

# IN THE HIGH COURT OF SINDH, AT KARACHI

Suit No. B-82 of 2013

[ United Bank Limited Vs. Syed Wajahat Hussain Zaidi and another ]

Date of hearing : 13.08.2025  
Date of decision : 25.09.2025  
Plaintiff : Through Mr. Waqar Ahmed,  
Advocate.  
Defendants : Through Mr. Sami Ahsan, Advocate.

## J U D G M E N T

**Muhammad Osman Ali Hadi, J.** : The Plaintiff is a Banking Company incorporated under the laws of Pakistan, which had provided a running finance facility to the Defendants for an amount of Rs.100,000,000/- (Rupees One Hundred Million Only) in the year 2009. The Offer Letter of the finance facility dated 13.02.2009 was issued by the Plaintiff<sup>1</sup>, after which a Finance Agreement was entered into between the Parties<sup>2</sup>. As the matter pertains to a running finance facility, a second Offer / Extension Letter dated 12.10.2009 was issued<sup>3</sup> pursuant to which Finance Agreement dated 17.10.2009 was also entered<sup>4</sup>.

2. A third (and final) Offer Letter dated 25.03.2011<sup>5</sup> and Finance Agreement dated 25.03.2011<sup>6</sup> was entered into between the Parties.

3. The latter Finance Agreement dated 25.03.2011, was initially valid for 12 months, but was renewed and the term then concluded on 31.03.2012<sup>7</sup>. The Defendants defaulted on their dues, after which the Plaintiff sent them a Legal Notice dated 31.01.2013, which was replied vide Reply dated 27.02.2013<sup>8</sup>.

4. The Plaintiff having no option left, filed this instant Banking Suit against the Defendants on 04.07.2013 under section 9 of the Financial Institutions (Recovery of Finances) Ordinance 2001 (“**FIO 2001**”), and were therefore, within the prescribed limitation period.

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<sup>1</sup> Available at Page 65 of the File.

<sup>2</sup> Available at Page 73 of the File.

<sup>3</sup> Available at Page 87 of the File.

<sup>4</sup> Available at Page 95 of the File.

<sup>5</sup> Available at Page 111 of the File.

<sup>6</sup> Available at Page 117 of the File.

<sup>7</sup> Clause 18 at Page 131 of the File.

<sup>8</sup> Available at Pages 263-281 of the File.

5. In the said Banking Suit, the Plaintiff has sought, *inter alia*, the recovery of the principal amount of Rs.10,000,000/- along with mark up of Rs.16,620,066.61/-, along with cost of funds.

6. After the instant Suit was filed, all codal formalities were fulfilled and notices were issued to the Defendants. The Defendants filed their Leave to Defend Application(s), which were dismissed vide order dated 16.04.2014. Furthermore, it is to be noted that even the Defendants' application for restoration was dismissed with costs vide order dated 16.12.2016, and accordingly there is no valid Leave to Defend Application on record.

7. Moving on to the merits of the case. The liabilities of the Defendants are secured through various charged documents such as; Memorandum Acknowledging Creation of Mortgage by Deposit of Title Deeds<sup>9</sup>, Certificate of Registration of Charge dated 01.08.2012<sup>10</sup>, Letter of Pledge dated 23.02.2009<sup>11</sup>, 17.10.2009<sup>12</sup>, 25.03.2025<sup>13</sup>, Personal Guarantees dated 23.02.2009<sup>14</sup>, 17.10.2009<sup>15</sup> and 25.03.2011<sup>16</sup>, Demand Promissory Notes<sup>17</sup>.

8. The Defendants defaulted on the payment obligation, for which a Break-Up summary has been provided<sup>18</sup>. The duly certified Statement of Accounts<sup>19</sup> as prescribed under the Bankers Book Evidence 1891 is also available on record. The duly certified mark-up amounts can also be ascertained through the bank statements on record<sup>20</sup>. Whilst, the outstanding mark-up amount of Rs.16,620,066.61/- is reflected in the Statement<sup>21</sup>.

9. Pertaining to order of this Court dated 27.08.2015, the parties were directed to file a fresh Break-Up summary under Section 9(3) of the Financial Institutions (Recovery of Finances) Ordinance 2001, which was done by the Plaintiff vide statement dated 18.09.2015. The said fresh mark-up amount submitted by the Plaintiff of PKR 3,540,038.76 is duly supported in the Statement of Accounts<sup>22</sup>.

10. The mortgage of certain property in favour of the Plaintiff has also been shown by the Memorandum Acknowledging Creation of a Mortgage along with

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<sup>9</sup> Available at Page 133 of the File.

<sup>10</sup> Available at Page 139 of the File.

<sup>11</sup> Available at Page 141 of the File.

<sup>12</sup> Available at Page 147 of the File.

<sup>13</sup> Available at Page 158 of the File.

<sup>14</sup> Available at Page 159 of the File.

<sup>15</sup> Available at Page 163 of the File.

<sup>16</sup> Available at Page 167 of the File.

<sup>17</sup> Available at Pages 171-179 of the File.

<sup>18</sup> Available at Page 259 of the File.

<sup>19</sup> Available at Pages 181-233 of the File.

<sup>20</sup> Available at Page 235-257 of the File.

<sup>21</sup> Available at Page 257 of the File.

<sup>22</sup> Available at Page 253 of the File.

a Certificate of Registration of Mortgage endorsed by the Securities and Exchange Commission of Pakistan (“SECP”), and a Letter of Pledge issued by the Defendants. Personal Guarantees and Demand Promissory Note are also available on record.<sup>23</sup>

11. I have gone through the said documents with the assistance of the learned counsel representing the Plaintiff, and have found that the said finance facility was taken by the Defendants on which they have defaulted. Furthermore, the Plaintiff has followed all requisite formalities provided under law, and have established their claim, which remains unrebutted. I have found that there is no impediment in decreeing the instant Suit in the following terms:

- i. The Defendants are jointly and severally liable to pay the Plaintiff Rs.103,540,038,76/- as principal plus mark-up amount for default committed on the finance facility availed by them; and
- ii. The Defendants are liable to pay the Plaintiff Cost of Funds at the rates specified by the State Bank of Pakistan, from the date of default until realization.

The Office is directed to draw-up a Decree accordingly, after which the Plaintiff can proceed to the Execution Process, in accordance with law.

*Suit Decreed*

**JUDGE**

Karachi.

Dated: .09.2025.

M. Khan

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<sup>23</sup> The said documents available between Pages 133-179 of the File.  
Available at Page