IN THE HIGH COURT OF SINDH AT KARACHI

Criminal Bail Application No. 2371 of 2026

Applicant	:	Kashif Lateef Son of Abdul Lateef Through: Mr. Nasrullah Korai, advocate
Complainant	:	Hamza Razzaq S/o. Javed Razzaq Through: Munir Ahmed Gilal, advocate
The State	:	The State: Through Mr. Tahira Depar, Assistant Prosecutor General Sindh
Date of hearing	:	04.11.2026.
Date of Order	:	04.11.2026.

O R D E R

Jan Ali Junejo, J:- Through this Criminal Bail Application filed under Section 497, Cr.P.C. the Applicant Kashif Lateef son of Abdul Lateef seeks his release on bail in case FIR No. 221/2026, registered at Police Station Preedy, Karachi, for an offence under Section 489-F, PPC. The Applicant is aggrieved of the orders dated 20.05.2026 and 16.07.2026 passed respectively by the learned Judicial Magistrate-III, Karachi-South in Bail Application No. 58/2026 and the learned Additional Sessions Judge-II, Karachi-South in Bail Application No. 2587/2026, whereby his bail was declined.

2. Brief facts as per FIR are that complainant lodged FIR whereby he stated that one Kashif Latif known to him approach him and ask to invest in his business and assured monthly profit so also that his principal amount would remain secure. On 01-01-2025, complainant and Kashif Latif entered into written agreement and complainant handed over an amount of Rs.25,000,000/- to Kashif Latif. In return of the said amount Kashif Latif issued cheque No.A-1176257 of Rs.25,000.000/- and ask complainant for encashment of the same on 09-01-2026. Complainant presented cheque on 13.10.2026 but the same was dishonored.

Complainant contacted Kashif Latif but later he delayed the matter, hence complainant registered instant FIR.

3. Learned counsel for the applicant/accused contends that the applicant is innocent and has been falsely implicated in the present case with mala fide intention, as the dispute between the parties is predominantly civil in nature, arising out of property transactions. He submits that the alleged cheque was handed over as a signed blank security cheque from a cheque book entrusted to the complainant party in connection with the underlying transactions, which has subsequently been misused. He further contends that the applicant has already instituted Civil Suit No.11998 of 2025 before the learned Senior Civil Judge-XII, Karachi East, wherein the parties were directed to maintain status quo and the use or encashment of the subject cheques was restrained, except those already utilized. He argues that the complainant's own pleadings in the said civil proceedings acknowledge that the cheques were issued as security, thereby rendering the prosecution case doubtful. He further submits that multiple FIRs have been lodged by different members of the complainant's family arising out of the same property dispute and cheque book, which reflects malafide intention and an abuse of the criminal process. He also points out that the present FIR was registered after an unexplained delay of more than two months from the alleged dishonour of the cheque. Learned counsel emphasizes that the offence under Section 489-F PPC does not fall within the prohibitory clause of Section 497(1) Cr.P.C., and that the case squarely falls within the ambit of further inquiry under Section 497(2) Cr.P.C. He maintains that the applicant is a respectable, law-abiding citizen having no criminal antecedents, permanent residence and established business interests in Karachi, with no likelihood of absconding, tampering with evidence or influencing witnesses, particularly when the prosecution case is based on documentary evidence and no further recovery is required. He lastly submits that the continued incarceration of the applicant would amount to pre-trial punishment and prays for grant of post-arrest bail.

4. Conversely, learned Assistant Prosecutor General assisted by learned counsel for the complainant opposed the bail. It is argued that the Applicant is specifically named; cheques admittedly emanate from the Applicant and were dishonoured, thereby attracting the mischief of

Section 489-F, PPC. The quantum involved is substantial; documentary material prima facie connects the Applicant to the transaction and the issuance of cheques; at this stage, the defence of "security cheques" is a disputed factual assertion to be proved at trial. It is urged that no mala fides are established; reliance is placed on the gravity of financial frauds requiring deterrence. Prayer is made for dismissal of bail application.

5. I have considered the arguments advanced by the learned counsel for the parties and perused the material available on record.

6. It appears that the prosecution has alleged that the complainant advanced an amount of Rs.2,50,00,000/- to the applicant for business purposes; that in discharge of such liability the applicant issued subject cheque; and that upon presentation of the said cheque in the complainant's Bank account, it was dishonoured due to insufficient funds, whereafter, despite demand, the applicant avoided repayment. At this stage, on tentative assessment, it prima facie appears that the nature of the alleged transaction, the circumstances leading to issuance of the cheque, the existence of a legally enforceable liability and the element of dishonest intent are matters which require deeper probe and are to be determined by the learned Trial Court after recording of evidence; therefore, the case calls for further inquiry within the meaning of section 497(2), Cr.P.C. Moreover, the offence under section 489-F PPC carries maximum punishment up to three years and does not fall within the prohibitory clause of section 497(1), Cr.P.C. Reliance is placed in the case of Abdul Rasheed v. The State, (2023 SCMR 1948) wherein the Supreme Court observed as follows:

> "*Even otherwise, even if the complainant wants to recover his money, Section 489-F of PPC is not a provision which is intended by the Legislature to be used for recovery of an alleged amount. In view of the above, the question of whether the cheques were issued towards repayment of the loan or fulfillment of an obligation within the meaning of Section 489 F PPC is a question, which would be resolved by the learned Trial Court after the recording of evidence. The maximum punishment provided under the statute for the offense under Section 489-F PPC is three years and the same does not fall within the prohibitory clause of Section 497 Cr.P.C. It is settled law that grant of bail in the offenses not falling within the prohibitory clause is a rule and refusal is an exception*."

7. It is admitted position that a Civil Suit No.11998/2025 for specific performance of the agreement relating to the sale and purchase of the subject property is already pending between the applicant and the complainant's

family before the competent court of law. This prima facie demonstrate that the dispute between the parties is essentially subjudice before the competent forum. The pendency of such civil proceedings raises serious questions regarding the nature of the dispute and the allegation leveled against the applicant, thereby creating reasonable doubt at this stage. Consequently, the case of the applicant calls for further inquiry.

8. In view of above discussion, on tentative assessment, the applicant has been able to make out a case for further inquiry within the contemplation of Section 497(2), Cr.P.C. The continued incarceration, before trial and in a documentary, civilly-tinged dispute, risks converting the process into pre-trial punishment.

9. For the foregoing reasons, this Criminal Bail Application is allowed. The Applicant Kashif Lateef S/o. Abdul Lateef, is admitted to post-arrest bail in case FIR No. 221/2026, under Section 489-F, PPC, Police Station Preedy, Karachi, subject to his furnishing: Solvent surety in the sum of Rs. 500,000/- (Rupees Five Hundred Thousand only), and P.R bond in the like amount, to the satisfaction of the learned trial Court. It is, however, observed that the findings recorded herein are tentative in nature, made solely for the purpose of deciding the present bail application, and shall not prejudice the case of either party during the course of trial.

JUDGE