JUDGMENT SHEET

IN THE ISLAMABAD HIGH COURT, ISLAMABAD.

JUDICIAL DEPARTMENT

W.P. No.219/2026

Dr. Fazeela Abbasi

Versus

Federation of Pakistan, etc

Petitioner by:	M/S Saeed Khurshid Ahmad, Sami Ullah Joya, Malik Sarwar Awan, Malik Hamzah Sarwar,Malik Farrukh Awan, and Babar Ali Khan Advocates
Respondents by:	Mr. Sarfraz Rauaf, learned AAG, M/S Afzal Khan Niazi, Deputy Director, Shams Gondal SHO/IO, and Wajid Inspector FIA.
Date of Hearing:	19.03.2026

KHADIM HUSSAIN SOOMRO, J: Through this writ petition, the petitioner prays as under:-

> "A. Declare the impugned Inquiry/FIR No. 01/2026 dated: 08.01.2026, CBC, FIA, Islamabad, and investigation illegal, arbitrary, and without lawful authority,
>
> B. Quash the impugned inquiry/FIR No.1/2026 dated 08.01.2026 CBC, FIA Islamabad and strict action against the respondents may kindly be taken,
>
> C. Restrain the respondents from arresting, harassing or taking any coercive action against the petitioner,
>
> D. Grant any other relief deemed just and proper in the circumstances."

2. Brief facts of the FIR are that, consequent upon enquiry, it transpired that Dr. Fazeela Abbasi has been involved in unauthorized foreign currency dealings, unlicensed money-service operations, illicit cross-border remittances, and the acquisition and utilization of foreign currency through informal value transfer systems, thereby laundering proceeds of crime. During the course of the enquiry, a detailed financial analysis of PKR, USD, and AED accounts maintained by the

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accused and her joint account holders was conducted. The analysis revealed massive unexplained financial flows, structured deposits, and outward remittances that were grossly disproportionate to their declared income and economic profile. The twenty-two bank accounts across UBL, JS Bank, DIB, and MCB exhibited a combined credit turnover of approximately. PKR 25 billion, whereas the declared annual income of the accused remained between PKR 400,000 and PKR 600,000. The evidence further indicates deliberate structuring of foreign currency deposits below the regulatory reporting threshold, manifesting a clear intent to evade Suspicious Transaction Reporting (STR) and Currency Transaction Reporting (CTR), requirements mandated under AML/CFT regulations. The DIB USD account alone reflected USD 1306,800 in credits and USD 1342.717 in debits, while the AED accounts recorded over AED 3.3 Million in cyclical deposits and withdrawals. Additionally, the UBL USD account has 285.573 in credits and 237.193 in debits, while the AED account has 294.000 in credits and 259.904 in debits. The outward remittances were parked in the USA and Dubai. The routing of funds to these jurisdictions, without a corresponding legitimate justification, is an illegal transfer of currency. The accused engaged in repeated remittances of funds abroad without lawful economic purpose, documentation, or foreign exchange documentation through hawala/Hundi channels. Exchange companies confirmed that no foreign currency purchases were recorded in the name of the account, thereby establishing that all foreign currency credited to her accounts was sourced through legal and unregulated channels. The account further utilized informal value transfer systems, Hawala/Hundi, evidenced by credits from numerous commercial entities such as textile manufacturers, garment, rice traders, and poultry suppliers, none of whom have any nexus with the accused's professional or declared business activities. The foregoing actions are blatant violations of Sections 4 & 5 of the Foreign Exchange Regulation Act, 1947. The accused maintains twenty-two bank accounts, both in Pakistani rupees and foreign currency (FC), for the purpose of

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Hawala/Hundi with transactions being conducted by unrelated counterparties. The purpose of maintaining such a large number of accounts was to facilitate laundering in order to conceal or disguise the true nature, origin, and legitimate source of funds/proceeds of crime. Hence, the accused has committed the offence of money laundering under Section 3 of the Anti-Money Laundering Act, 2010. The cumulative material on record, consisting of bank analysis, tax discrepancies, undeclared income, structured deposits, unlicensed foreign exchange transactions, and outward remittances without lawful purpose, provides sufficient grounds to establish that the accused person has committed offences under Sections 4,5 & 23 of the Foreign Exchange Regulation Act, 1947 & Sections 3 & 4 of the Anti-Money Laundering Act, 2010. The FBR, despite having access to all banking transactions, deliberately exceeded an unusually large turnover in connivance with the accused. Fazeela Abbasi, hence, an offence is committed under Section 5 (2) PCA 1947 r/ 109 PPC. Hence, prima facie under Sections 4,5 & 23 of the Foreign Exchange Regulation Act, 1947, 3 & 4 of the Anti-Money Laundering Act, 2010, and 5 (2) 47 PCA 1947 r/w 109 PPC is made out against Dr. Fazeela Abbasi, d/o Mazhar Ali Abbasi, CNIC No. 51101-5386574-6 r/o House No. 44, F-8/1, Islamabad, and concerned FBR officials. The role of bank officials and others will be thrashed out during the investigation. Hence this FIR.

3. Learned counsel for the petitioner contends that prior to registration of the impugned FIR, the petitioner had already filed W.P. No.09/2026 before this court seeking quashment of FIR No.11/2025, wherein this court had granted interim relief by staying the operation of the said FIR. It is argued that despite the subsistence of the restraining order, the respondents initiated fresh proceedings under the Anti-Money Laundering Act, 2010, against the petitioner without following the procedure prescribed under the law. Learned counsel further submits that the impugned proceedings are mala fide, politically motivated, and

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initiated with the sole purpose of harassment. According to him, the allegations contained in the FIR are vague, speculative, and unsupported by legally admissible material; the continuation of the investigation amounts to abuse of the process of law.

4. Conversely, learned Assistant Attorney General as well as the officials of FIA submit that the impugned FIR has been registered on the basis of a detailed financial analysis conducted during the inquiry. It is contended that the investigation has revealed substantial unexplained financial transactions and foreign currency movements through multiple bank accounts maintained by the petitioner and her associates. According to the respondents, the analysis of bank accounts maintained at various banks, including UBL, JS Bank, MCB, and Dubai Islamic Bank, demonstrates massive financial flows that are grossly disproportionate to the petitioner's declared income. It is further submitted that the record indicates repeated foreign currency deposits, outward remittances to foreign jurisdictions, including the USA and Dubai, and transactions through informal value transfer systems such as Hawala and Hundi. The respondents assert that the material collected during the inquiry prima facie discloses the commission of offences under Sections 4, 5, and 23 of the Foreign Exchange Regulation Act, 1947, Sections 3 and 4 of the Anti Money Laundering Act, 2010, and Section 5(2) of the Prevention of Corruption Act, 1947, read with Section 109 PPC. It is therefore argued that the matter requires thorough investigation, and the constitutional jurisdiction of this court should not be invoked at the threshold to stifle lawful investigation.

5. I have heard the learned counsel for the parties at considerable length and have perused the material available on record with their able assistance.

6. Before adverting to the merits of the controversy, it would be advantageous first to have a glance at the *ratio decidendi* laid down by the august Supreme Court of Pakistan with regard to the scope of quashment of an

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FIR. In the case of "Ayesha Tayyab vs. Station House Officer, Police Station Cantt. District Sialkot and others" (2025 SCMR 1117), wherein it was held that:-

> "Article 199(1)(a)(ii) of the Constitution of the Islamic Republic of Pakistan, 1973 confers powers on High Court to judicially review the acts done or proceedings taken by the persons performing functions in connection with the affairs of the Federation, a Province or a local authority. Where such acts or proceedings are found to be without lawful authority, the High Court is fully competent to declare them as such and of no legal effect. The registration of FIR and investigation are the acts of the police department, which is part of the provincial law enforcement apparatus. Therefore, the High Court, under Article 199 of the Constitution of the Islamic Republic of Pakistan, possesses the constitutional jurisdiction to quash an FIR, but as held by this court on numerous occasions, such power must be exercised sparingly and in the most exceptional circumstances. The High Court can quash an FIR under Article 199, in cases where no offence is made out against the accused from the facts on record, or where the registration of FIR reflects misuse of legal authority or lacks sound legal justification because prosecution under such conditions would be tantamount to abuse of the process of law, or where FIR is registered without proper authority or in clear violation of established laws."

7. In the case of "FIA through Director General, FIA and others vs. Syed Hamid Ali Shah and others" (PLD 2023 SC 265), the Supreme Court of Pakistan held that:-

> “Under section 154 of the Cr.P.C., a first information report (FIR) can be registered only with regard to the commission of a cognizable offence. Similarly, an investigation can be made by a police officer, without the order of a Magistrate, under section 156 of the Cr.P.C. only in respect of a cognizable offence. Needless to say, it is the contents of an FIR which are to be seen to ascertain whether a cognizable offence is made out of the allegations contained therein, and mere mentioning of a particular Section of the P.P.C. or any other offence under the law in the FIR is not determinative in this regard. However, the falsity or truthfulness of those allegations is not under examination for the purpose of determining the legal authority of the police officer to register the FIR. The precise question is: whether the allegations as contained in the FIR make out the commission of a cognizable offence; if so, what is that?”

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8. It is by now a settled principle that the constitutional jurisdiction of the High Court under Article 199 of the Constitution to quash criminal proceedings is to be exercised sparingly, cautiously, and only in exceptional circumstances. The court, at this stage, is required to confine itself to the bare reading of the FIR and ascertain whether the allegations, if taken at their face value and accepted in their entirety, disclose the commission of a cognizable offence. The veracity, sufficiency, or otherwise of the evidence is not to be examined in writ jurisdiction, as such matters fall within the domain of the investigating agency and the trial court. Interference is warranted only where the FIR does not disclose any offence, is registered without lawful authority, or the continuation of proceedings would amount to an abuse of the process of law. Keeping in view the aforesaid settled principles, the present case is to be examined.

9. In the present case, the allegations levelled in the FIR pertain to unauthorized foreign currency dealings, operation of unlicensed money service activities, cross-border remittances, and the alleged laundering of proceeds of crime. The record placed before the court indicates that during the course of the inquiry, financial analysis of numerous bank accounts maintained by the petitioner revealed substantial credit turnover and foreign currency transactions, which, prima facie, appear disproportionate to the petitioner's declared financial profile.

10. The investigation further indicates that multiple bank accounts in both local and foreign currency were allegedly utilized for routing funds through informal value transfer mechanisms, including Hawala and Hundi channels. The alleged structuring of deposits below regulatory thresholds and outward remittances to foreign jurisdictions without lawful documentation also constitute matters that require detailed scrutiny during investigation.

11. At this preliminary stage, the court is not required to conduct a roving inquiry into the merits of the allegations nor to appreciate the evidentiary value of

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the material collected by the investigating agency. The only question that requires determination is whether the allegations contained in the FIR disclose the commission of cognizable offences warranting investigation. From a bare reading of the FIR and the accompanying material, it cannot be said that the allegations are inherently absurd or devoid of substance.

12. It is also pertinent to note that learned counsel for the petitioner has pointed out that the petitioner has already moved an application before the competent authority seeking the transfer of the investigation. In this regard, it is observed that if such an application has been filed, the same shall be decided by the competent forum strictly in accordance with law without being influenced by any observation made in the present proceedings.

13. In view of the foregoing discussion, this court is of the considered opinion that the allegations contained in the impugned FIR prima facie disclose the commission of cognizable offences which require thorough investigation by the competent authorities. At this stage, no exceptional circumstance has been demonstrated that would justify the exercise of constitutional jurisdiction for quashment of the FIR. Consequently, the instant writ petition is dismissed; however, it is observed that the investigating agency shall proceed strictly in accordance with law and ensure that the investigation is conducted in a fair, transparent, and impartial manner. All pending applications, if any, stand disposed of.

(KHADIM HUSSAIN SOOMRO)
JUDGE

Announced in the open court on 6th of March, 2026.

JUDGE

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