

SUPREMO AMICUS

INDIA'S FIRST AI INTEGRATED LAW JOURNAL

Peer Reviewed, Refereed and Open access Journal

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ISSN NO. 2456-9704
Volume 10 Issue 3
www.supremoamicus.org



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“CODE IS NOT TITLE”: SMART CONTRACTS AND THE TRANSFER OF IMMOVABLE PROPERTY UNDER THE TRANSFER OF PROPERTY ACT, 1882

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ABSTRACT

This paper examines whether a smart contract can transfer immovable property in India. It argues that, under the Transfer of Property Act, 1882 and the Registration Act, 1908, a blockchain transaction that updates token balances cannot, by itself, effect a legally recognised transfer of title. While smart contracts may satisfy the essentials of a valid agreement under section 10 of the Indian Contract Act, 1872 and section 10A of the Information Technology Act, 2000, they do not dispense with the statutory requirement of a registered instrument for creation, declaration, assignment or extinction of rights in immovable property. The paper analyses the legal character of property-tokens, the mismatch between automated execution and compulsory registration, and the consequences for mortgages, error correction and digital inheritance. It further considers the Supreme Court’s 2025 observations in *Samiullah v. State of Bihar*, which urge blockchain-based, tamper-proof land records and a move towards conclusive titling, while emphasising that these are reform-oriented and do not currently treat on-chain transfers as title-conferring. The paper concludes that, until legislation aligns the TPA, the Registration Act, the Stamp Act, the Evidence Act and related laws with blockchain technology, “code is not title.” A compliant future system must adopt a registration-first

architecture in which the ledger mirrors the registry, not the other way around.

Keywords: smart contracts; immovable property; Transfer of Property Act, 1882; Registration Act, 1908; blockchain; land registration; tokenisation; conclusive titling; digital inheritance; India.

I. Introduction

A sale appears complete on-chain. Wallet A transfers a token that represents House X to Wallet B. The distributed ledger records the change in ownership. Yet the office of the sub-registrar shows no registered sale deed. In this situation, Indian law must answer a simple but unsettling question: who owns the house?¹

India’s system for transferring immovable property remains anchored in colonial-era statutes. The Transfer of Property Act, 1882 (TPA) and the Registration Act, 1908 together require that instruments which create, declare, assign, limit or extinguish rights in immovable property of value above a statutory threshold be compulsorily registered.² Non-registration does not merely affect evidentiary weight. It prevents the instrument from operating to create or assign the very rights in land that the parties intend to transfer.³ Against this background, a blockchain transaction that updates token balances cannot, by itself, function as a registered instrument. The ledger may say ownership changed. The statute says otherwise.⁴

This paper asks whether a smart contract can actually transfer property in India. It narrows the familiar “blockchain and property law” debate to a doctrinal confrontation between code and statute. Can automated execution satisfy the contractual requirements under the Indian Contract Act, 1872 and the Information Technology Act, 2000, while bypassing the registration formalities that govern conveyancing?⁵ Is a property-linked token a

¹ see Transfer of Property Act, 1882, § 54; Registration Act, 1908, § 17

² Transfer of Property Act, 1882, § 54; Registration Act, 1908, § 17(1)(b)

³ Registration Act, 1908, § 49

⁴ see Registration Act, 1908, § 17

⁵ Indian Contract Act, 1872, § 10; Information Technology Act, 2000, § 10A



representation of rights or property itself? What happens when an on-chain transfer conflicts with the land registry? Can a smart contract execute a mortgage? Who reverses an erroneous blockchain transfer? What occurs when the wallet holder dies?⁶

The Supreme Court has recently identified blockchain as a possible technological component of future land-registration reform, urging tamper-proof digitisation of land records and a move towards conclusive titling.⁷ These observations are reform-oriented. They do not, at present, dispense with registration or treat on-chain updates as title-conferring.⁸

The argument advanced here is straightforward. Smart contracts may be valid agreements. Tokens may represent economic interests. But under the TPA and the Registration Act, “code is not title.” A transfer of immovable property in India still requires a registered instrument. Until legislation integrates blockchain records with the registration regime, courts will resolve conflicts in favour of the registered deed and the public record, not the token balance.⁹

II. Conceptual Foundations: Smart Contracts, Tokens, and “Property”

A. What is a smart contract? (Legal-technical bridge)

A smart contract is a code-based, self-executing agreement deployed on a distributed ledger. Its terms are expressed in programmable logic, and performance is triggered automatically when

predefined conditions are met.¹⁰ The legal significance lies in two features: automation and immutability. Once deployed, the contract executes without intermediaries and resists unilateral alteration.¹¹

For legal analysis, it is useful to distinguish two architectures. First, purely on-chain contracts, where offer, acceptance, consideration and performance are all encoded and settled on the ledger. Second, hybrid contracts, where parties record core obligations off-chain (for example, a sale agreement for land) but use on-chain code to automate parts of performance, such as escrow release or milestone payments.¹² The hybrid model is more realistic for immovable property, because Indian law still requires a registered instrument to transfer title, even if payment and conditions are managed on-chain.¹³

B. Token as “representation” vs “property itself”

In real-estate contexts, a property-token or NFT is typically a digital record that purports to reflect economic rights or a beneficial interest in an underlying asset. It is not, in current Indian practice, a statutory instrument of title.¹⁴ India has no dedicated legislation governing NFTs or property-tokens. Tokenisation platforms therefore rely on trust or special purpose vehicle structures to hold the physical

⁶ see Transfer of Property Act, 1882, § 58; Indian Succession Act, 1925; Hindu Succession Act, 1956

⁷ Samiullah v. State of Bihar, (2025) LiveLaw SC 1071

⁸ id.

⁹ Transfer of Property Act, 1882, § 54; Registration Act, 1908, §§ 17, 49

¹⁰ See Nicholas Szabo, Smart Contracts, 1994, <https://nakamotoinstitute.org/smart-contracts/>

¹¹ See Pranav Kumar Verma & Shreya Mishra, Are Smart Contracts Really Smart? Decrypting the Issues of their Legality, Enforcement and Interpretation, 7 NUJS L. Rev. 1 (2020),

<https://repository.nls.ac.in/cgi/viewcontent.cgi?article=1403&context=nlsblr>

¹² See Research Paper, Inclusion of Smart Contracts Under Indian Contract Law, C.M.H.L.P. (2023), https://cmhlp.org/wp-content/uploads/2023/08/Research-Paper_Smart-Contracts.pdf

¹³ Transfer of Property Act, 1882, § 54; Registration Act, 1908, § 17

¹⁴ See Aurum PropTech, What is the legal status of NFT property in India? (Apr. 29, 2024), <https://www.aurumproptech.in/pulse/faqs/what-is-the-legal-status-of-nft-property-in-india>



asset and issue tokens that represent fractional beneficial interests.¹⁵

Consequently, a token transfer on a blockchain is not a registered conveyance under the Registration Act, 1908. It may shift a contractual claim against an issuer or a beneficial interest in a trust, but it does not, by itself, create or assign rights in immovable property in the eyes of the TPA.¹⁶ The interim conclusion is clear. A token is best characterised as a representation of rights, not a substitute for a registered instrument.¹⁷

C. Why “code is not title” in India’s current system

India’s title regime is largely presumptive. Ownership is inferred from chains of documents, mutation entries and revenue records, rather than from a state-guaranteed register. Registration confers evidentiary value and public notice, but it does not, by itself, guarantee title.¹⁸ The Supreme Court has repeatedly flagged this gap and urged blockchain-based, tamper-proof land records as part of a move towards conclusive titling.¹⁹

Even so, without legislative change, an on-chain “ownership update” lacks the statutory form required to create or assign rights in land. Blockchain can improve the integrity and auditability of records. It cannot, under present law, replace the registered instrument that the TPA and Registration Act demand.²⁰

III. The Statutory Barrier: Transfer of Property Act and Registration Act

A. Transfer of Property Act, 1882: formalities for transfer

The Transfer of Property Act, 1882 (TPA) governs voluntary inter vivos transfers of immovable property in India. It prescribes specific forms and conditions for different modes of transfer. A sale of immovable property of value of one hundred rupees or upwards can be made only by a registered instrument. A gift of immovable property must be effected by a registered instrument signed by or on behalf of the donor and attested by at least two witnesses. A lease of immovable property from year to year, or for any term exceeding one year, or reserving a yearly rent, must also be made by a registered instrument.²¹

The key principle is that transfer of immovable property is not completed by mere agreement. Parties may enter into a valid contract for sale. But the passage of title depends on compliance with statutory formalities, especially registration where the statute so requires.²² Mortgages, too, are governed by detailed provisions in the TPA. A simple mortgage, mortgage by conditional sale, usufructuary mortgage and other forms create interests in immovable property and, where they fall within section 17 of the Registration

¹⁵ See Nishith Desai Associates, Real Estate Tokenisation (Mar. 18, 2025), https://www.nishithdesai.com/fileadmin/user_upload/pdfs/Research_Papers/Real-Estate-Tokenisation.pdf; Landbitt, Real Estate Tokenization in India: Benefits and Risks (July 5, 2026), <https://landbitt.com/real-estate-tokenization-in-india/>

¹⁶ Registration Act, 1908, § 17; Transfer of Property Act, 1882, § 54

¹⁷ Aurum PropTech, *supra*

¹⁸ See Samiullah v. State of Bihar, (2025) LiveLaw SC 1071, <https://www.livelaw.in/top-stories/property-purchase-traumatic-supreme-court-suggests-use-of-blockchain-technology-to-make-land-registrations-easy-reliable-309136>; The Print, SC pushes for digital overhaul of India’s ‘traumatic’ land registration system (Nov. 7, 2025),

<https://theprint.in/judiciary/sc-pushes-for-digital-overhaul-of-indias-traumatic-land-registration-system-from-paper-to-blockchain/2779457/>

¹⁹ Samiullah, (2025) LiveLaw SC 1071; LawBeat, “We Must Dare to Think of Alternatives”: SC Urges Blockchain Technology Reform in Land Registration (Nov. 10, 2025), <https://lawbeat.in/supreme-court-judgments/we-must-dare-to-think-of-alternatives-sc-urges-blockchain-technology-reform-in-land-registration-1538701>

²⁰ Transfer of Property Act, 1882, § 54; Registration Act, 1908, §§ 17, 49

²¹ Transfer of Property Act, 1882, § 54, § 123, § 107, <https://igrsup.gov.in/prernadoc/Adhiniyam/pdf7/index.pdf>

²² Transfer of Property Act, 1882, § 54



Act, must be registered to operate as conveyances of those interests.²³

B. Registration Act, 1908: compulsory registration (section 17)

The Registration Act, 1908 imposes compulsory registration for instruments that affect rights in immovable property. Section 17(1) provides that the following documents shall be registered if the property to which they relate is situate in a district in which the Act applies and if they have been executed on or after the relevant date. This includes any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, of the value of one hundred rupees and upwards, to or in immovable property.²⁴

The legal effect of non-registration is set out in section 49. No document required to be registered under section 17 shall affect any immovable property comprised therein or be received as evidence of any transaction affecting such property, unless it has been registered.²⁵ In other words, non-registration does not merely reduce evidentiary weight. It prevents the instrument from operating to create or assign the very rights in land that the parties intend.²⁶

Apply this to the token scenario. Even if a smart contract encodes offer, acceptance and consideration, and even if it automatically transfers a token representing a house, the instrument that assigns title

must be a registered document under the 1908 Act. A blockchain transaction hash, or an entry on a distributed ledger, is not a registered instrument. It does not satisfy section 17. It cannot, therefore, by itself create or assign rights in immovable property.²⁷

C. Stamp law and evidentiary consequences

Stamp law operates as a precondition to registration. An instrument chargeable with stamp duty must be duly stamped before it can be registered. E-stamping facilities exist in many states, but the workflow still culminates in presentation before the sub-registrar and entry in the official register.²⁸

The evidentiary regime reinforces this barrier. The Indian Evidence Act, 1872, and its successor, the Bharatiya Sakshya Adhiniyam, 2023, recognise electronic records and provide for their admissibility subject to conditions such as certification under section 65B of the Evidence Act or corresponding provisions.²⁹ Electronic records can therefore prove the existence and terms of an agreement. But admissibility does not cure the absence of a registered instrument where registration is mandatory. A court may admit an unregistered document for a collateral purpose, but it cannot use it to create or assign title to immovable property.³⁰

D. The Supreme Court's 2025–26 land-registration reform push (context, not cure)

In *Samiullah v. State of Bihar* (2025), the Supreme Court struck down Bihar's rule that made mutation

²³ Transfer of Property Act, 1882, § 58

²⁴ Registration Act, 1908, § 17(1)(b), <https://indiankanoon.org/doc/561156/>

²⁵ Registration Act, 1908, § 49

²⁶ Id.; see also Miheeka Kapur, Digitization of Land Records and Conclusive Titling in India, *J. Leg. Stud. & Res.* (2023), <https://thelawbrigade.com/wp-content/uploads/2023/05/Miheeka-Kapur-JLSR.pdf>

²⁷ Registration Act, 1908, § 17; Aurum PropTech, What is the legal status of NFT property in India? (Apr. 29, 2024), <https://www.aurumproptech.in/pulse/faqs/what-is-the-legal-status-of-nft-property-in-india>; Nishith Desai Associates, Real Estate Tokenisation (Mar. 18,

2025),

https://www.nishithdesai.com/fileadmin/user_upload/pdfs/Research_Papers/Real-Estate-Tokenisation.pdf

²⁸ See LiveLaw, 'Property Purchase Traumatic':

Supreme Court Suggests Use Of Blockchain Technology To Make Land Registrations Easy, Reliable (Nov. 7, 2025), <https://www.livelaw.in/top-stories/property-purchase-traumatic-supreme-court-suggests-use-of-blockchain-technology-to-make-land-registrations-easy-reliable-309136>

²⁹ Information Technology Act, 2000, § 10A, https://www.indiacode.nic.in/bitstream/123456789/13116/1/it_act_2000_updated.pdf

³⁰ Registration Act, 1908, § 49



entries a precondition for registration of documents. The Court described India's land-registration system as traumatic and flagged the gap between registration and title. It urged the Union and State Governments to adopt secure, tamper-proof technologies such as blockchain for digitising land records and preventing forgery. It also asked the Law Commission of India to examine amendments to the Transfer of Property Act, 1882, the Registration Act, 1908, the Indian Stamp Act, 1899, the Indian Evidence Act, 1872, the Information Technology Act, 2000 and the Digital Personal Data Protection Act, 2023 to facilitate a transition towards conclusive titling.³¹

The crucial nuance is that these observations are reform-oriented. They do not, today, dispense with registration or treat on-chain transfers as title-conferring. Until Parliament and State Legislatures amend the relevant statutes to integrate blockchain records with the registration regime, the statutory barrier remains. Code may record a transaction. Title still flows from a registered instrument.³²

IV. Can a Smart Contract Satisfy Contractual Requirements?

A. Validity under Indian Contract Act, 1872 (section 10)

Section 10 of the Indian Contract Act, 1872 provides that all agreements are contracts if they are made by the free consent of parties competent to contract, for a lawful consideration and with a lawful object, and are not expressly declared to be void. [Indian Contract Act, 1872, § 10] These essentials remain the touchstone for contractual validity, irrespective of the medium in which the agreement is recorded.

Scholarly and practitioner commentary increasingly treats smart contracts as capable of satisfying section 10, provided the substantive elements are met. Offer and acceptance may be encoded in protocol logic or expressed in natural-language terms linked to the code. Consent must be free, without coercion, undue influence, fraud, misrepresentation or mistake. Parties must be competent, consideration must be lawful, and the object must not be forbidden by law or opposed to public policy.³³

On this view, Indian contract law is technologically neutral on form. It does not require paper. It requires compliance with section 10. A smart contract that encodes a binding agreement between competent parties, with lawful consideration and object, and with free consent, can therefore be a valid contract.³⁴

³¹ Samiullah v. State of Bihar, (2025) LiveLaw SC 1071, <https://www.livelaw.in/top-stories/property-purchase-traumatic-supreme-court-suggests-use-of-blockchain-technology-to-make-land-registrations-easy-reliable-309136>; The Print, SC pushes for digital overhaul of India's 'traumatic' land registration system (Nov. 7, 2025), <https://theprint.in/judiciary/sc-pushes-for-digital-overhaul-of-indias-traumatic-land-registration-system-from-paper-to-blockchain/2779457/>; LawBeat, "We Must Dare to Think of Alternatives": SC Urges Blockchain Technology Reform in Land Registration (Nov. 10, 2025), <https://lawbeat.in/supreme-court-judgments/we-must-dare-to-think-of-alternatives-sc-urges-blockchain-technology-reform-in-land-registration-1538701>

³² Transfer of Property Act, 1882, § 54; Registration Act, 1908, §§ 17, 49

³³ See Pranav Kumar Verma & Shreya Mishra, Are Smart Contracts Really Smart? Decrypting the Issues of their Legality, Enforcement and Interpretation, 7 NUJS L. Rev. 1 (2020), <https://repository.nls.ac.in/cgi/viewcontent.cgi?article=1403&context=nlsblr>; Research Paper, Inclusion of Smart Contracts Under Indian Contract Law, C.M.H.L.P. (2023), https://cmhlp.org/wp-content/uploads/2023/08/Research-Paper_Smart-Contracts.pdf; White & Black Legal, Legal Examination of Smart Contracts Under Indian Law (Apr. 1, 2024), <https://www.whiteblacklegal.co.in/details/legal-examination-of-smart-contracts-under-indian-law-by--satyansh-singh-parmar-lavanyashree-raje-parmar->

³⁴ Verma & Mishra, *supra*; see also Ipleaders, Smart contracts and their enforceability in India (Apr. 24, 2022), <https://blog.ipleaders.in/smart-contracts-and-their-enforceability-in-india/>



B. Electronic contracts under Information Technology Act, 2000 (section 10A)

Section 10A of the Information Technology Act, 2000 reinforces this position. It provides that where in a contract formation the communication of proposals, the acceptance of proposals, the revocation of proposals and acceptances are expressed in electronic form or by means of an electronic record, such contract shall not be deemed to be unenforceable solely because of the use of such electronic form or means.³⁵

This provision supports the enforceability of the agreement layer of a property transaction. Escrow logic, milestone-based payment triggers, and automated penalties can all be structured as electronic contracts under section 10A.³⁶ However, section 10A does not override special statutes that impose additional formalities for particular types of contracts. It removes a formal objection based on electronic form. It does not dispense with requirements of writing, attestation or registration where other laws so provide.³⁷

C. The “self-executing” problem: performance versus legal title

Smart contracts excel at automating performance. They can release funds, update token balances, and enforce conditions without human intervention. [Verma & Mishra, *supra*] But they cannot, by themselves, produce a registered deed or ensure mutation and revenue-record updates. Registration

remains a public-law formality administered by sub-registrars under the Registration Act, 1908. Mutation is an administrative entry in revenue records. Neither is effected by code alone.³⁸

The doctrinal point is critical. Contractual validity is not the same as conveyancing validity. A valid contract to sell land does not, without a registered conveyance, transfer title.³⁹ Parties may be bound in contract. The buyer may acquire an equitable or contractual right to call for execution of a sale deed. But legal title passes only upon compliance with the statutory formalities, including registration where required.⁴⁰

D. Interpretation and remedies

Courts can interpret smart-contract terms as they would traditional contracts. They may look at the code, the accompanying natural-language terms, and the surrounding circumstances to ascertain intention.⁴¹ Remedies for breach remain judicial. A court may order specific performance to execute a registered sale deed. It may grant rescission, restitution or damages where consent was vitiated or obligations were not performed.⁴²

These remedies may conflict with blockchain’s irreversibility. A court can order reversal of a transaction in law. The ledger may not natively comply without cooperation from key-holders or a protocol-level intervention.⁴³ This tension

³⁵ Information Technology Act, 2000, § 10A, https://www.indiacode.nic.in/bitstream/123456789/13116/1/it_act_2000_updated.pdf; see also Contract Shield, Section 10A of IT Act 2000: Validity of Electronic Contracts (Jan. 24, 2026), <https://contractshield.in/blog/section-10a-it-act-2000-electronic-contracts.html>

³⁶ *Id.*

³⁷ Information Technology Act, 2000, § 10A; Transfer of Property Act, 1882, § 54; Registration Act, 1908, § 17

³⁸ LiveLaw, ‘Property Purchase Traumatic’: Supreme Court Suggests Use Of Blockchain Technology To Make Land Registrations Easy, Reliable (Nov. 7,

2025), <https://www.livelaw.in/top-stories/property-purchase-traumatic-supreme-court-suggests-use-of-blockchain-technology-to-make-land-registrations-easy-reliable-309136>

³⁹ Transfer of Property Act, 1882, § 54, <https://igrsup.gov.in/prernadoc/Adhiniyam/pdf7/index.pdf>

⁴⁰ *Id.*

⁴¹ Verma & Mishra, *supra*

⁴² Indian Contract Act, 1872, §§ 10, 19, 19A

⁴³ See generally, IJLMH, Without Law: Smart Contracts, Statutory Incompatibility and the Case for Legislative Reform Under the Indian Contract Act, 1872 (June 6, 2026),



underscores the limit of smart contracts in property transfers. They can bind parties in contract. They cannot, under present law, replace the registered instrument that conveys title.⁴⁴

V. Automated Execution vs Registration: The Legal Mismatch

A. Why automation cannot “replace” registration today

Registration under the Registration Act, 1908 is a public-law formality. It is tied to state machinery. Documents are presented before sub-registrars. Stamp authorities verify duty payment. Revenue records are updated through mutation proceedings. These processes create public notice and an official chain of title.⁴⁵ Blockchain nodes, by contrast, are private or consortium validators. They are not registrars. They do not administer stamp duty. They do not maintain revenue records.⁴⁶

Even if parties intend a token transfer to be “the deed”, the law requires a document that meets the formal and procedural requirements of the Registration Act. Section 17 mandates registration for instruments that create, declare, assign, limit or extinguish rights in immovable property of value of one hundred rupees and upwards. Section 49 bars such instruments from affecting immovable property or being received as evidence of transactions affecting such property

unless registered.⁴⁷ Automation cannot cure this statutory gap.

B. Conflict scenarios: blockchain says “transferred”, registry says “no”

Three conflict scenarios illustrate the mismatch. First, a token representing a house is transferred on-chain, but no registered sale deed is executed. The buyer holds a token and a contractual claim against the seller or issuer. The seller, however, remains the owner in the eyes of property law. The token is a representation of rights, not a registered instrument of title.⁴⁸

Second, a double sale risk emerges. The on-chain token moves once. Later, the seller executes an off-chain sale deed in favour of a third party, who registers first. Prior disputes will turn on registration and bona fides, not token balance. Courts will look to the registered instrument and the chain of documents, not the ledger entry.⁴⁹

Third, a fraudulent oracle or data feed triggers an on-chain transfer. The ledger records the transaction as valid. The transfer may be technically irreversible. But off-chain remedies remain necessary. The aggrieved party may seek an injunction, a declaration of title, or rescission on grounds of fraud or mistake. Enforcement against the ledger is technically limited.

<https://ijlmh.com/article/view/without-law-smart-contracts-statutory-incompatibility-and-the-case-for-legislative-reform-under-the-indian-contract-act-1872>

⁴⁴ Transfer of Property Act, 1882, § 54; Registration Act, 1908, § 17

⁴⁵ LiveLaw, ‘Property Purchase Traumatic’: Supreme Court Suggests Use Of Blockchain Technology To Make Land Registrations Easy, Reliable (Nov. 7, 2025), <https://www.livelaw.in/top-stories/property-purchase-traumatic-supreme-court-suggests-use-of-blockchain-technology-to-make-land-registrations-easy-reliable-309136>; The Print, SC pushes for digital overhaul of India’s ‘traumatic’ land registration system (Nov. 7, 2025), <https://theprint.in/judiciary/sc-pushes-for-digital-overhaul-of-indias-traumatic-land-registration-system-from-paper-to-blockchain/2779457/>

⁴⁶ Id.

⁴⁷ Registration Act, 1908, §§ 17, 49, <https://indiankanoon.org/doc/561156/>

⁴⁸ Aurum PropTech, What is the legal status of NFT property in India? (Apr. 29, 2024), <https://www.aurumproptech.in/pulse/faqs/what-is-the-legal-status-of-nft-property-in-india>

⁴⁹ LiveLaw, supra; LawBeat, “We Must Dare to Think of Alternatives”: SC Urges Blockchain Technology Reform in Land Registration (Nov. 10, 2025), <https://lawbeat.in/supreme-court-judgments/we-must-dare-to-think-of-alternatives-sc-urges-blockchain-technology-reform-in-land-registration-1538701>



Courts can order restitution, but they cannot, by themselves, rewrite the blockchain.⁵⁰

C. Policy tension: efficiency versus certainty

Blockchain promises speed, transparency and immutability. Property law prioritises certainty, public notice and state-guaranteed processes. India's current system is moving, in policy discourse, towards conclusive titling, where the state register is authoritative. The Supreme Court has urged blockchain-based, tamper-proof land records as part of this reform.⁵¹

Until legislation integrates blockchain records with the registration regime, courts will treat the registry and registered instruments as decisive for title questions. Efficiency gains from automation cannot override the statutory requirement of registration. Code may record a transaction. Title still flows from a registered deed.⁵²

VI. Mortgages, Charges, and Other Interests: Can Smart Contracts "Execute" Them?

A. Mortgages under TPA (section 58) and registration

Section 58 of the Transfer of Property Act, 1882 defines a mortgage as the transfer of an interest in specific immovable property for the purpose of securing the payment of money advanced or to be advanced by way of loan, an existing or future debt, or the performance of an engagement which may give rise to a pecuniary liability. The Act recognises

several forms, including simple mortgage, mortgage by conditional sale, usufructuary mortgage, English mortgage and mortgage by deposit of title deeds.⁵³

Where a mortgage creates, declares, assigns, limits or extinguishes an interest in immovable property of value of one hundred rupees and upwards, it falls within section 17 of the Registration Act, 1908 and must be registered.⁵⁴ A smart contract that "locks" collateral logic on-chain, or automatically triggers penalties on default, cannot, by itself, create a legally enforceable mortgage interest in land. Without a registered instrument, the security interest in immovable property does not operate in law, even if the code enforces payment flows.⁵⁵

B. Tokenised mortgage products: current workarounds

Current tokenisation models in India do not attempt to create on-chain mortgages directly. Instead, they use special purpose vehicles or trusts to hold the underlying property. The SPV or trust becomes the legal owner through conventional, registered conveyances. Tokens are then issued to investors, representing beneficial or economic rights in the asset or cash flows from it.⁵⁶

This structure sidesteps the direct on-chain creation of property interests. It keeps the underlying asset within the traditional conveyancing framework. Smart contracts can manage distributions, covenants and payment waterfalls. But the creation of any security interest in the land itself must comply with TPA and

⁵⁰ See IJLMH, Without Law: Smart Contracts, Statutory Incompatibility and the Case for Legislative Reform Under the Indian Contract Act, 1872 (June 6, 2026), <https://ijlmh.com/article/view/without-law-smart-contracts-statutory-incompatibility-and-the-case-for-legislative-reform-under-the-indian-contract-act-1872>

⁵¹ LiveLaw, *supra*; The Print, *supra*; LawBeat, *supra*

⁵² Transfer of Property Act, 1882, § 54; Registration Act, 1908, §§ 17, 49

⁵³ Transfer of Property Act, 1882, § 58, <https://igrrsup.gov.in/prernadoc/Adhinyam/pdf7/index.pdf>

⁵⁴ Registration Act, 1908, § 17

⁵⁵ Transfer of Property Act, 1882, § 58; Registration Act, 1908, § 17

⁵⁶ See Nishith Desai Associates, Real Estate Tokenisation (Mar. 18, 2025), https://www.nishithdesai.com/fileadmin/user_upload/pdfs/Research_Papers/Real-Estate-Tokenisation.pdf; Landbitt, Real Estate Tokenization in India: Benefits and Risks (July 5, 2026), <https://landbitt.com/real-estate-tokenization-in-india/>



Registration Act formalities.⁵⁷ The legal takeaway is clear. Code can administer the economics. It cannot, today, create the mortgage.

C. Enforcement and foreclosure

Enforcement of mortgages in India involves statutory procedures and, often, court or tribunal processes. The Transfer of Property Act provides for foreclosure or sale in certain types of mortgages, subject to conditions and notices. The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) provides an additional enforcement framework for secured creditors, with its own procedural safeguards.⁵⁸

Automated liquidation on-chain may conflict with these due process and priority rules. A smart contract that instantly sells a tokenised interest or redirects cash flows on default does not, by itself, satisfy statutory notice requirements or respect inter-creditor priorities. Courts may view such self-help enforcement as inconsistent with the statutory scheme.⁵⁹ Until the law is amended, smart contracts in mortgage contexts must be designed as performance and monitoring tools, not as substitutes for registered security instruments or statutory enforcement mechanisms.⁶⁰

VII. Error, Reversal, and Remedies: Who Undoes a Wrong On-Chain Transfer?

A. Irreversibility versus legal reversibility

Blockchains are designed to be immutable. Once a transaction is confirmed, it cannot be undone without consensus-level intervention. This technical feature is often celebrated as a guarantee of finality.⁶¹ Indian law, however, provides robust mechanisms for reversal where transactions are vitiated by fraud, mistake, misrepresentation or undue influence. Courts can order rescission of contracts, restitution of benefits, and injunctive relief to prevent further alienation.⁶²

The tension is acute in property contexts. A court can declare that an on-chain transfer was wrongful and order reversal or restitution. But the ledger may not natively comply. Reversal may require cooperation from key-holders, a multi-signature override, or, in extreme cases, a protocol-level fork.⁶³ Legal reversibility does not guarantee technical reversibility.

B. Doctrinal tools

Contract law provides the first line of remedies. Agreements induced by fraud, misrepresentation, coercion or undue influence are voidable at the option of the aggrieved party.⁶⁴ Contracts caused by mistake may be void or voidable, depending on the nature of the error.⁶⁵ Section 65 imposes an obligation to restore

⁵⁷ Transfer of Property Act, 1882, § 58; Registration Act, 1908, § 17

⁵⁸ Transfer of Property Act, 1882, §§ 67, 69; SARFAESI Act, 2002

⁵⁹ See generally, IJLMH, Without Law: Smart Contracts, Statutory Incompatibility and the Case for Legislative Reform Under the Indian Contract Act, 1872 (June 6, 2026), <https://ijlmh.com/article/view/without-law-smart-contracts-statutory-incompatibility-and-the-case-for-legislative-reform-under-the-indian-contract-act-1872>

⁶⁰ Transfer of Property Act, 1882, § 58; Registration Act, 1908, § 17

⁶¹ See Pranav Kumar Verma & Shreya Mishra, Are Smart Contracts Really Smart? Decrypting the

Issues of their Legality, Enforcement and Interpretation, 7 NUJS L. Rev. 1 (2020), <https://repository.nls.ac.in/cgi/viewcontent.cgi?article=1403&context=nlsblr>

⁶² Indian Contract Act, 1872, §§ 19, 19A, 65

⁶³ See IJLMH, Without Law: Smart Contracts, Statutory Incompatibility and the Case for Legislative Reform Under the Indian Contract Act, 1872 (June 6, 2026), <https://ijlmh.com/article/view/without-law-smart-contracts-statutory-incompatibility-and-the-case-for-legislative-reform-under-the-indian-contract-act-1872>

⁶⁴ Indian Contract Act, 1872, § 19

⁶⁵ Indian Contract Act, 1872, § 20



benefits received under a void or voidable contract, supporting restitutionary claims for unjust enrichment.⁶⁶

Property law adds further tools. A plaintiff may seek a declaration of title under the Specific Relief Act, 1963. Courts can grant injunctions to restrain further alienation of the property pending adjudication. Where a valid contract for sale exists but no registered deed has been executed, the buyer may seek specific performance to compel execution of a proper registered instrument.⁶⁷

Criminal law may also apply. Where off-chain documents are falsified to support an on-chain narrative, offences of cheating, forgery and fraud under the Indian Penal Code or its successor legislation may be attracted.⁶⁸

C. Practical architecture for reversibility

To mitigate the irreversibility problem, hybrid architectural safeguards are necessary. Multi-signature wallets can require approval from multiple parties, including a registrar or trusted node, before a property-related transfer is settled. Time-locked escrows can introduce a cooling-off period during which disputes can be raised. Oracle dispute windows can allow off-chain verification of data feeds before execution. “Legal override” gates can pause settlement pending court orders or arbitral awards.⁶⁹

These designs do not eliminate the legal-technical tension. They create space for judicial intervention to

align on-chain outcomes with off-chain rights. Until such safeguards are standard, parties must recognise that a wrongful on-chain transfer may be legally reversible but technically difficult to undo.⁷⁰

VIII. Death of the Wallet Holder: Digital Inheritance and Succession

A. Are tokens “property” for succession?

Indian succession law does not yet contain a dedicated regime for digital assets. However, emerging commentary and practice treat cryptocurrencies and virtual digital assets as property or assets that form part of a deceased’s estate. Succession is governed by personal laws such as the Hindu Succession Act, 1956 for Hindus, or the Indian Succession Act, 1925 for others, along with testamentary freedom where a will exists.⁷¹

The practical barrier is technical. Self-custody wallets depend on private keys or seed phrases. Without access to these, legal heirship may be practically useless. A succession certificate or probate establishes the right to inherit. It does not, by itself, unlock a wallet.⁷²

B. Process for heirs

For exchange-held assets, the process is relatively structured. Heirs must typically submit a death certificate, legal heir certificate or succession certificate or probate, as applicable, along with KYC documents and an indemnity bond. The exchange then

⁶⁶ Indian Contract Act, 1872, § 65

⁶⁷ Transfer of Property Act, 1882, § 54, <https://igrsup.gov.in/prernadoc/Adhiniyam/pdf7/index.pdf>; Specific Relief Act, 1963, §§ 5, 6, 10

⁶⁸ LiveLaw, ‘Property Purchase Traumatic’: Supreme Court Suggests Use Of Blockchain Technology To Make Land Registrations Easy, Reliable (Nov. 7, 2025), <https://www.livelaw.in/top-stories/property-purchase-traumatic-supreme-court-suggests-use-of-blockchain-technology-to-make-land-registrations-easy-reliable-309136>

⁶⁹ See generally, Verma & Mishra, *supra*; IJLMH, *supra*

⁷⁰ Indian Contract Act, 1872, §§ 19, 65; Transfer of Property Act, 1882, § 54

⁷¹ See Finnovate, Crypto and Digital Asset Inheritance in India: Law, Planning and Tax (Apr. 30, 2026), <https://www.finnovate.in/learn/blog/digital-assets-crypto-inheritance-india>; CryptoWire, Crypto Inheritance in India: What Happens After Death (July 21, 2026), <https://www.cryptowire.in/crypto/crypto-inheritance-india/>

⁷² *Id.*; see also eVaakil, Inheriting Crypto in India: Bank & Exchange Paperwork 2025 (July 15, 2025), <https://evaakil.com/inheriting-crypto-in-india/>



transfers the assets to the heir's verified account, subject to its internal compliance.⁷³

For self-custody wallets, the position is stark. Heirs need the seed phrase or private key. Without it, assets may be permanently inaccessible despite court orders. Some platforms and services now offer nominee features or legacy contacts, but these are not universal and do not replace proper estate planning.⁷⁴

C. Implications for property-tokens

The implications for property-tokens depend on their legal character. If the token is merely a contractual claim against an issuer or a beneficial interest in a trust that holds the underlying property, succession may be easier. The issuer or trustee can, upon proof of heirship, reissue the token or recognise the heir as the new beneficiary.⁷⁵

If the token were treated as the "title instrument" itself, which current Indian law does not accept, succession would still fail to produce registered title without a proper deed and registration. The heir would hold a token, but not a registered instrument under the Transfer of Property Act, 1882 or the Registration Act, 1908.⁷⁶

The planning angle is essential. Wills should include digital-executor clauses that expressly cover crypto wallets and property-tokens. Testators should consider secure key escrow arrangements, written instructions for heirs, and use of nominee mechanisms where available. Without such planning, digital assets risk becoming legally inheritable but practically irrecoverable.⁷⁷

IX. Pathways to Reform: From "Code ≠ Title" to "Code + Title"

A. Legislative alignment (as flagged by the Supreme Court)

The Supreme Court's 2025 judgment in *Samiullah v. State of Bihar* did more than strike down mutation-as-precondition rules. It opened a doctrinal door for legislative reform. The Court urged the Union and State Governments to adopt secure, tamper-proof technologies such as blockchain for digitising land records. It also asked the Law Commission of India to examine amendments to the Transfer of Property Act, 1882, the Registration Act, 1908, the Indian Stamp Act, 1899, the Indian Evidence Act, 1872, the Information Technology Act, 2000 and the Digital Personal Data Protection Act, 2023 to facilitate a transition towards conclusive titling.⁷⁸

⁷³ Finnovate, supra; eVaakil, supra; JuriGram, *Crypto Inheritance & Succession in India* (July 21, 2026), <https://jurigram.com/blog/finance-law/crypto-inheritance-and-succession-in-india>

⁷⁴ CryptoWire, supra; iWills, *How Cryptocurrency and NFTs Are Inherited in India* (Jan. 11, 2026), <https://www.iwills.in/blog/how-cryptocurrency-and-nfts-are-inherited-in-india-legal-framework-challenges-and-will-planning-essentials>

⁷⁵ See Nishith Desai Associates, *Real Estate Tokenisation* (Mar. 18, 2025), https://www.nishithdesai.com/fileadmin/user_upload/pdfs/Research_Papers/Real-Estate-Tokenisation.pdf

⁷⁶ Transfer of Property Act, 1882, § 54; Registration Act, 1908, § 17; Aurum PropTech, *What is the legal status of NFT property in India?* (Apr. 29, 2024), <https://www.aurumproptech.in/pulse/faqs/what-is-the-legal-status-of-nft-property-in-india>

⁷⁷ Finnovate, supra; iWills, supra

⁷⁸ LiveLaw, *'Property Purchase Traumatic': Supreme Court Suggests Use Of Blockchain Technology To Make Land Registrations Easy, Reliable* (Nov. 7, 2025), <https://www.livelaw.in/top-stories/property-purchase-traumatic-supreme-court-suggests-use-of-blockchain-technology-to-make-land-registrations-easy-reliable-309136>; The Print, *SC pushes for digital overhaul of India's 'traumatic' land registration system* (Nov. 7, 2025), <https://theprint.in/judiciary/sc-pushes-for-digital-overhaul-of-indias-traumatic-land-registration-system-from-paper-to-blockchain/2779457/>; LawBeat, *"We Must Dare to Think of Alternatives": SC Urges Blockchain Technology Reform in Land Registration* (Nov. 10, 2025), <https://lawbeat.in/supreme-court-judgments/we-must-dare-to-think-of-alternatives-sc-urges-blockchain-technology-reform-in-land-registration-1538701>



One plausible endpoint is a conclusive titling framework, akin to the Torrens system, where the state-guaranteed register is authoritative. In such a regime, blockchain can serve as the immutable backend that records transactions, timestamps entries and preserves audit trails, while the statutory register remains the source of title.⁷⁹

B. Design principles for a compliant system

Any compliant system must adopt a registration-first architecture. On-chain transfers should reflect title only after a registered instrument is recorded. The ledger must mirror the registry, not the other way around. This preserves the primacy of the Registration Act, 1908 while leveraging blockchain's integrity features.⁸⁰

Interoperability is equally critical. A unified, tamper-evident ledger should integrate cadastral maps, survey data, revenue records and encumbrance registers. This would reduce fragmentation between land records, registration records and revenue records, a gap the Supreme Court has repeatedly flagged.⁸¹

Safeguards must be built in from the outset. Identity verification through KYC, robust audit trails, dispute-resolution gates and statutory override mechanisms for court-ordered corrections are essential. Without these, the system risks encoding errors and fraud into an immutable structure.⁸²

C. Transitional models

In the near term, pilot jurisdictions can adopt hybrid workflows. E-stamping and e-registration can be combined with blockchain anchoring of document hashes. Smart contracts can be used for escrow and

milestone payments, not for title creation. This allows efficiency gains without violating the Registration Act.⁸³

Tokenisation via trusts or SPVs can serve as an interim vehicle for fractional economic rights. The underlying property remains within the traditional conveyancing framework. Tokens represent beneficial interests, not legal title. This keeps conveyancing within the Registration Act framework while allowing innovation in investment structures.⁸⁴

The path forward is not to replace registration with code. It is to align code with registration. Until then, "code is not title."⁸⁵

X. Conclusion

This paper has argued that, under India's current statutory framework, "code is not title." A smart contract may satisfy the essentials of a valid agreement under section 10 of the Indian Contract Act, 1872 and section 10A of the Information Technology Act, 2000. A token may represent economic rights or a beneficial interest in a trust or SPV. But neither can, by itself, transfer immovable property. The Transfer of Property Act, 1882 and the Registration Act, 1908 require a registered instrument to create, declare, assign, limit or extinguish rights in land of value of one hundred rupees and upwards.⁸⁶

The sub-questions posed at the outset admit clear answers. A token is best characterised as a representation of rights, not property itself in the conveyancing sense. Smart contracts can satisfy contractual requirements, but they cannot replace registration. Automated execution cannot override the

⁷⁹ LiveLaw, supra; LawBeat, supra

⁸⁰ LiveLaw, supra; The Print, supra

⁸¹ LiveLaw, supra; LawBeat, supra

⁸² LiveLaw, supra; The Print, supra

⁸³ LiveLaw, supra; The Print, supra

⁸⁴ Nishith Desai Associates, Real Estate Tokenisation (Mar. 18, 2025),

https://www.nishithdesai.com/fileadmin/user_upload/pdfs/Research_Papers/Real-Estate-Tokenisation.pdf;

Landbitt, Real Estate Tokenization in India: Benefits and Risks (July 5, 2026), <https://landbitt.com/real-estate-tokenization-in-india/>

⁸⁵ Transfer of Property Act, 1882, § 54; Registration Act, 1908, § 17

⁸⁶ Indian Contract Act, 1872, § 10; Information Technology Act, 2000, § 10A; Transfer of Property Act, 1882, § 54; Registration Act, 1908, § 17



statutory formalities that govern transfers, mortgages and leases of immovable property. When an on-chain transfer conflicts with the land registry, courts will treat the registered instrument and the public record as decisive for title questions. Mortgages and other security interests likewise require registered instruments. Smart contracts can manage cash flows and covenants, but they cannot create the security interest in land.⁸⁷

Error and reversal present a sharper tension. Indian law provides rescission, restitution and injunctive relief for fraud, mistake or misrepresentation. But blockchains are designed to be immutable. A court can order reversal. The ledger may not comply without key-holder cooperation or protocol-level intervention. Hybrid architectures with multi-signature controls, time-locked escrows and legal override gates can mitigate this risk, but they do not eliminate it.⁸⁸

On death, tokens that represent contractual claims against an issuer or trust may pass more easily to heirs than tokens that purport to be title instruments. Even then, succession would not produce registered title without a proper deed and registration. Wills with digital-executor clauses, key escrow and nominee mechanisms are essential to prevent digital assets from becoming legally inheritable but practically irrecoverable.⁸⁹

The Supreme Court's 2025 push for blockchain-based land-record reform and conclusive titling opens a path towards "code + title." But until Parliament and State Legislatures amend the TPA, the Registration Act, the Stamp Act, the Evidence Act and related laws to integrate blockchain records with the registration regime, the statutory barrier remains. Code may record a transaction. Title still flows from a registered deed.⁹⁰

⁸⁷ Transfer of Property Act, 1882, §§ 54, 58; Registration Act, 1908, §§ 17, 49

⁸⁸ Indian Contract Act, 1872, §§ 19, 65; Specific Relief Act, 1963, §§ 5, 6

⁸⁹ Hindu Succession Act, 1956; Indian Succession Act, 1925; Finnovate, Crypto and Digital Asset

Inheritance in India (Apr. 30, 2026), <https://www.finnovate.in/learn/blog/digital-assets-crypto-inheritance-india>

⁹⁰ Samiullah v. State of Bihar, (2025) LiveLaw SC 1071; Transfer of Property Act, 1882, § 54; Registration Act, 1908, § 17