

THE BEGUR BULLETIN

REAL ESTATE

JANUARY - DECEMBER 2025

YEARLY REGULATORY UPDATE



WELCOME TO THE BEGUR BULLETIN!

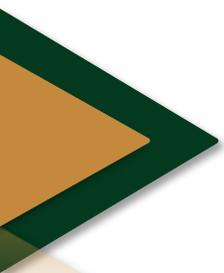
We're pleased to present the **latest edition of Begur Bulletin**, a yearly regulatory update for India's real estate sector which continues to evolve rapidly, driven by accelerating urbanization, rising housing demand, and the increasing emphasis on sustainable, inclusive, and technology-driven development. Urban centers face persistent challenges, including acute housing shortages, slum proliferation, escalating construction costs, and the pressing need for enhanced transparency and investor protection. At the same time, regulatory reforms, digitalization, and strengthened governance frameworks are fostering a more efficient, accountable, and resilient sector. Innovative financing structures, organized rental housing, and the integration of smart technologies are increasingly shaping the way real estate is developed, financed, and managed across the country.

The year 2025 was marked by extensive reforms across REIT and InvIT frameworks, including SEBI's reclassification of REITs as equity instruments, rationalisation of investor categories, enhanced disclosure and governance norms, and measures to improve liquidity and ease of doing business. At the state level, Maharashtra and Karnataka introduced significant land and RERA reforms, notably simplifying land conversion processes, strengthening enforcement mechanisms for RERA orders, and expanding digital and procedural compliance frameworks. In parallel, the Reserve Bank of India issued a consolidated prudential regime for project finance, while courts reiterated core principles on title validity, registration, and statutory compliance.

We value your thoughts and suggestions. If there is feedback on how we can improve Begur Bulletin, we'd love to hear from you on communications@begurs.com. Your input helps us keep this platform insightful.

Enjoy reading, here's to staying informed, compliant, and capital-ready!

— Team Begur





LEGISLATIVE UPDATE

1. DRAFT REGISTRATION BILL, 2025

The Ministry of Rural Development on May 26, 2025 invited public suggestions on the Registration Bill, 2025 (“Bill”) seeking to replace the century old Registration Act, 1908 (“Act”) by establishing a digital-first, citizen-centric framework for registering property and other legal documents.

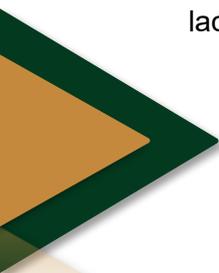
Key provisions:

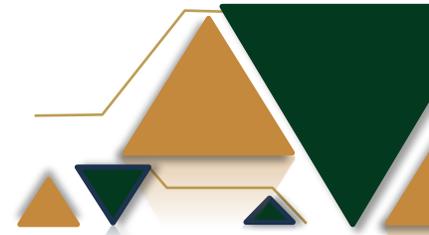
- a. **Online and Offline Registration:** Enables full online or offline processing of property documents. Identity verification can be done via Aadhaar or alternative methods, with no discrimination against those without Aadhaar.
- b. **Expanded List of Compulsory Registrations:** The Bill broadens the types of documents that must be registered, now agreements to sell, power of attorney, title deed mortgages, and corporate mergers/demergers.
- c. **Optional Registration Category:** Introduces a new category under Section 13 for optional registration, though the scope of such documents is not clearly defined.
- d. **New Administrative Roles:** Adds posts such as Additional and Assistant Inspector Generals of Registration, empowering states to define their roles and responsibilities.
- e. **Grounds for Refusal or Cancellation:** Allows registration to be refused or cancelled for reasons such as falsification, delayed submission (beyond 4 months), or lack of legal capacity. Appeals may be filed

within 30 days.

- f. **Penal Provisions:** Reduces punishment for offences from seven to three years of imprisonment, with or without fines.

B&P View: The Bill represents an update that was long overdue to India’s century old land documentation system. By facilitating digital registrations, it promises greater efficiency, transparency, and accessibility, especially in rural and semi-urban areas. The expansion of compulsory document types is a welcome move to curb property fraud and improve legal clarity. However, ambiguities remain, particularly around the undefined scope of optional registration and the delegation of functions like stamp duty valuation and title verification to Common Services Centres (CSCs), which could lead to procedural inconsistencies without clear regulations. While the push for digitisation is a welcome reform, it might result in cybersecurity concerns, especially in the handling of digital archives and e-signatures. Overall, the Bill marks a progressive shift towards modernising land registration, but its success will hinge on robust safeguards, clear rules, and effective implementation.





REAL ESTATE INVESTMENT TRUSTS (REITs) & INFRASTRUCTURE INVESTMENT TRUSTS (InvITs)

1. SEBI (REAL ESTATE INVESTMENT TRUSTS) (THIRD AMENDMENT) REGULATIONS, 2025

SEBI on December 9, 2025 notified the SEBI (REIT) (Third Amendment) Regulations, 2025 amending Regulation 2 of the SEBI (REIT) amending key definitions as provided under the SEBI REIT Regulations.

Key Amendments:

- a. **Institutional Investor:** Newly defined to include qualified institutional buyers, as well as family trusts or SEBI-registered intermediaries with a net worth exceeding Rs. 500 crore based on audited financials.
- b. **Qualified Institutional Buyer:** Updated to align directly with the definition provided under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, ensuring consistency across frameworks.
- c. **Strategic Investor:** Expanded to cover institutional investors, certain foreign portfolio investors, RBI-registered NBFCs in middle, upper, and top layers, and other entities specified by SEBI. Strategic investors must invest at least 5% of the REIT offer size (or such amount as SEBI may prescribe), with mandatory compliance under FEMA provisions.
- d. **Regulatory Coordination:** Where an entity is already regulated by another financial sector authority, SEBI must

consult that regulator before classifying it as a strategic investor.

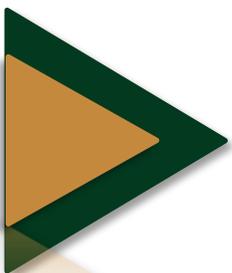
B&P View: The amendments clarify investor categories and tighten eligibility for strategic investors, improving certainty for book-building and anchor allocations in REIT offers.

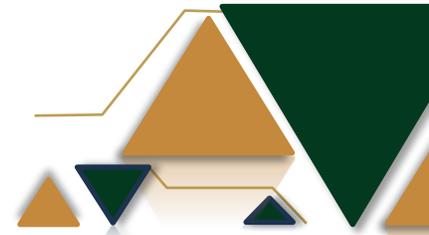
2. SEBI (INFRASTRUCTURE INVESTMENT TRUSTS) (FOURTH AMENDMENT) REGULATIONS, 2025

SEBI vide notification dated December 9, 2025, notified the SEBI (Infrastructure Investment Trusts) (Fourth Amendment) Regulations, 2025, amending the SEBI (Infrastructure Investment Trusts) Regulations, 2014 to rationalise investor classifications and align key definitions applicable to InvIT investments.

Key amendments include:

- a. **Revision to definition of Institutional Investor (Regulation 2(1)(ya)(ii)):** The definition has been revised to include family trusts or SEBI-registered intermediaries having a net worth exceeding ₹500 crore, based on the latest audited financial statements.
- b. **Alignment of definition of Qualified Institutional Buyer (Regulation 2(1)(zs)):** The definition of qualified institutional buyer has been aligned with the meaning assigned under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- c. **Substitution of definition of “Strategic**





Investor” (Regulation 2(1)(zza)): The definition of strategic investor has been revised to include institutional investors, certain foreign portfolio investors, specified categories of RBI-registered NBFCs, and other entities as may be specified by SEBI, subject to a minimum investment threshold of 5% of the InvIT offer size or such amount as may be prescribed. Where such entity is regulated by another financial sector regulator, SEBI shall consult the relevant regulator before classification.

B&P View: The amendments bring greater clarity and regulatory consistency to investor classifications under the InvIT framework by harmonising definitions with other SEBI regulations and strengthening the institutional and strategic investor regime. These changes are expected to improve certainty for InvIT issuers and sophisticated investors while maintaining appropriate regulatory oversight.

3. RECLASSIFICATION OF REITS AS EQUITY RELATED INSTRUMENTS

SEBI vide circular dated November 28, 2025 (“Circular”) following its Gazette notification of October 31, 2025, amended the Mutual Funds Regulations to reclassify Real Estate Investment Trusts (REITs) as equity related instruments, enabling greater participation by Mutual Funds and Specialized Investment Funds (SIFs).

Key Clarifications:

- a. Effective January 1, 2026, investments in REITs by Mutual Funds and SIFs will be treated as equity; InvITs remain classified as hybrid instruments.
- b. Existing REIT holdings in debt schemes and

SIF strategies as of December 31, 2025 will be grandfathered, though AMCAs are encouraged to divest in line with market conditions and investor interest.

- c. AMFI must update its scrip classification to include REITs based on market capitalization.
- d. AMCAs must issue addendums to scheme documents to reflect the change; this will not be treated as a fundamental attribute change.
- e. REITs may be included in equity indices only after July 1, 2026, allowing a six-month transition period.

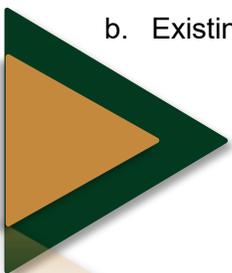
B&P View: This change makes REITs part of the equity basket for mutual funds and SIFs, opening the door for more participation and liquidity. The six-month buffer before index inclusion further supports orderly market adjustment.

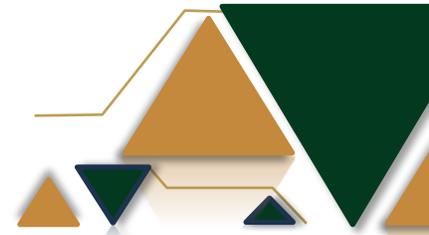
4. SEBI (REIT) (SECOND AMENDMENT) REGULATIONS, 2025

SEBI on September 3, 2025 notified the SEBI (Real Estate Investment Trusts) (Second Amendment) Regulations, 2025.

Key amendments:

- a. Revision of the definition of “public” to exclude related parties, sponsors, sponsor groups, managers, or any other person specified by SEBI, while expressly treating Qualified Institutional Buyers (QIBs) as “public” even if otherwise excluded;
- b. Alignment of the timeline for disclosing the development status of under-construction properties with quarterly financial results





and requiring valuation reports to be submitted to trustees simultaneously with stock exchange filings;

- c. Permitting HoldCos with negative net distributable cash flow to offset such deficit against cash flows from SPVs, subject to mandatory disclosures to unitholders; and
- d. Standardizing the timing of annual and half-yearly valuation reports with annual valuations to be carried out as on March 31 and half-yearly valuations as on September 30, and clarifying submission and unitholder communication obligations.

B&P View: The amendments strengthen the REIT framework by tightening the definition of “public,” improving disclosure quality, and aligning valuation and reporting timelines with financial results. Flexibility for HoldCos to adjust negative cash flows, backed by mandatory disclosures, balances operational needs with investor protection. Overall, the changes enhance transparency, reduce compliance friction, and improve market discipline.

5. SEBI (InvIT) (THIRD AMENDMENT) REGULATIONS, 2025

SEBI on September 03, 2025 notified the SEBI (Infrastructure Investment Trusts) Third Amendment Regulations, 2025.

Key amendments:

- a. Definition of public revised to exclude related parties, sponsors, sponsor groups, and managers, while allowing Qualified Institutional Buyers (QIBs) to be treated as ‘public’ even if otherwise excluded.
- b. Timelines for reporting and valuation aligned with quarterly financial results,

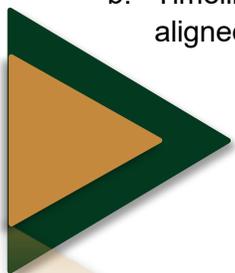
including disclosure of under-construction project status and quarterly investment manager reports. Annual and half-yearly valuation reports must follow strict timelines, with quarterly valuations triggered when borrowings exceed 49%.

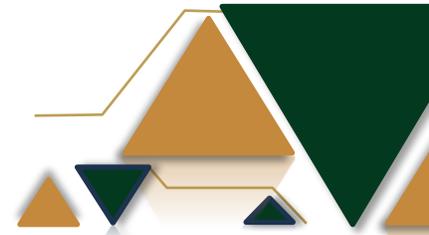
- c. Minimum investment threshold reduced from ₹1 crore to ₹25 lakhs, with the earlier ₹25 crore minimum investment requirement for InvITs investing 80% in completed, revenue-generating assets removed.
- d. Cash flow adjustments permitted for HoldCos, allowing negative net distributable cash flows to be offset with cash inflows from SPVs, subject to SEBI-prescribed disclosures to unitholders.

B&P View: These amendments lower barriers to entry for retail and mid-sized investors, improve regulatory clarity, and enhance transparency in reporting. The alignment of timelines with financial disclosures and strengthened governance norms are expected to attract a broader investor base and improve market efficiency.

6. SEBI REVISES FRAMEWORK FOR CONVERSION OF PRIVATE LISTED INVIT INTO PUBLIC INVIT

SEBI vide circular dated August 08, 2025 amended Chapter 14 of the Master Circular for InvITs to revise the framework governing conversion of a private listed InvIT into a public InvIT. Sponsor(s) and sponsor group(s) of an InvIT converting from private listed to public must comply with the minimum unitholding and lock-in requirements specified under the InvIT Regulations. Further, the circular aligns the procedure and disclosure requirements for such public issue of units with those applicable to a





follow-on offer under the InvIT Regulations, replacing earlier references to an initial offer.

B&P View: These changes are aimed at streamlining the conversion process of InvITs, reducing duplication in compliance, and bringing InvIT conversions in line with the broader InvIT regulatory regime. By anchoring the obligations directly in the InvIT Regulations and harmonising disclosures with follow-on offers, SEBI seeks to provide greater clarity and predictability for market participants while ensuring consistency in investor protection.

7. MASTER CIRCULAR FOR REITS

SEBI vide circular dated July 11, 2025, (“Circular”) consolidated various circulars issued by SEBI under the SEBI (Real Estate Investment Trusts) Regulations, 2014 up until July 11, 2025, superseding the previous Master Circular for REITs dated May 15, 2024.

8. MASTER CIRCULAR FOR InvITs

SEBI vide circular dated July 11, 2025, (“Circular”) consolidated various circulars issued by SEBI under the SEBI (Infrastructure Investment Trusts) Regulations, 2014 up until July 11, 2025, superseding the previous Master Circular for InvITs dated May 15, 2024.

9. SEBI APPROVES AMENDMENTS PROMOTING EASE OF DOING BUSINESS FOR REITs AND InvITs

SEBI in its Board Meeting dated June 18, 2025 approved certain amendments aimed at streamlining operations and enhancing flexibility for REITs and InvITs. Related parties of the REIT/InvIT and that of its Sponsor, Manager and Project Manager shall now be considered as “public” unitholders only if they

fall within the category of Qualified Institutional Buyers (QIBs), thus benefitting REITs and InvITs in complying with the provisions of minimum public holding.

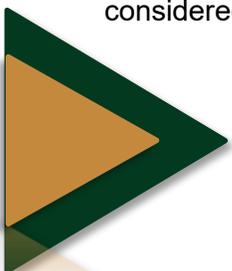
Further, a Holding Company shall now be permitted to offset its own negative cash flows against the cash it receives from underlying Special Purpose Vehicles (SPVs) before distributing funds to the REIT/InvIT. Earlier, it had to pass on 100% of SPV cash flows regardless of its own losses. This change offers financial flexibility and ensures more realistic distributions, subject to proper disclosures to unitholders.

Moreover, the timeline for submission of several quarterly reports, such as certain financial information of the REIT and InvIT will now be aligned with the timeline for submission of quarterly financial statements. Reduction of minimum allotment lot in the primary market for privately placed InvITs from Rs. 1 crore to Rs. 25 lakhs has also been approved.

B&P View: The amendments, pending notification, signify SEBI’s continuous push towards extensively promoting ease of doing business for REITs and InvITs balancing regulatory flexibility along with ensuring adequate investor protection.

10. INVESTOR CHARTER FOR REITs and InvITs

SEBI vide notification dated June 12, 2025 issued a revised investor charter for REITs and InvITs (“Charter”) aiming to further strengthen the regulatory framework for protection of interests of investors, mandating REITs/InvITs and their Investment Managers to display and disseminate the Charter prominently not only on their websites and office premises but also on mobile apps and through direct communication



to investors, such as email or physical correspondence. Additionally, REITs/InvITs are now required to publish monthly data on investor grievances received and resolved, in a standardized format, by the 7th of each month on their websites.

These changes align the Charter with recent market reforms, including the Online Dispute Resolution (ODR) platform and SCORES 2.0, SEBI's upgraded grievance redressal system. The Charter also consolidates and supersedes previous directives, providing a more streamlined compliance framework and ensuring that investor communication is proactive rather than merely passive.

B&P View: The Charter represents a shift towards greater regulatory clarity, accountability, and investor empowerment in REITs/InvITs. By mandating more frequent, transparent disclosures and integrating digital grievance mechanisms, SEBI aims to reinforce investor trust and foster a more robust and responsive investment environment.

11. SEBI REVISES DISCLOSURE GUIDELINES IN OFFER DOCUMENTS FOR REITs AND InvITs

SEBI vide circulars dated May 7, 2025 ("Circulars") revised Chapters 3 and 4 of the Master Circulars for REITs and InvITs, enhancing disclosure requirements for offer documents and post-listing compliances.

Key amendments:

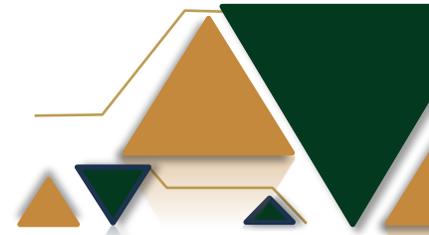
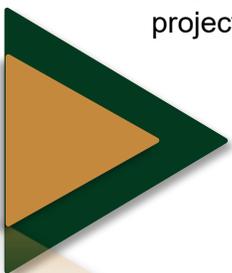
- a. Offer documents must include audited financial statements for the past 3 years, with additional pro forma data for material acquisitions/divestments.
- b. Enhanced project-level disclosures covering cash

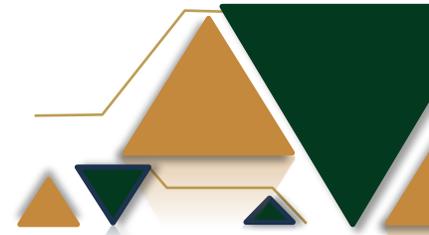
flows, valuations, related party transactions and net distributable cash flows (NDCF). c. Follow-on offers require financial projections for new acquisitions along with a Management Discussion and Analysis (MDA) including major business and financial trends.

- b. Offer documents must include audited financial statements for the past 3 years, with additional pro forma data for material acquisitions/divestments.
- c. Enhanced project-level disclosures covering cash flows, valuations, related party transactions and net distributable cash flows (NDCF).
- d. Follow-on offers require financial projections for new acquisitions along with a Management Discussion and Analysis (MDA) including major business and financial trends.
- e. Quarterly/half yearly disclosures must now comply with Ind AS and Schedule III formats, including updated statements of NDCF and net assets at fair value.
- f. New governance and audit requirements: auditor certifications, Board approvals and CFO/CEO sign-offs are now mandatory.

B&P View: This is a significant move promoting transparency, comparability and investor confidence in Indian REITs and InvITs, aligning Indian disclosure standards with global benchmarks, likely to boost capital market participation and reduce diligence risks in the long run.

12. SEBI (InvIT) (SECOND AMENDMENT) REGULATIONS, 2025





SEBI on April 29, 2025 notified the SEBI (InvIT) (Second Amendment) Regulations, 2025, permitting InvITs to invest unutilized funds in unlisted equity, specified liquid mutual funds and interest rate derivatives. This amendment expands investment options beyond traditional projects, allowing InvITs to earn returns on surplus funds while waiting for deployment in core infrastructural assets.

B&P View: The amendment provides InvITs with greater operational flexibility and improved cash management, enabling more efficient deployment of surplus resources while maintaining transparency and protecting unitholder interests.

13. SEBI (REIT) (AMENDMENT) REGULATIONS, 2025

SEBI on April 23, 2025 notified the SEBI (REITs) (Amendment) Regulations, 2025 introducing a host of reforms aimed at enhancing operational flexibility, aligning REIT governance with global best practices and expanding permissible investments.

Key amendments:

- a. New definition of “Common Infrastructure” covering assets like power plants, water/waste treatment facilities, cooling systems, etc., any excess output can now be sold to the grid with full disclosure and audit confirmation;
- b. Expanded “cash equivalent” instruments: REITs’ 20% investment bucket may now include liquid mutual fund units (Class A-I, credit risk ≥ 12) and interest rate derivatives;
- c. Revised lock-in transfers: Sponsors can transfer locked-in units within their own

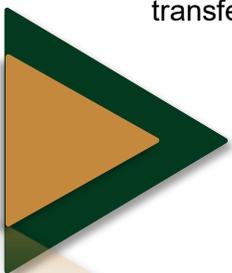
group, transfer must respect remaining lock-in period. Transfers permitted during sponsor change or transition to self-sponsored manager;

- d. Board composition timelines: Any vacancy (including independent directors) must be filled either by the date of term expiry, or within three months if for any other reason;
- e. Strengthened trustee duties: Trustees must now follow explicit fiduciary obligations such as transparency, due diligence, oversight, unitholder protection, etc.—with Schedule-based role descriptions and a 180-day implementation window;
- f. Mandatory issuer credit rating: Required for REIT borrowings exceeding specified thresholds
- g. Nomination & Remuneration Committee (NRC) flexibility: Now permits inclusion of non-executive directors if at least two-thirds of members are independent

B&P View: The amendments aim to enhance asset diversification, governance and operational flexibility by allowing infrastructure monetization, access to liquid assets and intra sponsor unit transfers. Strengthened governance and duties of trustees promote accountability, improve investor confidence and market liquidity.

14. PROPOSED ENHANCEMENT OF MUTUAL FUND HOLDINGS IN REITs AND InvITs

SEBI vide consultation paper dated April 17, 2025 (“Consultation Paper”) proposed significant expansion in the investment limit for mutual funds in REITs and InvITs. Currently, mutual funds are allowed to invest upto 10% of





a scheme's Net Asset Value (NAV) IN REITs and InvITs subject to a cap of 5% per issuer.

It is now proposed to increase the single issuer limit from 5% to 10% and the overall exposure limit of mutual funds to REITs and InvITs from 10% to 20% for equity and hybrid schemes. For debt schemes, the existing 10% aggregate limit is proposed to be retained.

B&P View: The proposal is in response to increasing investor interest in REITs and InvITs as an income generating asset class, aiming to provide mutual funds greater flexibility to invest, particularly in equity and hybrid schemes, participating in infrastructure and commercial real estate backed instruments.

15. SEBI (InvIT) AMENDMENT REGULATIONS, 2025

SEBI on April 02, 2025 notified the SEBI (Infrastructure Investment Trusts) (Amendment) Regulations, 2025.

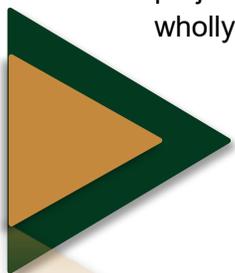
Key amendments:

- a. Additional onus on the trustee: Regulation 9 now includes subregulation (23), expanding trustee duties to cover due diligence, governance standards, and prioritizing unitholders' interests.
- b. Inter-se transfer of locked-in units: Sponsors and their group entities can now transfer locked-in units among themselves or to incoming sponsors, provided the lock-in period continues as required.
- c. Investments in unlisted equity shares: InvITs that raised funds publicly may now invest in unlisted equity shares of exclusive project managers/service providers, if wholly owned directly or indirectly by the

InvIT.

- d. Vacancies on the board of an investment manager: Set timelines have been prescribed for filling independent director vacancies on the investment manager's board, which must include at least 50% independent directors and one woman independent director on a six-member board.

B&P View: The amendments mark a significant strengthening of trustee roles, enhancing governance but also increasing their liabilities. The flexibility introduced in transferring locked-in units and investing in unlisted equity shares of project managers supports smoother operations and better ease of doing business within the InvIT framework.





RESERVE BANK OF INDIA

1. ISSUE OF PROJECT FINANCE DIRECTIONS, 2025

The Reserve Bank of India (Project Finance) Directions, 2025 (“Directions”) was issued on June 19, 2025, establishing a comprehensive framework for the prudential treatment of project finance exposures by regulated entities. The Directions shall come into effect from October 01, 2025 and apply to all scheduled commercial banks excluding regional rural banks, NBFCs, housing finance companies, urban cooperative banks and all-India financial institutions.

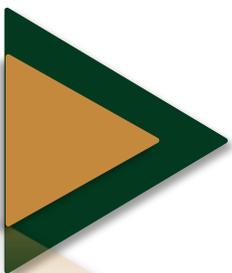
The Directions follow the draft guidelines issued in May 2024 and aim to standardize and strengthen project financing, primarily in infrastructure and capital-intensive sectors.

Key provisions:

- a. Stage linked income recognition and provisioning norms, with provisioning fixed at 1% for under-construction projects and 1.25% for commercial real estate;
- b. Clear rules for asset classification pre and post commercial operation date (COD), including restructuring allowance and handling of cost/time overruns.
- c. Provision of extensions: upto 3 years for infrastructure projects and 2 years for non-infrastructure, projects, based on defined parameters.
- d. Mandatory use of milestone-based disbursement schedules, enabled by digital tracking and third-party certifications.

- e. mechanisms and principle-based resolution guidelines.

B&P View: The Directions reflect a balanced regulatory approach seeking to promote credit flow into long gestation infrastructure and capital-intensive sectors while maintaining prudential safeguards. The reduced provisioning requirements visà-vis the draft guidelines should ease capital strain on lenders and encourage greater participation in project finance. Moreover, the emphasis on milestone-based disbursements, digital monitoring and structured stress recognition mechanisms will enhance overall credit discipline and transparency.



JUDICIAL UPDATES

1. KARNATAKA HIGH COURT UPHOLDS REFUSAL OF LAND CONVERSION

The Karnataka High Court, in its ruling dated December 19, 2024, in *Staney Herald D'Souza vs. State of Karnataka (W.P. No. 53619/2016)*, held that the Deputy Commissioner was justified in refusing conversion of agricultural land to non-agricultural use. The petitioner had relied on occupancy rights allegedly restored through a 2012 compromise order, claiming they validated the original 1981 grant.

The Court found that the 1981 occupancy order had already been set aside in 2006, and the 2012 compromise stood as an independent grant, not a revival of the earlier order. Crucially, the petitioner failed to produce Form No.10, the statutory certificate of registration of a tenant as occupant under Section 55(1) of the Karnataka Land Reforms Act, 1961. The Court emphasized that Form No.10 imposes a 15 year non alienation clause, prohibiting transfer of land except partition among joint family members.

Relying on Section 95(3) of the Karnataka Land Revenue Act, the Court held that the Deputy Commissioner has substantive authority to refuse conversion if it defeats the provisions of existing law, including the Land Reforms Act. It further cited the Supreme Court's precedent in *DLF Universal Ltd. vs. Prof. A. Lakshmi Sagar (AIR 1998 SC 3369)*, which affirmed that conversion permissions must align with statutory safeguards and may be refused in public interest.

B&P View: This judgment highlights that conversion of agricultural land cannot override statutory restrictions under the Land Reforms

Act. Further, it emphasizes the importance of Form No.10 compliance and the non-alienation clause as safeguards against misuse.

2. SUPREME COURT REITERATES THAT REGISTERED DEED ALONE DOES NOT CONFER OWNERSHIP

The Supreme Court of India, in a significant ruling dated May 7, 2025, in *Mahnoor Fatima Imran & Ors. vs. M/s Visweswara Infrastructure Pvt. Ltd. & Ors.* held that mere registration of a sale deed does not establish ownership unless the seller has valid title and the transaction adheres to the prescribed statutory requirements. The present case involved a dispute over a 53- acre land situated in the state of Telangana, where the petitioners relied on registered sale deeds derived from an unregistered and materially altered agreement of sale entered into in 1982. The Court found that the original agreement was never legally enforceable, and its revalidation raised serious doubts of fraud.

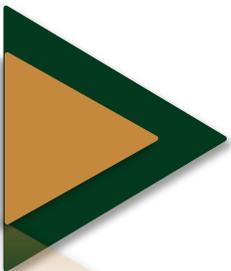
The apex court restored the Telangana High Court's decision dismissing the petitioners' plea to restrain the State from taking possession of the land. It stressed that lawful ownership requires a valid conveyance, timely registration, and proven possession. The sale deeds in question, though registered, were held to possess no legal effect as they stemmed from an invalid root of title. Discrepancies in the documents and lack of evidence of physical possession further weakened the petitioners' claim.

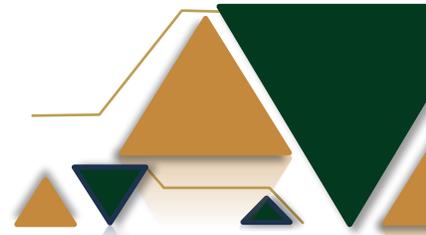
B&P View: This judgment serves as a crucial reminder that registration alone is not proof of



BEGUR & PARTNERS
ADVOCATES & SOLICITORS

ownership. It reinforces the need for thorough due diligence, clear title verification, and timely compliance with legal formalities in all property transactions. Especially in urban or surplus lands governed by special statutes, buyers must not rely solely on registered deeds but ensure that the seller has lawful title and possession backed by documented authority.





STATE SPECIFIC UPDATES

1. The Maharashtra Land Revenue Code (Second Amendment) Act, 2025

The Maharashtra Land Revenue Code (Second Amendment) Act, 2025 (“Amendment Act”), notified on December 31, 2025, introduces a fundamental overhaul of the land conversion framework in Maharashtra. The amendments simplify the process for conversion of agricultural land to non-agricultural use by aligning land conversion with planning approvals and reducing revenue-authority intervention.

Key Amendments

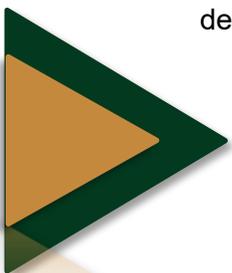
- (a) **Collector’s permission removed:** Prior approval of the Collector for conversion to non-agricultural use has been dispensed with where such use is permitted under applicable Development or Regional Plans and regulations under the MRTP Act.
- (b) **Single-window mechanism:** Development permission granted by the planning authority now itself enables non-agricultural conversion.
- (c) **Deemed conversion provisions repealed:** Sections 42A–42D and related provisions requiring applications, assessment of conversion tax, and issuance of sanad have been deleted.
- (d) **Automatic revenue record updation:** Conversion will be recorded through the development approval process without

- (e) **Occupancy status retained:** Grant of development permission does not alter the underlying occupancy classification of land.
- (f) **One-time premium introduced:** Conversion tax, non-agricultural assessment, nazarana, and other charges are replaced with a single premium linked to land area and market value.
- (g) **Uniform premium rates:** Premium rates are standardised across all occupancy classes and vary only by land size.
- (h) **Exemptions & legacy conversions:** Specific provisions govern past conversions and allow exemptions for projects in public or strategic interest.

B&P View: The Amendment Act marks a clear shift from a revenue-permission model to a development-led framework, materially reducing procedural delays and regulatory overlap. By integrating land conversion with planning approvals and introducing a predictable one-time premium regime, the reforms are likely to enhance ease of development and transactional certainty, subject to consistent on-ground implementation.

2. MAHARERA ISSUES SOP FOR RECOVERY OF INTEREST, PENALTY OR COMPENSATION

Maharashtra RERA vide Circular No. 51/2025 dated November 18, 2025 (“Circular”)



prescribed a Standard Operating Procedure (SOP) for recovery of interest, penalty, or compensation ordered under Section 31 of the Real Estate (Regulation and Development) Act, 2016. The SOP follows the Bombay High Court's ruling (W.P. No. 3565/2025, dated October 6, 2025) that such recovery must be executed as if it were a civil court decree, applying provisions of the Code of Civil Procedure, 1908.

Key Highlights:

- a. After 60 days from the Authority's order, complainants may file online non-compliance (execution) applications for recovery.
- b. Applications must be listed within 4 weeks; prima facie non-compliance leads to directions for compliance and adjournment for verification.
- c. If compliance is not recorded, respondents must file affidavits disclosing movable/immovable assets, bank accounts, and investments.
- d. Failure to file affidavits triggers orders for attendance, examination, and production of documents.
- e. Persistent non-compliance allows imposition of penalties, issuance of Recovery Warrants (Revenue Recovery Certificates), and transmission to civil courts for enforcement under Order XXI CPC.
- f. Civil courts may provide asset details, enabling attachment and auction by Collectors for recovery.
- g. MahaRERA's IT Department must ensure digital infrastructure supports the prescribed

procedure.

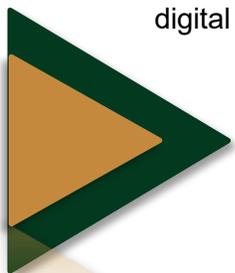
B&P View: This SOP strengthens enforcement of RERA orders by aligning recovery with civil court execution processes. It provides a structured pathway for complainants, ensures accountability of promoters and agents, and integrates digital systems for transparency.

3. MAHARASHTRA RERA ISSUES SOP ON EXECUTION AND REGISTRATION OF DOCUMENTS

Maharashtra RERA vide Circular No. 50/2025 dated November 18, 2025 (“**CIRCULAR**”) prescribed a Standard Operating Procedure (SOP) for execution and registration of documents by a fit and proper person appointed by the Authority, in compliance with the Bombay High Court's judgment dated October 6, 2025 (W.P. (L) No. 18256/2025).

Key Highlights:

- a. In complaints seeking execution and registration of Agreements for Sale or Deeds of Cancellation, a fit and proper person from Maharashtra RERA shall be appointed to execute and register the document upon default by the respondent (promoter or allottee).
- b. Orders will specifically direct the concerned Registrar of Assurances to register such documents executed by the appointed person.
- c. The procedure applies to pending non-compliance applications awaiting hearing and disposal.
- d. The circular comes into force with immediate effect.



B&P View: This SOP provides a clear enforcement mechanism for execution and registration of sale agreements or cancellation deeds, ensuring that non-compliance by promoters or allottees does not stall transactions.

4. MAHARASHTRA RERA ISSUES CORRIGENDUM TO SOP ON RECOVERY OF INTEREST, PENALTY OR COMPENSATION

Maharashtra RERA vide Circular No. 51A/2025 dated November 25, 2025 (“Circular”) issued a corrigendum to its earlier Circular No. 51/2025 (dated November 18, 2025), which had prescribed the Standard Operating Procedure (SOP) for recovery of interest, penalty, or compensation under the Real Estate (Regulation and Development) Act, 2016.

Key Corrections:

- e. Clarified that recovery proceedings must invoke Section 40(2) of the Act read with Rule 4 of the Rules, and be transmitted to the principal civil court of original jurisdiction.
- f. Compliance must follow Order XXI Rule 41 of the Code of Civil Procedure, 1908, since MahaRERA does not maintain civil prison premises for detention of judgment debtors.
- g. The corrigendum is deemed effective from November 18, 2025, the date of the original circular.

B&P View: This corrigendum is a technical clarification aligning the SOP with civil procedure requirements. By explicitly referencing Order XXI Rule 41 CPC, MahaRERA ensures legal precision in

enforcement, while reaffirming that recovery must proceed through civil courts rather than detention powers.

5. KARNATAKA RERA GRANTS FINAL EXTENSION FOR SUBMISSION OF ANNUAL AUDIT REPORT FY 2024-25

Karnataka RERA vide Circular No. RERA/Accounts/CR/244050/2024-25 dated December 11, 2025, granted a final extension for promoters to submit the Annual Audit Report (Form 7) for the financial year 2024-25, as mandated under Section 4(2)(I)(D) of the Real Estate (Regulation and Development) Act, 2016.

Key Highlights:

- a. The deadline for submission of the Annual Audit Report has been extended up to December 31, 2025.
- b. Failure to comply with this extended deadline may attract penalties under Section 60 of the RERA Act, 2016.
- c. Promoters must ensure filing of Form-7 along with audited accounts through the Karnataka RERA portal within the stipulated time.

B&P View: This final extension provides promoters additional time to meet compliance obligations but also signals stricter enforcement ahead.

6. KARNATAKA LAND REVENUE (AMENDMENT) ACT, 2025

The Karnataka Land Revenue (Amendment) Act, 2025 (“Amendment”), effective from September 2025, introduces significant reforms

to land governance in Karnataka. The changes focus on simplifying land conversion procedures, clarifying ownership of *kharab* land, and strengthening digital and procedural transparency, while safeguarding agricultural and public lands.

Key Amendments

(a) Streamlined land conversion process:

Conversion applications under Section 95 must now be supported by notarised affidavits (Forms 21B and 21C) and prescribed land records, ensuring completeness and reducing fraudulent applications.

(b) Faster approvals within master plan areas:

For lands falling within approved master plan zones and compliant with zoning regulations, prior approval of the Deputy Commissioner (DC) is no longer required. Planning authorities may issue digitally signed conversion certificates.

(c) Time-bound scrutiny for other lands:

Lands outside master plan areas are subject to DC scrutiny, with decisions to be taken within 15 days. A deemed approval mechanism applies if no decision is taken within 30 days.

(d) Automatic conversion for priority sectors:

Small industries (up to two acres) and renewable energy projects benefit from automatic land conversion without DC approval.

(e) Enhanced penalties for misuse:

Stringent penalties have been introduced

for unauthorised use, including cancellation of conversion, forfeiture of fees, confiscation of land, monetary fines, and potential criminal action.

(f) Clear classification of *kharab* land:

'A' *kharab* land may vest with landholders subject to government grant or confirmation, while 'B' *kharab* land reserved for public purposes—remains state-owned in all cases.

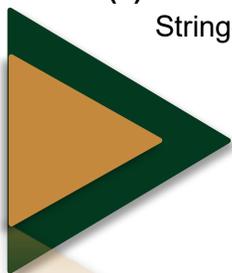
(g) Digital and procedural upgrades:

The Amendment enables online filings, digital signatures, QR-coded RTC extracts, mandatory vakalatnamas before revenue courts, and periodic policy review by a high-level committee.

B&P View: The Amendment represents a calibrated reform aimed at reducing procedural delays while reinforcing safeguards against misuse of land. By introducing time-bound approvals, sector-specific relaxations, clear *kharab* land classifications, and digital processes, Karnataka has moved towards a more transparent and efficient land administration framework. Effective enforcement will be key to ensuring that the balance between development facilitation and protection of agricultural and public lands is maintained.

7. KARNATAKA RERA MANDATES ANNUAL AUDIT FILING FOR FY 2024-25

The Karnataka Real Estate Regulatory Authority ("K RERA") vide circular dated September 12, 2025 has mandated all promoters to submit the Annual Audit Report (Form-7) and audited financial statements for the financial year 2024-25. This requirement



aligns with Section 4(2) of the RERA Act, 2016 which requires promoters to ensure accounts are audited by a practicing chartered accountant within six months of the year end, verifying proper utilization of project funds. The submission must be made online via the K-RERA portal, covering all project related accounts, profit and loss statements, balance sheets, cash flow statements and auditor reports.

B&P View: This shall strengthen financial transparency and accountability in the real estate sector, ensuring that funds collected from homebuyers are used strictly for project development. Timely and accurate submissions will facilitate real-time monitoring by K-RERA, protect allottees' interests, and reduce procedural hurdles through digital filing, while non-compliance may attract regulatory action.

8. MAHA RERA INTRODUCES HYBRID MODE FOR HEARING OF COMPLAINTS

The MahaRERA vide circular dated August 11, 2025 notified the procedure relating to hybrid mode of hearing of complaints filed by an aggrieved person against any promoter, allottee or real estate agent as the case may be. Under the new framework, parties may opt for either physical or virtual hearings for complaints, non-compliance applications and urgent mentions. The system retains the existing online filing procedures, daily cause lists and roznama entries, while ensuring all orders carry a date and time stamp and remain accessible on the authority's website.

B&P View: This move is expected to enhance procedural flexibility and accessibility for stakeholders while easing the conduct of urgent and routine matters alike. By adopting hybrid

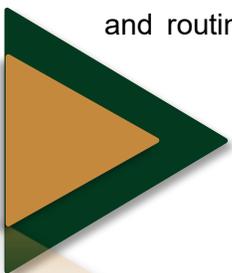
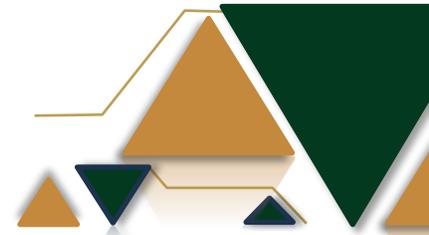
hearings, MahaRERA aligns itself with broader judicial trends favoring technology-enabled dispute resolution, improving efficiency without displacing established procedures.

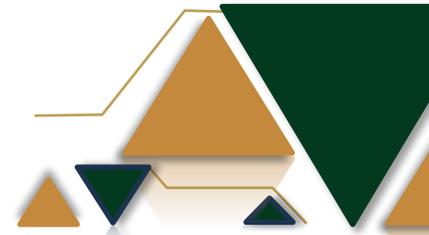
9. MAHARASHTRA STATE HOUSING POLICY, 2025

In May 2025, the Government of Maharashtra released its new State Housing Policy (SHP) 2025, superseding the 2007 policy. The SHP aims to provide a comprehensive framework for affordable, inclusive, and sustainable urban housing.

Key provisions:

- a. Housing for All and Slum-Free Cities: Target of constructing 3.5 million affordable homes over five years.
- b. Focused Inclusion: Dedicated provisions for working women, students, senior citizens, gig and industrial workers.
- c. Proximity to Employment: Promotes a 'walk-to-work' concept to reduce commuting and support urban decentralization.
- d. Private Sector Participation: Encourages private developers to build housing for EWS, MIG, senior citizens, and students, with incentives including tax and stamp duty concessions.
- e. Slum Redevelopment: Multi-storeyed redevelopment with cross-subsidy models, primarily in Mumbai and large cities.
- f. Green and Technology-Driven Housing: Mandates energy-efficient construction, solar panels, sustainable materials, and grants for innovative technologies





B&P View: The SHP 2025 builds on the 2007 framework, introducing tailored housing solutions for vulnerable groups and integrating sustainability principles. While ambitious in targets and incentives, its transformative impact will depend on effective implementation, rental reforms, and structural changes in land-use and urban governance. The focus on proximity, social inclusion, and green technologies is a positive step toward addressing Maharashtra's persistent urban housing deficit.

10. MAHA RERA STRENGTHENS REAL ESTATE ADVERTISEMENT STANDARDS

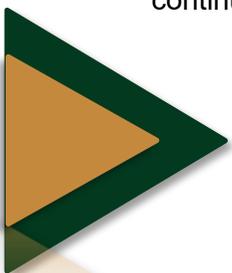
The Maharashtra Real Estate Regulatory Authority (“**MahaRERA**”) vide order dated April 8, 2025, mandated stricter presentation norms for all real estate advertisements by promoters and registered agents.

Key provisions:

- a. Advertisements must now display the MahaRERA registration number and website address in the top-right quadrant, using a font size at least as large as the largest font used for contact details.
- b. A legible, correctly proportioned QR code, easily scannable by common apps, must also be placed in the top-right quadrant.
- c. These requirements apply immediately to all promotional materials, including print media, flyers, project websites, social media ads, brochures, standees and prospectuses.
- d. Non-compliance shall attract fines of ₹10,000 to ₹50,000 per violation, with continued non-compliance treated as an

ongoing breach, triggering further action under Sections 63 and 65 of the Real Estate Regulatory Authority Act, 2016.

B&P View: By enforcing uniform placement and sizing for registration details and QR codes, MahaRERA is prioritizing transparency and consumer awareness, allowing prospective buyers to readily verify project legitimacy and access official project information via a simple QR scan. For developers and real estate agents, this directive necessitates updates to all marketing collateral and workflows, including digital assets.





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IBLJ A List

A List (2023-2024)

ALB India Law Awards 2025

Notable Firm (2024)

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IFLR1000 (34th Edition) 2024

1. Rajesh Begur B Ranking: Leading Lawyer – Highly Regarded
2. Firm Ranking: Recommended Firm
3. Southern Asia, Australasia and Central Asia Ranking: Highly Regarded

Corporate INTL Global Awards

Cross Border Private Equity Transactions Law Firm of the Year in India - 2025

Forbes India – Legal Powerlist 2023

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Asia Law 2022

Notable Firm – Private Equity, Investment Funds, Banking and Finance, Corporate and M&A.

Global Law Expert 2021

Cross Border Private Equity Transactions Law Firm of the year

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