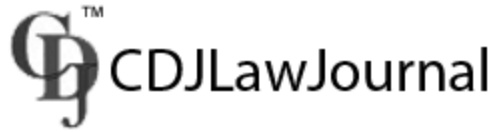


This Product is Licensed to M/s. Prime Legal, Bangalore



Citation : CDJ 2026 SC 598

Court : Supreme Court of India

Case No : Civil Appeal Nos. 4684, 4685 of 2026 [Arising Out of SLP (Civil) Nos. 10001, 10532 of 2018] & Contempt Petition (Civil) Diary No. 3208 of 2025

Judges : THE HONOURABLE MR. JUSTICE PRASHANT KUMAR MISHRA & THE HONOURABLE MR. JUSTICE K.V. VISWANATHAN

Parties : Unchgaon Village Panchayat Versus Kolhapur Municipal Corporation & Another

Appearing Advocates : For the Petitioner: -----For the Respondents: -----

Date of Judgment : 22-04-2026

Head Note :

**Code of Civil Procedure, 1908 – Section 9A – Order XXXIX Rules 1 and 2 – Maharashtra Municipal Corporations Act, 1949 – Section 3 – Maharashtra Regional and Town Planning Act, 1966 – Section 149 – Civil Court Jurisdiction – Declaratory Suit – Municipal Limits – Legislative Function – Appeals – Village Panchayat challenged High Court judgment holding Civil Court lacked jurisdiction to entertain suit seeking declaration that disputed lands were not within municipal limits of Corporation and injunction against demolition action – Dispute related to extension and determination of municipal limits and statutory planning action.**

**Court Held – Civil Appeals dismissed – High Court judgment affirmed** – Determination and alteration of municipal limits under Section 3 of the Maharashtra Municipal Corporations Act, 1949 is legislative in nature and cannot ordinarily be challenged before Civil Court by declaratory suit – Action taken by Corporation as planning authority under the Maharashtra Regional and Town Planning Act, 1966 is expressly protected by bar under Section 149 – Reliefs sought were in substance against statutory authority and public law functions, not private civil rights – Civil Court lacked jurisdiction – Interim status quo order vacated and Contempt Petition disposed of.

**[Paras 30, 35, 36, 44, 46]**

**Keywords:** Civil Court Jurisdiction – Municipal Limits – Section 3 MMC Act – Section 149 MRTP Act – Declaratory Suit – Legislative Function – Village Panchayat – Municipal Corporation – Public Law Dispute – Exclusion of Jurisdiction

Comparative Citation:  
2026 INSC 405,

Judgment :

**Prashant Kumar Mishra, J.**

Leave granted in S.L.P. (Civil) Nos. 10001 and 10532 of 2018.

2. These Appeals arise out of a dispute between the Unchgaon Village Panchayat[For short 'Panchayat'], Taluka Karveer, District Kolhapur and the Kolhapur Municipal Corporation[For short 'Corporation'] concerning the exercise of jurisdiction over certain lands situated in Village Uchgaon and the competence of a Civil Court to entertain a suit challenging the Corporation's assertion that the said lands fall within municipal limits. The Panchayat had instituted a Regular Civil Suit No. 193 of 2013 seeking declaratory and injunctive relief against the Corporation's proposed action pursuant to a public notice asserting such jurisdiction. The 3rd Joint Civil Judge[For short 'Civil Court'], Junior Division, Kolhapur, held that it possessed jurisdiction to entertain the suit and proceeded to grant interim injunction; however, vide impugned judgment dated 22.02.2018, the High Court of Judicature at Bombay[For short 'High Court'], in Civil Revision Application No. 962 of 2014, reversed that finding and held that the dispute could not be adjudicated by a Civil Court, inter alia observing that matters relating to the extension of municipal limits under Section 3 of the Maharashtra Municipal Corporations Act, 1949[For short 'MMC Act'] are legislative in nature. This also resulted in the dismissal of Writ Petition No. 6003 of 2014 preferred by Panchayat, which had challenged the District Judge, Kolhapur[For short 'Appellate Court'] order vacating the interim injunction granted by the Civil Court.

3. Aggrieved thereby, the Panchayat has approached this Court by preferring two separate Appeals. As both the Appeals arise from the same controversy, they are being decided together. As far as Contempt

Petition arising out of Diary No.3208 of 2025 is concerned, the same is filed by one of the intervenors alleging violation and wilful disobedience of the interim order dated 03.05.2018 passed by this Court while issuing notice on the present Appeals. By the said order, this Court directed the parties to maintain status quo.

## **A. FACTUAL MATRIX**

4. The record discloses that the Panchayat was established in the year 1943 and is recognized under the Bombay Village Panchayats Act, 1958[For short 'BVP Act'], administering Village Uchgaon. On the other hand, the Corporation functions under the provisions of the MMC Act.

5. On 29.01.2013, the Corporation published a public notice in the daily newspaper "Pudhari", which has wide circulation in the Kolhapur district, declaring that lands bearing Revision Survey Nos. 84, 87, 91 to 97, 100 to 103, 118 to 120, 122 to 125, 134, 137, 138 and 143 of Village Uchgaon were situated within the municipal limits of the Corporation. The notice further stated that certain lands were affected by development plan reservations, including DP Reservation No. 158 for Truck Terminus affecting Revision Survey Nos. 100, 101, 103 and 123, and Reservation No. 157 for Dumping Ground affecting portions of Survey Nos. 87, 89, 104 and 105.

6. The notice also indicated that constructions standing on the said lands had allegedly been carried out without obtaining permission from the Corporation and that such constructions were liable to be demolished within a stipulated period.

7. According to the Panchayat, several of the lands mentioned in the public notice were situated within the territorial jurisdiction and administrative control of the Panchayat. The Panchayat asserted that these lands had never been included within the limits of Corporation, either during the period when the Kolhapur Municipal Bureau or Municipality existed or thereafter. It was further contended that the Panchayat had issued commencement certificates and permissions for constructions on these lands under the BVP Act, and that numerous structures had been constructed over the years pursuant to such permissions.8. The Panchayat also alleged that the Corporation had initiated steps to demolish several structures standing on these lands, affecting the properties of numerous residents, without following the due procedure required for extension of municipal limits or for taking action against constructions.

9. Aggrieved by the publication of the said notice and the threatened demolition of structures situated within the area administered by it, the Panchayat instituted Regular Civil Suit No. 193 of 2013 before the Civil Court seeking inter alia the following reliefs: (i) Declaration that none of the suit properties had been validly included within the limits of Corporation; (ii) Declaration that any extension of municipal limits purportedly including the suit lands was illegal, wrongful, and not binding on the Panchayat; and (iii) Decree of permanent injunction restraining the Corporation from demolishing structures on the suit properties, or otherwise exercising jurisdiction over the said lands.

10. Along with the plaint, the Panchayat filed an application for temporary injunction under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908[For short 'CPC'], seeking interim protection against demolition or other coercive actions by the Corporation pending the disposal of the suit.

11. In its defense, the Corporation relied upon certain historical notifications allegedly issued on 14.08.1942, 12.07.1945 and 05.03.1946, contending that the suit lands had already been included within the municipal limits by virtue of those notifications. The Corporation also raised an objection to the maintainability of the suit and the jurisdiction of the Civil Court.

12. In particular, the Corporation contended that the action taken by it pursuant to the public notice dated 29.01.2013 had been undertaken in its capacity as a planning authority under the Maharashtra Regional and Town Planning Act, 1966[For short 'MRTP Act'], and, therefore, the suit was barred under Section 149 of MRTP Act.

13. In this regard, the Civil Court framed a preliminary issue regarding jurisdiction under Section 9A of the CPC and directed the parties to adduce evidence on the said issue.

14. Upon considering the evidence adduced by the parties on the preliminary issue, the Civil Court by its judgment dated 06.09.2013 held that it did possess jurisdiction to entertain and try the suit. The Civil Court observed that the dispute involved mixed questions of fact and law, particularly regarding the determination of which properties were actually included within the municipal limits and which remained within the jurisdiction of the Panchayat. It was, therefore, held that such issues would have to be decided after a full trial and evidence on merits. Thereafter, by order dated 22.11.2013, the Civil Court allowed the Panchayat's application for interim injunction and restrained the Corporation from taking action pursuant to the public notice dated 29.01.2013.

15. Aggrieved by the order dated 22.11.2013 granting injunction, the Corporation filed Miscellaneous Civil Appeal No. 197 of 2013 before the Appellate Court. Meanwhile, the Corporation also challenged the Civil Court's judgment dated 06.09.2013 on the preliminary issue of jurisdiction by filing Civil Revision Application No. 962 of 2014 before the High Court.

16. By judgment dated 02.05.2014, the Appellate Court allowed the appeal filed by the Corporation and set aside the order of injunction dated 22.11.2013 granted by the Civil Court.

17. Challenging the aforesaid Appellate Court's order, the Panchayat filed Writ Petition No. 6003 of 2014 before the High Court. On 27.05.2014, the High Court granted an interim order directing the parties to maintain status quo.

18. Vide judgment dated 22.02.2018, the High Court allowed the Civil Revision Application No. 962 of 2014 filed by Corporation and set aside the order dated 06.09.2013 of Civil Court and held that the Civil Court lacked jurisdiction to entertain the suit. Consequently, Regular Civil Suit No. 193 of 2013 filed by the Panchayat came to be dismissed. The High Court held, inter alia, that the exercise of powers under Section 3 of the MMC Act, relating to extension of municipal limits, was legislative in nature and, therefore, could not be questioned before a Civil Court.

19. Placing reliance on its judgment dated 22.02.2018 rendered in Civil Revision Application No. 962 of 2014, the High Court, on the same date, dismissed Writ Petition No. 6003 of 2014, affirming the Appellate Court's order setting aside the interim injunction, essentially on the ground that the Civil Court itself lacked jurisdiction to entertain the dispute.

20. Aggrieved by these two judgments, the Panchayat had filed the present Appeals before this Court.

21. While issuing notice in the present Appeals on 03.05.2018, this Court had ordered status quo to be maintained by both the parties.

## **B. SUBMISSIONS**

22. We have heard the learned counsel for the parties at length and have perused the materials on record.
23. Learned counsel for Panchayat has argued that the concerned revision survey numbers mentioned in the public notice dated 29.01.2013 and the entire land in area of Village Uchgaon falls within the jurisdiction of Panchayat and the Corporation has no concern with the same.
24. Learned counsel for Panchayat points out that the Corporation has failed to produce the notification dated 30.06.1945 which brought the concerned lands under its limits. It is further stated that no other document has been brought on record to show the disputed area in limits of Corporation.
25. It has been highlighted by the learned counsel for Panchayat that the public notice dated 29.01.2013 issued by the Corporation never included the concerned revision survey numbers and no notice or hearing opportunity were given to the Panchayat.
26. Lastly, the learned counsel for Panchayat has emphasised that the bar under Section 149 of the MRTP Act will not apply and the Civil Court was right in holding that the Civil Court had jurisdiction to entertain the suit filed by the Panchayat.
27. Per contra, the learned counsel for the Corporation has supported the impugned judgment(s) of the High Court. Learned counsel submitted that the determination and extension of municipal limits is governed by Section 3 of the MMC Act, which is a legislative function, and any challenge thereto cannot be entertained in a civil suit by way of declaratory relief.
28. Learned counsel for the Corporation also submitted that the public notice dated 29.01.2013 was issued by the Corporation in its capacity as a planning authority under the MRTP Act, and that the jurisdiction of Civil Courts is expressly barred under Section 149 of the said Act.
29. Lastly, the learned counsel for Corporation has submitted that the High Court has rightly exercised its revisional jurisdiction in holding that the Civil Court lacked jurisdiction to entertain the suit filed by the Panchayat.

### **C. ANALYSIS**

30. The central issue which arises for consideration in the present Appeals is whether the Civil Court had jurisdiction to entertain Regular Civil Suit No. 193 of 2013, in which the Panchayat sought declarations to the effect that the lands in question were not included within the municipal limits of the Corporation and that any such inclusion or extension of limits was illegal and not binding upon it.
31. In determining the question of jurisdiction, it is necessary to examine the true nature and substance of the reliefs claimed and the real controversy between the parties, rather than the form in which the reliefs are couched.
32. A perusal of the plaint indicates that the principal relief sought by the Panchayat is a declaration that the lands bearing the revision survey numbers mentioned in the public notice dated 29.01.2013 do not form part of the municipal limits of the Corporation. The Panchayat has further sought a declaration that any extension of municipal limits so as to include these lands is illegal and not binding, along with consequential relief of injunction restraining the Corporation from acting upon such assertion of jurisdiction.

33. The dispute, therefore, in essence, relates to the determination and extent of municipal limits and the authority of the Corporation to exercise jurisdiction over the lands in question.

34. The specification and alteration of municipal limits is governed by Section 3 of the MMC Act, which can be read as follows:

**"3. Specification of larger urban areas and constitution of Corporations.-**(1) The Corporation for every City constituted under this Act existing on the date of coming into force of the Maharashtra Municipal Corporations and Municipal Councils (Amendment) Act, 1994 (Mah. XLI of 1994), specified as a larger urban area in the notification issued in respect thereof under clause (1) of article 243-Q of the Constitution of India, shall be deemed to be a duly constituted Municipal Corporation for the larger urban area so specified forming a City, known by the name " The Municipal Corporation of the City of .... " .

(1A) The Corporation of the City of Nagpur incorporated under the City of Nagpur Corporation Act, 1948 (C.P. and Berar II of 1950) for the larger urban area specified in the notification issued in this respect under clause (2) of article 243-Q of the Constitution of India shall, on and from the date of coming into force of the Bombay Provincial Municipal Corporations (Amendment) and the City of Nagpur Corporation (Repeal) Act, 2011 (Mah. XXIII of 2012), be deemed to have been constituted under this Act and accordingly the provisions of this Act shall apply to the area of the City of Nagpur.

(2) Save as provided in sub-section (1), the State Government may, having regard to the factors mentioned in clause (1) of article 243-Q of the Constitution of India, specify by notification in the Official Gazette, any urban area with a population of not less than three lakhs as a larger urban area.

(2A) Every larger urban area so specified by the State Government under sub-section (2), shall form a City and there shall be a Municipal Corporation for such larger urban area known by the name of the "Municipal Corporation of the City of .....".

(3) (a) Subject to the provision of sub-section (2), the State Government may also from time to time after consultation with the Corporation by notification in the Official Gazette alter the limits specified for any city under sub-section (1) or sub-section (2) so as to include therein or to exclude therefrom, such area as is specified in the notification.

(b) Where any area is included within the limits of the larger urban area under clause (a), any appointments, notifications, notices, taxes, orders, schemes, licences, permissions, rules, by-laws or forms made, issued, imposed or granted under this Act or any other law, which are for the time being in force in the larger urban area shall, notwithstanding anything contained in any other law for the time being in force but save as otherwise provided in section 129A or any other provision of this Act, apply to and be in force in the additional area also from the date that area is included in the larger urban area.

(4) The power to issue a notification under this section shall be subject to the conditions of previous publication:

Provided that, where the population of any urban area, in respect of which a Council has been constituted under the provisions of the Maharashtra Municipal Councils, Nagar Panchayats and Industrial Townships Act, 1965 (Mah. XL of 1965), as per the latest census figures has exceeded three lakhs, the State Government may, for the purpose of constituting a Corporation under this Act for such urban area, with the same boundaries, dispense with the condition of previous publication of the

notification under this section." (emphasis supplied)

35. A perusal of the Section 3 of the MMC Act as reproduced hereinabove would reveal that such determination of limits of area is made by the State Government in exercise of the statutory power. The nature of this power is not administrative in the ordinary sense but partakes the character of a legislative function, involving the declaration of municipal limits and the constitution of local bodies for governance of specified areas.

36. Once such determination is made in exercise of statutory power, its validity or legality cannot ordinarily be the subject matter of adjudication before a Civil Court by way of a suit seeking declaration and injunction. In addition, the action impugned by the Panchayat arises out of a public notice dated 29.01.2013 issued by the Corporation in its capacity as a planning authority under the MRTP Act, alleging unauthorized constructions and proposing action thereon. Insofar as such action is taken under the framework of the said Act, the jurisdiction of Civil Courts is expressly barred under Section 149[149. Finality of orders.- Save as otherwise expressly provided in this Act, every order passed or direction issued by the State Government or order passed or notice issued by any Regional Board, Planning Authority or Development Authority under this Act shall be final and shall not be questioned in any suit or other legal proceedings.] of the MRTP Act, in respect of matters which the authorities under the Act are empowered to determine.

37. The reliefs sought in the suit by the Panchayat, though framed as declarations and injunctions, are in substance directed towards restraining the Corporation from exercising powers traceable to statutory authority under the aforesaid enactments. The contention of the Panchayat that the lands in question were never included within municipal limits, and that the dispute involves mixed questions of fact and law, does not alter the essential nature of the controversy.

38. Even where factual disputes exist, if their adjudication would necessarily involve examination of the validity or effect of statutory determinations relating to municipal limits or actions taken under special statutes, the Civil Court would lack jurisdiction. The existence of disputed questions of fact does not, by itself, confer jurisdiction where, in law, the subject matter of the dispute lies outside the domain of the Civil Court.

39. There is yet another aspect which merits consideration. From the evidence on record, including the testimony of the Panchayat's witness-Sachin Ankush Deshmukh, the Deputy Sarpanch, as noted by the High Court, it emerges that the inclusion of the concerned areas within the municipal limits was not a recent exercise but was traceable to earlier notifications and arrangements which had remained in force for a considerable period since the year 1945.

40. In such circumstances, even proceeding on the basis of the Panchayat's case, a challenge to the inclusion of lands within the municipal limits effected in exercise of statutory power under Section 3 of the MMC Act, cannot be permitted to be raised belatedly after the lapse of several decades. The exercise of such power, being legislative in character, attains a degree of finality, and cannot be unsettled in collateral civil proceedings at the instance of a local Panchayat body at a much later point of time.

41. The conduct of the Panchayat in permitting development and administrative arrangements to subsist over the years without any timely challenge to the inclusion of the lands within municipal limits, also militates against the grant of declaratory relief in a civil suit. Such belated assertions cannot be entertained so as to disturb a position that has long attained certainty.

42. The Civil Court, in holding that the issue involved mixed questions of fact and law and, therefore, required a full-fledged trial, failed to appreciate that the question of jurisdiction must be determined at the threshold based on the nature of the reliefs claimed.

43. The reliefs sought by the Panchayat are not confined to enforcement of private civil rights but are directed towards invalidating the assertion of statutory authority by the Corporation in relation to municipal limits and planning control, which are matters falling within the domain of public law. Such a challenge cannot be effectively adjudicated in a civil suit, which is designed for determination of civil rights inter se parties, and not for examining the validity of legislative or statutory actions of the State or its instrumentalities. We say so especially on the peculiar facts of this case.

44. The High Court, in exercise of its revisional jurisdiction, has correctly appreciated the nature of the dispute and concluded that the Civil Court lacked jurisdiction to entertain the suit. We find no error in the approach adopted by the High Court. The view taken is consistent with the statutory scheme and settled principles governing exclusion of Civil Court jurisdiction.

45. Insofar as the challenge to the dismissal of Writ Petition No. 6003 of 2014 is concerned, the same was consequential to the finding that the Civil Court itself lacked jurisdiction. Once such a finding is upheld, the dismissal of the writ petition does not warrant separate interference.

46. For the aforesaid reasons, we find no merit in the present Appeals. The Appeals are, accordingly, dismissed.

47. Considering that we have dismissed the Appeals, the interim order dated 03.05.2018 directing status quo stands vacated. In that view of the matter, nothing further survives in the contempt proceedings arising out of Diary No.3208 of 2025. The Contempt Petition is, accordingly, disposed of.

48. Pending applications, including the application(s) seeking intervention/impleadment, stand disposed of accordingly.

CDJLawJournal