

# Importance of a name – RIAA wins dismissal of PKR 425 million suit

At the heart of civil litigation lies the fundamental concept of legal personhood. This principle was recently put to the test in a high-stakes case before the Sindh High Court, where RIAA Barker Gillette secured a significant victory for Attock Cement Company, a major cement manufacturer, in a suit for recovery of over PKR 425 million brought by an EPC contractor.

The concept of legal personality lies at the heart of the law. Legal persons are the subjects of legal relationships, which confer rights and impose obligations. Most obviously, the law recognizes individuals as natural persons. For collective bodies such as businesses, statutory bodies, and governments, the law has invented the fiction of a juristic person, which the law treats as a person, such as an incorporated company.

This principle was recently tested in a high-stakes case before the Sindh High Court, in which we secured a significant victory for our client, [Attock Cement](#), a major cement manufacturer. Recently, a plaintiff filed a suit for recovery of over PKR 425 million before the High Court of Sindh using only the trading name of a sole proprietorship. The suit claimed that our client owed monies under a contract for the local construction, testing and commissioning of a 20MW solar power array. However, the case papers failed to properly identify the plaintiff and its capacity to file the suit.

Under the law, only an entity with legal personality personalities can sue and be sued. Order XXX of the Code of Civil Procedure, 1908 allows firms to be sued in their trading names. However, it does not permit them to sue others using just their trading name. This distinction proved crucial in our defence strategy.

The opening paragraph identified the plaintiff as a sole proprietorship without naming the individual who was the proprietor. The contract attached to the suit referred to the plaintiff as a company registered with the Securities and Exchange Commission of Pakistan, though no such company was registered. The tax registration certificate attached to the suit named an individual, though a different individual signed and verified the suit.

Based on these inconsistencies, the RIAA Barker Gillette team, led by [Shahbakht Pirzada](#) (Partner), filed an application for rejection of the suit, arguing that the plaintiff lacked legal personhood and, consequently, the capacity to sue. After hearing our arguments, the Single Bench of the High Court agreed with our position and rejected the suit. This ruling effectively ended what could have been a protracted legal battle, saving [Attock Cement](#) significant time and resources.

[Shahbakht Pirzada](#), Partner at RIAA Barker Gillette, lead counsel on the case, commented:

*"The basics of any discipline are often the first to suffer at the hands of its practitioners. In this case, a failure to recognize the importance of a name cost the other side their entire claim. The decision demonstrates how attention to fundamental legal principles, which can be oft-overlooked, can lead to swift and decisive outcomes in complex commercial disputes."*

For expert guidance on commercial disputes, please contact [Shahbakht Pirzada](#).

*This article is not legal advice; it provides information of general interest about current legal issues.*

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## Contacts

### Shahbakht Pirzada

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