

**ORDER SHEET
HIGH COURT OF SINDH, KARACHI**

SUIT NO. B – 17 OF 2018

Date	Order with signature of Judge
	<ol style="list-style-type: none"> 1. For hg.of CMA No.13237/18 2. For hg.of CMA No.13238/18 3. For further order on the Addl. Registrar Diary

29.01.2019

Mr. Aijaz Hussain Sheerazi, Advocate for the plaintiff

Omar Sial, J: Per counsel Bank Islami Pakistan extended various finance facilities to Apparel Merchandising Industries (defendant No.1) where the total maximum exposure to the Bank was Rs.425,000,000/-.

2. As security for the Bank's financing, Apparel Merchandising Industries, executed a Letter of Pledge for Rs.194,444,444/- as well as personal guarantees by its partners Mohammad Ather Ansari and Khizer Ansari (who are defendants No. 2 & 3 in these proceedings).

3. The defendants defaulted in their obligations pursuant to the various finances agreements they entered into with the Bank and as a consequence a total amount of Rs.197,977,883/- is outstanding against them.

4. Despite repeated reminders and requests, the defendants failed to repay the Bank which default consequently led to the filing of this suit on 17.9.2018. On 9.11.2018, the Additional Registrar (OS) reported that the statutory period for filing the written statements had expired and that in spite of service of notices no written statement had been filed.

5. Section 10(1) of the Financial Institutions (Recovery of Finances) Ordinance, 2001) provides as follows:-

“In any case in which the summons has been served on the defendant as provided for in sub-section (5) of section 9, the defendant shall not be entitled to defend the suit unless he

obtains from the Banking Court as hereinafter provided (leave) to defend the same; and, in default of his doing so, the allegations of fact in the plaint shall be deemed to be admitted and the Banking Court may pass a decree in favour of the plaintiff on the basis thereof or such other material as the Banking Court may require in the interest of justice.”

6. In view of the above provision of law, as summons have been served and no written statement has been filed to date, as well as taking guidance from Admore Gas (Pvt.) Limited vs. Standard Chartered Bank (2013 CLD 423), the suit is decreed as prayed.

JUDGE

