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**(2015) 07 KAR CK 0412**

**In the Karnataka High Court**

**Case No :** Writ Petition Nos. 561 and 5946 of 2015 (LA-KIADB)

Madhaiah and Others

APPELLANT

Vs

State of Karnataka and Others

RESPONDENT

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**Date of Decision :** 22-07-2015

**Acts Referred:**

Karnataka Industrial Areas Development Act, 1966 — Section 29  
Land Acquisition Act, 1894 — Section 30, 31

**Citation :** (2015) 5 KarLJ 475

**Hon'ble Judges :** Ram Mohan Reddy, J

**Bench :** Single Bench

**Advocate :** H.D. Lingaraju, for the Appellant; Y.D. Harsha, Additional Government Advocate, Advocates for the Respondent

**Final Decision :** Dismissed

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## **Judgement**

Ram Mohan Reddy, J—Even according to the learned Counsel for the petitioners the title of the petitioners to the immovable property, subject-matter of acquisition by the respondent-Karnataka Industrial Areas Development Board ("KIADB" for short) on the basis of consent extended by the petitioners since disputed and the matter is pending at large in O.S. No. 174 of 2013 and if that is so, then petitioners cannot claim that a reference must be made under Sections 30 and 31 of the Land Acquisition Act, 1894. Petitioners would be well-advised to ensure an appropriate order or judgment and decree in their favour over their title to property since it is litigious and thereafter claim compensation together with interest upto the date of order. Apparently under the Karnataka Industrial Areas Development Act, 1966 ("KIAD Act" for short), sub-section (2) of Section 29 provides for acquisition by agreement of parties, while at the same time the Act provides for drawing a general award. It is settled law that acquisition, by agreement of parties and drawing an agreement does not require the making of an award. While in case where no agreement is arrived at, the Special Land Acquisition Officer will have to determine compensation being the market value of the immovable property acquired, draw an award and follow the provisions of

the Land Acquisition Act, 1894. According to the learned Counsel, petitioners having agreed for acquisition of their land at a particular price, an agreement is entered into, but in the light of the dispute over title to property a general award is made determining the market value of the land, which is, less than the agreed price and the same has been deposited in the Civil Court under Sections 30 and 31 of the Land Acquisition Act, 1894.

2. In the circumstances, if the petitioners were to claim benefit of securing compensation at the agreed rate by way of consent, then they must await the decision of the Civil Court over their disputed title to immovable property and if declared to be the absolute owners of the property acquired, then alone are entitled to compensation at agreed price. If petitioners are unsuccessful in the suit, which is pending before the Civil Court, then the apportionment of compensation will have to be done by the Reference Court under Sections 30 and 31 of the Act and not otherwise. Therefore, it is eminent that the petitioners must await a decision of the Civil Court in the pending suit for compensation at the agreed price. In the circumstances, no direction can ensue to the KIADB to deposit the compensation amount at the rate of Rs. 39 lakhs per acre since there is a dispute to the title of the petitioner who has agreed to the acquisition of the land in the light of sub-section (2) of Section 29 of the Act.

Petitions rejected.