

**Orders on explanation submitted by the then LAO to the show cause notice issued by the Court vide order dated 03.07.2025.**

This is a case referred to the Court by the LAO under Sections 30 and 31(2) of Land Acquisition Act for apportionment of compensation.

The LAO while making a reference to the Court submitted a Treasury cheque bearing No.570884 drawn on State Bank of Mysore, Shivaji Nagara Branch for a sum of Rs.7,93,92,824/-. However the said cheque was not encashed for want of proper validation. Accordingly this Court vide letter No.824 / 2017 / 22.07.2017 sent a letter to the Special Land Acquisition Officer, Podium Block, Bengaluru by returning the said cheque requesting for revalidation of cheque. However, the LAO has not submitted re-validated cheque to the Court. Hence, the said amount have not been deposited to the Court. Subsequently the Court has issued

reminder to the LAO for submitting the re-validated cheque. Thereafter, on 21.03.2022 the claimant No.2(a) to (d) submitted that they have approached the Hon'ble High Court of Karnataka in W.P. No.57944-948/2016 and W.P.No.62316-317/2016 wherein the Hon'ble High Court of Karnataka allowed the said writ petitions with a direction to the SLAO to disburse the amount according to their entitlement. Thereafter, the Court issued several reminders to the LAO to submit re-validated cheque.

In view of the repeated reminders issued by the Court on 08.09.2023 Smt. Saritha FDA from LAO office appeared before the Court and filed a requisition for time to deposit the amount of Rs.7,93,92,824/- to the office. Even thereafter the LAO has not submitted the re-validated cheque and hence this Court repeatedly issued a direction to the LAO to issue re-validated cheque. As the LAO not furnished the re-validated cheque to the Court and also failed to comply with the repeated

reminders, the Court vide order dated 03.06.2025 issued a show cause notice to the LAO and concerned staff to appear before the Court personally and give explanation for not complying with the orders. Thereafter on 03.07.2025 the LAO by name Smt. Sowmya Gowda appeared before the Court and submitted that her predecessor in the office namely Sri. Bhima Naik paid the amount to the land owners and prayed two months time to recover the amount from the owners of the property and deposit the same to the Court and also submitted that the above said Bhima Naik the then LAO of respondent is now working as Administrator, State Warehouse, Prime-rose Road, Bengaluru. Hence, this Court issued a show cause notice to the said Bhima Naik to appear before the Court personally and give explanation for disbursing the amount without the Court order when the reference is made to the Court under Sections 30 and 31 of Land Acquisition Act. The Court also directed the office to forward the copy of the show cause

notice to the Chief Secretary, State Government, Vidhana Soudha, Bengaluru for information and to take necessary action against the aforesaid LAO.

In view of the aforesaid show cause notice, the then LAO filed the present explanation that has been seriously objected by other claimants in the case.

On that basis the point for consideration is as under:

“Whether the explanation given by the then LAO is proper and acceptable or action of the then LAO is justified under law?”

Heard the arguments, perused the materials on record, on that basis, my finding on the above point is in the affirmative, for the following:

### **REASONS**

Point: As discussed above, the present reference is made to the Court under Sections 30 and 31 of Land Acquisition Act for apportionment of compensation as well as to decide the title of the rival claimants.

The said reference is made to the Court by the LAO vide letter dated 05.03.2017 and the LAO along with the reference also submitted a cheque bearing No.570884 drawn on State Bank of Mysore, Shivaji Nagara Branch, Bengaluru for a sum of Rs.7,93,92,824/-. The said cheque was not encashed for proper validation. Accordingly the office returned the said cheque to the LAO for revalidation of the cheque in the year 2017 itself but the LAO not properly responded to the Court. In view of the said fact the Court issued repeated reminders and show cause notice. Subsequently the Court issued a show cause notice to the then LAO to appear before the Court personally and to submit his explanation. In view of the said explanation, the present LAO namely Smt. Sowmya Reddy appeared before the Court and submitted that her predecessor in office namely Bhima Naik has disbursed the amount. Hence, she prayed time to recover the said amount and to deposit the same to the Court. In view of the said fact,

the Court issued a show cause notice to the then LAO Bhima Naik to give explanation for disbursing the amount without the order of the Court and copy of the said show cause notice also forwarded to the Chief Secretary, State Government with a direction to take necessary action against the then LAO.

In response to the aforesaid show cause notice, the then LAO submitted the explanation to the Court as on 04.09.2025.

The said explanation in nutshell is that he has paid the compensation amount of Rs. 7,93,92,824/- to the petitioners in W.P.No.577944-948/2016 and 62316-317/2016 and specifically claimed that Rs.2,00,00,000/- & Rs.1,71,04,468/- paid to K.V.Ramachandra vide voucher No.122/23-24 & 116/23-24; Rs.1,00,00,000/-, Rs.58,48,206 and Rs.20,00,000/- to N.Chandrashekar vide voucher No.113/23-24, 117/23-24 & 123/23-24; Rs.72,20,075/- vide voucher No.114/23-24 to Anand M.; Rs.72,20,075/- vide voucher No.115/23-24 to Chikkasampakamma;

Rs.1,00,00,000/- vide voucher No.112/23-24 to B.K.Shivananda. Accordingly claimed that the then LAO has not committed any irregularity or illegality in paying the amount. The then LAO also produced certified copy of the said judgment. The said judgment is passed on 18.08.2017. The paragraph No. 27 of the said judgment reads as "W.P. No.57944-948/2016 and 62316-317/2016 are allowed with a direction to the SLAO to disburse the amount in deposit according to the entitlement of the petitioners therein by considering their claims". Accordingly the LAO claims that on the basis of the said order, he has released the amount. It is true that as per the aforesaid order, the Hon'ble High Court of Karnataka directed the LAO to release the amount on the basis of the entitlement of the petitioners considering their claims but the LAO has not produced any documents to show that he has passed any order regarding entitlement of respective claims of the parties or how he has determined the claim of persons

to whom he has released the amount. Of course, the LAO also produced certified copy of the compromise petition filed in O.S. No.8243/1980. But it is relevant to note that the rival claimants are not the parties to the said suit. At this juncture, It is relevant to note that the LAO made this reference to the Court under Sections 30 and 31 of Land Acquisition Act as there was a serious dispute between parties regarding title over the acquired property. The said reference is made to the Court as on 06.03.2017 and the Court issued a notice to the parties to appear before the Court on 23.08.2017 but none of the parties appeared before the Court as on that date. It is relevant to note that the Hon'ble High Court of Karnataka passed the judgment in the aforesaid writ petitions as on 18.08.2017. The entire judgment nowhere discloses that the reference made by the LAO to the Court and pendency of this case in LAC 3/2017 was brought to the notice of the Hon'ble High Court of Karnataka.

The LAO made the reference in view of the rival claims of the parties over the acquired property. The materials placed before the Court sufficiently shows that B.N. Krishnaiah and brothers as well as B.R. Jakir Ahammed and brothers are claiming right over the acquired properties. The documents found in the file discloses that B.N. Krishnaiah and brothers through their GPA holder namely Gulzar Khan executed two registered sale deeds as on 20.09.2006 in favour of B.R. Zakir Ahmed Khan, B.R. Sabir Ahmed Khan, B.R. Shakir Ahmed Khan and B.R. Yasir Ahmed Khan in respect of the property measuring 26000 Square feet and 19500 Square feet wherein the property number is 66/7 and 66/8 of Annipura village, Kasaba Hobli. Which is subsequent to the compromise decree that has been relied by the persons who have received money from the then LAO.

The claimants B.R. Zakir Ahmed Khan and others have produced copy of two registered sale deeds before the

LAO and claimed right title and interest over the acquired properties on the basis of said two registered sale deeds. In view of the rival claims, the LAO made this reference to the court for the apportionment of compensation and the LAO ought to have informed the Hon'ble High Court of Karnataka about the reference made to the court.

The aforesaid said sale deeds relied by Zakir Ahmed Khan and others have been executed as on 20.09.2006. As stated above, the Hon'ble High Court of Karnataka passed the order in the aforesaid writ petitions as on 13.08.2017. In fact, there is no material on record to show that the said two registered sale deeds relied by B.R. Zakir Ahmed Khan and others have been challenged or set aside or modified. Undisputedly these claimants are not parties to the compromise entered between parties in O.S. No. 8243/1980 and the said compromise is in the year 1986 and subsequent to the said compromise, the sale deeds have been executed.

It is relevant to note that

subsequent to the said compromise in O.S. No.8243/1980 sale deeds have been executed in favour of B.R. Zakir Ahmed Khan and others in the year 2006. Therefore, there is a dispute between parties regarding title. Under such circumstances, the parties before receiving the compensation amount or apportionment of compensation amount, the parties claiming right, title and interest over the properties have to prove their right, title and interest over the properties. In this case, the the aforesaid persons who have received the amount but also disputing the payment of some amount to other claimants and prayed to direct such persons to return the said amount to the Court. In view of these facts and in order to meet the ends of justice, it is just and necessary to direct the parties to adjudicate their right, title and interest over the acquired property and thereafter to receive the amount of compensation. Undisputedly the aforesaid claimants/persons who were received the amount from the LAO by executing the indemnity bonds

indemnifying themselves to repay/redeposit the said amount to the Government, in case there is any dispute. Therefore, considering the aforesaid fact, the Court cannot find any fault with the order of the then LAO releasing the amount in favour of claimants though he has not passed any detailed order regarding release of the amount as ordered in the writ petition. However considering the materials on record as well as documents placed before the Court, it is just and necessary to direct the LAO to recover the amount that has been released in favour of respective claimants and deposit the same to the Court as the dispute regarding the title over the property is still not reached finality. Further no prejudice will be caused to any parties if the amount is ordered to be re-deposited to the court as the rightful owner can receive the amount by proving the title over the property. Apart from that if the amount is not ordered to repay/redeposit the amount that may prejudice the right of other claimants in the event they

succeeded in proving their title over the acquired property. Accordingly this Court is of the humble opinion that the then LAO made sufficient grounds to accept his explanation. Accordingly, the above point is answered in the affirmative. In the result, I proceed to pass the following:

#### ORDER

Explanation filed by the then LAO namely Bhima Naik to the show cause notice dated 23.07.2025 is hereby accepted with a direction to the LAO to recover the amount of Rs.2,00,00,000/- & Rs.1,71,04,468/- paid to K.V.Ramachandra vide voucher No.122/23-24 & 116/23-24; Rs.1,00,00,000/-, Rs.58,48,206 and Rs.20,00,000/- to N.Chandrashekar vide voucher No.113/23-24, 117/23-24 & 123/23-24; Rs.72,20,075/- vide voucher No.114/23-24 to Anand M.; Rs.72,20,075/- vide voucher No.115/23-24 to Chikkasampakamma; Rs.1,00,00,000/- vide voucher No.112/23-24 to B.K.Shivananda that have been released in favour of respective claimants / persons and

deposit the same to the Court in this proceedings and parties are at liberty to receive the compensation after complete adjudication of this case.

For depositing of amount and hearing of IAs by 29.06.2026

(PADMA PRASAD)  
II Addl. City Civil and Sessions  
Judge, & Spl. Judge, Bengaluru.

