

ORDER SHEET  
IN THE HIGH COURT OF SINDH, KARACHI

Constitutional Petition No. S-291 of 2026  
(Azam Mirza v The XIIth Sr. Civil Judge Karachi Central)

Date	Order with signature of Judge
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**Date of hearing an order:-27.4.2026**

Syed Ali Ahmed Tariq advocate for the petitioner.  
Ms. Marvi Chandio advocate for the respondent No.2.

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**ORDER**

**Adnan-ul-Karim Memon, J** The petitioner has invoked constitutional jurisdiction under Article 199 of the Constitution, challenging the order dated 12.03.2026 passed by the learned Rent Controller directing the deposit of rent in Rent Case No. 213 of 2025.

2. It is the petitioner's stance that the entire dispute arises out of a Sale Agreement dated 25.03.2022, which is wrongly being treated as a tenancy agreement by the respondent. According to the petitioner, the document is essentially a contract for the sale of immovable property for Rs. 100 million, and not a landlord-tenant arrangement. The petitioner's counsel contends that parallel civil suits regarding specific performance, declaration, and cancellation of the agreement are already pending before competent courts, including the High Court and subsequently transferred courts. Therefore, the subject matter is sub judice and the Rent Controller lacks jurisdiction to proceed independently. It is further argued that the impugned order under Section 16(1) of the Sindh Rented Premises Ordinance, 1979, is illegal, without jurisdiction, and void ab initio, as the foundational relationship of landlord and tenant is itself disputed. The petitioner's counsel also asserts that the respondent failed to comply with orders of the High Court regarding the deposit of sale consideration and has misrepresented facts before the Rent Controller. Since no appeal lies against an order under Section 16(1), the constitutional petition is maintainable. On these grounds, the petitioner seeks the setting aside of the impugned order with costs.

3. The respondent's counsel, on the other hand, opposes the petition on the ground that it is an abuse of constitutional jurisdiction and that the petitioner has approached the Court with unclean hands and misrepresentation of facts. It is contended that the parties had executed a settlement agreement which clearly establishes a landlord-tenant relationship, with agreed rent, tenancy period, and terms of enhancement. Therefore, the petitioner is legally a tenant and respondent No.2 is the landlord within the meaning of Section 2(f) of the Sindh Rented Premises Ordinance, 1979. The respondent submits that proceedings under the rent law are independent and can proceed notwithstanding the pendency of civil suits, as both operate in separate legal fields. It is further argued that the petitioner

is attempting to delay proceedings by raising false assertions regarding stay orders and this Court's directions, which in fact do not exist. The respondent maintains that there is full compliance with this Court's orders regarding payment of sale consideration. According to the respondent, the impugned order under Section 16(1) is lawful, justified, and in accordance with settled rent jurisprudence, as the petitioner is occupying the premises but withholding rent. The respondent's counsel prays for dismissal of the constitutional petition, terming it meritless, and seeks enforcement of the impugned order directing the deposit of rent.

4. I have heard the learned counsel for the parties and perused the record with their assistance.

5. The learned Rent Controller, vide order dated 12.03.2026, disposed of an application filed under Section 16(1) of the Sindh Rented Premises Ordinance, 1979 by the respondent/applicant Muhammad Tanveer seeking recovery of arrears of rent as well as future rent from the petitioner/opponent Azam Mirza in respect of House No. F-44/A, Block-B, Karachi. The said application emanates from a sale-cum-tenancy agreement dated 25.03.2022 executed between the parties, whereby the petitioner/opponent agreed to sell the subject property to the respondent/applicant for a total consideration of Rs. 10 crores. It was further agreed that after completion of the sale arrangement, the opponent would continue to occupy the premises as a tenant with effect from 01.07.2022 for a period of five years at a monthly rent of Rs. 8,00,000/-, subject to annual increase at the rate of 8%. It is the case of the respondent No.2/applicant that substantial payments towards the sale consideration were made; however, despite the tenancy arrangement having come into effect, the opponent failed to pay any rent from the very inception of the tenancy. The petitioner/opponent resisted the application on the ground that no landlord-tenant relationship exists between the parties and that the matter is already sub judice before the Civil Court in connected proceedings relating to cancellation and specific performance of the agreement. Upon hearing the parties and examining the record, the learned Rent Controller observed that the sale-cum-tenancy agreement executed between the parties has not been cancelled, rescinded, or set aside by any competent court. However, the tenancy clause contained therein, on its face, establishes a landlord-tenant relationship operative from July 2022. It was opined that the mere pendency of civil litigation did not suspend or extinguish the rights and obligations arising under an otherwise valid contract for rent jurisdiction. Accordingly, it was held that the Rent Controller possessed jurisdiction under Section 16(1) of the Ordinance. On the question of maintainability, it was further held that the contractual document continues to remain valid and operative unless declared void or cancelled by a Court of competent jurisdiction. The contention that the agreement stood terminated due to non-payment of installments was rejected, it being noted that no clause providing for automatic cancellation was shown, and that rescission of the

contract requires judicial determination. On merits, it was found that the petitioner/opponent had failed to produce any evidence of payment of rent since July 2022. Consequently, liability towards arrears of rent was established. The exact quantum was directed to be computed by the Nazir in accordance with the agreed rental terms and escalation clause. With regard to future rent, the Rent Controller held that the respondent/applicant was/is entitled to rent for the remaining tenancy period up to June 2027. However, in view of the pendency of civil suits affecting the validity of the underlying transaction, it was directed that future rent would be deposited monthly in Court and kept in a separate account, to be dealt with subject to the outcome of the civil proceedings or further orders. Accordingly, the application under Section 16(1) was allowed. The petitioner/opponent was directed to pay arrears of rent from July 2022 up to the date of the order, to be calculated by the Nazir within 15 days. The petitioner/opponent was further directed to continue depositing monthly rent in Court by the 10th of each month at the contractual rate, and all such amounts were ordered to be kept in a separate account, not to be released without further directions. In case of default, the respondent/applicant was granted liberty to seek an appropriate legal remedy for enforcement. It was, however, clarified that the order was confined strictly to the application under Section 16(1) of the Ordinance and would not prejudice the outcome of the pending ejectment proceedings under Section 15 or the connected civil suits between the parties.

6. The core argument of the petitioner is that the dispute arises out of a sale agreement and not a tenancy, and therefore, the Rent Controller lacked jurisdiction. This contention, however, cannot be accepted. The record prima facie shows that the parties consciously executed a composite *sale-cum-tenancy agreement*, which not only stipulates prima facie transfer of ownership but also independently creates a continuing tenancy relationship with defined rent, escalation clause, and possession terms. Tentatively the tenancy clause is neither collateral nor incidental; it is a substantive and enforceable term governing post-agreement occupation of the premises.

7. It is well-settled that for rent jurisdiction, what is relevant is not the nomenclature of the document but the existence of a prima facie landlord-tenant relationship. The Rent Controller does not adjudicate title or validity of sale; it merely examines whether occupation is referable to tenancy and whether rent is contractually payable. In the present case, the petitioner's continued possession of the premises under an agreed monthly rent clearly brings the matter within the ambit of the Sindh Rented Premises Ordinance, 1979.

8. The pendency of civil suits relating to specific performance and cancellation does not, in law, operate as a bar to rent proceedings. Civil courts are examining the validity of the underlying contract, whereas rent proceedings are

confined to the enforcement of admitted or prima facie tenancy obligations. Unless and until the contract is set aside by a competent Civil Court, its terms remain operative and binding. The Rent Controller is therefore justified in proceeding based on the subsisting agreement.

9. The petitioner's plea that the relationship stands disputed is also of no assistance, as mere denial does not erase a contractual tenancy where the document is admitted and acted upon. The principle of estoppel further operates against the petitioner, who cannot simultaneously derive the benefit of possession under the agreement while denying its tenancy obligations, as agreed by the parties.

10. On the issue of arrears, the petitioner has failed to show any payment of rent since July 2022. The Rent Controller rightly held that liability stood established based on admitted contractual terms and the absence of payment evidence. The direction for calculation by Nazir is a standard procedural mechanism and suffers from no illegality.

11. As regards future rent, the Rent Controller has adopted a balanced and equitable approach by directing the deposit of rent subject to the outcome of civil litigation. This ensures protection of both parties' interests preserving the petitioner's right in Civil proceedings while simultaneously preventing unjust enrichment through continued occupation without payment.

12. The impugned order is therefore neither without jurisdiction nor contrary to law. It is based on settled principles that rent jurisdiction can be invoked where a prima facie tenancy exists, even if ancillary civil disputes are pending. No exceptional circumstance has been shown warranting interference in constitutional jurisdiction, which is discretionary and not meant to convert this Court into a court of appeal against findings of fact properly recorded by the Rent Controller.

13. Accordingly, the constitutional petition is dismissed, and the impugned order dated 12.03.2026 is upheld as lawful, justified, and in accordance with the settled principles governing rent jurisdiction. However, there shall be no order as to costs. However, it is made clear that the observation recorded hereinabove is tentative for just decision of the rent case only, and shall not prejudice the case of either party before the competent Civil Court, when the matter is pending, which shall be decided on its own merits.

JUDGE