



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 23RD DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

WRIT PETITION NO. 1939 OF 2026 (LA-KIADB)

BETWEEN:

SRI. JEROME ALBUQUURQUE
S/O. LATE SANTANA ALBUQUURQUE,
AGED ABOUT 75 YEARS,
R/AT KALAWARU VILLAGE,
MANGALURU THALUK D.K.
PRESENTLY RESIDING AT
"EDEN, ERAME PADAU HOUSE,
MUD PERAR POST,
MANGALORE - 574 166.

...PETITIONER

(BY SRI. CLIFTON D. ROZARIO, ADVOCATE)

AND:

1. STATE OF KARNATAKA
MINISTRY OF INDUSTRY AND COMMERCE
THROUGH SECRETARY,
DR. AMBEDKAR VEEDHI,
VIKASA SOUDHA,
BENGALURU - 560 001.
2. KARNATAKA INDUSTRIAL AREA
DEVELOPMENT BOARD,
4/3, 2ND FLOOR,
R.P BUILDINGS,





NRUPATUNGA ROAD,
BENGALURU - 560 001 BY SLO

3. THE SPECIAL LAND ACQUISITION OFFICER,
KARNATAKA INDUSTRIAL
AREA DEVELOPMENT BOARD, KIADB,
BYKAMPADY, MANGALURU - 575 011.

...RESPONDENTS

(BY SRI. KIRAN KUMAR, HCGP FOR R1;
SRI. P.V. CHANDRASHEKAR, ADVOCATE FOR R2 & R3)

THIS WP IS FILED UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA PRAYING TO DIRECT THE RESPONDENTS TO PAY THE COMPENSATION DETERMINED BY THE 3RD RESPONDENT ALONG WITH ACCRUED INTEREST UNDER SECTION 34 OF THE LAND ACQUISITION ACT, 25.01.1894 FROM 2007, THE DATE OF THE ISSUANCE OF THE NOTICE UNDER SECTION 28(6) TO THE DATE OF PAYMENT OF COMPENSATION, IN ACCORDANCE WITH THE COMPROMISE PETITION DATED 24.02.2023 FILED BEFORE THE HON'BLE HIGH COURT IN R.S.A.NO.863/2018 CLUBBED WITH R.S.A.NO.1114/2018 AND THE ORDER OF THE HON'BLE COURT DATED 24.02.2023 (PLACED AS ANNEXURE-D AND ANNEXURE-E).

THIS PETITION, COMING ON FOR PRELIMINARY HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE S SUNIL DUTT YADAV



ORAL ORDER

The present petition has been filed by the petitioner seeking a direction to the respondents to pay the compensation along with accrued interest in terms of the stipulation under Section 34 of the Land Acquisition Act, 1894 ("LA Act" for short) and an alternative prayer is also sought to issue an appropriate direction to set aside the award and direct the respondents to pass a fresh award in respect of the lands of the petitioner in accordance with the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

2. At the outset, it is to be noted that the learned counsel Sri. Clifton D. Rozario for the petitioner submits that the relief sought for in the present writ petition is to be limited to a direction to the respondents to pay interest, as the petitioner is entitled to, in terms of Section 34 of the Land Acquisition Act, 1894 and other prayers may be left open and not adjudicated in the present proceedings. It is submitted that the limited grievance of



the petitioner in the writ petition being restricted to payment of interest, other contentions including the market value as fixed in the award etc., are to be kept open. It is also to be noticed that the petitioner has given up the alternative prayer, wherein, the petitioner had sought for passing of a fresh award in terms of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

3. The petitioner submits that the land had been acquired by the KIADB and there was interse dispute amongst the petitioners culminating in compromise petition filed before this Court in RSA.No.1114/2018 clubbed with RSA.No.863/2018. It was submitted that the compromise was recorded and the appeals were disposed of on 24.02.2023. Thereafter, it is submitted that an application was made to the Special Land Acquisition Officer, KIADB with relevant documents seeking disbursal of the compensation amount as agreed in the compromise.



4. It is to be noticed that admittedly, the award has been passed, a copy of which is produced at Annexure - T. In terms of the general award passed in column No.7, it becomes clear that possession has been taken on 21.04.2007, such assertion is not controverted by the other side. It is further submitted that many of the other landowners have consented for an award from the KIADB, but the petitioner has not consented for an award under Section 29(2) of the Karnataka Industrial Areas Development Act, 1966. It is to be noticed that in the award, the calculation of interest is found to be at 9% per annum from 13.12.2024, which is stated to be the order passed by the High Court.

5. It is to be noticed that W.P.No.29863/2024 came to be disposed of on 13.12.2024, whereby direction was issued to respondent No.3 - the Special Land Acquisition Officer to consider the representations and to pass orders relating to non-payment of compensation. It



appears that the calculation of interest is from the date of such order of this Court.

6. As rightly pointed out by the learned counsel for the petitioner, the obligation to pay interest is in terms of Sections 31 and 34 of the Land Acquisition Act, 1894 which read as follows:

"31. Payment of compensation or deposit of same in Court.-(1) On making and award under section 11, the Collector shall tender payment of the compensation awarded by him to the persons interested entitled thereto according to the award, and shall pay it to them unless prevented by some one or more of the contingencies mentioned in the next sub-section.

(2) If they shall not consent to receive it, or if there be no person competent to alienate the land, or if there be any dispute as to the title to receive the compensation or as to the apportionment of it, the Collector shall deposit the amount of the compensation in the Court to which a reference under section 18 would be submitted:



Provided that any person admitted to be interested may receive such payment under protest as to the sufficiency of the amount:

Provided also that no person who has received the amount otherwise than under protest shall be entitled to make any application under section 18:

Provided also that nothing herein contained shall affect the liability of any person, who may receive the whole or any part of any compensation awarded under this Act, to pay the same to the person lawfully entitled thereto.

(3) Notwithstanding anything in this section, the Collector may, with the sanction of [appropriate Government] instead of awarding a money compensation in respect of any land, make any arrangement with a person having a limited interest in such land, either by the grant of other lands in exchange, the remission of land revenue on other lands held under the same title or in such other way as may be equitable having regard to the interests of the parties concerned.

(4) Nothing in the last foregoing sub-section shall be construed to interfere with or limit the



power of the Collector to enter into any arrangement with any person interested in the land and competent to contract in respect thereof.

34. Payment of interest.-*When the amount of such compensation is not paid or deposited on or before taking possession of the land, the Collector shall pay the amount awarded with interest thereon at the rate of [nine per centum] per annum from the time of so taking possession until it shall have been so paid or deposited:*

[Provided that if such compensation or any part thereof is not paid or deposited within a period of one year from the date on which possession is taken, interest at the rate of fifteen per centum per annum shall be payable from the date of expiry of the said period of one year on the amount of compensation or part thereof which has not been paid or deposited before the date of such expiry.]"

7. It must be noticed that the obligations regarding payment of interest in terms of Section 34 of LA Act would be that the compensation is required to be paid



with interest at the rate of 9% per annum for the first year and subsequently, in the event of any delay, interest is required to be paid at the rate of 15% per annum till the date of payment. Insofar as the non-payment of interest at the rate of 15% after the lapse of one year, is not controverted. However, the calculation of interest in the award to such extent is contrary to the statutory provisions as extracted above.

8. Though there is an alternative remedy for the petitioner, however, the petitioner is seeking to enforce a statutory right regarding which there is no dispute, the Court is entertaining the present petition.

9. In the case of ***Godrej Sara Lee Ltd., vs. The Excise and Taxation Officer-cum-Assessing Authority and Others*** reported in ***(2023) SCC online SC 95***, the Hon'ble Apex Court has held that where matters involve a pure question of law, the Court could overlook the existence of statutory alternative remedy.



10. In the light of the contents of the award, clearly, there is a violation of Section 34 of the Land Acquisition Act. Learned counsel for the respondent - KIADB is unable to controvert the legal assertion of the petitioner regarding entitlement of interest at the rate of 15% after the lapse of one year till the date of payment.

11. In the light of the same, the award insofar as the interest component only would stand modified and the respondent-authorities are required to redo the award insofar as the interest component in terms of Section 34 of the Land Acquisition Act, 1894. The award requires to be corrected with respect to the entitlement of interest by indicating that the petitioner would be entitled for 9% interest per annum from 21.04.2007 for one year and thereafter, 15% per annum till the date of payment.

12. As noticed above, the other contentions of the petitioner, including seeking reference as regards market value are kept open.



13. Liberty is reserved to the petitioner to vent his grievances by seeking reference in an appropriate manner. The time spent before this Court may be taken note of.

Accordingly, the petition is ***disposed of.***

SD/-
(S SUNIL DUTT YADAV)
JUDGE

CR
List No.: 1 SI No.: 16