

IN THE HIGH COURT OF KARNATAKA DHARWAD BENCH

DATED THIS THE 25TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE M. NAGAPRASANNA

WRIT PETITION No.104133 OF 2025 (LA-RES)

C/W

WRIT PETITION No.104127 OF 2025 (LA-RES)

IN WRIT PETITION No.104133 OF 2025

BETWEEN:

- 1 . DUNDAPPA S/O VEERAPPA MALLADAD
AGED ABOUT 55 YEARS
OCC: BUSINESS
- 2 . VISHWANATH S/O VEERAPPA MALLADAD
AGED ABOUT 50 YEARS
OCC: BUSINESS

ALL ARE R/O S.B.MALLADAD BUILDING
NEAR VENKATESH TALKIES
EXTENSION AREA, GADAG.

... PETITIONERS

(BY SMT. ARCHANA A.MAGADUM, ADVOCATE)

AND:

- 1 . SPECIAL LAND ACQUISITION OFFICER

KARNATAKA STATE HIGHWAY AUTHORITY
PROJECT, PWD ANNEXE BUILDING
PROJECT IMPLEMENTATION UNIT
1ST FLOOR, K.R.CIRCLE, BENGALURU – 560 001.

- 2 . ASSISTANT COMMISSIONER AND
LAND ACQUISITION OFFICER
KARNATAKA STATE HIGHWAY
DEVELOPMENT PROJECT
UPPER DIVISION-2
LAXMI COMPLEX SADASHIV NAGAR
BELAGAVI – 590 019.

... RESPONDENTS

(BY SMT. GIRIJA S.HIREMATH, HCGP)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE WRIT OF CERTIORARI QUASHING IMPUGNED ENDORSEMENT VIDE ANNEXURE - E BEARING NO. Kra.SaAa (BhuSwa)KSHIP/02/GadagBypass/02/2011-12/116, DATED.07/03/2025 PASSED BY THE RESPONDENT NO.2.

IN WRIT PETITION No.104127 OF 2025

BETWEEN:

- 1 . JYOTI S.MALLADAD
AGED ABOUT 52 YEARS
OCC: HOUSEWIFE
- 2 . RAHUL S.MALLADAD
AGE ABOUT 29 YEARS
OCC: BUSINESS
- 3 . SACHIN S.MALLADAD

AGED ABOUT 27 YEARS
OCC: BUSINESS
ALL ARE R/O S.B.MALLADAD BUILDING
NEAR VENKATESH TALKIES
EXTENSION AREA
GADAG – 582 101.

... PETITIONERS

(BY SMT. ARCHANA A.MAGADUM, ADVOCATE)

AND:

- 1 . SPECIAL LAND ACQUISITION OFFICER
KARNATAKA STATE HIGHWAY AUTHORITY
PROJECT, PWD ANNEXE BUILDING
PROJECT IMPLEMENTATION UNIT
1ST FLOOR, K.R.CIRCLE
BENGALURU – 560 001.
- 2 . ASSISTANT COMMISSIONER AND
LAND ACQUISITION OFFICER
KARNATAKA STATE HIGHWAY
DEVELOPMENT PROJECT
UPPER DIVISION-2
LAXMI COMPLEX SADASHIV NAGAR
BELAGAVI – 590 019.

... RESPONDENTS

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THESE WRIT PETITIONS HAVING BEEN HEARD AND RESERVED FOR ORDERS, COMING ON FOR PRONOUNCEMENT THIS DAY, THE COURT MADE THE FOLLOWING:-

CORAM: **THE HON'BLE MR JUSTICE M.NAGAPRASANNA**

CAV ORDER

Both these petitions rank a common string of relief viz., denial of interest on payment of compensation for the period between the date of agreement between the petitioners and the Karnataka State Highways Authorities and, till the date of payment of compensation.

2. Heard Smt. Archana A. Magadum, learned counsel appearing for the petitioners and Smt. Girija S. Hiremath, learned High Court Government Pleader appearing for the respondents.

3. For the sake of convenience, the facts obtaining in Writ Petition No.104133 of 2025 would be narrated:

3.1. The petitioners are the joint owners of non-agricultural land in R.S.No.128/3B situate at Gadag measuring 2 acres 20

guntas. A notification comes to be issued under Section 15 of the Karnataka Highways Act, 1964 (hereinafter referred to as 'the Act' for short) notifying the lands of the petitioners to an extent of 16 guntas 08 annas out of 2 acres 20 guntas. The 1st respondent/Special Land Acquisition Officer acquires the notified land and the Chief Project Officer of the Project Implementation Unit of the Karnataka State Highways Development Project fixes the market value of the acquired land at ₹874/- per sq. ft. The market value of the petitioner's land is subsequently enhanced to ₹1,093/- per sq. ft. on the score that it is a commercial land. In furtherance of the notification under Section 15 of the Act, the petitioners enter into an agreement with the Land Acquisition Officer accepting the market value so determined on 18-11-2014. Three years thereafter, a notification comes to be issued under Section 19 of the Act. The petitioner's land which was found to be acquired as 16 guntas 8 annas out of 2 acres 20 guntas was now reduced to 10 guntas and the remaining 6 guntas 8 annas is shown as Government road. Pursuant to the said notification under Section 19 of the Act, on 26-08-2019, an award is passed for the land acquired through the preliminary and the amended notification

maintaining the acquisition as found in the notification under Section 19.

3.2. On 30-08-2019, the 1st respondent/Special Land Acquisition Officer deposits the award amount to the bank account of the petitioners only to the extent of 10 guntas out of 16 guntas 8 annas. The petitioners then submit a representation seeking compensation for the remaining extent, as it was acquired pursuant to the notification under Section 15 and the land was neither usable by the petitioners nor salable, as agreement was entered into accepting the market price on 18-11-2014. When the representation went unheeded, the petitioners were before the Court in two writ petitions viz., W.P.No.147609 of 2020 c/w 147610 of 2020 seeking a direction to re-determine the compensation. The writ petitions come to be disposed of by a common order dated 11-01-2024 directing the respondents to re-determine the compensation, taking into account the revised market value of the subject land, which at that point in time was ₹1093/- per sq. ft. as against ₹874/- per sq. ft. determined in the year 2014.

3.3. A consent award comes to be passed on 06-06-2024 pursuant to the direction issued by the coordinate Bench of this Court and accordingly, the difference in compensation amount of ₹3,97,66,603/- was directed to be paid to the petitioners. The petitioners now claim that they are entitled for interest on such delayed payment, from the date of agreement till the date of grant of compensation. An endorsement comes to be issued rejecting the claim of these petitioners on the score that there was no warrant of grant of interest and more so as claimed by them. It is this that is called in question in the cases at hand.

4. Learned counsel Smt. Archana A. Magadum appearing for the petitioners would vehemently contend that the respondents have taken possession of the land in the year 2014 itself, pursuant to execution of the agreement. The land is not with the petitioners. It is in possession of Highway Authorities. If it is in the possession of Highway Authorities, they are bound to pay interest from the date the Authorities entered into agreements. She would seek to place reliance upon judgments rendered by the Apex Court and a Division Bench of this Court.

5. Per contra, the submission of the learned High Court Government Pleader appearing for the respondents is one-fold that compensation was not paid by them on their own volition or as they are not entitled in law. It was paid only pursuant to the directions issued by the coordinate Bench of this Court. Therefore, there is no warrant of grant of any interest that too, at 15% per annum, that is claimed by the petitioners.

6. I have given my anxious consideration to the submissions made by the respective learned counsel and have perused the material on record.

7. The afore-narrated facts, dates and link in the chain of events are all a matter of record. It would suffice if the averments in the petitions are noted from the date of entering into an agreement after the notification under Section 15 of the Act. The agreement reads as follows:

“ನಷ್ಟ ಭರ್ತಿ ಪ್ರತಿಬಂಧ ಪತ್ರ

ಸನ್ ಎರಡು ಸಾವಿರದ ಹದಿನಾಲ್ಕನೇ ಇಸವಿ, ನವಂಬರ ಮಾಹೆ 18ನೇ ದಿನಾಂಕ ರಂದು ಗದಗ ಜಿಲ್ಲಾ ಗದಗ ತಾಲೂಕು ಗದಗ ಹೋಬಳಿ ಗದಗ ಗ್ರಾಮದಲ್ಲಿ ವಾಸವಾಗಿರುವ 1) ಶ್ರೀ ದುಂಡಪ್ಪ 2) ಶ್ರೀ

ವಿಶ್ವನಾಥ ತಂದೆ ವೀರಪ್ಪ ಮಲ್ಲಾಡದ ಷೆಡ್ಯೂಲ್ ಸ್ವತ್ತಿನ ಸರ್ವಸ್ವಮ್ಯದ ಮಾಲೀಕನಾದ ನಾನು (ಇನ್ನು ವಹಿವಾಟುದಾರರು, ಅನುಭೋಗದಾರರು ಒಳಗೊಂಡಂತೆ) ನಾನು ಕರ್ನಾಟಕ ಸರ್ಕಾರದ ರಾಜ್ಯಪಾಲರ ಆಜ್ಞಾನುಸಾರ ಇವರ ಪರ ಸಹಾಯಕ ಆಯುಕ್ತರು (ಭೂಸ್ವಾ) ಕರ್ನಾಟಕ ರಾಜ್ಯ ಹೆದ್ದಾರಿ ಅಭಿವೃದ್ಧಿ ಯೋಜನೆ ಬೆಳಗಾವಿ (ಇವರ ಕಛೇರಿಯ ಉತ್ತರಾಧಿಕಾರರು ಮತ್ತು ವಹಿವಾಟುದಾರರು) ಇವರಿಗೆ ಒಪ್ಪಂದದ ಪ್ರಕಾರ ಬರೆದುಕೊಟ್ಟ ನಷ್ಟ ಭರ್ತಿ ಪ್ರತಿಬಂಧ ಪತ್ರದ ಹಾಗೂ ಒಪ್ಪಂದದ ಕರಾರು ಪತ್ರದ ಕ್ರಮ ಏನೆಂದರೆ ಕರ್ನಾಟಕ ರಾಜ್ಯ ಹೆದ್ದಾರಿ ಕಾಯಿದೆ 1964 ರ ಕಲಂ 15 ರನ್ವಯ ಕೆಳಕಂಡ ಷೆಡ್ಯೂಲ್‌ನಲ್ಲಿ ನಮೂದಿಸಿರುವ ಸ್ಥಿರಾಸ್ಥಿಯನ್ನು ಕರ್ನಾಟಕ ರಾಜ್ಯ ಪತ್ರದ ಭಾಗ III ಪುಟ ಸಂಖ್ಯೆ 431 ರಲ್ಲಿ ಪ್ರಕಟಗೊಂಡಿರುವ ಸರ್ಕಾರದ ಅಧಿಸೂಚನೆ ಸಂಖ್ಯೆ ಲೋ.ಇ.62ಇಎಪಿ 2011 ಬೆಂಗಳೂರು/ದಿನಾಂಕ: 24-04-2011 ರನ್ವಯ ಭೂಸ್ವಾಧೀನ ಪಡಿಸಿಕೊಂಡಿದ್ದು ಕಾಯ್ದೆಯ ಕಲಂ 19 ರಡಿ ದಿನಾಂಕ: 24-04-2011 ರಂತೆ ಘೋಷಣೆಯನ್ನು ಹೊರಡಿಸಿದ್ದು ಅದರಂತೆ ನನಗೆ ನೋಟೀಸ್ ಜಾರಿಯಾಗಿರುತ್ತದೆ. ಸರ್ಕಾರವು ಸ್ವಾಧೀನಪಡಿಸಿಕೊಂಡ ಈ ಜಮೀನಿನ ಮಾಲೀಕತ್ವ ಹಕ್ಕು ಮತ್ತು ಸ್ವಾಧೀನತೆ ನನ್ನಲ್ಲಿರುತ್ತದೆ, ನನ್ನ ಹೊರತು ಈ ಜಮೀನಿನ ಮೇಲೆ ಬೇರೆ ಯಾರಿಗೂ ಯಾವುದೇ ರೀತಿಯ ಹಕ್ಕು ಇರುವುದಿಲ್ಲ. ಈ ಭೂಮಿಯ ಮಾಲೀಕನಾದ ನನಗೆ/ನಮಗೆ ಭೂಪರಿಹಾರ ಸಂದಾಯವಾಗಿರುತ್ತದೆ.

ಸಹಾಯಕ ಆಯುಕ್ತರು ಕೆಶಿಪ್ ಬೆಂಗಳೂರು/ಬೆಳಗಾವಿ ರವರು ಕರ್ನಾಟಕ ರಾಜ್ಯ ಹೆದ್ದಾರಿ ಅಭಿವೃದ್ಧಿ ಯೋಜನೆ ಅಭಿವೃದ್ಧಿಪಡಿಸುವ ಉದ್ದೇಶಕ್ಕಾಗಿ ಭೂಸ್ವಾಧೀನಪಡಿಸಿಕೊಂಡಿರುವ ಸದರಿ ಜಮೀನಿನಲ್ಲಿರುವ ಮರ ಮಾಲ್ವಿ ಬಾಬ್ತು ಪರಿಹಾರ ಧನ ರೂ _____ ಗಳನ್ನು ನಷ್ಟ ಭರ್ತಿ ಮಾಡಿ ಪ್ರತಿಬಂಧ ಪತ್ರ ಬರೆದುಕೊಡುವುದರ ಮೂಲಕ ಪಡೆಯಲು ಭೂಮಾಲೀಕರಾದ ನಾನು/ ನಾವು ಒಪ್ಪಿರುತ್ತೇನೆ/ವೆ.

ಸರ್ಕಾರ ಸ್ವಾಧೀನಪಡಿಸಿಕೊಂಡ ಈ ಷೆಡ್ಯೂಲ್ ಜಮೀನಿನ ಹಕ್ಕಿಗೆ ಅಥವಾ ಹಿತಾಸಕ್ತಿಗೆ ಸಂಬಂಧಿಸಿದಂತೆ ಯಾವುದೇ ವಿಧವಾದ ವಿವಾದಗಳು ಇರುವುದಿಲ್ಲ. ಮುಂದೆಯೂ ಸಹ ಯಾವುದೇ ವಿಧವಾದ ವಿವಾದಗಳು ಉದ್ಭವಿಸಲು ಸಾಧ್ಯವಿಲ್ಲ. ಈ ಭೂಸ್ವಾಧೀನಪಡಿಸಿಕೊಂಡ ಜಮೀನಿನ ಹಕ್ಕು ಕರಾರುವಕ್ಕಾಗಿರುತ್ತದೆ.

ಈ ಪತ್ರ ಬರೆದುಕೊಟ್ಟ ಮೇಲೆ ಇನ್ನ ಮುಂದೆ ಈ ಜಮೀನಿಗೆ ನಾನು ಮೂಲ ಹಕ್ಕುದಾರನಾಗಿರುವುದಿಲ್ಲವೆಂದು, ಮುಂದೇನಾದರೂ, ಸಾಬೀತಾದಲ್ಲಿ ಕೂಡಲೇ ಸದರಿ ಪರಿಹಾರಧನ ಮೊಬಲಗು ರೂ _____ ಗಳನ್ನು ಸರ್ಕಾರಕ್ಕೆ, ಇದರಿಂದ ಆಗಿರುವಂತಹ ನಷ್ಟವನ್ನು ಒಳಗೊಂಡಂತೆ ಪೂರ್ತಿ ಮೊಬಲಗನ್ನು ಮತ್ತು ನಿಗದಿಪಡಿಸುವ ಬಡ್ಡಿ ಸಮೇತ ಮರು ಸಂದಾಯ ಮಾಡಲು ಬದ್ಧನಾಗಿರುತ್ತೇನೆ.

ಈ ನಷ್ಟ ಭರ್ತಿ ಪ್ರತಿಬಂಧ ಪತ್ರದಿಂದ ಸರ್ಕಾರಕ್ಕೆ ಯಾವುದೇ ವಿಧವಾದ ನಷ್ಟ ಆದಲ್ಲಿ ಸರ್ಕಾರಕ್ಕೆ ನಷ್ಟವಾಗದಂತೆ ಕಾನೂನು ರೀತ್ಯ ಈ ನಷ್ಟಭರಿಸುತ್ತೇನೆ ಮತ್ತು ಸರ್ಕಾರಕ್ಕಾಗಲೀ/ ಮೇಲಾಧಿಕಾರಿಗಳಿಗಾಗಲೀ ಲೆಕ್ಕತಪಾಸಣಾಧಿಕಾರಿಗಳ ಗಮನಕ್ಕೆ ಹೆಚ್ಚುವರಿ ಪರಿಹಾರಧನ

ಪಾವತಿಸಿರುವುದು ಕಂಡುಬಂದಲ್ಲಿ ನಾನು ಪಡೆದ ಸದರಿ ಪರಿಹಾರದ ಹಣವನ್ನು ಬಡ್ತಿ ಮತ್ತು ಇತರೇ ಶುಲ್ಕ ಸೇರಿಸಿ ಹೆಚ್ಚುವರಿ ಮೊಬಲಗನ್ನು ಮರು ಪಾವತಿಸುತ್ತೇನೆ. ತಪ್ಪಿದ್ದಲ್ಲಿ ಸದರಿ ಇತರೇ ಮೊಬಲಗನ್ನು ನನ್ನಲ್ಲಿ ಉಳಿದಿರುವ ಸ್ಥಿರಾಸ್ತಿಯ ಮೇಲೆ ಕ್ರಮ ಕೈಗೊಂಡ ಭೂ ಕಂದಾಯ ಬಾಕಿಯಂತೆ ಪರಿಗಣಿಸಿ ವಸೂಲಿ ಮಾಡಲು ನಾನು ಒಪ್ಪಿರುತ್ತೇನೆ.

ನಾನು ಈ ಮೂಲಕ ಘೋಷಿಸುವುದೇನೆಂದರೆ ಈ ಜಮೀನಿಗೆ ಸಂಬಂಧಪಟ್ಟ ಪರಿಹಾರಧನ ಸಂದಾಯದ ವಿಚಾರದಲ್ಲಿ ಮೂಲ ಭೂಮಾಲೀಕರ ಕುಟುಂಬದ ಸದಸ್ಯರಿಂದ ಅಥವಾ ಇತರ ವ್ಯಕ್ತಿಗಳಿಂದ ಯಾವುದೇ ವಿವಾದ ಉದ್ಭವಿಸಿದಲ್ಲಿ ಅಥವಾ ಜಮೀನಿಗೆ ಸಂದಾಯವಾಗಿರುವ ಪೂರ್ತಿ ಇಲ್ಲವೇ ಭಾಗಶಃ ಪರಿಹಾರಧನ ಲೆಕ್ಕಾಚಾರ ಕೈತಪ್ಪಿನಿಂದಾಗಲೀ ಅಥವಾ ಪ್ರಚಲಿತ ಇರುವ ಸರ್ಕಾರದ ಕಾನೂನಿನಿಂದಾಗಲೀ, ಪರಿಹಾರ ಪಾವತಿಸುವ ಪ್ರಕ್ರಿಯೆಯಲ್ಲಿ ಯಾವುದೇ ದೋಷಗಳಿದ್ದಲ್ಲಿ ಅಧಿಕಾರಿಗಳು ಅಂತಹ ಸನ್ನಿವೇಶದಲ್ಲಿ ಜವಾಬ್ದಾರರಲ್ಲ. ನಾನೇ/ನಾವೇ ಸ್ವಂತ ಜವಾಬ್ದಾರಿಯಿಂದ ಸ್ವಂತ ವೆಚ್ಚ ಭರಿಸಿ ಅಂತಹ ವಿವಾದಗಳನ್ನು ಪರಿಹರಿಸಿಕೊಡುವುದರ ಜೊತೆಗೆ ಸರ್ಕಾರದಿಂದ ನಿರ್ಧರಿಸಲ್ಪಡುವ ಭಾಗಶಃ ಅಥವಾ ಪೂರ್ತಿ ಪರಿಹಾರಧನ ಸರ್ಕಾರಕ್ಕೆ ಪಾವತಿಸುತ್ತೇನೆ.

-:: ಒಪ್ಪಂದದ ಕರಾರು ಪತ್ರ ::-

ಈ ಸ್ವಾಧೀನ ಪಡಿಸಿಕೊಂಡ ಜಮೀನಿಗೆ ಸರ್ಕಾರವು (ಕೆಶಿಪ್) ಪರಿಹಾರ ಸಂದಾಯ ಮಾಡಬೇಕಾಗಿರುವುದರಿಂದ ದಿನಾಂಕ :_____ ರಂದು ನಡೆದ ಬೆಲೆನಿರ್ಧರಣಾ ಸಮಿತಿಯಲ್ಲಿ ತೀರ್ಮಾನಿಸಿರುವಂತೆ, ನಾನು ಎಕರೆ ಒಂದಕ್ಕೆ ಪರಿಹಾರ ಧನ ರೂ._____ ಪ್ರತಿ ಚ.ಪೂಟ ಪರಿಹಾರ ಧನ ರೂ. ----- ಗಳಂತೆ ಪಡೆದುಕೊಳ್ಳಲು ಒಪ್ಪಿಕೊಂಡಿರುತ್ತೇನೆ, ಅದರಂತೆ ಷೆಡ್ಯೂಲ್ ಜಮೀನಿನ ಪರಿಹಾರ ಧನ ರೂ. ----- ಗಳನ್ನು ಪಡೆಯಲು ನಷ್ಟಭರ್ತಿ ಪ್ರತಿಬಂಧ ಪತ್ರವನ್ನು ಬರೆದುಕೊಂಡಿರುವ ಮೂಲಕ ಪಡೆಯಲು ನಾನು ಒಪ್ಪಿರುತ್ತೇನೆ.

ಈ ಒಪ್ಪಂದದ ಷರತ್ತಿನ ಪ್ರಕಾರ ನನಗೆ ರೂ. ----- ಪರಿಹಾರ ಮಾತ್ರ ಸರ್ಕಾರದಿಂದ (ಕೆಶಿಪ್) ಸಂದಾಯವಾಗಿರುತ್ತದೆ.

ಭೂ ಸ್ವಾಧೀನವಾಗಿರುವ ಜಮೀನಿನಲ್ಲಿರುವ ಮರ-ಮಾಲ್ಕಿ ಹಾಗೂ ಕಟ್ಟಡ ಮತ್ತು ವಿನ್ಯಾಸಗಳ ವಿವರ ಈ ಕೆಳಕಂಡಂತೆ ಇರುತ್ತದೆ. ಅದರಂತೆ ಅವುಗಳ ಮೌಲ್ಯ ರೂ.----- ಸ್ವೀಕರಿಸಿದ್ದು, ಇನ್ನುಮುಂದೆ ಅವುಗಳ ಮೇಲೆ ನನಗಾಗಲೀ ಅಥವಾ ನನ್ನ ಕುಟುಂಬದವರಿಗಾಗಲೀ ಯಾವುದೇ ಹಕ್ಕು ಸಾಮ್ಯವಿರುವುದಿಲ್ಲ ಎಂದು ಪ್ರಮಾಣೀಕರಿಸುತ್ತೇನೆ.

ಸ್ವಾಧೀನಪಡಿಸಿಕೊಂಡ ಜಮೀನಿನ ಮಾಲೀಕತ್ವದ ಬಗ್ಗೆ ಯಾವುದೇ ತಕರಾರುಗಳು ಬಂದಲ್ಲಿ ಅವುಗಳನ್ನು ನಾನೇ ಸ್ವಂತ ವೆಚ್ಚದಿಂದ ಪರಿಹರಿಸಿಕೊಡುತ್ತೇನೆ ಹಾಗೂ ಸಂದರ್ಭಾನುಸಾರ ಈಗ ಸ್ವೀಕರಿಸಲಾದ ಪರಿಹಾರದ ಮೊತ್ತ ರೂ.----- ಗಳನ್ನು ಮರುಪಾವತಿಸಲು ಬಾಧ್ಯಸ್ತನಾಗಿರುತ್ತೇನೆ.

-:: ಚಕ್ಕುಬಂದಿ ::-

ಗ್ರಾಮ: ಗದಗ ಹೋಬಳಿ: ಗದಗ ತಾಲ್ಲೂಕು: ಗದಗ ಜಿಲ್ಲೆ: ಗದಗ

ಸರ್ವೆ ನಂ. : 128/3ಬ ಸ್ವಾಧೀನ ಪಡೆದುಕೊಂಡಿರುವ ವಿಸ್ತೀರ್ಣ : 16 ಗುಂ. 08 ಅಣೆ

ಪೂರ್ವಕ್ಕೆ : ಸರ್ವೆ ನಂ. 128/4 ಪಶ್ಚಿಮಕ್ಕೆ : ಸರ್ವೆ ನಂ. 128/3ಅ

ಉತ್ತರಕ್ಕೆ : ಮಾನ್ವಿಯವರ ಪ್ಲಾಟ ದಕ್ಷಿಣ : ಮುದೇನಗುಡಿ ಇವರ ಜಮೀನು,

ಕ್ರ. ನಂ.	ಸರ್ವೆ ನಂಬರ	ತೋಟಗಾರಿಕೆ/ಅರಣ್ಯ ಮರಗಳ ಸಂಖ್ಯೆ	ತೋಟಗಾರಿಕೆ/ಅರಣ್ಯ ಮರಗಳ ಮೌಲ್ಯ	ಕಟ್ಟಡಗಳ ಸಂಖ್ಯೆ	ಕಟ್ಟಡಗಳ ಮೌಲ್ಯ	ಒಟ್ಟು ಮೊಬಲಗು

ಮೇಲ್ಕಂಡ ಕರಾರಿನ ನಿಬಂಧನೆಗಳನ್ನು ಓದಿಸಿ, ಕೇಳಿ, ಒಪ್ಪಿ ಆತ್ಮಸಂತೋಷದಿಂದ ಕೆಳಕಂಡ ಸಾಕ್ಷಿದಾರರುಗಳ ಸಮಕ್ಷಮ ಸಹಿ ಮಾಡಿರುತ್ತೇನೆ/ವೆ.

ಸಾಕ್ಷಿಗಳು :

1.

1. ಸಹಿ/-

2.

2. ಸಹಿ/-

ಭೂಮಾಲೀಕರು

ಭೂಮಾಲೀಕರು ಹಾಗೂ ಸಾಕ್ಷಿಗಳು ನನ್ನ ಸಮಕ್ಷಮ ಸಹಿ ಮಾಡಿರುತ್ತಾರೆ.

ಸಹಾಯಕ ಆಯುಕ್ತರು (ಭೂಸ್ವಾಧೀನ)
ಕರ್ನಾಟಕ ರಾಜ್ಯ ಹೆದ್ದಾರಿ ಅಭಿವೃದ್ಧಿ ಯೋಜನೆ,

ಬೆಳಗಾವಿ ಉಪ ವಿಭಾಗ ನಂ.-2,
ಬೆಳಗಾವಿ.”

(Emphasis added)

The agreement is entered into on 18-11-2014 to an extent of 16 guntas 8 annas. The agreement delivers possession to the hands of the Highways Authorities. What remained was issuance of notification under Section 19 of the Act. Section 19 notification is issued on 20-05-2017 cutting short extent of land that was sought to be acquired in the notification under Section 15 of the Act and the agreement entered into between the parties. This short acquisition of land again became the fulcrum of the award. The petitioners then represent seeking compensation for the leftover land of 6 guntas 8 annas. The representations were not considered. Therefore, the petitioners were before this Court in the afore-noted petitions.

8. A coordinate Bench of this Court disposed of the petitions with a direction to re-determine the compensation, taking note of the land acquired or sought to be acquired in terms of the agreement. The coordinate Bench in terms of its order dated

11-01-2024 disposed the two writ petitions – Writ Petition Nos. 147609 of 2020 c/w 147610 of 2020 by the following order:

"... .."

9. The sale deed at Annexure-A and the record of rights annexed to the petition indicated that the petitioners have purchased an extent of 2 acres 20 guntas of land in R.S.Nos.128/3A and 128/3B respectively. The sale deed further indicated that on the western eastern portion of the land, 50 feet width road is left for providing access to the adjacent land. The panchanama annexed to the petition indicated that the petitioners have established ginning factory on the subject land and the subject lands have been treated as commercial lands. However, **based on the communication issued by the project Co-Ordinator, an extent of 6 guntas each belonging to the petitioners has been treated as Government road only on the ground that the said extent of land was utilized for the purpose of providing access of adjacent land. The extent of 6 guntas each was utilized for providing access road to their respective lands, and the extent of land utilized for providing access is not for the public at large. It is also not disputed that the said extent of land utilized for providing access to adjacent lands belongs to the petitioner. In the absence of any material to establish that the said extent of land vested with the Government or belongs to Government, the determination of the compensation by taking the extent of land as 10 guntas instead of 16 guntas 8 acres is arbitrary and discriminatory.**

10. Initially the price fixation committee had determined the market value in respect of the subject land at Rs.874/- per square feet by treating it as commercial land. Thereafter the market value was revised by the price fixation committee on 20.08.2014 at annexure-D at Rs.1,093/- square feet. The respondents under the impugned award without considering the revised market value has determined the compensation at Rs.874/- instead of Rs.1,093/-. Therefore, the impugned modified notification dated 20.05.2017 issued

under Section 19 of the Act and the award dated 26.08.2019 passed by respondent No.1 are not sustainable in law and the same requires to be quashed. Accordingly, I proceed to pass the following:

ORDER

- (i) The petitions are **allowed**.
- (ii) The impugned modified notification dated 20.05.2017 bearing No.LOE/29/EAP/2012, Bengaluru issued under Section 19 of the Karnataka State Highways Act, 1964 by the subject land acquisition Northern Karnataka State Highways Authority i.e. respondent No.1 and also award dated 26.08.2019 bearing No.S.A(Bhuswa)/KSHP-II/27-A&B passed by respondent No.1 are hereby quashed.
- (iii) Respondent No.1 to re-determine the compensation payable to the petitioners by taking into account the revised market value of the subject land of Rs.1,093/- per square feet as per the office order dated 20.08.2014 issued by the Chief Project Officer/respondent No.3 at Annexure D to an extent of 16 guntas 8 annas each in land bearing R.S.No.128/3A and R.S.No.128/3B, and pass an award afresh.
- iv) The said exercise shall be concluded within a period of three months from the date of receipt of the certified copy of this order.
- (v) The amount of compensation received under the impugned award shall be adjusted towards the enhanced compensation payable to the petitioners."

(Emphasis supplied)

The coordinate Bench holds that the remainder extent of land i.e., 6 guntas each belonging to these petitions in both these cases has been treated as Government road only on the ground that the said extent of land was utilized for the purpose of providing access to adjacent lands. The extent of land that is utilized for private use between the two owners of land is not for the use of public at large. Therefore, the determination that the land left out was Government road, is contrary to the facts. The said finding has become final. There is re-determination of the compensation by the Authorities. The re-determination results in payment of remainder of the compensation. The petitioners now seek interest for the delayed payment of compensation through their representations. One such representations reads as follows:

"Sub: Amount of interest from the date of Possession/Agreement to the acquired land in R.S.No. 128/3B measuring 16 guntas and 8 annas of Gadag.

Sir,

That the above land owned by the applicant was acquired by the Award No: S.A.(Bhuswa)/KSHIP-II/27-A&B/GadagBypass-01/2011 dated 26/08/2019. Thereafter, the award amount of Rs. 2,67,99,165/- dated: 6/08/2019. But no interest has been paid for delayed payment of award amount. Hence, the applicant requests you to pay the interest on the said amount from date of possession or date of agreement i.e., 18/11/2014 till the date of payment 30/08/2019.

The applicant states that, as per the order in Writ Petition No. 147610/2020 dated: 11/01/2024 passed by the Hon'ble High Court of Karnataka, Dharwad Bench, a sum of Rs.3,57,89,943/- was paid deducting 10% towards income tax, which is not permissible in law. **The applicant is entitled to the entire amount of Rs. 3,97,66,603/- including interest for the delayed payment i.e., from date of taking possession/agreement to date of payment realisation i.e., 18/11/2014 to 17/12/2024.**

The applicant is entitled for the interest from the date of possession/agreement till the date of realisation of compensation as held in Writ Appeal No. 1940/2004(LA) between The Commissioner Rehabilitation & Settlement Upper Krishna Project Bagalkot and Another vs. Jayashree A. Kotti and Others & in case of Suresh D. Bankapur and others vs. State of Karnataka and others, Civil Appeal Nos. 2380-2383/2017 dated: 30/01/2018 the Hon'ble Supreme Court by taking into consideration the facts has granted damages at 15% p.a. on amount of compensation from the date of taking possession till the amount was paid. Copies of the order are produced herewith. Kindly consider the representation within a period of one month or at earliest."

(Emphasis added)

In the said representation, reliance is placed upon the judgment rendered by the Apex Court in the case of **SURESH D. BANKAPUR v. STATE OF KARNATAKA** – Civil Appeal No.2380 of 2017, decided on 30-01-2018 and that of a Division Bench of this Court in **THE COMMISSIONER, REHABILITATION AND RESETTLEMENT v. JAYASHREE A. KOTTI** reported in **2007 SCC OnLine Kar 67**.

8.1. The Apex Court in **SURESH D.BANKAPUR v. STATE OF KARNATAKA** *supra* considers the fact where possession is taken three years prior to the payment of compensation and exercising its power under Article 142 of the Constitution of India, grants interest on delayed payment of compensation as follows:

"....

4. It is also not in dispute that possession had been taken earlier, approximately three years before, whereas agreement had been entered into in the year 2010. As a matter of fact, though the appellants cannot be said to be entitled to solatium and interest in view of the agreement that had been entered into, but since the possession had been taken at an earlier point of time, they would be entitled for damages for the interregnum period, i.e., from the date of taking decision till the date when the amount was paid to them under the agreement.

5. This Court, in the case of Revenue Divisional Officer, Kurnool Dist. Vs. M. Ramakrishna Reddy (D) By LR., reported in 2011 (11) SCC 648, has laid down that though interest was not payable but damages can be measured and awarded in such cases. Thus, in the instant cases, we deem it appropriate to exercise our inherent power under Article 142 of the Constitution of India to grant damages @15% per annum on the amount of compensation from the date the possession was taken till the amount was paid."

8.2. A Division Bench of this Court in **THE COMMISSIONER, REHABILITATION AND RESETTLEMENT v. JAYASHREE A.**

KOTTI *supra* which also determines an identical circumstance holds as follows:

" "

4. On perusal of the records made available and especially the noting of the learned Single Judge that it was the Government Advocate himself who did not dispute the entitlement of the respondents as to the interest from the date of award, in the absence of date of taking possession and as held by the Apex Court in the case of *State of Madras v. K.N. ShanmughaMudaliar*, we find that the learned Single Judge was justified in awarding the interest from the date of award. It is to be noted that much reliance is placed on the circular dated 5.11.2003. This circular is only an internal correspondence for the sake of convenience of the Government officials. This will not replace the mandatory provisions of law under the Land Acquisition Act. **The question of the date to be fixed for calculating the interest is either the starting point i.e., from the date of actual possession or from the date of award. Since no date of actual taking possession is available, the only alternate is to grant interest from the date of award.** As noted above, the circular is of no use to the appellant as this is not based on any provision of law or rational basis. Since the circular has no basis of law, we cannot consider it. Hence even on reconsideration of the entire material we do not find any illegality in the impugned judgment passed by the learned Single Judge. As such, the appeal stands dismissed."

9. The payment of interest under the Land Acquisition Act, 1894 is dealt with under Section 34 which reads as follows:

"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 or 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."

(Emphasis supplied at each instance)

Section 34 mandates that 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 9% per annum then. If the compensation is not paid within one year from the date of the award, the interest payable would be at the rate of 15% per annum from the date of expiry of one year.

10. The issue now would be, whether possession of the petitioners' land was taken or otherwise. The agreement is quoted *supra*. The land is notified under Section 15 of the Act on

13-11-2012 and the market value of the property was determined. The agreement is later entered into. They were commercial lands. Therefore, market value was fixed at ₹1,093/- per sq. ft. It remained the same till the notification under Section 19 of the Act. The erroneous determination of 6 guntas 8 annas of land is corrected by the order of the coordinate Bench. This is accepted by the respondents and it becomes final. Compensation is also paid. Therefore, the respondents cannot escape payment of interest on payment of delayed compensation. The order of the coordinate Bench undoubtedly would date back to the error in the notification under Section 19 dated 20-05-2017. The date 20-05-2017 is relatable to 13-11-2012 and agreement dated 18-11-2014. Therefore, the petitioners' land was stripped of from their possession and made no use of land to the extent of 6 guntas and 8 annas. The petitioners thus become entitled to interest, not at 15% per annum but at 6% per annum, from the date they entered into agreement including 6 guntas and 8 annas till the date compensation was paid i.e., 17-12-2024.

11. The reason on which the respondents seek to place reliance that compensation was paid only pursuant to the order passed by the coordinate Bench and, therefore the petitioners are not entitled to interest is repelled, as the coordinate Bench corrected the error and the correction dates back to the date of commission of error which is 20-05-2017 and the agreement dated 18-11-2014 had taken away possession of land of the petitioner. In the light of the aforesaid facts, technical enough they are to the case at hand, the petitioners become entitled to the aforesaid interest.

12. For the aforesaid reasons, the following:

ORDER

- (i) Writ Petitions are **allowed in part.**
- (ii) The endorsements dated 07-03-2025 in both the cases stand quashed.
- (iii) The petitioners are declared entitled to interest for delayed payment of compensation from the date of taking possession of land till the date of payment, which

would be from 18-11-2014 to 17-12-2024, in terms of Section 34 of the Land Acquisition Act, 1894.

Ordered accordingly.

**SD/-
(M.NAGAPRASANNA)
JUDGE**

bkp
CT:SS