

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI
Suit No.B-24 of 2016

DATE	ORDER WITH SIGNATURE OF JUDGE
	1. For orders on CMA No.10206/16 (if granted) 2. For orders on CMA No.10207/16 (U/O 39 Rule 1 & 2 CPC.) -----

27.06.2016.

Mr. Arshad Tayebaly, Advocate for the plaintiff.

1. Granted.
2. This is a Suit for Declaration and Injunction under Section 9 of the Financial Institutions (Recovery of Finances) Ordinance, 2001, wherein the plaintiff-company has impugned the defendants E-mail dated 22.06.2016, whereby, they have blocked the working capital facilities extended to the Company/Group with immediate effect. Learned Counsel for the plaintiff submits that the impugned action has been taken by the defendant on a complaint of Mr. Pervez Arshad, who is one of the Directors of the plaintiff-company and has 16% share holding, whereas, rest of the Directors having majority shareholding have got nothing to do with such complaint. Per Learned Counsel the Company is being managed by the remaining Directors, out of whom, one of the Directors namely G.R. Arshad is Chief Executive of the Company, whereas, they hold majority share holding in the Company. He further submits that the impugned action has been taken by the defendant without any lawful authority on a mere complaint of one of the Directors, whereas, facility granted by the defendant is to the Company and not to the individual Director(s). He has also referred to Form "A" and Form "29" to support such contention. Learned Counsel further submits that the impugned action has put the business of the Company to a complete halt, whereas, Company has issued various

cheques to its customers/creditors/suppliers and therefore, the operation of E-mail dated 22.06.2016, whereby, they have stopped the working capital facilities be suspended.

Let notice be issued to the defendants for 04.07.2016. Till the next date of hearing, the impugned E-mail dated 22.06.2016 to the extent of blocking of working capital facilities to the plaintiff is suspended, whereas, payments of cheques issued by the plaintiff within the limits of finance facility already extended to the Plaintiff Company, including cheques as detailed in Annexure "G" available at page-97 shall not be stopped.

J U D G E

Ayaz P.S.