

MHNS010079382025 Exhibit No. : 18.



Presented on : 26/11/2025
Registered on : 28/11/2025
Decided on : 24/03/2026
Duration : Years-Months-Days
00 03 26

IN THE DISTRICT COURT AT NASHIK

(Presided over by Sachin B. Bhansali,
In-charge District Judge-3, Nashik)

MISC. CIVIL APPEAL NO. 114 of 2025

Bhagirath Farm Pvt. Ltd.,]
Through Authorized Person]
Abhishek Narendra Thakkar]
Age : 38 Yrs., Occ. : Agriculturist] **Appellant**
And Business] (Original Deft.No.2)
Office Address : 4th Floor, Nexus Point,]
Model Colony, Off. College Road,]
Nashik.]

Versus

1] **XLO India Pvt. Ltd.,**]
(Formerly known as XLO India]
Ltd.,) A Private company]
incorporated under the]
Companies Act, 1956 And A]
company within the meaning of] **Respondent**
the Companies Act, 2013.] (Original Plaintiff)
Through its Director]
Smt. Arti Saran]
Age : 68 Yrs., Occ. : Business]
Office Address : Dhanvantari]

Building, 3rd Floor, Dr. Annie]
Besant Road, Varali, Mumbai]
]]
2] **Maharashtra Industrial**]
Development Corporation]
A Corporation Constituted Under] **Respondents**
the Maharashtra Industrial] (*Original Deft. No.2*)
Development Act, 1961.]
Having its head office at]
Udyog Sarathi, Marol Industrial]
Area, Mahakali Caves Road,]
Andheri (East), Mumbai-93.]

Appeal against the order dated 12/08/2025 passed by
learned 11th Jt. Civil Judge, Senior Division, Nashik in
Regular Civil Suit No. 267 of 2025, below Exh.25.

Shri. V.S. Talekar, Advocate for appellant.
Shri. S.H. Divakar, Advocate for respondent No.1.
Shri. A.V. Garge, Advocate for respondent No.2.

J U D G M E N T
(Delivered on 24th March, 2026)

1. The appellant, original defendant No. 2, aggrieved by the order dated 12.08.2025 passed by the learned 11th Joint Civil Judge, Senior Division, Nashik, on the application (Exh.25), whereby the appellant (Original defendant No.2) and respondent No. 1 (original defendant No. 1) were restrained from acting upon letters dated 15.01.2025 and 28.01.2025, and from creating any third-party interest in Plot No. 54-A (the suit plot), pending disposal of the suit, has preferred the instant appeal.

2. Before delving into the facts of the case, it is apposite to note that the plaintiff/Respondent No. 1 herein had filed Writ Petition No. 2694 of 2025 before the Hon'ble High Court under Article 226 of the Constitution of India, impleading the present appellant and Respondent No. 2 –MIDC–as respondents therein. The Hon'ble High Court, vide its Order dated 01.04.2025, disposed of the said petition with the following observations:

(i) Petitioner is at liberty to file a civil suit asserting the termination of the lease by the respondent / MIDC and the consequential actions, qua the lease of plot no.54A, situated at Nashik (Satpur) Industrial Area, admeasuring 10,200 sq.mtrs.

(ii) The civil suit be filed by the petitioner within three weeks from today before the Civil Court of appropriate jurisdiction, along with injunction application, if so advised.

(iii) All contentions of the parties on such proceedings are expressly kept open.

(iv) Merely to enable the petitioner to take recourse to such alternate remedy, we direct that status-qua as of date in respect of the plot in question be maintained for period of six weeks from today. However, granting of such protection shall not be any reflection on the rival contentions of the parties which are expressly kept open to be asserted in the said proceedings.

(v) Writ Petition is accordingly disposed of in the aforesaid terms. No costs.

Accordingly, the plaintiff instituted suit before the learned Civil Judge Senior Division, Nashik.

3. The suit property comprises Plot No. 54-A (also referred to as Open Space Plot No. 20) in Satpur Industrial Area, village Satpur, within the limits of Nashik Municipal Corporation, Taluka and District Nashik, admeasuring 10,200 square meters. The plaintiff claims possession through a lease deed dated 03.06.2021 executed by respondent No. 1 (MIDC) in favour of XLO India Pvt. Ltd. (original plaintiff/respondent No. 2) for 95 years commencing from 01.12.1973, upon payment of a premium of Rs.4,08,000/-. The lease deed incorporates specific terms, including notice provisions for disputes. The plaintiff alleges redevelopment of the plot as a garden post-execution and impugns the letters dated 15.01.2025 and 28.01.2025 (Exh.A) as illegal terminations without adherence to lease conditions, leading to the suit and interim application (Exh.25).

4. Defendants appeared and filed their written statements cum replies denying the plaintiff's claims and averments in the application (Exh.25), asserting lawful termination of the lease under due process and re-allotment of the plot to respondent No. 2 (appellant herein) for five years for its reserved purpose (gardening). In view thereof, they sought dismissal of the application (Exh.25).

5. The trial Court, upon hearing, granted the said application (Exh.25), restraining defendants from implementing the impugned letters or creating third-party rights over the suit plot till decision of the suit.

6. The appellant impugns the order as lacking jurisdiction, non-application of mind, and failure to consider MIDC circular dated 31.08.2008 in its correct perspective, termination letters, possession receipt, and appellant's possession post-allotment by MIDC's competent committee.

7. I have heard Shri V.S. Talekar, learned counsel for the appellant ; Shri S.H. Divakar, learned counsel for respondent No. 1 (MIDC); and Shri A.V. Garge, learned counsel for respondent No. 2, at length. Perused the record and paper book privately supplied by the appellant.

8. The appellant's counsel highlighted the plaintiff's withdrawn Exh.5, surrender of adjoining Plot No. 54 (industrial allotment from 1974), automatic re-allotment entitlement under MIDC policy, irrelevance of 2021 lease terms procured by suppressing facts via a memorandum of understanding, its nullity, lack of territorial jurisdiction in the Civil Court at Nashik as objected vide Exh.20, para. 50, error in not framing preliminary issue, and non-consideration of documents. Lastly, the learned counsel urged the Court for setting aside the order with costs by allowing this appeal. He also cited following rulings in support of his contentions :

- i] M/s EXL Careers and Anr. Vs. Frankfinn Aviation Services Private Limited – AIR 2020 SUPREME COURT 3670 ;
- ii] Sankar Padam Thapa Vs. Vijaykumar Dineshchandra Agrawal – Special Leave to

Appeal (Criminal) 4459 of 2023. Supreme Court of India ;

- iii] Shree Subhlaxmi Fabrics Pvt Ltd., Vs. Chand Mal Baradia and others – AIR 2005 SUPREME COURT 2161 ;
- iv] Man Roland Druckimachinen AG Vs. Multicolour Offset Ltd., and another- AIR 2004 SUPREME COURT 3345 ;
- v] M/s Shriram City Union Finance Corporation Ltd. Vs. Rama Mishra – AIR 2002 SUPREME COURT 2402 ;
- vi] M/s Angile Insulation Vs. M/s Davy Ashmore India Ltd., and another – AIR 1995 SUPREME COURT 1766 ;
- vii] Shri. Vassudev Nene and ors. Vs. Shri. Dattatraya Raghunath Jog – 2000(3) ALL MR 193 ; and
- viii] Premjii Ratansey Shah and othres Vs. Union of India – (1994) 5 SUPREME COURT CASES 547.

9. Respondent No. 1's counsel invoked Sections 15 (general powers), 15(k) (circulars with statutory force), and 17 (disposal of property) of the Maharashtra Industrial Development Act, 1961 ('MIDC Act'), asserting the letters' legality, trial Court's error in granting application (Exh.25), and supported the appeal.

10. *Per contra*, Respondent No. 2's counsel supported the trial Court's order as legal and proper, urging dismissal of the appeal with costs.

11. Following points arise for my consideration and I record my findings thereon with reasons to follow:-

POINTS	FINDINGS
1] Whether the learned trial court's order is legal, proper and correct ? ..	No.
2] Whether the interference in the impugned order is required ? ..	Yes
3] What order ? ..	As per final order.

REASONS

As to Point Nos. 1 To 3:

12. At the outset, as regards the objection raised by the learned Counsel for the appellant concerning territorial jurisdiction, entertainability of the suit, and adjudication of the application for interim reliefs, a perusal of the reply-cum-written statement (Exhibit 20) filed by the appellant/original Defendant No. 2 reveals that a specific objection to jurisdiction has been raised in paragraph 50 thereof, which is reproduced hereunder:

50. The suit of the plaintiff is also not tenable for want of jurisdiction.

13. Pertinently, the plaintiff's suit is founded upon the Lease Deed dated 03.06.2021 (Exh.K) concerning the suit plot. There exists scarcely any dispute between the Lessor and the Lessee regarding the terms and conditions stipulated therein. Clause 21 of the said Lease Deed pertains to the jurisdiction in the event of any dispute arising therefrom, which is material for adjudication in the present matter. The relevant clause is reproduced hereunder for ready reference:

21. If any dispute or difference arises between the Parties in connection with the validity, interpretation, implementation and /or alleged breach of any term or provision of this Agreement and / or any document related or incidental hereto, and/or otherwise howsoever arising from or in respect of this Agreement and/or any document related or incidental hereto, (hereinafter referred to as the "Dispute"), the Parties shall endeavour to settle such dispute or differences amicably / by friendly consultation within 15 days from the date of occurrence thereof, failing which, the Courts in Mumbai shall have the sole jurisdiction to try and entertain the disputes. The provisions of this clause shall not survive the expiry or termination of the agreement. This Agreement shall be governed by the laws of India.

14. In view of Clause 21 aforesaid, it is evident that the Lease Deed expressly stipulates the jurisdiction of the competent court therein.

15. The learned counsel for the appellant's has placed reliance on the decision in ***Shree Subhlaxmi Fabrics Pvt. Ltd.'s*** case (cited supra), wherein the Hon'ble Supreme Court in paragraphs 19 to 21, observed as follows :

19. In the case on hand the clause in the indent is very clear, viz. "Court of Bombay and no other Court". The Trial Court on consideration of material on record held that the Court at Calcutta had no jurisdiction to try the suit.

20. The High Court in the earlier part of the judgment noted that the invoice contained clause like "under jurisdiction of the Court from where the goods have been dispatched" and in the indent (contract) a clause like "dispute under this contract shall be decided by the Courts of Bombay and by no other Courts". Further, while recording its findings on the plea raised by the appellant regarding jurisdiction it held as under:-

"In the facts and circumstances of this case, the plaintiff has no doubt an arguable case that he did not consciously agree to the exclusion of the jurisdiction of the Courts of its business. Its case that "from where the goods has been dispatched", is not sufficiently specific as to exclude a Court's jurisdiction, is no doubt an arguable case."

21. In our opinion that approach of the High Court is not correct. The plea of the jurisdiction goes to the very root of the matter [Emphasis supplied]. The trial Court having held that it had no territorial jurisdiction to try the suit, the High Court should have gone deeper into the matter and until a clear finding was recorded that the Court had territorial jurisdiction to try the suit, no injunction could have been granted in favour of the plaintiff by making rather a general remark that the plaintiff has an arguable case that he did not consciously agree to the exclusion of the jurisdiction of the Court.

16. In light of the aforesaid observations, it is crystallized that the plea of jurisdiction, being a threshold issue going to the root of the cause, warranted priority adjudication. The learned trial Court ought to have first addressed and decided the objection regarding its jurisdiction, prior to entertaining and deciding (granting) the application for

temporary injunction/interim reliefs. The failure to do so renders the impugned order arbitrary and bereft of judicious consideration.

17. Now, advertent to the merits of the matter, a perusal of the impugned order reveals that the learned Trial Court has referred to Clause 7 of the Circular dated 31.01.2008 (Exh.DD) and recorded a finding of its breach. Pertinently, the said Circular is material for adjudication of this appeal. The opening portion, along with the relevant clauses No.1 and 7 thereof, reads as under:

महाराष्ट्र औद्योगिक विकास महामंडळाने विकसित केलेल्या औद्योगिक वसाहतीतील मोकळ्या जागा. वृक्षारोपण, बागबगिच्या, सुशोभिकरण इत्यादीसाठी घाटप करण्याबाबतचे सुधारित धोरण ठरविण्याबाबतची बाब महामंडळाच्या संचालक मंडळाच्या दिनांक १९/१२/२००७ रोजी झालेल्या ३१६ व्या सभेत सादर करण्यात आली होती. सदर बाबीवर चर्चा होऊन त्या संदर्भात ठराव क्र.४४७९ पारीत करण्यात आला असून त्या अनुषंगाने मोकळ्या जागेचे (Open Space) वाटप वृक्षारोपण, बागबगिचा सुशोभिकरण इत्यादीसाठी करण्याबाबत या आगोदर निर्गमित करण्यात आलेली सर्व परिपत्रके रद्द करण्यात येत असून खालीलप्रमाणे नव्याने मार्गदर्शक तत्वे निर्गमित करण्यात येत आहेत. तसेच नव्याने निर्गमित करण्यात येत असलेली मार्गदर्शक तत्वे या परिपत्रकाचे दिनांकापासून लागू करण्यात येत आहेत:

१) मोकळ्या जागेचे (Open Space) वाटप लगतच्या उद्योजकास / औद्योगिक क्षेत्रातील कोणत्याही उद्योजकास (ज्यांचा उद्योग चालू अवस्थेत आहे) किंवा उद्योजकांच्या मान्यता प्राप्त संघटना यांचे. प्रकल्प अहवाल तपासून भूखंड वाटप समितीच्या मंजूरीने किंवा संचालक मंडळाच्या मान्यतेने वृक्षारोपण, बागबगिचा, सुशोभिकरण इत्यादीसाठी प्रथमतः ५ वर्षाकरिता करण्यात यावे. अर्जदाराने जर महामंडळाच्या अटी व शर्तीचे पालन केले असल्यास अर्जदारांचे विनंतीनुसार पुढील ५ वर्षाकरिता करारनाम्याचे नुतनीकरण करणेबाबत विचार करण्यात यावा.

७) कोणतेही कारण न देता एक महिन्याची नोटीस देऊन करारनामा रद्द करण्याचा हक्क महामंडळास राहिल.

18. From the aforesaid Circular, it is manifest that a proposal for framing a revised policy for allotment of open spaces—inter alia, for tree plantation, landscaping, beautification, etc.—within MIDC-developed industrial estates was placed before the Corporation’s Board of Directors at its 316th meeting held on 19.12.2007. After due deliberation, Resolution No. 4471 was passed in this behalf. Consequently, all prior circulars pertaining to allotment of such ‘Open Spaces’ stood rescinded, and fresh guidelines have been issued. These guidelines took effect from the date of the Circular dated 31.08.2008.

19. From Clause 1 of the aforesaid Circular, it is crystallized that allotment of open space shall be made exclusively to: (i) an adjacent entrepreneur; (ii) any entrepreneur within the same industrial zone whose industry is operational; or (iii) a recognized association of entrepreneurs.

20. Clause 1 further stipulates that, upon scrutiny of the project report and with the approval of the Plot Allotment Committee or the Board of Directors, such allotment shall be granted initially for a period of 5 years for purposes including tree plantation, landscaping, beautification, and the like.

21. Furthermore, Clause 7 reserves to the Corporation the right to terminate the agreement by issuing one month’s notice, without assigning any reason.

22. In light of the aforesaid clauses, it is imperative to examine whether the Lease Deed dated 03.06.2021 executed between the plaintiff/Respondent No.1 and Defendant No.2/Respondent No.2 (MIDC) conforms to the Circular dated 31.08.2008. Prima-facie, the answer is in the negative.

23. A perusal of the Lease Deed (Exh.K) dated 03.06.2021 reveals that it has been executed for a period of 95 years, with retrospective effect from 01.12.1973. Shri Garge, learned counsel for Respondent No.2/MIDC, has submitted that the Corporation is empowered under Section 15K of the MIDC Act to issue circulars having the force of law. Accepting this contention, it is evident that the execution of the Lease Deed dated 03.06.2021 for 95 years (with retrospective effect, as aforesaid) constitutes a complete violation of the Circular dated 31.08.2008.

24. While the learned Trial Court took note of Clause 7 of the aforesaid Circular and observed its breach, it overlooked Clauses 18 and 19 of the Lease Deed dated 03.06.2021, which stipulate a 15-day notice for any breach of the agreement's conditions or for resumption of the land.

25. By letter dated 28.01.2025 (Exh. A), Defendant No.2/Respondent No.2 expressly intimated the plaintiff/Respondent No.1 of repeated breaches of Condition No.6 of the Rental Lease. In the latter part of the said letter, it

was further conveyed that, invoking Clause 19 of the Agreement (Lease Deed dated 03.06.2021), the said Agreement stood cancelled, with a copy of the letter forwarded to the plaintiff via email. Notably, the impugned order nowhere discusses or records reasons qua this vital document. Consequently, there is a total non-consideration of letter (Exh.A) aforesaid.

26. It is pertinent to note that Clause 1 of the Circular dated 31.08.2008 limits the initial lease period to a maximum of 5 years with renewal for a further 5 years, and that too only in favour of: (i) an adjacent entrepreneur; or (ii) any entrepreneur within the industrial zone whose industry is operational.

27. It is not disputed that, consequent upon the transfer of rights / interest in Plot No.54, the plaintiff/Respondent No.1 no longer operates any industry on Plot No.54 or any plot within the Satpur MIDC area. The learned Trial Court has not considered this material aspect while adjudicating the application (Exh.25) in the suit.

28. Furthermore, the learned Trial Court erred in overlooking the rescission—wrought by the Circular dated 31.08.2008—of all prior circulars concerning allotment of ‘Open Spaces’ for tree plantation, landscaping, beautification, and analogous purposes.

29. Furthermore, the impugned order remains wholly silent on whether, pursuant to the Circular dated 31.08.2008, the Land Allotment Committee accorded approval or sanction for execution of the registered Lease Deed dated 03.06.2021—granted for 95 years in blatant violation thereof.

30. Prima facie, the record manifestly reveals that both lessor and lessee contravened the said Circular while executing the registered Lease Deed. Notably, none of the parties placed prior circulars of the relevant period before the learned Trial Court for consideration. Had such circulars been brought on record, the position regarding allotment of open spaces in MIDC layouts—exclusively to (i) an adjacent entrepreneur; or (ii) any operational entrepreneur within the industrial zone for the specified period—would have been clarified, enabling the learned Trial Court to arrive at a just conclusion.

31. When the provisions of the MIDC Act as canvassed by learned counsel for Respondent No.2 are considered alongside the Circular dated 31.08.2008, the registered Lease Deed dated 03.06.2021, the impugned letters/notices, the possession receipt, the Memorandum of Understanding dated 2019 executed by the plaintiff/Respondent No.1 in favour of Priyank Urban Lights Pvt. Ltd. (which learned counsel for Respondent No.1 denied during arguments, though not before the Trial Court), and the Minutes of the Land Allotment Committee Meeting (Exh. X), it becomes evident that the

learned Trial Court failed to consider these material documents in their proper perspective.

32. Furthermore, the learned Trial Court wholly failed to address the objection regarding territorial jurisdiction prior to passing the impugned order and granting injunction restraining the defendants from implementing the impugned letters, acting thereon, or creating third-party interests over the suit plot.

33. This Court, as the appellate forum, is certainly empowered to adjudicate the objection concerning the Trial Court's territorial jurisdiction. However, such adjudication may prejudice the aggrieved party's right to challenge the order before an appropriate forum. Moreover, resolving this objection may necessitate evidence from the parties either in support thereof or contra. The appropriate course, therefore, is to remand the matter to the learned Trial Court for deciding the territorial jurisdiction objection concurrently with, or sequentially to, the application (Exh. 25). As this court has arrived at a conclusion to remit the matter to the learned trial court, it would be apposite for the parties to cite the rulings cited supra before the learned trial court for its consideration.

34. In light of the aforesaid discussion, the impugned order is unsustainable in law and deserves to be set aside by allowing this appeal. Hence, point No.1 is answered in the

negative, point No.2 in the affirmative and to answer point No.3, I pass the following order.

ORDER

- 1] Appeal is partly allowed.
- 2] The order dated 12/08/2025 passed by the learned 11th Jt. Civil Judge Senior Division, Nashik on the application (Exh.25) is set aside.
- 3] The matter stands remitted to the learned Trial Court for fresh adjudication of the objection regarding its territorial jurisdiction, either concurrently with the application (Exh. 25) or sequentially thereto.
- 4] Both parties to the suit shall be at liberty to lead evidence, if any in support of or against the said objection.
- 5] Both parties to the suit are directed to extend full co-operation to the learned Trial Court in expeditiously deciding the matter within the stipulated time, and shall refrain from seeking any adjournments therein.
- 6] The learned Trial Court is requested to make every endeavour to decide the matter as expeditiously as possible and, in any event, within a period of three months from the date of this order.
- 7] In peculiar facts and circumstances, parties to bear their own costs.
- 8] Misc. Civil Appeal stands disposed.

- 9] It is clarified that the learned Trial Court shall decide the matter on its own merits, uninfluenced by any observations made in this judgment and order.
- 10] Inform the learned trial Court accordingly by sending the copy of this judgment and order.

(Dictated on computer and pronounced in open Court.)

Date : 24/03/2026.

(Sachin B. Bhansali)
I/c. District Judge-3,
Nashik.