

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 7TH DAY OF SEPTEMBER, 2026



PRESENT

THE HON'BLE MR. JUSTICE D K SINGH

AND

THE HON'BLE MR. JUSTICE H.SHANTHI BHUSHAN

WRIT APPEAL NO. 3324 OF 2016 (LA-BDA)

BETWEEN:

1. BENGALURU DEVELOPMENT AUTHORITY
T.CHOWDAIAH ROAD
KUMARA PARK WEST
BENGALURU-560 020
REP BY ITS COMMISSIONER
2. THE SPECIAL LAND ACQUISITION OFFICER
BENGALURU DEVELOPMENT AUTHORITY
T.CHOWDAIAH ROAD
KUMARA PARK WEST
BENGALURU -560 020

BOTH ARE REPRESENTED BY
ADDITIONAL LAND ACQUISITION OFFICER

...APPELLANTS

(BY SRI G.S. KANNUR, SENIOR COUNSEL FOR
SRI MURUGESH V. CHARATI, ADVOCATE)

AND:

1. NATIONAL TECHNOLOGICAL INSTITUTIONS
HOUSING CO-OPERATIVE SOCIETY LTD.,
HAVING ITS OFFICE AT NO.G-5
6TH CROSS, 9TH MAIN ROAD
RMV EXTENSION, SADASHIVANAGAR
BENGALURU-560 080
(REPRESENTED BY ITS SECRETARY -
SRI PRATHAPCHAND RATHOD)

Digitally
signed by
VASANTHA
KUMARY B
K

Location:
HIGH
COURT OF
KARNATAKA

2. STATE OF KARNATAKA
REPRESENTED BY ITS SECRETARY
URBAN DEVELOPMENT DEPARTMENT
M.S. BUILDING
BENGALURU-560 001
3. THE PRINCIPAL CHIEF COMMISSIONER
OF INCOME TAX
KARNATAKA & GOA REGION
NO.1, CENTRAL REVENUE BUILDING
QUEENS ROAD
BANGALORE-560 001
(IMPLEADED V/O DT. 13.12.2024)

...RESPONDENTS

(BY SMT. MANASA H.S., ADVOCATE FOR
SRI AJAY J. NANDALIKE, ADVOCATE FOR R1;
SRI S.H. RAGHAVENDRA, AGA FOR R2;
SRI ARVIND KAMATH, ASG FOR SRI CHETHAN B, CGC FOR R3)

THIS WRIT APPEAL IS FILED UNDER SECTION 4 OF THE
KARNATAKA HIGH COURT ACT, 1961, PRAYING TO ALLOW THE
ABOVE APPEAL AND SET ASIDE THE ORDER DATED 21.04.2016
PASSED BY THE LEARNED SINGLE JUDGE IN WRIT PETITION
NO.20141/2016 (LA-BDA).

THIS APPEAL HAVING BEEN HEARD AND RESERVED FOR
JUDGMENT ON 13.08.2026, COMING ON FOR
PRONOUNCEMENT THIS DAY, **HON'BLE MR. JUSTICE
D K SINGH** PRONOUNCED THE FOLLOWING:

CORAM: HON'BLE MR. JUSTICE D K SINGH
and
HON'BLE MR. JUSTICE H.SHANTHI BHUSHAN

CAV JUDGMENT

(PER: HON'BLE MR. JUSTICE D K SINGH)

I PREFACE:

1. The present writ appeal has been filed impugning the judgment and order dated 21.04.2016 in W.P.No.20141/2016 passed by the learned Single Judge, by which the acquisition proceedings were deemed to have been lapsed and were quashed insofar as the respondent-Society's land is concerned.

II FACTS OF THE CASE:

2. The dispute relates to the land bearing Sy.No.71/3 of Nagashettihalli Village, Kasaba Hobli, Bangalore North Taluk, measuring 32 guntas, which forms part of a larger extent of 3 acres 16 guntas of land covered under the acquisition notifications. Respondent-Society claims to have purchased the said extent of 32 guntas under a Sale Deed dated 25.01.1975.

3. A Preliminary Notification dated 03.01.1977 was issued by the Bangalore Development Authority (BDA) under Section 17 of the Bangalore Development Authority Act, 1976 (for short 'the BDA Act') for acquisition of lands for formation of 'Gokul II Rajamahal Vilas II Stage Layout'. This was followed by a Final

Notification dated 02.08.1978, which included the said Sy.No.71/3.

4. An award in respect of the acquired lands was passed by the Special Land Acquisition Officer (SLAO), BDA, on 21.10.1983 and a notification under Section 16(2) of the Land Acquisition Act was published on 21.02.1984.

5. The acquisition proceedings relating to formation of 'Gokul II Rajamahar Vilas II Stage Layout' were the subject matter of challenge before this Court for several years. In the year 1986, several writ petitions bearing W.P.Nos.9488-7253/1986, 8707/1986, 8733/1986, 8734/1986 and 10390/1986 were filed before this Court challenging the acquisition proceedings raising a contention regarding lapse of the scheme under Section 27 of the BDA Act. The said batch of writ petitions came to be dismissed vide order dated 19.08.1986.

6. The respondent-Society had also approached this Court by filing W.P.No.13946/1987 in relation to the said acquisition proceedings which came to be dismissed vide order dated 21.06.1996. It is also borne out from the record that the disputes concerning portions of land in Sy.No.71/3 were the

subject matter of the suits bearing O.S.No.6477/1996 and O.S.No.6202/2002 which were instituted by the persons claiming interest over it. The said original suits came to be dismissed. Thereafter, W.P.No.1315/2012 was filed by Sri Muneshwara Swamy Temple Development Trust and few others seeking a declaration that the acquisition proceedings in respect of the subject land in Sy.No.71/3 got lapsed and the said writ petition came to be disposed of without granting the relief.

7. In the meantime, the BDA issued the Auction Notifications dated 28.02.1991 and 03.09.1996 for auctioning the sites stated to have been formed in the said Sy.No.71/3. The record contains the documents relating to allotment of sites and the subsequent transactions concerning the said land.

8. Notwithstanding the filing of earlier proceedings, the respondent-Society filed the present W.P.No.20141/2016 seeking a declaration that the acquisition proceedings in respect of the subject land had lapsed. The principal grounds urged were that no compensation had been paid to the respondent-Society and that, physical possession of the subject land continued to remain with the Society. It was also

contended by the respondent-Society that the scheme had not been substantially implemented and had consequently lapsed under Section 24 of the Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (for short 'the 2013 Act') as also under Section 27 of the BDA Act.

9. The BDA contested the writ petition and contended that the acquisition proceedings had been completed.

III FINDINGS OF THE LEARNED SINGLE JUDGE:

10. The learned Single Judge held that no award had been passed in the name of the respondent-Society, no compensation had been paid and physical possession of the subject land continued to remain with the respondent-Society.

11. The learned Single Judge, after examining the statement of objections filed by the BDA, held that though the BDA had contended that the respondent-Society had not claimed the compensation amount, there was no indication as to whether the compensation amount had been deposited with the competent Civil Court.

12. The learned Single Judge further held that the mere fact that an award had been passed would not amount to payment

of compensation in the eye of law. It was also held that the BDA had not categorically asserted in its statement of objections that physical possession of the subject land had been taken by it whereas, the records produced by the respondent-Society indicated that the possession continued to remain with the respondent-Society.

13. The learned Single Judge concluded that the acquisition proceedings were liable to be treated as lapsed. Consequently, the writ petition was allowed and the acquisition proceedings were quashed insofar as the respondent-Society's land was concerned.

IV REVIEW PETITION NO.2231/2022 IN W.A.NO3324/2016:

14. Being aggrieved by the order passed by the learned Single Judge, the BDA has filed the present writ appeal on 16.08.2016. The appeal was initially allowed by the Division Bench of this Court on 21.06.2021. The respondent-Society thereafter approached the Supreme Court by filing SLP No.2231/2022. Vide order dated 01.04.2022, the Supreme Court permitted the respondent-Society to approach this Court by filing a review petition. Accordingly, Review Petition No.865/2022 was filed by the respondent-Society before this

Court, which came to be allowed and the present writ appeal was restored for consideration afresh vide order dated 30.08.2024.

V SUBMISSIONS ON BEHALF OF THE APPELLANT-BDA:

15. Sri G.S. Kannur, learned Senior Counsel assisted by Sri Murugesh V. Charati, learned counsel appearing for the appellant-BDA has submitted that the impugned order passed by the learned Single Judge is contrary to the material on record. It is submitted that the respondent-Society had participated in the acquisition proceedings and had in fact challenged the acquisition proceedings, which was unsuccessful. It is, therefore, submitted that the respondent-Society could not have reopened the acquisition proceedings that too, after several decades.

16. The learned Senior Counsel has submitted that the acquisition proceedings had been completed by passing the award, taking possession of the subject land and by depositing the compensation amount before the competent Civil Court.

17. The learned Senior Counsel has further submitted that the subsequent developments viz., formation of sites, issuance of possession certificates, issue of auction notifications and

allotment of sites clearly demonstrate that the acquired lands had been taken over and utilized for implementation of the scheme. It is also submitted that the acquisition proceedings and substantial implementation of the scheme had been upheld in the earlier rounds of litigation and therefore, the respondent-Society was not entitled to re-agitate the issue of lapse of scheme under Section 27 of the BDA Act. Learned Senior Counsel, therefore, submitted that the learned Single Judge has erred in holding that the acquisition proceedings had lapsed.

VI SUBMISSIONS ON BEHALF OF THE RESPONDENT-SOCIETY:

18. Smt. Manasa H.S., learned counsel assisted by Sri Aiay J. Nandalike, learned counsel for the respondent-Society submits that there has been violation of the principles of natural justice as the respondent-Society was not given any opportunity of being heard since no notice was issued to the respondent-Society nor opportunity was given to file objections in respect of the acquisition proceedings.

19. The learned counsel has further submitted that the award passed by the SLAO was not valid as it did not disclose the date of passing the award. It was also submitted that the appellant-

BDA had, at no point of time, taken lawful possession of the subject land till 05.01.2022 and it was in actual possession of the respondent-Society.

20. The learned counsel has further submitted that no valid mahazar evidencing taking possession of the subject land had been drawn by the appellant-BDA. It was submitted that the respondent-Society was in continuous ownership and uninterrupted possession of the subject land. The Society had also paid property taxes regularly and obtained statutory sanctions and approvals between the years 1975 and 2022 in respect of the subject land.

21. The learned counsel has alleged non-implementation of the scheme by the appellant-BDA within the stipulated time period, which has resulted in the scheme becoming inoperative and unenforceable in law. It is further alleged that the BDA has falsely contended that sites had been formed in the year 1991, which is contrary to the records. It is also submitted that there have been glaring inconsistencies in the documents produced by the BDA along with the application dated 01.07.2025 seeking production of documents.

VII POINT FOR CONSIDERATION:

22. In the light of the submissions advanced and the material placed on record, the only point that arises for consideration is:-

Whether, in the facts and circumstances of the case, the learned Single Judge was justified in holding that the acquisition proceedings in respect of the subject land had lapsed, notwithstanding the subsequent utilization and development of Sy.No.71/3 by way of formation of sites and their allotment?

VIII ANALYSIS AND FINDINGS:

(A) LAPSE OF SCHEME:

23. The learned Single Judge has allowed the writ petition primarily on the ground that the BDA had failed to establish taking possession of the subject land and payment of compensation to the respondent-Society. The learned Single Judge has observed that though the BDA has contended that the acquisition proceedings had completed, the statement of objections did not specifically disclose whether compensation amount had been deposited in the competent Civil Court. The learned Single Judge has observed that the BDA had not

categorically asserted taking physical possession of the subject land whereas, the respondent-Society had produced relevant documents indicating its continued possession.

24. A perusal of the record discloses that an award was passed by the SLAO on 21.10.1983. Significantly, the award itself records the participation of several interested persons including the respondent-Society in the acquisition proceedings. Thereafter, the possession of the land was taken on 31.01.1984 as reflected in the Ledger Extract produced by the BDA. Thereafter, the notification under Section 16(2) of the Land Acquisition Act was published on 21.02.1984. The record further discloses that the compensation amount was deposited with the City Civil Court, Bengaluru, on 16.08.1985, which was acknowledged by the said Court on 22.08.1985. Thus, it cannot be said that the acquisition proceedings had remained incomplete either on account of non-passing of the award or non-payment of compensation to the respondent-Society.

25. The respondent-Society had also participated in the acquisition proceedings. In fact, the respondent-Society had filed LAC No.191/1985 seeking enhancement of compensation awarded by the BDA and had also approached this Court by

filing W.P.No.13946/1987 challenging the acquisition proceedings. The said writ petition was dismissed on 21.06.1996 taking note of the participation of the respondent-Society in the acquisition proceedings as also on the ground of delay and laches.

26. In the light of the records produced before the Court, the finding of the learned Single Judge that there was no clear material to demonstrate completion of the acquisition proceedings, cannot be sustained.

(B) APPLICABILITY OF SECTION 24 OF THE 2013 ACT:

27. The main relief sought by the respondent-Society in W.P.No.20141/2016 was for a declaration that the acquisition proceedings had lapsed under Section 24(2) of the 2013 Act as also under Section 27 of the BDA Act.

28. At the outset, it is necessary to note that the acquisition proceedings were initiated under the provisions of the BDA Act and not under the Land Acquisition Act, 1894. The preliminary notification was issued under Section 17 of the BDA Act and thereafter, the final notification came to be issued under Section 19 thereof. Therefore, the question whether Section 24 of the 2013 Act applies to the acquisition proceedings initiated

under the BDA Act is no longer *res integra*. The Supreme Court, in the case of **BANGALORE DEVELOPMENT AUTHORITY AND ANOTHER vs STATE OF KARNATAKA AND OTHERS [2022 SCC OnLine SC 69]**, has categorically held that the provisions of the 2013 Act are not applicable to the acquisitions made under the BDA Act. The Supreme Court, while considering the nature of Section 36 of the BDA Act, has held that the provisions of the Land Acquisition Act, 1894 in respect of acquisitions under the BDA Act are incorporated into the BDA Act by way of legislation. It was held that the repeal of the Land Acquisition Act, 1894 and the enactment of the 2013 Act would not result in the provisions of the 2013 Act becoming applicable to the acquisitions initiated under the BDA Act.

(C) EFFECT OF TAKING POSSESSION AND SUBSEQUENT UTILIZATION OF THE LAND:

29. The Constitution Bench of Supreme Court, in the case of **INDORE DEVELOPMENT AUTHORITY vs MANOHARLAL AND OTHERS [(2020) 8 SCC 129]**, has reiterated that once possession has been taken under the acquisition proceedings, the land vests absolutely in the State and there is no provision for divesting such land merely on account of a subsequent claim.

30. In the present case, the possession was taken on 31.01.1984 followed by publication of the notification under Section 16(2) of the Land Acquisition Act on 21.02.1984. The BDA issued the possession certificates to the allottees as early as on 25.08.1988. Thereafter, Auction Notifications dated 28.02.1991 and 03.09.1996 were issued in respect of the sites formed in Sy.No.71/3. It is to be noted that paper publication for auctioning the sites in the said survey number was issued on 09.08.2007. The appellant-BDA has also produced documents to show that 44 sites of different dimensions were formed in the acquired land, which have been allotted to the allottees.

31. The above sequence of events are important while examining the respondent-Society's contention that physical possession of the subject land continued with the Society. The subsequent formation of sites, issuance of possession certificates, issue of auction notifications and allotment of sites to the allottees would clearly demonstrate that the BDA had exercised its control over Sy.No.71/3 for implementation of the scheme. The RTC extracts would also disclose the name of the BDA in the 'possession column' for a substantial period. The BDA could not have offered sites for auction to the general

public unless the acquired land had been brought under its control and developed as layout. Thus, the contention of the respondent-Society that the physical possession of the subject land continued uninterruptedly with the Society is contrary to the material placed on record.

32. The sites formed in the layout were allotted to eligible applicants. The BDA has also produced before this Court the Sale Deed dated 29.04.2023 evidencing the allotment of a site in favor of the President of India through the Principal Chief Commissioner of Income Tax.

(D) SECTION 27 OF THE BDA ACT-SUBSTANTIAL IMPLEMENTATION OF THE SCHEME:

33. The scope of Section 27 of the BDA Act has been considered by the Division Bench of this Court in the case of ***KANTHAMMA AND OTHERS vs STATE OF KARNATAKA AND ANOTHER [ILR 1984 KAR 1494]***, wherein it was held that for a scheme to lapse under Section 27, there must be proof of failure on the part of the Authority to execute the scheme substantially within the prescribed period. The expression "failure to execute the scheme" does not mean every delay in implementation. It was further held that the

question whether a scheme has been substantially executed has to be considered having regard to the magnitude and nature of the scheme, the work executed and remains to be executed. The Court cannot mechanically examine isolated parcels of land and hold that the entire scheme has lapsed merely because a particular extent has not been developed.

34. In the instant case, the acquisition was undertaken for formation of Gokul II Rajamahala Vilas II Stage Layout. The acquisition proceedings itself had been subjected to judicial examination in the earlier rounds of litigation. This Court, vide order dated 19.08.1986 in W.P.Nos.9488-7253/1986 and connected matters, has upheld the acquisition proceedings and held that the scheme had been substantially implemented by relying on the decision in **KANTHAMMA** (*supra*). Therefore, the respondent-Society cannot now seek to re-agitate the contention regarding substantial implementation of the scheme merely on the ground that a particular parcel of land had not been utilized.

35. In the case on hand, the records relating to the subject land itself demonstrate actual implementation of the scheme. The subsequent developments viz., formation of sites in

Sy.No.71/3, issuance of possession certificates, issuance of auction notifications and allotment sites to the allottees would clearly demonstrate substantial implementation of the scheme and therefore, the contention regarding lapse of scheme under Section 27 of the BDA Act is bereft of any merit.

(E) EARLIER ROUNDS OF LITIGATION AND DELAY:

36. The present appeal cannot be considered in isolation from the earlier rounds of litigation. In the year 1986, several landowners had filed W.P.No.9488/1986 and connected matters challenging the acquisition proceedings on the ground that the scheme had lapsed under Section 27 of the BDA Act. Vide order dated 19.08.1986, this Court had dismissed those writ petitions upholding the acquisition proceedings since the scheme had been substantially implemented.

37. The respondent-Society itself had participated in the acquisition proceedings. The respondent-Society had also filed W.P.No.13946/1987 challenging the acquisition proceedings, which was dismissed vide order dated 21.06.1996 on the ground of delay and laches. The disputes concerning the acquisition and taking possession of the land in Sy.No.71/3 which were initiated by the other claimants in O.S.No.6477/1996 and O.S.No.6202/2002 also came to be

dismissed on the ground that the possession had already been taken by the acquiring authority.

38. In **INDORE DEVELOPMENT AUTHORITY** (*supra*), the Constitution Bench of the Supreme Court has specifically held that stale or time-barred claims cannot be invoked or revived to reopen the concluded proceedings. In the present case, the preliminary notification was issued in the year 1977, the final notification was issued in the year 1978 and the award was passed in the year 1983. The writ petition seeking the declaration of lapse of the scheme was filed only in the year 2016, i.e., after the land had been developed and dealt with by the BDA. The earlier rounds of litigation and the subsequent development of the acquired land cannot be ignored.

IX. CONCLUSION:

39. The learned Single Judge has proceeded on the basis that the BDA had not made payment of compensation to the respondent-Society and had also not taken physical possession of the subject land. However, the record produced before the Court clearly demonstrates that the acquired land had been utilized for the aforesaid scheme. The formation and allotment of sites etc., would nullify the contention of the respondent-

Society that the subject land continued to remain in possession of the Society.

40. The compensation amount had been deposited by the BDA with the Civil Court, Bengaluru and the respondent-Society had filed LAC No.191/1985 for enhancement of compensation. Therefore, the whole premise of the impugned judgment is against the record of the case and incorrect. The respondent-Society had in fact participated in the acquisition proceedings and had unsuccessfully challenged the acquisition proceedings in the earlier rounds of litigation. Both the acquisition proceedings and substantial implementation of the scheme had been upheld in the earlier rounds of litigation. We are, therefore, of the considered view that the learned Single Judge has erred in declaring that the acquisition proceedings are deemed to have lapsed insofar as the subject land is concerned and the impugned order has been passed without appreciation of the entire material on record.

41. For the foregoing reasons, the impugned judgment and order dated 21.04.2016 passed by the learned Single Judge in W.P.No.20141/2016 is set aside. Accordingly, the writ appeal is allowed.

42. Pending IAs if any, do not survive for consideration and accordingly they stand disposed of.

**Sd/-
(D K SINGH)
JUDGE**

**Sd/-
(H.SHANTHI BHUSHAN)
JUDGE**

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CT:SN