument, the agreement relied upon by the parties records otherwise. This material inconsistency, concerning the identity and maturity of the cheque itself, cannot be reconciled merely by reference to its alleged dishonour. Whether the instrument was validly presented when payment had become due, and whether its issuance was attended by the requisite dishonest intention, are questions requiring evidence and deeper

examination. At this stage, the prosecution material does not satisfactorily resolve these matters.

7. Section 489-F PPC does not criminalize every dishonour of a cheque. Its application necessarily depends upon the existence of the statutory ingredients, including dishonest issuance of a cheque towards repayment of a loan or fulfillment of an obligation and its dishonour upon presentation. The mere fact of dishonour, divorced from the circumstances in which the cheque was issued and the terms governing its presentation, cannot by itself conclusively establish criminal liability. The Supreme Court in 2023 SCMR 2122[1] recognized that where the character of the underlying transaction and the purpose for which cheques were issued require determination through evidence, such circumstances may constitute grounds for further inquiry within the meaning of Section 497(2) Cr.P.C.

8. It is also noteworthy that the offence under Section 489-F PPC carries a maximum punishment of three years' imprisonment and, therefore, does not fall within the prohibitory clause of Section 497(1) Cr.P.C. Although pre-arrest bail is a discretionary relief and cannot be claimed merely because an offence falls outside the prohibitory clause, the nature of the accusation, the available evidence, the existence of further inquiry and the possibility of unwarranted arrest remain relevant considerations. In 2024 SCMR 14[2], the Supreme Court reiterated that the assessment of entitlement to bail must take account of the nature and credibility of the accusation, the degree of involvement of the accused and the circumstances suggesting harassment or misuse of criminal process.

9. In the present case, the earlier prosecution arising out of substantially the same transaction, the admitted settlement agreement, the material discrepancy regarding the date of the cheque, and the non-prohibitory nature of the offence, when considered cumulatively, render the applicant's case one of further inquiry. The learned Court below, while declining bail, appears to have attached decisive significance to the dishonour memo and the alleged acknowledgment of liability without adequately examining the stipulated date appearing against the cheque in the admitted agreement. Such an approach overlooks a material circumstance which, at least at this stage, creates serious doubt regarding the maturity of the alleged obligation and the requisite dishonest intention.

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[1] Noman Khaliq v. The State and another

[2] Salman Mushtaq and others v. The State through P.G. Punjab & another.

10. The controversy is substantially dependent upon documentary evidence, while the earlier criminal proceedings and the settlement agreement are already matters of record. In these circumstances, custodial arrest of the applicant would serve no apparent useful purpose and would expose him to deprivation of liberty despite the existence of substantial grounds requiring further inquiry. The possibility that the successive proceedings are being employed to secure satisfaction of the disputed financial liability cannot, in the peculiar circumstances of the case, be altogether excluded.

11. For the foregoing reasons, the applicant has succeeded in making out a case for the concession of pre-arrest bail. Consequently, this application is allowed, and interim bail already granted to applicant is confirmed on same terms and conditions with the directions to join investigation/trial.

12. It is clarified that the observations made herein are tentative in nature, confined exclusively to the determination of this bail application, and shall not prejudice the merits of the case before the learned trial Court, which shall decide the same independently on the evidence brought before it.

J U D G E

Shahbaz