

**IN THE HIGH COURT OF KARNATAKA AT BENGALURU**

**DATED THIS THE 5<sup>TH</sup> DAY OF JUNE, 2026**

**PRESENT**

**THE HON'BLE MRS. JUSTICE ANU SIVARAMAN**

**AND**

**THE HON'BLE MR. JUSTICE VIJAYKUMAR A. PATIL**

**WRIT APPEAL NO.1382 OF 2023 (LA-KIADB)**

**C/W.**

**CIVIL CONTEMPT PETITION NO.169 OF 2024**

**IN W.A.NO.1382/2023:**

**BETWEEN:**

- 1 . KARNATAKA INDUSTRIAL AREAS DEVELOPMENT BOARD  
III AND IV FLOORS  
KHANIJA BHAVAN  
RACE COURSE ROAD  
BENGALURU - 560 001  
REPRESENTED BY ITS  
CHIEF EXECUTIVE OFFICER AND  
EXECUTIVE MEMBER
- 2 . THE SPECIAL DEPUTY COMMISSIONER  
KIADB  
III AND IV FLOORS  
KHANIJA BHAVAN, RACE COURSE ROAD  
BENGALURU - 560 001
- 3 . THE SPECIAL LAND ACQUISITION OFFICER -II  
KIADB  
III AND IV FLOORS  
KHANIJA BHAVAN  
RACE COURSE ROAD  
BENGALURU - 560 001

...APPELLANTS

(BY SRI. K.SHASHI KIRAN SHETTY, SR. ADV. FOR  
SRI. P.V.CHANDRASHEKAR, ADV.)

**AND:**

- 1 . STATE OF KARNATAKA  
REPRESENTED BY ITS  
PRINCIPAL SECRETARY  
COMMERCE  
AND INDUSTRIES DEPARTMENT  
VIKASA SOUDHA  
BENGALURU - 560 001
  
- 2 . SRI M. V. GURUPRASAD  
S/O M. B. VITTAL RAO  
AGED ABOUT 68 YEARS  
R/AT NO.690/K  
14<sup>TH</sup> MAIN  
J.P. NAGAR, II PHASE  
BENGALURU - 560 078
  
- 3 . SMT. NANDINI M. GURUPRASAD  
@ NANDINI G. MANKALE  
AGED ABOUT 57 YEARS  
R/AT NO.690/K  
14<sup>TH</sup> MAIN  
J.P. NAGAR, II PHASE  
BENGALURU - 560 078

...RESPONDENTS

(BY SMT. SAVITHRAMMA, AGA FOR R1;  
SRI. ROHAN VEERANNA TIGADI, ADV. FOR R2 & R3)

THIS WRIT APPEAL IS FILED UNDER SECTION 4 OF THE  
KARNATAKA HIGH COURT ACT, 1961 PRAYING TO SET ASIDE  
THE ORDER DATED 10.02.2023 IN WPs No.61426-427/2016  
(LA-KIADB), PASSED BY THE LEARNED SINGLE JUDGE.

**IN CCC NO.169/2024:****BETWEEN:**

- 1 . SRI M. V. GURUPRASAD  
S/O M. B. VITTAL RAO  
AGED ABOUT 62 YEARS  
RESIDING AT 690/K, 14<sup>TH</sup> MAIN  
J.P.NAGAR 2<sup>ND</sup> PHASE  
BANGALORE-560 078
  
- 2 . SMT. NANDINI M. GURUPRASAD  
@ NANDINI G. MANKALE  
AGED ABOUT 57 YEARS  
RESIDING AT 690/K, 14<sup>TH</sup> MAIN  
J.P.NAGAR 2<sup>ND</sup> PHASE  
BANGALORE-560 078

...COMPLAINANTS

(BY SRI. ROHAN VEERANNA TIGADI, ADV.)

**AND:**

- 1 . DR. S. SELVAKUMAR  
PRINCIPAL SECRETARY  
COMMERCE AND INDUSTRIES DEPARTMENT  
VIKASA SOUDHA,  
BANGALORE-560 001
  
- 2 . DR. MAHESH M.  
CHIEF EXECUTIVE OFFICER AND EXECUTIVE MEMBER  
KARNATAKA INDUSTRIAL AREAS DEVELOPMENT BOARD  
III AND IV FLOORS  
KHANIJA BHAVAN  
RACE COURSE ROAD  
BANGALORE-560 001
  
- 3 . SRI DAYANAND BHANDARI  
SPECIAL DEPUTY COMMISSIONER  
KARNATAKA INDUSTRIAL AREAS DEVELOPMENT BOARD  
III AND IV FLOORS, KHANIJA BHAVAN  
RACE COURSE ROAD  
BENGALURU-560 001

4 . SRI TEJAS KUMAR  
SPECIAL LAND ACQUISITION OFFICER-II  
BANGALORE  
KARNATAKA INDUSTRIAL AREAS DEVELOPMENT BOARD  
III AND IV FLOORS  
KHANIJA BHAVAN  
RACE COURSE ROAD  
BANGALORE-560 001

...ACCUSED

(BY SMT. SAVITHRAMMA, AGA FOR A1;  
SRI. K.SHASHI KIRAN SHETTY, SR. ADV. FOR  
SRI. P.V.CHANDRASHEKAR, ADV. FOR ACCUSED 2 TO 4)

THIS CCC IS FILED UNDER ARTICLE 215 OF THE CONSTITUTION OF INDIA READ WITH SECTIONS 11 AND 12 OF THE CONTEMPT OF COURT ACT, 1971, PRAYING TO INITIATE CONTEMPT PROCEEDINGS AND PUNISH THE ACCUSED PERSONS FOR BLATANT AND WILFUL DISOBEDIENCE OF THE JUDGMENT AND ORDER DATE 10.02.2023 (ANNEXURE-A) PASSED BY THIS COURT IN W.P.NO.61426/2016.

THESE WRIT PETITION AND CCC HAVING BEEN HEARD AND RESERVED FOR JUDGMENT ON 01.04.2026 AND COMING ON FOR PRONOUNCEMENT OF JUDGMENT THIS DAY, **ANU SIVARAMAN J.**, PRONOUNCED THE FOLLOWING:

CORAM: HON'BLE MRS. JUSTICE ANU SIVARAMAN  
AND  
HON'BLE MR. JUSTICE VIJAYKUMAR A. PATIL

**CAV JUDGMENT****(PER: HON'BLE MRS. JUSTICE ANU SIVARAMAN)**

This Writ Appeal is filed challenging the Order dated 10.02.2023 passed by the learned Single Judge in Writ Petition No.61426/2016 (LA-KIADB). The Contempt of Court case is filed alleging willful disobedience of the same Order.

2. We have heard Shri. K. Shashi Kiran Shetty, learned senior counsel as instructed by Shri. P.V. Chandrashekar, learned advocate appearing for the appellants in the Writ Appeal and for accused No. 2 to 4 in the Contempt of Court case; Smt. Savithamma, learned Additional Government Advocate appearing for respondent No.1 in the Writ Appeal and for proforma respondent No.1 in the Contempt of Court case; Shri. Rohan Veeranna Tigadi, learned counsel appearing for respondents No.2 and 3 in the Writ Appeal and for the complainants in the Contempt of Court case.

3. The appellants submit that respondent No.2 purchased 5 acres 1 gunta of land in Sy.No.132 of Jonnahalli

Village, Devanahalli Taluk by three Sale Deeds dated 27.01.2007 and his name was entered in the revenue records vide MRs No.48, 49 & 50/2006-07 dated 22.03.2007. Respondent No.3 purchased 38 guntas in Sy.No.66/6 of the same village under two sale deeds both dated 23.12.2006, and her name was entered in the revenue records vide MR No.43/2006-07 dated 14.04.2007 and MR No.60/2006-07 dated 21.04.2007.

4. The said lands were notified for acquisition under a Preliminary Notification dated 09.01.2007 and a Final Notification dated 17.05.2007, and possession was taken on 09.07.2007. As on the date of the Preliminary Notification, no revenue records stood in the names of respondents No.2 and 3, and consequently their names were not reflected in either of the notifications. A corrigendum to the Preliminary Notification was issued on 05.06.2014 including their names and a corrigendum to the Final Notification was issued on 17.11.2022.

5. Respondents No.2 & 3 filed W.Ps.No.61426-427/2016 assailing the acquisition, and in the alternative

sought disbursement of compensation under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 ('2013 Act' for short), by reckoning the date of disposal of the writ petition as the date of Preliminary Notification under Section 28(1) of the Karnataka Industrial Areas Development Act, 1966 ('KIAD Act' for short).

6. By Order dated 10.02.2023, the learned Single Judge dismissed the challenge to the acquisition but directed the appellants to pay the compensation to respondents No.2 and 3 at the rate of 50% computed under Section 77 of the 2013 Act together with all statutory benefits, along with 12% interest per annum on the computed amount from the date of possession till the date of payment. It was further directed that in the event W.A.No.100393/2022 is dismissed, upholding the judgment of the learned Single Judge in ***W.P.No.108802/2016 and connected matters*** in the case of ***Sheenappa v. State of Karnataka***, disposed of on ***18.07.2022***, respondents No.2 and 3 shall be paid compensation determined under the 2013 Act minus what is

paid in terms of the above directions. Cost of Rs.25,000/- was imposed. Aggrieved by the said Order dated 10.02.2023, the appellants have preferred the present Writ Appeal.

7. The learned senior counsel appearing for the appellants contended that once the learned Single Judge has upheld the acquisition, the question of framing an award or granting compensation under the 2013 Act does not arise. The Apex Court in the case of ***Union of India v. Subhash Chandra Sehgal*** passed in ***Civil Appeal No.5439/2022*** by ***Order dated 22.08.2022*** held that if the acquisition proceedings have not lapsed under Section 24(2) of the 2013 Act, compensation is payable only under the Land Acquisition Act, 1894. It is further contended that the Writ Appeal in ***Sheenappa's*** case (supra), and connected cases were allowed uploading the Notification and holding that the timelines prescribed in the Land Acquisition Act, 1894 are not applicable to acquisitions under the KIAD Act and that the said finding apply in this case as well.

8. It is further contended that the direction of the learned Single Judge to pay 50% of the compensation amount determinable under the 2013 Act, together with interest at the rate of 12% per annum from the date of possession till the date of making of payment, is totally unsustainable since the acquisition being under the KIAD Act, the 2013 Act has no application whatsoever to the acquisition initiated in 2007.

9. The learned senior counsel appearing for the appellants has placed reliance on the following decisions:-

- ***V.M.Salgoacar & Brother Ltd. v. Union of India***, reported in **(1995) 2 SCC 302**;
- ***State of M.P. v. Shantabhai (SMT) & Others***, reported in **1995 Supp (2) SCC 28**;
- ***The Karnataka Industrial Areas Development Board & Another v. V. Srinivas & Others***, by order **dated 21.02.2025** passed in **W.A.No.1071/2022 and connected matters**;
- ***Union of India & Another. v. Subhash Chander Sehgal & Others***, by order **dated 22.08.2022** passed in **Civil Appeal No.5439/2022**; and

- ***Sri. V. Srinivas v. The Karnataka Industrial Areas Development Board (KIADB) & Others, reported in SLPs(C)No.7654-7656/2025.***

10. The learned counsel appearing for respondents No.2 and 3 contended that the prolonged inaction of the appellants in failing to finalize the acquisition proceedings for more than nine years after issuance of the Preliminary Notification, is arbitrary and violative of Article 14 of the Constitution of India. Such delay has effectively deprived respondents No.2 and 3 of the beneficial enjoyment of their property and infringed their right under Article 300-A of the Constitution of India. It is further contended that since the acquisition proceedings were not concluded before the enforcement of the 2013 Act, the proceedings ought to have been continued only in accordance with the provisions of the 2013 Act. The appellants ought to have issued the Final Declaration within one year from the date of Preliminary Notification and even if the Corrigendum dated 05.06.2014 is taken into account, the prescribed period had expired. Consequently, the authorities cannot now seek to acquire the lands by relying upon the Notification at Annexure 'B'.

11. It is further contended that a statutory authority vested with power is bound to exercise such power within a reasonable time, even in the absence of an express statutory limit. The appellants have no right, title or interest over the lands in question, or any authority to interfere with the possession of respondents No.2 and 3. The right to property is not only a constitutional right under Article 300-A of the Constitution of India but also a recognised human right. Further, the proposed acquisition is contrary to the declared policy of the State Government not to acquire lands situated within 100 square meters of the Gramathana and is therefore without jurisdiction.

12. It is also contended that the provisions of the 2013 Act insofar as public purposes is concerned, are inconsistent with those of the KIAD Act and being a later Parliamentary enactment, the 2013 Act would prevail, rendering the proceedings under the KIAD Act, void. The acquisition is also assailed as contrary to the land use classification under the Karnataka Town and Country

Planning Act, 1961, since the lands being green zone cannot be acquired for industrial purposes.

13. The learned counsel appearing for respondents No.2 and 3 has placed reliance on the following decisions:-

- ***Bernard Francis Joseph Vaz & Others v. Government of Karnataka & Others***, reported in ***(2025) 7 SCC 580***;
- ***Ram Chand & Others v. Union of India & Others*** reported in ***(1994) 1 SCC 44***;
- ***Competent Authority v. Barangore Jute Factory & Others***, reported in ***(2005) 13 SCC 477***;
- ***Vidya Devi v. State of Himachal Pradesh & Others*** reported in ***(2020) 2 SCC 569***;
- ***Ultra-Tech Cement Ltd. v. Mast Ram & Others*** reported in ***(2025) 1 SCC 798***, and
- ***The Karnataka Industrial Areas Development Board & Another v. V. Srinivas & Others***, by order ***dated 21.02.2025*** passed in ***W.A.No.1071/2022 and connected matters***.

14. We have considered the contentions advanced. We notice that there is no dispute that the acquisition was initiated under the provisions of the KIAD Act by Preliminary

Notification on 09.01.2007 and Final Notification was issued on 17.05.2007. The private respondents had purchased the property on 27.01.2007 and 23.12.2006, respectively. The Preliminary Notification having been issued on 09.01.2007, the purchase was made after or immediately before the Notification, the Khatha stood transferred in their names after the Preliminary Notification. Therefore, they would not be entitled to challenge the acquisition. However, their names were entered in the revenue records before the Final Notification was issued and they requested the KIADB to pass the award and pay compensation to them. No compensation was either paid or deposited by the KIADB. It is admitted that the Government had issued a Corrigendum Notification on 05.06.2014 to the Final Notification dated 17.05.2007, mentioning the names of the private respondents herein as the Khathedars in respect of their respective properties. Therefore, the names of the private respondents stand entered as khathedars in the final notification, albeit by a Corrigendum issued in the year 2014. Even thereafter, the compensation was not paid to the

land losers by the KIADB. The land losers, therefore, filed the Writ Petition on 28.11.2016, which was resisted by the KIADB, contending that the land had already been allotted to beneficiaries in the year 2019. It is in the above circumstances that the learned Single Judge found that there was absolutely no justification whatsoever for the action of the KIADB in not tendering the compensation or at least depositing the same before the Court.

15. The learned Single Judge found that there was enormous and unexplained delay in payment of compensation to the land losers. In the circumstances and in view of the fact that the direction for recomputation of compensation in terms of the 2013 Act being stayed by a Division Bench of this Court is W.A.No.100393/2022, the learned Single Judge directed payment of compensation at 50% of the entitlement under the 2013 Act. In case, W.A.No.100393/2022 is dismissed, the full compensation computed under the 2013 Act was ordered to be paid. Costs of Rs.25,000/- were also imposed.

16. It is not disputed that W.A.No.100393/2022 and connected cases came to be allowed vide common judgment dated 21.02.2025 and the writ petitions seeking compensation under the 2013 Act came to be dismissed on the ground that the said Act is not applicable to acquisitions under the KIAD Act. It was clearly held that the KIAD Act is a self-contained code and that the provisions of the Land Acquisition Act except those which were specifically incorporated by Section 30 (un-amended) of the KIAD Act would have no application to an acquisition under the said Act. It was further held, relying on earlier judgments of this Court as affirmed by the Apex Court, that the provisions of the 2013 Act are not applicable to an acquisition under the KIAD Act until they are made applicable by the amendment of 2022. The Special Leave Petitions No.7654-7656/2025 filed against the said judgments were also dismissed on 21.03.2025.

17. In the said circumstances, we are of the opinion that the order of the learned Single Judge requires interference inasmuch as the direction for computation of

the compensation under the 2013 Act is concerned. Since the writ petitioners are purchasers of the properties after the date of the Preliminary Notification, we are of the opinion that the finding of the learned Single Judge that the writ petitioners cannot succeed in getting the acquisition set aside is to be upheld. The further finding of the learned Single Judge that the writ petitioners are the owners of the land and are entitled to compensation also does not require any interference. In view of the long and unexplained delay and the failure of the KIADB to make the deposit of the compensation, the costs imposed are upheld.

18. However, in the light of the judgment of this Court in **V. Srinivas'** case (supra), we are of the opinion that the finding that the land losers would be entitled to compensation under the 2013 Act cannot be sustained.

19. The appeal therefore succeeds in part.

20. It is clarified that the delay in passing the award and payment of the compensation will not entitle the land losers to recomputation of compensation under the 2013 Act. However, the KIADB has to re-determine the

compensation and pass fresh awards in respect of the properties of the petitioners are concerned considering the date of taking possession of the land or date of Preliminary Notification, whichever is earlier, to determine the market value of the land in question. The KIADB shall determine the market value by passing an award in accordance with law within a period of three months from the date of a receipt of the judgment. All questions on the quantum and adequacy of compensation are left open to be decided in the appropriate proceedings.

21. In the result:-

- (i) Writ Appeal No.1382/2023 is ***allowed in part.***
- (ii) The acquisition initiated by Preliminary Notification dated 09.01.2007, is upheld.
- (iii) The finding that the private respondents herein, are owners of the property and are entitled to compensation is upheld.
- (iv) Costs of Rs.25,000/- imposed on the appellants is upheld.
- (v) The further directions issued by the learned Single Judge, that the writ petitioner would be entitled to 50% of the compensation under the 2013 Act, are set aside.

- (vi) The appellants shall proceed to compute the compensation in accordance with law and shall pass a fresh award within three months from the date of receipt of a copy of the Judgment. All other issues pertaining to sufficiency of compensation are left open to be decided in the appropriate proceedings.
- (vii) C.C.C.No.169/2024 is **closed** with liberty to the complainants to file a fresh petition, in case, the directions issued herein are not complied with.

In the facts and circumstances of the case, there will be no order as to costs.

Pending interlocutory applications in both the matters shall stand *disposed of*.

**Sd/-  
(ANU SIVARAMAN)  
JUDGE**

**Sd/-  
(VIJAYKUMAR A. PATIL)  
JUDGE**

cp\*