

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI
CP No.S-266 of 2026

(Cedar (Private) Limited v Senior Civil Judge / Rent Controller Karachi South & another)

DATE **ORDER WITH SIGNATURE OF JUDGE**

Before:-

Mr. Justice Adnan-ul-Karim Memon

Date of hearing and order:- 16.03.2026

Mr. Amar A. Saeed, advocate for the petitioner.

Mr. Jahanzeb Baloch, advocate for respondent No.2.

Mr. Ali Safdar Depar, AAG.

ORDER

Adnan-ul-Karim Memon, J.- Through this petition under Article 199 of the Constitution of the Islamic Republic of Pakistan, 1973, the Petitioner is seeking the following relief:

- a) *“Declare that the Impugned Order dated 09.03.2026 passed by the Respondent No.1 in Rent Execution No. 15 of 2025 arising out of Rent Case No. 983 of 2022 is illegal, without lawful authority, and of no legal effect.*
- b) *Set aside the Impugned Order dated 09.03.2026 passed by the Respondent No.1 whereby the Execution Application No. 15 of 2025 and the application alleging non-compliance of the order dated 27.05.2025 were allowed.*
- c) *Suspend and/or set aside the Writ of Possession issued against the Petitioner pursuant to the Impugned Order dated 09.03.2026.*
- d) *Declare that the Petitioner has duly complied with the order dated 27.05.2025 passed by this Honourable Court in Constitutional Petition No. 456 of 2025 by regularly depositing the rent in accordance with law and the tenancy agreement and is entitled to retain possession of the Premise till 27.05.2026.*
- e) *Restrain the Respondents, their agents, representatives, or any person acting on their behalf from taking coercive action against the Petitioner, including dispossession of the Petitioner from the premises bearing No. D-120, Block-4, Clifton, Karachi, during the pendency of the present petition.*
- f) *Grant an interim order suspending the operation of the Impugned Order dated 09.03.2026 and the consequent Writ of Possession till the final disposal of this petition.”*

2. At the very outset, learned counsel for the Petitioner contended that the Impugned Order dated 09.03.2026 passed by the learned Rent Controller is illegal, without lawful authority, and based on a misreading of the record as well as the earlier order of this Court dated 27.05.2025 passed in Constitutional Petition No.456 of 2025. He submitted that pursuant to the said order, the Petitioner was granted one year to vacate the premises subject to regular payment of rent as determined by the Rent Controller, which the Petitioner has duly complied with. It was argued that the Petitioner, being a company, is statutorily bound under Section 155 of the Income Tax Ordinance, 2001, to deduct withholding tax from rent payable to the landlord and deposit the same with the Federal Board of Revenue; therefore, the deduction of such tax cannot be treated as a default in payment of rent. Learned counsel further submitted that the tenancy agreement itself provides that rent shall be paid after deduction of applicable withholding tax and the Petitioner has regularly paid rent, along with depositing the deducted tax with the concerned authorities. According to him, the learned Rent Controller, while exercising powers in execution proceedings, could not travel beyond the scope of the order passed by this Court, and the issuance of a writ of possession before expiry of the period granted by this Court, i.e., till 27.05.2026, is illegal and liable to be set aside, meanwhile requested to suspend the

operation of order dated 09.03.2026. However learned counsel agreed to vacate the premises on or before 27.05.2026.

3. Conversely, learned counsel for the private respondent supported the Impugned Order dated 09.03.2026 and submitted that the Petitioner failed to comply with the directions issued by the Rent Controller. He argued that earlier the defence of the Petitioner had already been struck off vide order dated 26.11.2024 passed on an application under Section 16(2) of the Sindh Rented Premises Ordinance, 1979, wherein the Petitioner was directed to vacate the premises. It was contended that the Rent Controller had specifically directed the Petitioner to deposit the monthly rent in the amount determined by the Court without deduction of tax, but the Petitioner continued to deposit a lesser amount after deducting tax on its own accord. Learned counsel further submitted that even the purported deduction of tax was not properly substantiated through documentary evidence or Computerized Payment Receipts (CPR), and therefore, the plea of compliance with tax laws is not sustainable. He maintained that since the Petitioner failed to comply with the payment obligations as directed, the Rent Controller rightly allowed the execution application and held that the Petitioner was/is not entitled to any relief. Upon remaining the proposal of the petitioner that he will vacate the premises on or before 27.05.2026, he certainly agreed subjected the certain conditions.

4. After considering the submissions of learned counsel for both parties, the material on record, and the history of the proceedings, it is evident that the Petitioner has been operating a large educational institution on the subject premises and has been granted a reasonable period by this Court, vide order dated 27.05.2025 in CP-456/2025, to vacate the premises, subject to regular payment of rent as determined by the Rent Controller. While the Petitioner contended that deductions of withholding tax were legally and contractually mandated under Section 155 of the Income Tax Ordinance, 2001 and the tenancy agreement, the Respondent contended that such deductions were not authorized under the Rent Controller's directions and were not adequately substantiated with receipts. The Rent Controller, exercising powers in execution proceedings under the Sindh Rented Premises Ordinance, 1979, initially took the view that the Petitioner had failed to comply with payment obligations, resulting in issuance of the Impugned Order dated 09.03.2026 for vacating the premises. Having considered the overall circumstances, including the operational nature of the Petitioner's institution and the reasonable time already granted to vacate. However at this stage both parties have reached a consensual resolution to the effect that the Petitioner shall vacate and hand over peaceful, vacant, and physical possession of the premises bearing No. D-120, Block-4, Clifton, Karachi on or before 27.05.2026 to the respondent No.2. without fail upon payment of rent as determined by the rent controller In case of failure by the Petitioner to vacate the premises by the above date, the premises shall be repossessed through lawful means, including police assistance and break-open of locks, without further

notice. However, the breach of this undertaking so given by the petitioner shall be treated as contemptuous if breached, and consequences shall follow. This petition stands disposed of along with pending application(s) in the above terms.

JUDGE

Shahzad Soomro