HC-KAR

NC: 2026:KHC-D:12303-DB
MFA No. 100926 of 2024

CNR: KAHC020029272024

IN THE HIGH COURT OF KARNATAKA AT DHARWAD

DATED THIS THE 11TH DAY OF AUGUST, 2026

PRESENT

THE HON'BLE MR. JUSTICE S.SUNIL DUTT YADAV

AND

THE HON'BLE MRS JUSTICE HEMA KULKARNI

MISCELLANEOUS FIRST APPEAL NO. 100926 OF 2024 (LAC)

BETWEEN:

1. THE SPECIAL LAND ACQUISITION OFFICER,
   UPPER KRISHNA PROJECT, NAVANAGAR,
   BAGALKOT-587103.

2. THE STATE O KARNATAKA.
   REPRESENTED BY DEPUTY COMMISSIONER,
   BAGALKOT-587101.

...PETITIONER

(BY SRI. GOVERNMENT ADVOCATE.,ADVOCATE)

AND:

VITTAL KALINGAPPA METI
AGE. MAJOR, OCC. AGRICULTURE,
R/O. KHAJJIDONI, TQ. AND DIST. BAGALKOT-587204.

...RESPONDENT

(BY SRI. LINGARAJ MARADI, ADVOCATE)

VINAYAKA B V
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Location: High Court of Karnataka, Dharwad Bench
Date: 2026.08.20 11:54:10 +0530

THIS MFA IS FILED U/SEC.74 (1) OF RIGHT TO FAIR COMPENSATION AND TRANSPARENCY IN LAND ACQUISITION, REHABILITATION AND RESETTLEMENT ACT, 2013 PRAYING TO, CALL FOR RECORDS AND SET ASIDE THE JUDGMENT AND AWARD PASSED BY THE FILE OF THE II ADDITIONAL DIST JUDGE ADDITIONAL LAND ACQUISITION REHABILITATION AND RESETTLEMENT AUTHORITY BAGALKOT IN LAC NO.2249/2021 DATED 09/11/2023 BY ALLOWING THIS APPEAL IN THE INTEREST OF JUSTICE.

THIS APPEAL, COMING ON FOR ORDERS, THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

HC-KAR
NC: 2026:KHC-D:12303-DB
MFA No. 100926 of 2024
CNR: KAHC020029272024

CORAM: HON'BLE MR. JUSTICE S.SUNIL DUTT YADAV
AND
HON'BLE MRS JUSTICE HEMA KULKARNI

ORAL JUDGMENT

(PER: HON'BLE MR. JUSTICE S.SUNIL DUTT YADAV)

This appeal is filed by the Special Land Acquisition Officer, UKP seeking for setting aside the impugned judgment and award passed by the learned II Addl. District Judge and Addl. Land Acquisition, Rehabilitation and Resettlement Authority, Bagalkote[1].

2. It is noticed that before the reference Court, the beneficiary was not made a party. In identical circumstances, it is stated that in MFA No.101252 of 2023 and connected matters, the order of the reference Court was set-aside and matter is remitted for fresh consideration after arraying the beneficiary as a party. In the present case as well, it is not in dispute that beneficiary is not made a party.

3. In the case of ***Neyvely Lignite Corporation Limited Vs. Special Tahsildar (Land Acquisition) Neyvely***

[1] For short, 'reference Court'

and Others*[2]*, the Apex Court has clarified that the order of the Reference Court without arraying the beneficiary as a party would stand vitiated. If that were to be so, the matter requires to be remitted back for fresh consideration by setting aside the impugned judgment and award.

4. Insofar as evidence that is already recorded, it is open for the reference Court to deal with such evidence in an appropriate manner as is permissible in law.

5. In light of the above, without entering into the merits of the contentions raised, it would be appropriate taking note of the settled position of law that the order of the reference Court be set aside on the sole ground of beneficiary not having been made a party.

6. Accordingly, the appeal is ***allowed*** and the impugned judgment and award of the reference Court is set-aside. The matter is remitted for fresh consideration before the reference Court. All contentions on merits of both sides, however, are kept open.

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[2] (1995) 1 SCC 221

7. Wherever the State has deposited amounts before the reference Court or in the appeal, the claimants are entitled to withdraw 10% of the award amount. Needless to say, the direction regarding disbursal would be applicable only in the event, amount has been deposited either before the reference Court or in the appeal before this Court. The direction regarding permitting withdrawal is passed taking note of the order of the Apex Court in Special Leave to Appeal Nos.30011-30014 of 2024, disposed of on 12.01.2026, wherein the stand of the State that amount of 10% as awarded by the reference Court would be disbursed. It is clarified that the disbursal would be limited to 10% as referred to above irrespective of the amount deposited.

8. It is further clarified that the payment of 10% of the amount as awarded by the reference Court, which now stands set- aside would be subject to the final outcome of the case.

9. It is further appropriate to consider the plight of the land losers as well. It is stated that the deposit is made in some of the cases and in other cases deposit is not made. It is

further noticed that many of the reference petitions have been filed in 2021. Therefore, wherever possession is taken under Section 38 of the 2013 Act, it would be appropriate to direct a deposit of 10% of the amount awarded by the reference Court, which now stands set aside by virtue of the present order.

10. The Court is conscious of the setting aside of the order of the reference Court but still directing the State to make a deposit. Such order is passed in the peculiar facts of the case taking note that some of the landowners have had the benefit of withdrawal of 10% of the amount awarded while the others even where possession is taken, may not have such benefit where deposit is not yet made. In order to prevent any kind of undue discrimination, a direction is passed where possession is taken under Section 38 of 2013 Act, though amount till date may not have been deposited either before the reference Court or before the appellate Court. In such of the cases, State to make deposit of 10% of the award amount. Upon such deposit, the land losers who are the claimants are entitled to withdraw the same upon furnishing indemnity.

11. The direction passed regarding disbursal of the compensation amount ought to be taken note of by the reference Court and consequential orders passed without fresh adjudication on such aspects in light of the stand of the State as recorded above.

12. Both the parties to appear without fresh notice before the reference Court on **15.09.2026**. Needless to say, both sides are not to seek for unnecessary adjournments and cooperate with the expeditious disposal of the reference. The reference Court shall endeavor for expeditious closure of the conclusion of the proceedings taking note that the order of the reference Court was itself passed in the year 2024. If the reference Court is not able to dispose of the proceedings within one year, the parties are at liberty to approach this Court for further direction.

13. TCR, if any, be transmitted to the reference Court at the earliest.

Pending applications, if any, are also disposed of as not calling for adjudication, in light of disposal of the main appeal.

In terms of the above, appeal stands disposed off.

Sd/-
(S.SUNIL DUTT YADAV)
JUDGE

Sd/-
(HEMA KULKARNI)
JUDGE

JTR
CT-CMU
LIST NO.: 2 SL NO.: 115