Order Sheet

IN THE HIGH COURT OF SINDH KARACHI

Cr. Bail Application No.3287 of 2025

Date	Order with Signature of Judge

1. For order on office objections a/w reply.
2. For hearing of bail application.

31.12.2025

Mr. Shahid Nazir, Advocate for the applicant.
Syed Bashir Hussain Shah, Assistant Attorney General a/w
I.O. / SI Ms. Erum Noor, FIA, State Bank Circle, Karachi, and
A.D. Legal Shahzad Javed, FIA, State Bank Circle, Karachi.

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1. The applicant seeks bail in Crime No.01 of 2024 registered under Sections 420 and 34 PPC r/w Sections 4, 5, 8 and 23 of PERA (amended) Act, 2020, r/w Sections 3 and 4 of the Anti-Money Laundering Act, 2010, with P.S. FIA, State Bank Circle, Karachi.

2. The learned counsel for the applicant contends that the applicant is involved in online business and is a registered taxpayer individually as well as in the name of Home Decor, a proprietorship concern. Due to speedily credit and debit entries in the bank account, the bank manager has raised STR under Section 7 of the Anti-Money Laundering Act, 2010, with the State Bank Circle, FIA, for inquiry and investigation in unexplained money. He further contends that the FBR has issued a show cause notice for about Rs.24,17,87,491/- which has been duly answered by the applicant and consequently no further action has been taken. Neither the FBR has opened the audit nor has attached such amount on account of tax liability.

3. On the other hand, the learned Assistant Attorney General states that this is the second bail application and in the earlier round the first bail application has been dismissed with cogent reason and subsequently

the present bail application on the same ground finds no merits. The challan has been submitted before the trial Court and the matter is ripe for evidence / trial.

4. Heard the counsel for the applicant and learned Assistant Attorney General as well as A.D. Legal Shahzad Javed and I.O. / SI Ms. Erum Noor, FIA, State Bank Circle, Karachi, and perused the record.

5. As regards the contention of learned Assistant Attorney General Syed Bashir Hussain Shah that the earlier bail application has been rejected, therefore, the present bail application on the same ground cannot be entertainable at this stage. I do not see that it can be a valid ground for the reason that the present case involves a question of law as an FIR under the Anti-Money Laundering Act, 2010, can only be registered when a predicate offence is existed and registered. The concept and the parameters for registration of FIR under Sections 3 and 4 of the Anti-Money Laundering Act, 2010, are strictly confined to the "predicate offence". Such predicate offence has been given under Schedule-I of the Anti-Money Laundering Act, 2010. Even any offence which has been committed by any accused and money has been laundered, but the same has not been given in the Schedule to the Anti-Money Laundering Act, 2010, could not be registered and prosecuted before the Court of law. In the present case the FIA, State Bank Circle, Karachi, have directly registered an FIR for money laundering while reading predicate offences of Section 420 (fraud) provisions of Foreign Exchange Regulation Act, 1947, and its amended provisions of Sections 4, 5, 8 and 23 have been included with the offence of Anti-Money Laundering Act, 2010, which is against the concept of the money laundering and the scheme framed by the legislature.

6. The Anti-Money Laundering Act, 2010, is a special statute premised upon the existence of a scheduled or predicate offence; however, the offence of money laundering is statutorily distinct and independent in character. Sections 20(a) and (b) of AMLA unequivocally recognize that the predicate offence and the laundering offence constitute separate crimes, attracting separate jurisdiction, investigation, and punishment. Money laundering is not a mere continuation or variant of the scheduled offence but an autonomous offence requiring independent cognizance. The Act establishes a self-contained mechanism governing investigation, prosecution, and trial, independent of the procedural limitations ordinarily applicable under general criminal law.

7. Section 21(2) AMLA expressly declares the offence of money laundering to be cognizable, thereby mandating initiation of proceedings through registration of an FIR and investigation by the competent investigating agency. The statutory command leaves no discretion to bypass the police process or substitute it with a private complaint mechanism. Cognizance under AMLA is thus founded upon a duly registered FIR, followed by investigation and submission of a report before the competent Special Court in accordance with law.

8. Explanation-II to section 3 AMLA expressly dispenses with the requirement of a prior conviction for the predicate offence. The legislature has consciously provided that proceedings for money laundering may be initiated, continued, and concluded irrespective of whether the scheduled offence has resulted in conviction, acquittal, or is even pending adjudication. The offence of money laundering, therefore,

stands on its own footing once proceeds of crime are prima facie shown to exist.

9. The traditional doctrine of "same transaction" as developed under the Code of Criminal Procedure does not extend to offences under AMLA. Consequently, the embargo against second FIRs has no application where a separate FIR is registered for the offence of money laundering arising from proceeds of crime. Reliance upon **Sugra Bibi v. The State**, which restricts registration of multiple FIRs arising out of the same transaction, is misconceived in the context of AMLA, as the said principle governs general criminal offences and not special statutes creating distinct and independent offences.

10. Section 39 AMLA contains a non-obstante clause, giving the Act overriding effect over all inconsistent laws. The supremacy of special legislation over general procedural law has been authoritatively affirmed by the Supreme Court in **Justice Qazi Faez Isa v. President of Pakistan**. Accordingly, procedural restrictions developed under general criminal jurisprudence—particularly those relating to FIR registration and trial modalities—stand eclipsed to the extent of inconsistency with AMLA. The principles governing refusal or quashment of FIRs, as laid down in **Muhammad Abbasi v. S.H.O. Bhara Kahu**, **Col. Shah Sadiq v. Muhammad Ashiq**, **D.G. FIA v. Kamran Iqbal**, **Miraj Khan v. Gul Ahmed**, and **A. Habib Ahmad v. M.K.G. Scott Christian**, are rooted in ordinary criminal law and address situations where no offence is disclosed or the registering authority lacks jurisdiction. Such principles do not govern AMLA proceedings, which operate under a special statutory mandate with independent investigative and prosecutorial architecture.

11. It is legally permissible under AMLA that the person prosecuted for the scheduled offence may be different from the person prosecuted for money laundering. One individual may commit the predicate offence, while another may subsequently possess, conceal, convert, or use the proceeds of crime. This statutory recognition further reinforces the necessity of an independent FIR and investigation under AMLA and negates the applicability of general procedure or FIR-quashment doctrines. The Sessions Court is empowered to try the offence under AMLA and the Special Court derives jurisdiction to try an offence under AMLA only when such offence is linked with a scheduled predicate offence falling within its lawful jurisdiction. However, once such linkage is prima facie established, the offence of money laundering remains independently triable, subject to proof of proceeds of crime, irrespective of the outcome of the predicate offence. Conversely, in the absence of predicate offence, that too, offence must be mentioned in the schedule attached to the AMLA, neither a joint FIR for the predicate offence and AMLA nor the separate offence under the AMLA can be registered being fundamentally against the scheme of law.

12. In view of the foregoing discussion, it is held that AMLA constitutes a special and overriding statutory regime. The offence of money laundering is distinct from the predicate offence, requires registration of a separate FIR, and is not barred by the doctrine against second FIRs. General principles governing quashment of FIRs or lack of authority to register cases are inapplicable to AMLA prosecutions.

13. The learned Assistant Attorney General as well as the A.D. Legal Shahzad Javed and I.O. / SI Ms. Erum Noor, FIA, State Bank Circle, Karachi, though state that some of the amount has been transmitted

abroad, however, the copy of charge sheet already available on record shows that colum-4 of the case property is nil; meaning thereby the FIA has not recovered any case property or proceed of crime despite taking remand of the applicant as it is not existed otherwise it must be recovered alongwith the manner and substance.

14. The show cause notice issued by the FBR with regard to such money, which is the subject matter of the present case, has been well explained by the applicant before the concerned forum with regard to its legitimacy for the tax purposes. It is to be born in mind that even the FBR is empowered to refer the matter for the money laundering to the FIA who is the leader for money laundering investigation. However, in the present case the FBR has not referred the matter to FIA to probe into the money laundering and only the bank officer in compliance of the provisions of Section 7 of the Anti-Money Laundering Act, 2010, and AML and TF Regulation, 2022, have referred the matter by raising STR through the FMU financial intelligence. Therefore, the case of the applicant covers within the purview of a further inquiry in view of the fact that the applicant is registered with the Federal Board of Revenue individually herself and through her proprietorship concern Home Decor and said FBR has satisfied with regard to money transactions of the applicant and same cannot be considered as laundered unless prosecution brought predicate offence separately.

15. Section 497(1) provides special treatment to the women. Challan has been submitted before the trial Court and the matter is fixed for framing of charge. Applicant is no more required for the purposes of investigation and no apprehension shown by prosecution that in case the applicant is released on bail she would threaten the prosecution

witnesses or damage the evidential record, therefore, the applicant is admitted to concession of post arrest bail in the sum of Rupees Five Million and P.R bond in the like amount to the satisfaction of the Nazir of this Court. This bail application stands disposed of in the above terms.

Needless to mention that any observation made or finding recorded hereinabove is only for the purposes of deciding the present bail application without affecting merit of the case which will be decided by the trial Court and the trial Court shall not be influenced with it and try the case in accordance with law.

J U D G E

Asif