IN THE HIGH COURT OF JUDICATURE AT BOMBAY
BENCH AT AURANGABAD

WRIT PETITION NO. 12150 OF 2025

VASANT S/O BHAGWAT PAPINWAR AND OTHERS
VERSUS
BALAJI BALIRAM KALYANKAR AND OTHERS

Mr. S. V. Kurundkar, Advocate for the Petitioners
Mr. G. R. Ingole h/f Mr. C. V. Bodkhe, Advocate for Respondent No.1
Mr. V. K. Kotech, AGP for the Respondent/State

CORAM : ARUN R. PEDNEKER, J.
DATE : 20.11.2025

ORDER:-

1. Heard. With consent of the parties, the matter is taken up for final hearing.

2. By the present writ petition, the petitioners challenge order dated 18/07/2025 passed under Section 9 of the Maharashtra Money Lenders (Regulation) Act, 2014 (hereinafter referred to as the 'Money Lending Act' for short) by respondent No.4 (Registrar General of Money Lenders and Special Registrar Co-op Societies, Maharashtra State Pune), whereby the Registrar was pleased to allow the Revision petition filed by respondent No.1 and remit the matter back to the respondent No.2 for fresh enquiry.

Facts giving rise to the writ petition are noted below:-

3. Respondent No.1 filed an application under Section 18 of the Money Lending Act before respondent No.2 complaining that the petitioners are involved in unauthorized money lending business and the petitioners have purchased 2 H. land from Survey No. 48/D (now renumbered as 48) from the respondent by a registered sale deed dated 14/09/1980. It is contended that the sale deed was in fact a security to an illegal money lending transaction and, thus, the sale be declared null and void. The sale is an illegal money lending transaction and, thus, the sale be set-aside and the land be reverted back to the complainant. The petitioners responded to the complainant contending that the sale transaction in question was an out an out sale transaction and application for setting aside sale under Section 18 of the Act is barred by limitation. The learned District Deputy Registrar Co-op. Societies, Nanded by order dated 10/06/2019 rejected the application filed by respondent No.1.

4. Respondent No.1, being aggrieved by the order of the District Deputy Registrar (Respondent No.2) preferred Appeal

before respondent No.3, the Divisional Joint Registrar, Co-op. Societies, Latur and the same was also rejected by order dated 29/08/2024. Thereafter, respondent no.1 preferred a Revision Petition challenging the order of respondent no.3 before the Registrar General (Respondent No.4). By the impugned order the Registrar General quashed and set aside the orders passed by both the Authorities i.e. respondents no.2 and 3 and remitted the matter back for fresh consideration to the District Deputy Registrar Co-op. Societies (Respondent No.2). The order passed by the Registrar General is impugned in the writ petition by the petitioners. It is the contention of the petitioners that in exercise of power under Section 18 of the Act the transaction of sale cannot be set aside by invoking the provisions of the Act after period of lapse of 15 years from the date of sale transaction. The proceeding initiated under Section 18 of the Act is barred by limitation. It is also contended that Registrar General relied upon the order passed by the Tahasildar dated 19/07/2014 which was already set aside by the Sub Division Officer and confirmed by the Additional Collector and thereafter by the Additional Divisional Commissioner. The 7/12 extract stands in the name of the present petitioners indicating the possession of the petitioners over the land sold by the sale deed. In any event he submits that the proceedings under the Money Lending Act cannot be initiated after the period of 15 years from the date of sale transaction and that respondent no.1 may invoke any other remedy as may be available.

5. Per contra the learned counsel appearing for respondent no.1 submits that the petitioners’ family has been involved in the money lending transaction and that criminal proceedings are initiated against the petitioners. The quashing proceedings filed by the petitioners is also rejected by this Court and, thus, *prima facie* the petitioners are involved in illegal money lending transaction. He submits that the Registrar General has remitted the matter back to respondent no.2 as he had failed to consider the provisions of inquiry as contemplated under the Money Lending Act and, has, thus, rightly remitted the matter for fresh consideration. He submits that the proceedings under Money Lending Act are initiated by an application dated 19/12/2013 before the Collector. He submits that the family of the petitioners have been charging huge interest @ 3% and 5% per month and the the respondent executed

the document of sale to secure the money lended. The 7/12 extract and holding of land, village extract 8-A dated 25/01/2014 shows that the petitioners are having more than 150 acres of land approximately and 99 plots and 4 bungalows earned through money lending business. It is submitted that there is no limitation prescribed under the Act and there is no limitation provided to file Appeal, Revision or any legal proceeding. Section 18(1) of the Act provides limitation of (15 years), whereas no limitation is provided under the Act to register an offence. He submitted that the authorities below i.e. respondent Nos.2 and 3 have erroneously dismissed the proceeding as not within limitation and matter is rightly remitted back by the Registrar General for inquiry by following the procedure under Sections 15, 16 and 17 of the Act.

It is further submitted that the limitation is not pure question of law, it is always mixed question of law and facts in view of the Judgment in Nusli Neville Wadia Vs. Ivory Properties and otehrs in SLP (C) No.2856 of 2015 in Civil Appeal No.3396 of 2015, passed by the Hon’ble Supreme Court, dated 04/10/2019.

6. Having considered the rival submissions it is to be noticed that undisputedly the sale deed dated 14/09/1980 is sought to be cancelled and the lands are prayed to be reverted back and the application under Section 18 of the Money Lending Act is filed on 19/12/2013 before the District Deputy Registrar (Respondent No.2), Nanded. Section 18 of the Money Lending Act provides for limitation of invocation of powers for cancellation of sale deed and reversion of the land. For ready reference Section 18 of the Act reads thus:

> *"18. Return of immovable property acquired in course of money lending.— (1) If, on the basis of facts disclosed, during verification under section 16 or inspection under section 17, or by an application from a debtor or otherwise, the District Registrar has reason to believe that any immovable property, which has come in possession of the money-lender by way of sale, mortgage, lease, exchange or otherwise, <u>within a period of 1[fifteen years] from</u> the date of verification or the inspection or <u>the date of receipt of application</u> from debtor, in the nature of the property offered by the debtor to the money lender as a security for loan advanced by the money-lender in course of money lending, the District Registrar may, himself or through an inquiry officer, to be appointed for the purpose, in the manner prescribed, hold further inquiry into the nature of the transaction.*
>
> *(2) If upon holding the inquiry as per sub-section (1), the District Registrar is satisfied that the immovable property came in possession of the money-lender as a security for loan advanced by the money-lender during the course of money-lending, the District Registrar may, notwithstanding anything contained in any other law for the time being in force, after*

recording the reasons, declare the instrument or conveyance as invalid and may order restoration of possession of the property to the debtor who has executed the instrument or conveyance as a security or to his heir or successor, as the case may be.

(3) Before passing an order or giving decision as per sub-section (2), the District Registrar shall give an opportunity to the person concerned to state his objections, if any, within fifteen days from the date of receipt of notice by him and may also give personal hearing, if he so desires.

(4) Any person aggrieved by the order or decision of the District Registrar under sub-section (2) may, within one month from the date of order or decision, appeal to the Divisional Registrar : Provided that, the Divisional Registrar may admit the appeal after expiry of the period of one month, if the appellant satisfies him that he had sufficient cause for not preferring the appeal within the period.

(5) The order passed by the Divisional Registrar in appeal preferred under sub-section (4) shall be final.

(6) Subject to the appeal provided under sub-section (4), the order passed or decisions given by the District Registrar under sub-section (2), shall be sufficient conveyance and it shall be the duty of every officer entrusted with the work relating to maintenance of land records under the Maharashtra Land Revenue Code, 1966 (Mah. XLI of 1966), or under any other law for the time being in force, to give effect to such order in his records."

7. In the instant case, the sale deed, which is sought to be revoked is dated 14/09/1980 and the application under Section 18 of the Money Lending Act is filed by the debtor in the year 2013 i.e. nearly about 30 years after the date of sale deed. Thus, the

application cannot be entertained under Section 18 of the Act as the same is beyond 15 years of the date of transaction. On the admitted facts as noted in the application under Section 18 of the Act, the same is barred by limitation. The authorities below i.e respondent Nos.2 and 3 have rightly concluded that the application is barred by limitation, as such, it was not available for Registrar General to remit the matter back for fresh consideration. If respondent No.1 is in possession of the properties as claimed, he may take recourse to any other legal proceedings to protect his possession. However, the proceedings under the Money Lending Act under Section 18 are not available as the same is barred by limitation. The factum of possession is also seriously disputed by the petitioners.

8. In the case of ***Sojarbai w/o Chandrakant Kakde Versus The Registrar, Money Lending Additional Commissioner and Others in Writ Petition No. 7736/2024, dated 25/07/2024 (Coram : S. G. Chapalgaonkar, J.)*** this court has taken similar view and at paragraph 6 has held as under:

> *"6. A bare reading of the aforesaid provision would show that the authorities are given leverage to entertain the*

applications and return the immovable property acquired in course of money lending transactions entered within a period of 15 years from the date of the verification or inspection or the date of receipt of the application from the debtor and declare the nature of transaction. It is not in dispute that in the present case, the grievance is raised in respect of transaction of 1995 in the year 2014. All the authorities have rightly observed that transaction took place beyond 15 years and as such beyond time line prescribed under Section 18."

9. Law as discussed in the above Judgment of this court squarely applies to the present case.

10. The Writ Petition is allowed. The impugned order dated 18/07/2025 is quashed and set aside.

(ARUN R. PEDNEKER, J.)

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