HIGH COURT OF SINDH, CIRCUIT COURT, HYDERABAD

C.P. No.D-1341 of 2026
[Rukhsar Mehmood and others vs. Province of Sindh and other]

C.P. No.D-1543 of 2026
[Muhammad Sulleman Memon and others vs. Province of Sindh and other]

C.P. No.D-1811 of 2026
[Kamran Memon and others vs. Province of Sindh and other]

Before:
JUSTICE ADNAN-UL-KARIM MEMON
JUSTICE MUHAMMAD JAFFER RAZA

Petitioners:	Through Mr. Muhammad Arshad Pathan, Advocate
Respondents	Through Mr. Rafique Ahmed Dahri, Additional A.G Sindh a/w Secretary DRTA (**Waheed Ali**), Inspector Manzoor Ali and Sip Maqsood Shah Yar Muhammad Mirjat Advocate
Date of hearing	02.11.2026
Date of Decision	02.11.2026

O R D E R

***

ADNAN-UL-KARIM MEMON J The petitioners, shopkeepers and occupants of SRTC Mobile Market Complex, Hyderabad, have filed the instant Constitutional Petition challenging the notices issued by the Secretary, District Regional Transport Authority, Hyderabad, requiring renewal of their tenancy agreements and payment of enhanced rent at prevailing market rates.

2. The case of the petitioners is that the property bearing CS No.1360 (Part), Ward-F, measuring 16,275 square feet, situated near Basant Hall, General Post Office Hyderabad, originally belonged to Hyderabad Municipal Corporation and was subsequently leased to the Sindh Government for transport purposes and used by SRTC as a bus terminal. After abandonment of the bus stand, SRTC entered into an agreement dated 10.01.1996 with Karsaz Builders and K.B. Builders & Developers for development of the property on a self-financing basis, whereby the builders constructed shops, offices and flats. The petitioners purchased the shops and construction thereon, subject to payment of ground rent to SRTC, while the flats were sold through absolute sale deeds. The petitioners submit that, under the original agreement dated 10.01.1996, particularly clause 14, ground rent was fixed at Rs.56,600/- and was subject to enhancement at the rate of 10% after every three years. The petitioners, being purchasers of the constructed shops, claim that their

subsequent agreements with SRTC were in continuation of the original agreement and that only ground rent, not ownership of the construction, falls within SRTC's entitlement. It is further contended that the respondents have unlawfully issued notices demanding exorbitant and arbitrary enhanced ground rent without following a uniform policy, and have threatened the petitioners with sealing of their shops and interference in their businesses, allegedly with police assistance. The petitioners seek enforcement of the original agreement dated 10.01.1996, fresh ground-rent agreements in accordance with its terms, particularly clause 14, annulment of agreements allegedly obtained under coercion, and restraint against harassment, sealing of shops or interference with their lawful business.

3. Learned counsel for the petitioners contends that, under the original agreement dated 10.01.1996 executed between SRTC and Karsaz Builders & Developers, the petitioners, as purchasers of the constructed shops, are liable only to pay ground rent, subject to enhancement of 10% after every three years in terms of Clause 14 thereof. It is argued that the subsequent tenancy agreements must remain consistent with the original agreement and that the respondents cannot unilaterally impose exorbitant rent or arbitrary conditions contrary to the agreed terms. It is further contended that the impugned notices and coercive measures, including sealing of shops and threats of dispossession, are without lawful authority and in violation of the petitioners' contractual rights. Accordingly, the petitioners seek enforcement of the original agreement and protection against arbitrary enhancement of rent and coercive action by the respondents.

4. Conversely, learned AAG, assisted by the Law Officer of the respondent-RTA, submits that the subject property, comprising 293 shops, vested in the Transport & Mass Transit Department upon dissolution of SRTC, and that the petitioners are merely tenants and have no ownership rights therein. It is contended that the tenancy agreements have been renewed periodically and that revision of rent is lawful and necessary to protect public property and prevent loss to the public exchequer. It is further submitted that 209 out of 293 tenants have voluntarily executed revised tenancy agreements and deposited rent accordingly, whereas the petitioners are resisting the process. The AAG also alleges that certain petitioners have made unauthorized encroachments, blocked common passages and stairs, sublet shops, and unlawfully reopened sealed premises in violation of tenancy conditions. Accordingly, it is argued that the matter involves disputed questions of fact, beyond the scope of constitutional jurisdiction under Article 199 of the Constitution, and the petitions are liable to be dismissed. The learned AAG also referred to the comments filed by the Deputy Commissioner and submits that the subject shops form part of the New SRTC Mobile Market, situated on Government property vested in the Transport & Mass Transit Department, and that the petitioners are merely tenants having no proprietary rights therein. It is contended

that the petitioners have unlawfully sublet the shops to third parties at substantial market rents while depositing nominal rent with the Government, thereby causing loss to the public exchequer. In support, reference is made to Rent Applications Nos.275 of 2025 and 82 of 2024, wherein certain petitioners allegedly claimed ownership of the shops and disclosed their letting to third parties, contrary to their asserted status as Government tenants. It is further argued that the petitioners have suppressed material facts, made contradictory claims, and obtained interim protection without approaching this Court with clean hands. The AAG maintains that the matter involves disputed questions of fact requiring verification and evidence, which cannot be resolved in constitutional jurisdiction. Accordingly, he seeks vacation of the interim order, dismissal of the petitions and liberty to the competent authorities to take lawful action against unauthorized subletting and violations of tenancy conditions after due notice and inquiry.

5. In rebuttal, learned counsel for the petitioners submits that the respondents are attempting to justify arbitrary enhancement of ground rent and coercive measures by raising allegations of encroachment, unauthorized subletting and suppression of facts, which are irrelevant to the legality of the impugned notices and proposed tenancy agreements. It is contended that the petitioners' rights are governed by the original agreement dated 10.01.1996, particularly Clause 14, which provides for enhancement of rent by 10% after every three years, and the respondents cannot unilaterally alter the agreed terms or impose exorbitant rental demands. It is further argued that the alleged admissions in the rent proceedings do not confer upon the respondents any authority to disregard the binding contractual arrangement or resort to forcible sealing and dispossession without due process of law. The petitioners maintain that they seek enforcement of the lawful contractual terms and protection of their property and business interests, rather than exemption from payment of legitimate rent. He also refuted the claim of subletting the property to a third party.

6. We have heard learned counsel for the parties and perused the available record.

7. In view of the foregoing submissions, we are of the considered view that the controversy between the parties primarily involves interpretation of the original agreement dated 10.01.1996, subsequent tenancy agreements, the nature and extent of the rights acquired by the petitioners, and the legality and extent of enhancement of rent. The rival claims regarding ownership, tenancy, subletting and alleged encroachments also involve disputed questions of fact requiring examination of the relevant record and evidence. Such matters cannot appropriately be adjudicated in the constitutional jurisdiction of this Court under Article 199 of the Constitution, particularly when the contractual rights and obligations of the parties remain to be determined by the competent authorities in accordance with law.

8. Nevertheless, the respondents, being custodians of public property, are under an obligation to protect the same from unauthorized occupation, subletting, encroachments and misuse. Accordingly, Deputy Commissioner/Chairman, District Regional Transport Authority, Hyderabad, in coordination with the Secretary, RTA, shall ensure that no tenant or occupant sublets, transfers or creates any third-party interest in the subject premises without lawful authorization. The occupants shall also refrain from creating any obstruction, blocking stairs, passages, streets or common areas, and all existing unauthorized encroachments and obstacles shall be removed forthwith in accordance with law, after due notice wherever required.

9. The Secretary, Transport & Mass Transit Department, the Deputy Commissioner / Chairman, RTA, Hyderabad, the Secretary, RTA, and all other concerned stakeholders, including the petitioners and other affected tenants/ occupants, shall sit together and make sincere efforts to resolve the controversy amicably within one month from the date of receipt of this order. During such exercise, the parties shall examine the original agreement dated 10.01.1996, particularly Clause 14 thereof, subsequent agreements, the nature of rights acquired by the occupants and the applicable legal framework, and determine the lawful enhancement of rent, if permissible, on a uniform and legally sustainable basis. The respondents shall afford all affected occupants a reasonable opportunity of hearing and shall not impose any arbitrary or unilateral conditions contrary to the governing agreement or law.

10. It is further clarified that no occupant shall be permitted to use the subject premises in violation of the applicable tenancy conditions, nor shall the respondents resort to sealing, dispossession or other coercive measures except strictly in accordance with law and due process. Any unresolved individual dispute may be pursued before the competent forum in accordance with law.

11. With the above observations and directions, these petitions stand disposed of, along with pending applications, with no order as to costs.

J U D G E

J U D G E

Karar_Hussain/PS*