

THE HIGH COURT OF SINDH AT KARACHI

Cr. Bail Appln No.986 of 2026.

a/w

Cr. Bail Appln No.3405 of 2025

Cr. Bail Appln No.1018 of 2026

Cr. Bail Appln No.3406 of 2025

Cr. Bail Appln No.923 of 2026

Applicant : Ain ul Haq Waseem
[in Cr. B.A No.986/2026] Son of Mumtaz Ahmed
In person

Applicants : 1. Muhammad Bilal
[in Cr. B.A No.3405/2025] S/o. Muhammad Iqbal
2. Muhammad Saghir
Son of Muhammad Abdullah
Through Mr. Muhammad Farooq,
advocate

Applicant : Muhammad Arif
[in Cr. B.A No.1018/2026] Son of Zafar Iqbal
Through Mr. Pir Riaz Muhammad
Shah, advocate

Applicant : Nikash Waheed
[in Cr. B.A No.3406/2025] Son of Aurangzaib
Through Mr. Muhammad Farooq,
advocate

Applicant : Mustajab
[in Cr. B.A No.923/2026] Son of Syed Mateen
Through Mr. Fasih uz Zaman,
advocate

Complainant : Arsalan Javed
[in all Cr. B.A] son of Javed Kamal
Through Ms. Farah Khan, advocate

The State : Through Mr. Muhammad Mohsin,
Assistant Prosecution General,
Sindh.

Date of hearing : 09.06.2026.

Date of Order : 09.06.2026.

ORDER

Jan Ali Junejo, J.- By this common order, I intend to decide the above captioned bail applications, as they arise out of same incident.

2. The present applicants Ain ul Haq Waeem [in Cr. B.A No.986/2026], Muhammad Bilal and Muhammad Saghir [in Cr. B. A No.3405/2025], Muhammad Arif [in Cr. B. A No. 1018/2026], Nikash Waheed [in Cr. B. A No.3406/2025] and Mustajab [in Cr. B. A No. 923/2026] seek pre-arrest bail in FIR No.685/2025, under Section 406/408/34 PPC registered at Police Station Sukhan, Karachi, calling in question the order dated 18.03.2026, 06.12.2025, 18.03.2026, 06.12.2025 & 18.03.2026, respectively, passed by the learned Additional Sessions Judge-VIII, Malir at Karachi, whereby their respective pre-arrest bail applications were dismissed. The Applicants Ain ul Haq Waeem [in Cr. B.A No.986/2026], Muhammad Bilal and Muhammad Saghir [in Cr. B. A No.3405/2025], Muhammad Arif [in Cr. B. A No. 1018/2026], Nikash Waheed [in Cr. B. A No.3406/2025] and Mustajab [in Cr. B. A No. 923/2026] were granted ad-interim pre-arrest bails by this Court vide Order dated: 01.04.2026, 10.12.2025, 06.04.2026, 10.12.2025 & 24.03.2026, respectively.

2. The prosecution case, as set out in FIR No.685/2025, is that the complainant namely Arsalan Javed son of Javed Kamal lodged the instant FIR on 04.11.2025 at 1500 hours in respect of occurrences allegedly taking place between the years 2024 and 30.06.2025. He stated that he resides at Karachi Apartments, Gulshan-e-Iqbal, Karachi, with his family and is employed as Company Secretary in GAGA-LUX Company, situated in the Industrial Zone. According to the complainant, GAGA-LUX is a multinational company engaged in the manufacture of soap using RBD Palm Stearin, RBD Palm Oil, and RBD Palm Olein imported from Malaysia, and has been operating in Pakistan since 2001, with factories and warehouses established in Bin Qasim, Karachi. He further stated that the company employed several individuals, namely Ghulam Hussain son of Bashir Ahmed, Naqash Waheed son of Aurangzaib, Muhammad Sagheer son of Muhammad Abdullah, Ain-ul-Haq Waseem son of Mumtaz Ahmed, Muhammad Arif son of Zafar Iqbal, Muhammad Bilal son of Muhammad Iqbal, and Mustajib son of Syed Mateen, on different designations and, owing to their performance, sent them to Malaysia on various assignments. The complainant alleged that in 2023, various vendors began complaining about the quality of raw materials, and irregularities in company operations came to light. Although the matter

was placed before the Board of Directors and audits were conducted, no conclusive findings initially emerged. However, in 2024, major vendors and contractors allegedly refused to continue business with the company, citing a decline in product quality, delays in construction and mechanical works, inflated billing, and the awarding of contracts to inexperienced contractors in exchange for commissions. It was further alleged that embezzlement of raw oil and scrap material from company warehouses was discovered, and upon inquiry, Ghulam Hussain, Muhammad Sagheer, and Naqash Waheed were found to be the principal actors who, in collusion with others, misappropriated company assets and sold contracts on commission, thereby causing substantial financial loss to the company. The complainant further alleged that between 2015 and 2024, an unusual increase in the financial status of the accused persons was observed, which was inconsistent with their declared income and tax records. He stated that the company conducted an internal inquiry, suspended their employment contracts and visas, and lodged a report with the Malaysian police; however, the accused allegedly evaded the authorities and returned to Pakistan. It was further alleged that subsequent audits of the Karachi office revealed evidence of embezzlement and criminal breach of trust and that the accused had been operating as a group while facilitating the placement of their associates in Malaysia. According to the complainant, their actions caused significant financial loss to the company and damaged its international reputation. He lastly stated that, pursuant to an authority letter issued in his favour on 01.10.2025, he had approached the police to lodge the present report against the aforementioned seven persons and requested legal action against them.

3. Mr. Muhammad Farooq advocate for the applicants in Cr. Bail Application Nos. 3405 & 3406 of 2025 submits that the applicants are innocent law-abiding citizens who have been falsely implicated in the present case with mala fide intentions and ulterior motives, aimed at harassing, humiliating, and pressurizing them into submission. He contends that the FIR is fabricated, based on hearsay, and suffers from material infirmities, having been lodged after an unexplained delay of more than four months, thereby casting serious doubt on the prosecution version. It is further argued that the alleged offence of misappropriation is vaguely and generally described without specifying the nature, extent, or

specific role attributed to each of the applicants, rendering the case one of further inquiry. Learned counsel submits that no ocular evidence is available against the applicants and their implication is based on unverified allegations, while the inquiry and audit reports relied upon by the complainant are unilateral, undisclosed, and devoid of evidentiary value at this stage. He further contends that the applicants were subjected to humiliation and harassment by the police at the instance of the complainant acting with mala fide intent, and that the entire prosecution story is based on an unlikely and concocted narrative. It is also submitted that Applicant No.1 was suspended without notice for demanding lawful leave, whereas Applicant No.2 resigned on 17.07.2025 due to the company's conduct, which further falsifies the complainant's version. Learned counsel argues that the FIR has been lodged merely to exert pressure upon the applicants and to deter them from initiating legal proceedings against the company. He further submits that the offence under Section 406 PPC does not fall within the prohibitory clause of Section 497 Cr.P.C., and that there are no reasonable grounds to believe the applicants' guilt, rather the case squarely falls within the ambit of further inquiry. It is further contended that the applicants are not previous convicts and have clean antecedents, enjoying the presumption of innocence as a settled principle of criminal jurisprudence, and that mere registration of FIR cannot justify continued detention. Lastly, learned counsel submits that there is no apprehension of absconding or tampering with evidence, and that bail is the rule while refusal is an exception in cases not falling within the prohibitory clause; hence, he prays that the pre-arrest bail be confirmed. In support of his arguments, learned counsel for the applicant relied upon the case laws reported in PLD 1995 SC 34, 2011 YLR 809, 2026 MLD 187 and 2025 YLR 1798.

4. Mr. Pir Riaz Muhammad Shah advocate for the applicant in Cr. Bail Application No. 1018/2026 submits that the applicant/accused is innocent and has been falsely implicated in the present case with mala fide intention and ulterior motives. He contends that the alleged incident occurred on 30.06.2025, whereas the FIR was lodged on 04.11.2025 after an unexplained delay of more than four months, which renders the prosecution story highly doubtful and calls for further inquiry. It is further argued that no specific role has been attributed to the applicant/accused in

the commission of the alleged offence, nor is there any material connecting him with the occurrence, thereby making his implication doubtful. Learned counsel submits that the learned trial Court did not decide the bail application on merits and erroneously dismissed the same on demerits. He further contends that there are sufficient grounds to believe that the applicant has not committed the alleged offence, and the case squarely falls within the ambit of further inquiry. It is also argued that the alleged offence does not fall within the prohibitory clause of Section 497 Cr.P.C., and the mala fide of the complainant is apparent from the record, ruling out the possibility of true implication. Learned counsel submits that there is no reasonable ground to believe the applicant's involvement in the alleged crime, and he is not a hardened or desperate criminal, nor is there any likelihood of his absconding if granted pre-arrest bail. He further contends that it is a cardinal principle of criminal jurisprudence that an accused is presumed innocent until proven guilty, and in the absence of independent and credible evidence, no conviction can be presumed. He adds that liberty of a citizen is a precious right, and where reasonable doubt exists regarding the prosecution case, the benefit thereof must go to the accused, hence, he prays that the pre-arrest bail be confirmed.

5. Mr. Fasih uz Zaman advocate for the applicant in Cr. Bail Application No. 923/2026 submits that the applicant/accused is an innocent, law-abiding and respectable citizen having a good reputation in society, who has been falsely implicated in the present case by the complainant with mala fide intentions and ulterior motives to harass, humiliate and pressurize him. He contends that the applicant is a technical electrician employed with Gamalux SDN BHD, Malaysia, from June 2023 to June 2025, whose duties were strictly confined to electrical maintenance and repair, without any managerial, financial, procurement, supervisory or decision-making authority, and he never served in the complainant company in Pakistan where the alleged offence occurred during his absence. It is further submitted that the applicant suffered from a serious heart condition during 2025, for which he returned to Pakistan on 04.07.2025 for medical treatment after the employer allegedly failed to provide adequate care, and his presence in Pakistan is bona fide and health-driven, negating any possibility of abscondence. Learned counsel

submits that the FIR alleges large-scale financial irregularities of approximately PKR 870 million; however, audit and inquiry reports indicate that such losses, if any, are attributable to managerial staff responsible for procurement and accounts, whereas the applicant, being a mere technical employee, had no nexus with financial transactions, entrustment of property, or decision-making authority. He further contends that the essential ingredients of Sections 406/408 PPC are missing, as no entrustment of property or dishonest misappropriation by the applicant has been shown, and the allegations are purely vague, documentary in nature, and arise out of internal company disputes. It is also argued that no specific role has been attributed to the applicant in the FIR, which merely contains general allegations, and his custodial interrogation is not required as all evidence is documentary and already in possession of the complainant. Learned counsel further submits that the applicant was never entrusted with company property, stock, accounts, or financial dealings, nor did he have any authority over vendors, procurement or audits, making his implication purely malafide. He contends that the FIR has been lodged to cover up internal lapses of management and to harass technical staff, and that threats were also extended to the applicant to return to Malaysia or face criminal proceedings. It is further submitted that the applicant has clean antecedents, is a permanent resident of Karachi with strong local ties, is neither a hardened criminal nor an absconder, and there is no likelihood of his fleeing from justice. Learned counsel adds that custodial detention would amount to an abuse of process and violate his fundamental rights under Article 10-A of the Constitution, particularly when the offence does not fall within the prohibitory clause of Section 497 Cr.P.C. Lastly, it is prayed that in view of his medical condition, purely technical role, absence of mens rea, and malafide prosecution, the pre-arrest bail be confirmed.

6. Applicant Ain ul Haq Waseem present on interim bail adopted the arguments of learned counsel for the applicants.

7. Conversely, the learned Assistant Prosecutor General Sindh assisted by learned counsel for complainant opposed present Cr. Bail Applications vehemently and rigorously on variety of the grounds. They further added that applicants was prima facie connected with the crime on the strength of the material collected by the Investigating Officer, as such

they were not entitled to extra ordinary relief, which was available only for innocent people. In support of her contentions, learned counsel for the complainant relied upon the case laws reported in 2015 SCMR 1394, PLD 1983 SC 82, 2020 SCMR 313, 2019 SCMR 1129, 2022 MLD 1315, 2025 YLR 2484, 2022 MLD 358, 2025 YLR 402, 2011 YLR 2882 and 2012 P.Cr.L.J 1572.

8. I have heard the learned counsel for the applicants, learned Assistant Prosecutor General Sindh as well as learned counsel for the complainant and have perused the material made available on record with their able assistance.

9. A tentative assessment of the prosecution case reveals that the allegations primarily relate to alleged misappropriation, financial irregularities, and operational misconduct within the company spread over a considerable period. The complainant has leveled general allegations against multiple employees, including the present applicants, attributing to them collective involvement in alleged financial losses and administrative irregularities. However, at this stage, the record reflects that the role attributed to each applicant is not specifically and distinctly defined, and the allegations appear to be largely omnibus in nature requiring deeper appreciation of evidence.

10. The defence, on the other hand, has consistently taken the stance that the applicants are either technical or non-managerial employees, having no nexus with financial management, procurement, accounts, or decision-making authority, and that the alleged loss, if any, is attributable to managerial hierarchy. It has further been asserted that the allegations are the outcome of internal corporate disputes and mala fide intentions, and that documentary evidence is required to establish the alleged entrustment and misappropriation, which is still subject to trial.

11. As regards the contention of mala fide, delay in FIR, and departmental/internal inquiry, it is observed that these aspects require evidence and detailed scrutiny at trial. Similarly, the question whether the applicants were entrusted with company property or had any dominion

over the alleged assets is a disputed factual matter which cannot be conclusively determined at this stage.

12. Besides the above In the case of Tariq Bashir V. The State (PLD 1995 SC 34) the Court has taken notice of stock of prevailing circumstances where under-trial prisoners are sent to judicial lock-up without releasing them on bail in non-bailable offenses punishable with imprisonment of fewer than 10 years and held that “grant of bail in such offenses is a rule and refusal shall be an exception, for which cogent and convincing reasons should be recorded.” While elaborating exceptions, albeit it was mentioned that if there is a danger of the offense being repeated, if, the accused is released on bail, then the grant of bail may be refused but it is further elaborated that such opinion of the Court shall not be founded on mere apprehension and self-assumed factors but the same must be supported by cogent reasons and material available on record and not to be based on surmises and artificial or weak premise. Even otherwise to ensure that the accused may not repeat the same offense, if, released on bail, sufficient surety bonds shall be obtained through reliable sureties besides the legal position that repetition of the same offense would disentitle the accused to stay at large as bail granting order may be recalled in that event, therefore, such ground should not be an absolute bar in the way of grant of bail. It may be noted that there is a sky-high difference between jail life and free life. If the accused person is ultimately acquitted in such cases then, no kind of compensation would be sufficient enough to repair the wrong caused to him due to his incarceration. It is a settled principle of law that once the Legislature has conferred discretion on the Court to exercise jurisdiction in a particular category of offenses without placing any prohibition on such discretion.

13. In view of the facts and circumstances narrated above, I am of the considered view that the learned trial Court has erred in appreciation of law on the subject while rejecting the pre-arrest bails of the applicants, hence, the same is set at naught, as a consequent I am of the considered view that the case of the applicants requires further inquiry and entitling them for the concession of pre-arrest bail.

14. The epitome of the above discussion is that there are sufficient grounds for the confirmation of the pre-arrest bail, resultantly, these bail applications are allowed and the ad-interim pre-arrest bail already granted to the Applicants Ain ul Haq Waeem [in Cr. B.A No.986/2026], Muhammad Bilal and Muhammad Saghir [in Cr. B. A No.3405/2025], Muhammad Arif [in Cr. B. A No. 1018/2026], Nikash Waheed [in Cr. B. A No.3406/2025] and Mustajab [in Cr. B. A No. 923/2026] were granted ad-interim pre-arrest bails by this Court vide Order dated: 01.04.2026, 10.12.2025, 06.04.2026, 10.12.2025 & 24.03.2026, respectively are hereby confirmed on the same terms and conditions.

15. Needless to mention any observations made in the above order are tentative and shall not influence the trial court in any manner.

These are the reason of short order dated: 09.06.2026.

JUDGE