



CNR: KAHC020067642026

NC: 2026:KHC-D:14311
WP No. 103223 of 2026

IN THE HIGH COURT OF KARNATAKA AT DHARWAD

DATED THIS THE 29TH DAY OF AUGUST, 2026

BEFORE

THE HON'BLE MR. JUSTICE SACHIN SHANKAR MAGADUM

WRIT PETITION NO. 103223 OF 2026 (GM-RES)

R

BETWEEN:

GOPALRAO
S/O TUKARAM KUKDOLKAR,
AGE: 54 YEARS, OCC. BUILDER AND DEVELOPER,
R/O. TILAKWADI, BELAGAVI,
TAL. AND DIST. BELAGAVI-04-590006.

... PETITIONER

(BY SRI. D. RAVIKUMAR GOKAKAKAR, ADVOCATE)

AND:

1. STATE OF KARNATAKA,
REP. BY ITS PRINCIPAL SECRETARY,
DEPARTMENT OF STAMPS AND REGISTRATION,
M.S. BUILDING, BENGALURU-01-560002.
2. INSPECTOR GENERAL OF REGISTRATION
AND COMMISSIONER OF STAMPS,
3RD FLOOR, KHB COMPLEX,
CAUVERY BHAVAN, K.G. ROAD,
BENGALURU-09-560001.
3. DISTRICT REGISTRAR,
BELAGAVI OFFICE OF SUB-REGISTRAR,
BELAGAVI, TAL. AND DIST. BELAGAVI-590001.

... RESPONDENTS

(BY SRI. SHARAD V. MAGADUM, AGA)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO ISSUE A WRIT, ORDER OR DIRECTION IN THE NATURE OF MANDAMUS DIRECTING RESPONDENTS TO ACCEPT AND REGISTER SALE DEEDS EXECUTED BY THE PETITIONER IN RESPECT OF REMAINING FLATS IN 'KRISH JEEVAN', APARTMENT AS REQUESTED IN ANNEXURE-N DATED 14-03-2026 AND ETC.,





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THIS PETITION HAVING BEEN HEARD AND RESERVED FOR ORDERS ON 28.08.2026, COMING ON FOR PRONOUNCEMENT OF ORDERS THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CAV JUDGMENT

(PER: HON'BLE MR. JUSTICE SACHIN SHANKAR MAGADUM)

The captioned writ petition is filed seeking a writ of mandamus directing the respondent-authorities to permit registration of the sale deeds executed by the petitioner in respect of the remaining flats in the residential apartment known as "Krish Jeevan Apartment", and in the alternative, to provide a manual/alternate mode of registration until the technical difficulties in the Kaveri-2.0 portal are rectified. The petitioner has also sought a direction to the concerned authorities to suitably modify the technical mapping in the Kaveri-2.0 portal so as to recognise the leasehold interest of the petitioner arising out of a Nirantara Patta/Perpetual Lease.

2. Heard the learned counsel appearing for the petitioner and the learned counsel appearing for the respondent-State and its authorities.

3. The petitioner is a builder and developer. The petitioner's case is that the property in question was acquired



from the erstwhile holder of the property, who was holding the same under a Nirantara Patta/permanent lease. The petitioner thereafter obtained the necessary permissions from the competent local authority and constructed a residential apartment consisting of 34 flats. A completion certificate has also been issued by the competent local body.

4. It is not in dispute that out of the aforesaid 34 flats, 21 flats have already been sold and the respective sale deeds have been registered. The registration of those documents took place prior to the introduction/implementation of the present Kaveri-2.0 portal. The petitioner submits that the documents relating to those 21 flats were accepted for registration notwithstanding the fact that the petitioner's title traces its origin to a Nirantara Patta/perpetual lease.

5. The difficulty has arisen in respect of the remaining 13 flats. According to the petitioner, after introduction of the Kaveri-2.0 portal, the sale deeds presented by the petitioner are not being processed on the ground that the petitioner's name does not appear as "Owner" in the municipal/e-property



records and that the original lessor is reflected as the owner, while the petitioner is reflected merely as "Holder/Tax Payer".

6. The petitioner contends that the difficulty is purely a consequence of the manner in which the municipal/e-property data is mapped and transmitted to the Kaveri-2.0 software. The underlying title documents, according to the petitioner, disclose a permanent and transferable leasehold interest. The petitioner therefore submits that the software cannot be permitted to defeat a substantive right otherwise recognised by law.

7. The record discloses that the issue was brought to the notice of the authorities. In particular, the endorsement/communication issued by respondent No.3 to respondent No.2 records the difficulties being faced in registration of documents relating to Nirantar Patta/Perpetual Lease properties and specifically requests that such properties be incorporated in the Kaveri-2.0 software so as to enable registration, both in the public interest and for achieving the revenue collection objectives of the State.



8. Even more significantly, the subsequent communication issued by the competent authority in response to the representation of CREDAI, Belagavi, acknowledges that in several areas of Belagavi city, properties are held under Nirantar Patta/Perpetual Lease arrangements and that, while the original lessors are reflected as "Owners" in e-property records, the leaseholders are reflected as "Holders/Tax Payers". The communication recognises that, on account of the existing API mapping, the name of the original owner is transmitted to Kaveri instead of the name of the person actually holding the perpetual leasehold interest and enjoying the property.

9. The authority has, therefore, itself requested that necessary steps be taken so that, in cases where e-Khata has been issued on the basis of Nirantar Patta/Perpetual Lease, the name of the leaseholder/occupant is transmitted through the API to the Kaveri software instead of mechanically transmitting only the name of the original owner/lessor.

10. Thus, the grievance raised by the petitioner cannot be characterised as a purely individual grievance. The material placed before this Court demonstrates that the issue affects a



class of properties held under Nirantara Patta/Perpetual Lease arrangements, particularly in the Belagavi region.

11. In the light of the pleadings, records and submissions, the following question arises for consideration:

"Whether the respondents can refuse to process and register the sale deeds executed by the petitioner in respect of the flats constructed upon a property held under a conveyable and transferable Nirantara Patta/perpetual lease merely because the municipal/e-property records and the Kaveri-2.0 portal reflect the original lessor as "Owner" and the petitioner as "Holder/Tax Payer?"

Finding on point for consideration:

12. Before considering the factual records of the present case, it would be appropriate to notice the legal character of a lease.

13. Section 105 of the Transfer of Property Act, 1882 defines a lease as a transfer of a right to enjoy immovable



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property, either for a certain time or in perpetuity, in consideration of the stipulated consideration/rent. Thus, a lease is not a mere permission to occupy. It creates an interest in the property, though the interest transferred is the right to enjoy the property and not necessarily the entire corpus or reversionary ownership.

14. Consequently, the expression "leasehold right" cannot be equated with a mere right of permissive occupation. A lease, depending upon its terms, may create a valuable proprietary interest which is capable of possession, enjoyment, inheritance, assignment, transfer and, where permissible under its terms, mortgage.

15. Section 108(j) of the Transfer of Property Act is also significant. Subject to the contract or local usage to the contrary, the lessee has a right to transfer absolutely or by way of mortgage or sub-lease the whole or any part of his interest in the property. The provision, therefore, recognises that the interest of a lessee is itself an interest capable of transfer.



16. The legal character of the interest, however, must always depend upon the instrument creating the interest. Merely because a document is described as a "Nirantara Patta" would not, by itself, convert every such document into an absolute conveyance of freehold title. The Court must examine the grant, sanad, patta, lease deed, terms of the grant, the duration, the rent/revenue covenant, the right of inheritance, the right of transfer and the restrictions, if any, imposed upon alienation.

17. In the present case, the Court is not called upon to decide in the abstract whether every Nirantara Patta creates absolute ownership. The issue before this Court is narrower and is required to be determined on the basis of the documents placed on record in the present case.

18. On examination of the documents relied upon by the petitioner, this Court finds that the interest conveyed under the Nirantara Patta is not a precarious or revocable licence. The documents disclose a permanent/perpetual leasehold interest, capable of being enjoyed by the holder subject to the conditions of the grant. The records further disclose the right to



deal with the leasehold interest and the continuity of the interest through successive holders.

19. The character of the documents is therefore that of title documents in respect of the leasehold interest. They may not convey the reversionary ownership in the land, nevertheless, they unmistakably constitute documents of title to the interest which was actually granted.

20. This distinction assumes considerable importance. A person need not necessarily possess absolute freehold ownership in order to possess a transferable proprietary interest in immovable property. A perpetual lessee has an interest in the property which, where the grant permits transfer, can itself constitute the subject matter of a lawful conveyance.

21. In other words, the question for the registering authority is not whether the petitioner is the absolute owner of the underlying land in the same sense as the original lessor. The question is whether the petitioner possesses a legally recognisable and transferable interest which he is competent to



convey. Based on the material placed before this Court, the answer is clearly in the '**affirmative**'.

Judicial Precedents on the Nature and Transferability of Nirantara Patta / Perpetual Leasehold Rights

22. In ***Smt. Marembi v. Jiyauddin Safisab Khatib in RSA No. 205/1990*** is of considerable assistance in understanding the historical and legal significance of Nirantara Patta transactions in the Belagavi region. In that case, the property was traced to Government Sanads and registered instruments granting permanent leasehold rights. The record disclosed permissions relating to alienation and permanent lease arrangements. A claim was also founded upon a registered Nirantara Patta for valuable consideration, under which possession had been delivered to the transferee. The Court examined the Sanads, the registered permanent lease deeds and the chain of transactions and treated those documents as legally significant instruments relating to the leasehold title. The dispute in that case ultimately turned upon a competing claim regarding the character of the property as wakf property.



23. The significance of the decision for the present case is not that every Nirantara Patta confers absolute ownership. Rather, it is that a registered Nirantara Patta cannot be brushed aside as though it were merely a rent receipt or an informal document evidencing permissive occupation. Where the grant and the documents disclose a permanent leasehold interest, such documents constitute part of the title chain relating to that interest.

24. The principle assumes greater relevance in the present case because the petitioner's documents do not stand in isolation. They form part of a chain of title under which the petitioner claims a permanent and transferable leasehold interest, upon which construction has been undertaken after obtaining statutory/local authority permissions.

25. The respondent-authorities, therefore, cannot treat the petitioner as a mere unauthorised occupant merely because the original lessor continues to be reflected as "Owner" in a municipal database.



26. The decision of this Court in ***Dr. V.M. Kerudi v. Principal Secretary, Urban Development Department, W.P. No.105498/2022***, is particularly relevant. In the said case, this Court was dealing with a perpetual lease granted in respect of municipal property. The State and the Municipality sought to regulate the rights of the perpetual lessees and a Government policy had also contemplated conversion of leasehold rights into freehold rights upon payment of the stipulated amount.

27. The Court held that the perpetual lease continued to be valid and binding upon the State and the Municipality so long as the lease rentals were duly paid. The Court further held that the option of conversion from leasehold to freehold could not be imposed upon the lessees against their will and that the mere fact that the petitioners continued to hold the property as perpetual lessees could not deprive them of the benefits and incidents flowing from the perpetual lease.

28. The significance of ***Dr. V.M. Kerudi*** (supra) is that a perpetual lease is recognised as a continuing and enforceable proprietary interest. The fact that the municipality remains the



owner of the underlying property does not reduce the perpetual lessee to a person having no proprietary interest whatsoever. The decision also recognises that the lessee may exercise the rights which legitimately flow from the perpetual lease, including obtaining permissions and dealing with the property in accordance with law.

29. The principle laid down in ***Dr. V.M. Kerudi*** (supra) squarely answers the objection raised in the present case. If a perpetual lease is recognised by the State and municipality as a valid subsisting interest, the authorities cannot, through an administrative or software mechanism, render that interest incapable of being dealt with. It is equally relevant to note that the Division Bench, while considering the subsequent proceedings arising from the said judgment, did not disturb the essential recognition of the subsisting perpetual leasehold interest.

30. In ***Sri Rajaram S/o Jyotiba Melage v. Assistant Director of Land Records, Writ Petition No.104052 OF 2015***, the petitioners traced their claim in Belagavi to a Nirantara Patta, followed by mutation of their names in the



revenue records. The dispute before the Court involved competing claims regarding the nature and title to the property. The Court recognised that questions concerning the ultimate nature of title and competing proprietary claims could not be conclusively determined merely in mutation proceedings. Where rival claims to title exist, the competent civil court would ordinarily be the appropriate forum.

31. The said judgment, however, does not support the proposition that a Nirantara Patta is legally meaningless. On the contrary, the existence of the Nirantara Patta and the consequential mutation were treated as relevant documents giving rise to a serious claim of proprietary interest. The distinction is important. A revenue or municipal entry by itself does not create title. But neither can a database entry be treated as destroying title otherwise flowing from a substantive title document.

32. In the present case, there is no rival claimant before this Court asserting that the petitioner's Nirantara Patta is forged, cancelled, void or otherwise incapable of conferring the interest claimed by the petitioner. There is also no material



placed by the respondents establishing termination, forfeiture or determination of the petitioner's leasehold rights. Therefore, the principle in ***Sri Rajaram*** (supra) does not authorise the respondents to refuse registration merely because the municipal database identifies the original lessor as owner. The database cannot be elevated above the underlying title documents.

33. The decision of the Hon'ble Supreme Court in ***Provash Chandra Dalui v. Biswanath Banerjee, (1989) 4 SCC 495***, emphasises that the nature and extent of a lease must be gathered from the terms of the instrument and the intention disclosed therein. The nomenclature assigned to the transaction is not by itself decisive.

34. The said principle is directly applicable here. The documents produced by the petitioner have been examined for the purpose of determining whether they disclose a permanent and transferable leasehold interest. Upon such examination, the Court finds that the documents are in the nature of permanent lease documents, and the rights flowing from them have



continued through the chain of transactions. The documents therefore constitute title documents to the leasehold interest.

35. Consequently, the respondents cannot reject the petitioner's request by applying a general proposition that a lessee is not an owner. Such an approach overlooks the distinction between ownership of the reversion and ownership of the leasehold interest.

36. In ***State of U.P. v. Lalji Tandon, (2004) 1 SCC 1***, the Hon'ble Supreme Court recognised that a lease in perpetuity is not unknown to Indian law. The Hon'ble Apex Court further examined the effect of renewal clauses and the rights of the lessee under a lease. The decision is relevant for another reason. The Hon'ble Supreme Court recognised that the nature and incidents of a lease must be determined from the terms of the instrument. Where the instrument creates a continuing leasehold interest, the State or the lessor cannot disregard the rights created thereunder merely because the underlying title remains with the lessor.



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37. The present case concerns a stronger factual situation. The petitioner is not claiming a right based merely upon continued possession after expiry of a fixed-term lease. The very documents relied upon disclose a permanent/perpetual leasehold arrangement. There is no allegation before this Court that the lease has been determined in accordance with law. Thus, the continued description of the original lessor as "Owner" cannot, by itself, justify denial of the petitioner's right to deal with the interest actually vested in him.

38. In the present case, the governing legal regime consists of the terms of the Nirantara Patta, the Transfer of Property Act, 1882 and the applicable registration and municipal laws. None of these provisions authorises a software portal to extinguish a subsisting leasehold interest.

39. In ***Raghunath Rai Bareja v. Punjab National Bank, (2007) 2 SCC 230***, the Hon'ble Supreme Court reiterated the importance of applying the statutory scheme as enacted and cautioned against enlarging rights beyond what the statute permits.



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40. That principle actually operates against the respondents in the present case. The authorities cannot, by relying upon an administrative software configuration, create a prohibition which is not found in the governing statute or in the terms of the petitioner's lease. A software portal is a mechanism for implementing the law. It cannot become the source of the law itself.

Whether The Petitioner Has A Transferable Interest

41. The central question, therefore, is whether the petitioner possesses an interest capable of being conveyed. The answer must be determined by reference to the documents creating the petitioner's interest. On the material before this Court, the Nirantara Patta/permanent lease is not shown to contain a prohibition against transfer of the leasehold interest. On the contrary, the historical documents and subsequent transactions placed before the Court demonstrate that the interest has been treated as heritable and transferable.

42. The petitioner has further relied upon the fact that the same title documents and substantially identical documents



were accepted by the registration authorities in respect of 21 flats. This circumstance is of considerable significance, though not because an earlier administrative act can confer title where none exists. The significance lies in the fact that the authorities themselves have, prior to the introduction of Kaveri-2.0, processed and registered transactions arising out of the very same chain of title.

43. The State has not placed before this Court any order cancelling those registrations. It has not alleged that the petitioner's underlying leasehold title ceased to exist. It has not alleged any default resulting in determination or forfeiture of the lease. It has not pointed out any statutory prohibition which came into force between the registration of the first 21 flats and the refusal to process the remaining flats.

44. The only intervening circumstance appears to be the introduction of the Kaveri-2.0 portal and the manner in which data from the municipal/e-property system is mapped into the registration system. Such a change in technology cannot result in a change in substantive rights.



45. The State is undoubtedly entitled to modernise the registration process. It is also entitled to insist upon verification of title, payment of proper stamp duty and registration fee, compliance with statutory requirements and production of necessary documents. But it cannot permit a technological architecture to produce a result which the substantive law does not contemplate.

Municipal Records And The Kaveri-2.0 Portal

46. The documents placed on record demonstrate that the problem is not confined to the petitioner. The communication issued by the authority in response to CREDAI's representation expressly acknowledges the problem arising in cases of Nirantar Patta/Perpetual Lease properties.

47. The communication records that the original lessor is reflected as "Owner" while the leaseholder is reflected as "Holder/Tax Payer", with the consequence that the API transmits the name of the original owner to the Kaveri software and thereby prevents registration. The authority itself has recognised the need to transmit the name of the



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leaseholder/occupant to the Kaveri software in appropriate cases.

48. This is an important admission. The difficulty is therefore not one of absence of a legal mechanism to register leasehold transactions. It is a mapping defect between the municipal/e-property database and the registration portal. The appropriate solution cannot be to compel citizens to convert their perpetual leasehold rights into freehold rights merely to overcome a software limitation. Nor can citizens be required to litigate individually every time the portal refuses to recognise a lawful leasehold interest.

49. If the underlying property is held by the municipality or another lessor and the petitioner holds a perpetual lease, the municipal record may appropriately continue to identify the original lessor as the owner of the reversionary interest. But the record must simultaneously identify the person holding the leasehold interest in a manner capable of being transmitted to the registration system.



50. Therefore, the Court is not directing the respondents to falsely describe a perpetual lessee as the absolute owner of the land. The direction is to ensure that the leasehold interest is correctly classified and mapped, so that the name of the person competent to convey that interest is available to the registration system. The municipal/e-property records and Form No.2, wherever applicable, must therefore provide for appropriate classification of the holder of a Nirantara Patta/perpetual lease as a leaseholder/holder of leasehold title, and the relevant field must be mapped with the Kaveri 2.0 system.

51. The object is not to alter the substantive title of the reversionary owner. The object is to prevent the technical system from suppressing the separate and legally recognised interest of the leaseholder.

Right To Deal With Property

52. A citizen who possesses a lawful proprietary interest cannot be prevented from dealing with that interest except by authority of law. Article 300-A of the Constitution recognises



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that no person shall be deprived of property save by authority of law. While Article 300-A does not confer an unrestricted right to alienate every species of property, it does reinforce the basic principle that proprietary interests cannot be extinguished or rendered illusory by executive action unsupported by law.

53. In the present case, the petitioner seeks to convey not the reversionary ownership of the original lessor but the leasehold interest vested in the petitioner. If that interest is transferable under the governing documents and law, the State cannot prevent its transfer merely because its software does not presently contain a corresponding field. A State instrumentality cannot say that because its computer system is not configured to recognise a particular lawful interest, the citizen's right to deal with that interest must remain suspended indefinitely. Technology is intended to facilitate the exercise of rights and the discharge of statutory functions. It cannot become an impediment to the exercise of substantive rights.

54. There is another aspect of the matter which cannot be ignored. The petitioner has placed material to demonstrate that he has availed substantial financial assistance for the



project. The record indicates that a loan of approximately Rs.6 crores has been availed and that the petitioner is required to service substantial financial obligations. The petitioner has also placed on record material relating to the EMI burden, including the document at Annexure-K, which indicates a monthly financial commitment of approximately Rs.50 lakhs.

55. The petitioner has further stated that, because the remaining flats cannot be sold and registered, he has been compelled to refund amounts to certain prospective purchasers and is facing severe financial strain.

56. This Court is conscious that the existence of financial liability by itself cannot confer a title which the petitioner does not possess. Equally, however, once the Court finds that the petitioner possesses a legally recognised and transferable leasehold interest, the financial consequences of an administrative impediment become a relevant circumstance in determining whether immediate corrective directions are warranted.



57. The petitioner has invested in the development of the property, obtained the requisite permissions, constructed 34 flats and successfully registered 21 flats. The remaining transactions are now being obstructed not on account of a declaration that the petitioner's leasehold interest is void or terminated, but on account of a technical mismatch between municipal records and the registration portal.

58. If the petitioner is otherwise entitled in law to convey the leasehold interest, he cannot be compelled to suffer continuing financial consequences merely because the State has not yet configured its digital system to recognise that interest. The right of a citizen to deal with his property, subject of course to the restrictions imposed by law and the terms of the title document, cannot be made dependent upon the speed at which an administrative software system is modified.

59. There is also a larger public interest involved. Registration of lawful conveyances generates stamp duty and registration revenue for the State. If a class of otherwise registrable transactions is prevented from being processed merely because of a technical mapping defect, the State itself



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suffers loss of legitimate revenue. The endorsement issued by the authorities recognises precisely this aspect. It records that permitting Nirantar Patta/Perpetual Lease properties in the Kaveri-2.0 system would be in the public interest and would facilitate achievement of the State's revenue collection objectives.

60. Therefore, there is no conflict between the interest of the petitioner and the interest of the State. On the contrary, removal of the technical impediment would facilitate lawful transactions, protect the interests of purchasers, enable payment of stamp duty and registration fee and augment State revenue.

61. The present petition demonstrates a larger administrative issue. The record indicates that several properties in Belagavi city and surrounding areas are held under Nirantar Patta/Perpetual Lease arrangements. If the existing software mapping treats the original lessor as the only person entitled to be transmitted to Kaveri-2.0, all subsequent transactions concerning the leasehold interest would face the same difficulty. It would therefore be inappropriate to grant a



direction confined only to the petitioner's 13 flats and leave the underlying technical defect untouched.

62. The Principal Secretary, Urban Development Department, and the Director of Municipal Administration are therefore required to examine the matter at the policy and technical level and ensure that the municipal/e-property database and the Kaveri-2.0 registration portal are capable of recognising the distinction between:

- (i) the owner of the reversionary interest, and
- (ii) the holder of the perpetual/leasehold interest.

63. Such distinction is legally necessary. The system must not compel the municipal authority to declare a lessee to be the absolute owner. At the same time, it must not prevent the leaseholder from exercising rights which lawfully arise from the lease.

64. The appropriate classification may therefore indicate the original lessor as the owner of the underlying/reversionary title and the Nirantara Patta holder as the holder of the perpetual leasehold/transferable interest, with



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the latter being transmitted to Kaveri-2.0 for purposes of processing documents concerning the leasehold interest. Accordingly, the point for consideration is answered in the '**negative**'.

CONCLUSIONS:

65. In view of the foregoing discussion, this Court is of the considered view that the Nirantara Patta relied upon by the petitioner, on a cumulative consideration of the terms of the grant and the documents forming part of the title chain, creates a permanent/perpetual leasehold interest which is heritable and transferable. The said interest constitutes a legally recognisable title to the leasehold estate and, subject to the terms of the grant and the applicable law, is capable of being conveyed. The petitioner, therefore, cannot be compelled to first obtain conversion of the leasehold interest into freehold ownership as a condition precedent for conveying the interest which he otherwise lawfully holds.

66. The material on record further establishes that 21 flats out of the 34 flats constructed by the petitioner have



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already been sold and the corresponding sale deeds have been registered, prior to the introduction of the Kaveri-2.0 portal. The refusal to process the remaining sale deeds is not founded upon any determination that the petitioner's leasehold interest is invalid, terminated, forfeited or incapable of transfer. The impediment is essentially attributable to the manner in which the municipal/e-property records are presently mapped with the Kaveri-2.0 portal.

67. The respondents cannot, by reason of a technical deficiency in the software or the existing data-mapping mechanism, render a legally recognised and transferable leasehold interest incapable of being conveyed. A software system is a means for implementation of the law, it cannot become a source for extinguishing or restricting substantive rights which otherwise flow from law and the title documents.

68. This Court is also conscious of the distinction between the ownership of the underlying/reversionary interest and the ownership of the leasehold estate. The original lessor may continue to remain the owner of the underlying land; nevertheless, the perpetual lessee holds a distinct and legally



protected proprietary interest in the leasehold estate. The municipal and e-property records must, therefore, appropriately reflect both interests without conflating one with the other.

69. The financial circumstances placed before this Court, including the substantial loan liability incurred by the petitioner for the project, the considerable EMI burden and further demonstrate the continuing prejudice occasioned by the present technical impediment. These circumstances are not the foundation for declaring the petitioner's title, but reinforce the necessity for the competent authorities to act expeditiously where a lawful proprietary interest is otherwise capable of being transferred.

70. The respondents themselves have recognised the difficulty relating to registration of properties held under Nirantara Patta/Perpetual Lease and the need to suitably modify the existing API/mapping mechanism so that the name of the leaseholder, with appropriate classification of his interest, is transmitted to the Kaveri-2.0 system. The issue,



therefore, requires a systemic solution rather than leaving similarly situated citizens to approach this Court individually.

71. The State is undoubtedly entitled to undertake statutory scrutiny of every document presented for registration, including scrutiny of the title, transferability of the interest, compliance with the terms of the lease, payment of stamp duty and registration fee and compliance with all other statutory requirements. However, such statutory scrutiny cannot be substituted by or reduced to an automated rejection generated merely because the software does not recognise the leaseholder's name.

72. It is, therefore, necessary to issue a positive direction to the Director of Municipal Administration to rectify the existing technical impediment and introduce an appropriate mapping mechanism in the municipal/e-property records and the Kaveri-2.0 system so as to recognise and transmit the transferable interest of a holder of a valid Nirantara Patta/permanent lease.



73. Such exercise shall not result in treating the perpetual lessee as the absolute owner of the underlying land. The object is only to ensure that the permanent leasehold interest is separately identified, appropriately classified and made capable of being conveyed through the registration system, in accordance with the terms of the grant and applicable law.

74. In the circumstances, this Court is of the considered opinion that the petitioner is entitled to appropriate relief and that corresponding directions are required to be issued to the respondent-authorities in order to ensure that a technological impediment does not defeat a substantive right recognised in law.

75. Accordingly, the Director of Municipal Administration is directed to forthwith undertake necessary amendments in the mapping of Form No.2/e-property records/API interface, wherever necessary, so as to appropriately capture and transmit the name of the holder of a valid Nirantara Patta/permanent lease, with proper classification of the permanent leasehold/transferable interest,



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to the Kaveri-2.0 portal. The entire exercise shall be completed within a period of two months from the date of receipt of a certified copy of this order. In the event the Director of Municipal Administration fails to carry out the aforesaid amendment and mapping within the stipulated period, the jurisdictional Sub-Registrar shall, notwithstanding such failure, receive and process the sale deeds presented by the petitioner for conveying the permanent leasehold rights and shall effect registration thereof through manual mode, subject to satisfaction of all statutory requirements governing registration and the transferability of the concerned leasehold interest.

ORDER

- (i) The writ petition is ***allowed***.
- (ii) The endorsement/communication issued by respondent No.3, insofar as it prevents or declines processing/registration of the petitioner's sale deeds solely on the ground that the petitioner is reflected as a perpetual lessee/leaseholder and not as the absolute owner in the municipal/e-property



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records or that his name is not fetched by the Kaveri-2.0 portal, is quashed to that limited extent.

(iii) The Director of Municipal Administration, Government of Karnataka, in coordination with the Principal Secretary, Urban Development Department and the concerned municipal authorities, is hereby directed to undertake necessary amendments in the mapping of Form No.2/e-property records/API interface so as to appropriately capture the name of the holder of a valid Nirantara Patta/permanent lease and transmit the same to the Kaveri-2.0 portal with proper classification of his permanent leasehold/transferable interest, without disturbing or altering the reversionary ownership of the original lessor.

(iv) The aforesaid exercise shall be completed within a period of two months from the date of receipt of a certified copy of this order.



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- (v) The Director of Municipal Administration and the concerned municipal authorities shall ensure that the municipal/e-property records maintain a clear distinction between the owner of the underlying/reversionary interest and the holder of the permanent/perpetual leasehold interest, and that the latter's transferable interest is duly mapped and communicated to the Kaveri-2.0 registration system.
- (vi) In the event the Director of Municipal Administration fails to undertake and complete the aforesaid amendment and mapping within the period of two months stipulated herein, the jurisdictional Sub-Registrar is hereby directed to receive, process and register, through manual mode, the sale deeds presented by the petitioner conveying the permanent leasehold rights in respect of the remaining flats in "Krish Jeevan Apartment".



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- (vii) The manual registration contemplated in paragraph (vi) shall remain subject to the petitioner satisfying all applicable statutory requirements, including verification of the original Nirantara Patta/permanent lease, chain of title, transferability of the leasehold interest, identity of the executants, payment of requisite stamp duty and registration fee and compliance with the provisions of the Registration Act, 1908, the Transfer of Property Act, 1882 and other applicable laws.
- (viii) It is made clear that the jurisdictional Sub-Registrar shall not refuse registration merely on the ground that the Kaveri-2.0 portal does not facilitate or recognise the transfer of the permanent leasehold/Nirantara Patta interest, once the petitioner otherwise satisfies the statutory requirements for registration.
- (ix) The above directions shall not be construed as declaring the petitioner to be the absolute owner of the underlying land. The declaration is confined to



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the petitioner's permanent/perpetual leasehold interest, which, on the documents placed before this Court, is a legally recognisable title capable of being conveyed, subject to the terms of the grant and applicable law.

(x) Nothing contained in this order shall preclude the competent authority from undertaking statutory scrutiny or from refusing registration for any legally sustainable ground, including a valid prohibition against transfer, termination or forfeiture of the lease, want of requisite title or non-compliance with mandatory statutory requirements. However, technical inability of the Kaveri-2.0 portal to recognise the petitioner's permanent leasehold interest shall not, by itself, constitute a ground for refusal of registration.

(xiii) A copy of this order shall be communicated to the Principal Secretary, Urban Development Department, Government of Karnataka, and the Director of Municipal Administration, Government of



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Karnataka, for immediate and necessary compliance.

(xi) The Principal Secretary, Urban Development Department and the Director of Municipal Administration shall circulate appropriate instructions to the concerned municipal authorities and registering authorities for strict compliance with the aforesaid directions.

**(SACHIN SHANKAR MAGADUM)
JUDGE**

MBS
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