## ORDER SHEET IN THE HIGH COURT OF SINDH, KARACHI Suit No.2661 of 2016

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Date

Order with Signature(s) of Judge(s)

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- 1. For hearing of CMA No.17750/2016.
- 2. For hearing of CMA No.17751/2016.

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14.10.2020

Mr. Basim Raza, Advocate for plaintiffs.

Mr. Mubarak Ali Shah Advocate holding brief for

Mr. Khursheed Javed Advocate for KDA.

Mr. Ziauddin Junejo, AAG.

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1. By means of this application (C.M.A. No.17750 of 2016) the plaintiffs seek interim injunctive order restraining the defendants from disposing off, alienating, creating third party interest or further encumbering the immovable assets of the partnership firm i.e. (1) Commercial Plot No. SC-27, Sector 11-H, North Karachi Township, North Karachi, Karachi measuring 1000 square yards including the machinery, equipment, fitting and fixtures installed on the said property and (ii) Flat No. G-3, Plot No. 41, Sector 11-H, New Karachi (hereinafter referred to as "suit properties"), during pendency of the instant suit.

It appears that the instant suit for dissolution of partnership, rendition of accounts, declaration, cancellation, mandatory and permanent injunction and compensation was filed on 20<sup>th</sup> December, 2016 alongwith the instant application; however, the defendants failed to file any written statement or counter affidavit/objection to this application; therefore, vide order dated 15<sup>th</sup> September, 2020 the defendants No. 1 & 2 were debarred from filing written statement. Today none is present on behalf of the said defendants.

Learned counsel for the plaintiffs while referring the Deed of Partnership (available as annexure "A/2" at page 47 of the memo of plaint) states that the suit properties are jointly owned by the partners irrespective of the fact that the names declared in the Lease Deed are not in conformity with the present partners. He while referring Clause 10 of the said Deed of Partnership further states that the duration of the partnership is at will and no partner can retire without giving three months' prior notice in writing and no partner is entitled to sell, mortgage or create any charge on the suit properties without written consent of other partners. He further states that the defendant No. 2 at all the time has acted as Managing Partner of the partnership firm and took care of the partnership business, who always represented that all the utility bills were paid by him and after deduction of all the expenses including utility bills distributed the profit amongst the partners in the proportion enumerated in the Deed of Partnership; however, in the month of June, 2015 the partners came to know that there was a huge outstanding gas bill on the C.N.G. Station; therefore, in the month of July 2015 the partners called a meeting wherein it surfaced that the defendant No. 2 mortgaged the suit properties with defendant No. 8 (HBL) in violation of Clause 10 of the Deed of Partnership and deposited title documents of the suit properties for the purpose of setting up C.N.G. Station as collateral and furnished guarantee to S.S.G.C.L.; however, the father of defendant No. 2 assured that the defendant No. 2 would pay off the outstanding gas bills from his own funds and provide all the accounts for audit by a Chartered Accountant but the defendant No. 2 did not fulfill such assurance and now the position is that defendants No. 1 to 3 have used the partnership firm for their personal financial gains detrimental to the plaintiffs' interest by breaching the provisions of partnership and; thus, created deadlock between the partners and defrauded the plaintiffs, who

have suffered loss of atleast Rs.100 million; hence, this suit has been maintained. He also states that the plaintiffs have made out a prima facie case for the grant of interim injunction and balance of convenience is also in their favour and in case interim injunction is not granted the plaintiffs shall suffer irreparable loss.

I have heard learned counsel for the plaintiffs and perused the material available on record.

Apart from recital of the Partnership Deed with regard to ownership in respect of the suit properties, it appears that initially plot bearing No. SC 27, situated at Sector No. 11-H, North Karachi Township, North Karachi, Karachi admeasuring 500 square yards was owned by Mrs. Ismat Jabeen and Mrs. Habiba Asif (defendant No. 1 and plaintiff No. 2 respectively) while plot bearing No. SC 24, situated at Sector No. 11-H, North Karachi Township, North Karachi, Karachi admeasuring 500 square yards was owned by Faizan Ahmed Siddiqui, Asif Irshad Bashir and Zeeshan Ali (defendant No. 2 and plaintiffs No. 3 & 15 respectively); however, subsequently, both the said plots were amalgamated as Plot No. 27 admeasuring 1000 square yards vide letter dated 22<sup>nd</sup> April, 2007 issued by the Deputy District Officer (Com. Cell), Land Management Department, City District Government, Karachi (available as annexure "C-5" at page No.169 of the memo of plaint) and subsequently on 19th July, 2007 a Lease Deed in respect of the aforesaid amalgamated plot was executed in favour of above named five owners by the Deputy District Officer (Com. Cell), K.D.A. Wing, City District Government, Karachi (available as annexure "C-4" at page No.159 of the memo of plaint); hence, it appears prima facie that the plaintiffs No. 2, 3, & 15 are the joint owners of the suit properties with defendants No. 1 & 2. Besides, they are partners in the

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alleged Deed of Partnership under which defendant No. 10 (Mehar C.N.G. Station) is being run on the said joint property. It further appears that none of the partners under the Deed of Partnership is authorized to sell, mortgage or create any charge on the property of the partnership firm without written consent of other partners; hence, the plaintiffs have made out a prima facie good case in their favour and in case the suit properties are alienated in any manner or mortgaged, it will likely to cause inconvenience to the plaintiffs and causing them irreparable loss. Accordingly, this application is allowed as prayed.

Application stands disposed of.

2. Adjourned to a date in office.

JUDGE

Athar Zai