

August 2026 Edition



CONSULTING LLP

LEGAL • REAL ESTATE • COMPLIANCE

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NEWSLETTER

Regulatory shifts. Transaction risks.
Practical insights.

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NEWSLETTER

This newsletter shares **clear, practical updates on real estate law, compliance, and due diligence**, helping buyers and property owners make informed decisions. We cover **legal changes, registration updates, and buyer-focused insights** to help you avoid risks and navigate property transactions with confidence.

♦ **How does the Supreme Court enforce environmental compensation for violations of the Solid Waste Management Rules?**

You must understand that courts impose environmental compensation to penalize entities for improper waste handling. Environmental compensation operates on the polluter pays principle to deter ecological harm. They debate whether such penalties constitute regulatory correction or judicial taxation. The Supreme Court directed the Central Government to frame specific guidelines regarding this financial penalty. This directive occurred during the Amravati Municipal Corporation litigation. Authorities use these frameworks to ensure municipalities manage waste responsibly.

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♦ **Does the state have the authority to deduct Goods and Services Tax from compensation awarded for compulsory land acquisition?**

You do not have to pay this tax on compensation received for compulsory land acquisition. Compulsory acquisition represents an exercise of eminent domain rather than a commercial supply. Historically the doctrine of eminent domain empowers the state to expropriate private property. Tax authorities contend that the structural component of acquired property constitutes a taxable supply. The Karnataka High Court rejected this counterargument completely. The court directed authorities to refund an unauthorized deduction of 18.39 lakh rupees. The court ordered the officer to personally pay fifteen percent interest on the refunded amount. You should challenge any tax deductions applied to expropriation awards.

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♦ **What legal recourse do you have when revenue officials fail to execute recovery warrants issued by real estate regulatory authorities?**

You can initiate contempt proceedings against revenue officials who deliberately

obstruct the execution of recovery warrants. Real estate authorities issue recovery warrants to enforce refund orders against defaulting developers. The law historically vests execution powers in revenue departments to utilize their coercive collection machinery. Bureaucrats often argue that administrative delays prevent prompt execution of these warrants. However, the Bombay High Court strictly enforces timely compliance through contempt jurisdiction. The court recently issued show cause notices to a district collector and a tahsildar. The court found that the tahsildar improperly usurped the powers of the collector. You should file contempt petitions to ensure the swift realization of your awarded refunds.

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♦ **What financial benefits can you claim when applying for a new property certification under the single site layout approval process?**

You can pay a reduced fee of two percent of the property guidance value. This legal document certifies compliance with civic regulations for urban properties. Municipalities historically use these certifications to assess property taxes and monitor urban planning. Local authorities argued that high conversion fees generate necessary municipal revenue. The Karnataka government reduced this fee following representations from burdened property owners. The Greater Bengaluru Authority estimates that nearly five lakh properties qualify for this certification. You should submit your application promptly to avoid paying the full five percent fee.

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♦ **Can you execute a rectification deed to substitute the subject matter of an earlier sale deed without the original transferor?**

You cannot use a rectification deed to alter the fundamental identity of a conveyed property. A rectification deed corrects typographical errors in a document rather than replacing the underlying bargain. Contract law allows rectification to reflect the true intention of the parties. Opposing counsels argue that procedural errors justify substituting land survey numbers without strict formalities. The Supreme Court dismissed a title suit where a buyer attempted this unilateral substitution. The court ruled that derivative title holders cannot enlarge their estate without predecessor concurrence. You must prove that both survey numbers represent the identical parcel of land.

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- ♦ **How does Section 33 of the Indian Succession Act apply to property legally purchased by a man in the name of his wife?**

The Supreme Court clarified that such property becomes the exclusive asset of the wife. The court ruled that the successors of the wife inherit the property upon her death. You must verify the legal titleholder of an asset to determine the applicable succession laws.

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- ♦ **How can you execute a consumer forum decree against the directors of a defaulting real estate company?**

You must implead the directors personally and plead specific allegations of fraud. Piercing the corporate veil is a doctrine that holds individual directors liable for corporate actions. The law historically treats companies as distinct juristic entities to encourage corporate enterprise. Aggrieved buyers argue that directors exploit this protection to evade financial liabilities. The Supreme Court ruled that you cannot automatically execute a decree against directors. A decree directed solely against the company prevents coercive steps against its managing director. You need to integrate rigorous civil drafting techniques into your consumer complaints.

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- ♦ **What financial consequences do you face for violating disclosure requirements under the real estate regulatory framework?**

You face severe monetary penalties and recovery actions if you fail to disclose project details. Disclosure obligations require builders to provide transparent project information to prospective buyers. Transparency regulations historically emerged to combat systemic fraud in the property market. Promoters argue that minor administrative omissions do not warrant extreme financial penalties. However the regulatory bodies prioritize full disclosure to maintain market integrity. The Karnataka Real Estate Authority recovered 1.5 crore rupees from builders over such compliance failures. You must strictly adhere to all statutory disclosure guidelines to prevent asset recovery proceedings.

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- ♦ **When can you claim partition of property inherited by your father under the Hindu Succession Act?**

You can only claim partition rights if the property holds a coparcenary character. Coparcenary property refers to assets inherited from three immediate paternal ancestors. The Hindu Succession Act historically restricted female inheritance rights. The 2005 amendment granted daughters equal coparcenary rights to remedy this doctrinal imbalance. Some practitioners argue this amendment retroactively disrupts settled family arrangements. The Karnataka High Court rejected a partition claim from a daughter based in the United States. The court ruled that the father obtained the land through a family arrangement. This arrangement made the land his absolute property. You must establish the ancestral nature of an asset before initiating litigation for partition.

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About Proplex:

Proplex Consulting LLP, Bengaluru, provides end-to-end legal support for property transactions, including title verification, scrutiny of ownership and revenue records, drafting and registration of Sale Deeds, Agreements, Gift/Release Deeds, Khata transfer/Registration and Conversion, B-Khata to A-Khata services, POA adjudication, and BESCOM/BBMP-related compliances. The Firm liaises with Sub-Registrar Offices, BBMP, BDA, BESCOM, and banks to ensure lawful, accurate, and timely completion of all property documentation and registration processes, with our lawyers assisting you at each step of the process.

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