



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 12TH DAY OF MAY, 2026

BEFORE

THE HON'BLE MR. JUSTICE S.R.KRISHNA KUMAR

WRIT PETITION NO. 9612 OF 2026 (GM-KIADB)

BETWEEN:

EMBASSY EAST BUSINESS PARK LTD
(A LIMITED COMPANY SINCE 04.08.2025)
INCORPORATED UNDER THE COMPANIES ACT,
HAVING ITS REGISTERED OFFICE AT
EMBASSY POINT, 1ST FLOOR, 150, INFANTRY ROAD,
BANGALORE - 560 001
REPRESENTED BY ITS
AUTHORIZED REPRESENTATIVE
MR. SHAILENDRA KONANUR SUBBARAYA
AGED ABOUT 41 YEARS.

...PETITIONER

(BY SRI. K.G.RAGHAVAN, SENIOR COUNSEL APPEARING FOR
SRI. HARISH KUMAR.V.L, FOR
SRI. AJESH KUMAR.S, ADVOCATES)

AND:

KARNATAKA INDUSTRIAL AREAS DEVELOPMENT BOARD
A GOVT. OF KARNATAKA UNDERTAKING,
NO. 2, ACHARYA TULASI MARG,
2/1 AND 2/3, KALIDASA MARG,
GANDHI NAGAR, BENGALURU – 560 009.
REPRESENTED BY ITS
SECRETARY AND/OR CHIEF
EXECUTIVE OFFICER AND
EXECUTIVE MEMBER

...RESPONDENT

(BY SRI. VIKRAM HUILGOL, SENIOR COUNSEL APPEARING FOR
SRI. P.V. CHANDRASHEKAR, ADVOCATE FOR R-1
SRI. ABRAHAM JOSEPH, ADVOCATE FOR APPLICANT ON I.A.1/2026
SRI. R.N. HEMENDRANATH REDDY, SENIOR COUNSEL APPEARING FOR
SRI. ABRAHAM JOSEPH, ADVOCATE FOR APPLICANT ON I.A.2/2026)



THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE IMPUGNED ORDER DATED 16.03.2026 BEARING NO. KIADB/HO/ALLOT/SECY/AS-143/19927/25-26 AS PER ANNEXURE-A PASSED BY THE RESPONDENT KIADB UNDER SECTION 34-B (3) AND (4) OF THE KIAD ACT, 1966.

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

CORAM: HON'BLE MR. JUSTICE S.R.KRISHNA KUMAR

ORAL ORDER

In this petition, petitioner seeks for the following reliefs:-

“ i) Issue a writ or order or declaration writ of Certiorari or any other quashing the impugned Order dated: 16.03.2026 bearing No. KIAD/HO/Allot./secy/AS-143/19927/25-26 as per Annexure-A passed by the Respondent KIADB under Section 34-B(3) and (4) of the KIAD Act, 1966, and

ii) ISSUE a writ of Mandamus or any other appropriate writ, Order, or Direction, directing the Respondent KIADB to fulfill its obligations under the Lease Cum Sale Agreement dated: 07.06.2007 as per Annexure-D and grant permission to by sanctioning the Plan Sanction submitted for approval on 05.12.2025 as per Annexure-T; and

iii) ISSUE a Writ of Mandamus or any other appropriate Writ, Order, or Direction, directing the Respondent KIADB to fulfill its obligations under the Lease Cum Sale Agreement dated: 07.06.2007 as per Annexure-D and grant permission by deciding on the Application for sub-lease submitted for an extent of 18 Acres in favour of Nuziveedu Seeds Limited and M/s. Mandava Holdings Pvt.



Ltd., for approval on 01.06.2021 and 02.06.2025 as per Annexure-Z and AA;

iv) Grant such other and further reliefs as this Hon'ble Court may deem fit and proper in the facts and circumstances of the case, in the interest of justice and equity."

2. Heard learned Senior counsel for the petitioner and learned Senior counsel for the respondent – KIADB and learned counsel for the intervening applicant in I.A.No.1/2026 as well as learned Senior counsel for the intervening applicant in I.A.No.2/2026 and perused the material on record.

3. In addition to reiterating the various contentions urged in the petition and referring to the material on record, learned Senior counsel for the petitioner submits that the respondent – KIADB has proceeded to pass the impugned Resumption order purporting to resume the land allotted by the respondent – KIADB in favour of the petitioner primarily on two grounds viz., firstly that the petitioner having obtained permission to sub-lease the subject land had in turn executed the agreement to sell in favour of M/s.LAM Research (India) Pvt. Ltd., and secondly, that despite not obtaining permission to sub-lease the land from the KIADB, petitioner had



sublet the portions of subject land in favour of third parties viz., M/s.Nuziveedu Seed Pvt. Ltd., and Mandava Holdings Pvt. Ltd. In this context, learned Senior counsel for the petitioner invited my attention to the Affidavit filed by the petitioner of even date in order to point out that the very basis for the apprehension culminating in the impugned resumption order issued / passed by the KIADB has been explained and allayed by the petitioner as can be seen from the contents of the Affidavit. It is therefore submitted that having regard to the Affidavit filed on behalf of the petitioner, the very basis for passing the impugned order would not survive for consideration any longer and the impugned order deserves to be set aside.

4. Per contra, learned Senior counsel for the respondent – KIADB submits that in the light of the Affidavit filed on behalf of the petitioner, the present petition may be disposed of reserving liberty in favour of the respondent – KIADB to take recourse to such legal action against the petitioner, if the occasion so arises.

5. Learned Senior counsel and learned counsel for the intervening applicants in I.A.No.1/2026 and I.A.No.2/2026 submit



that there are several other violations committed by the petitioner and the following disputes are pending between the petitioner, respondent – KIADB and the intervening applicants as hereunder:-

- (i) COM.OS.No.234/2020
- (ii) W.P.No.16287/2022
- (iii) W.A.No.1772/2024
- (iv) W.A.No.1797/2024
- (v) W.A.No.654/2026
- (vi) W.A.No.678/2026

6. By way of reply, learned Senior counsel for the petitioner submits that having regard to the present petition deserves to be disposed of in pursuance of the Affidavit filed by the petitioner, the Intervening applications may also be disposed of relegating the parties to work out their remedies in the aforesaid pending litigations without prejudice to their rights and contentions.

7. Before advertng to the rival submissions, it is necessary to extract the impugned order as hereunder:-

**“ORDER PASSED UNDER SECTION 34(B) OF THE
KIADB ACT**

PREAMBLE

*An extend of 78 acres 2219 Sq. mtrs of land in Plot
No.6 of Kadugodi Industrial Area, Bengaluru Urban District*



was allotted to M/S. Embassy East Business Park Private Limited (Formerly known as Concord India (P) Ltd) for establishing an industry of "Infrastructure facilities for MNC IT & ITES companies". Subsequently the lease cum sale deed was executed 07.06.2007, followed by a Rectification Deed on 21/04/2008.

As per terms and conditions of the lease cum sale agreement executed on 07-06-2007, extension of time was granted for implementing the project as per the order dated: 10-09-2024, the allottee was expected to implement the project on the plot allotted on or before 29-11-2026.

Pursuant to the directions of the Hon'ble High Court of Karnataka in W.p. No. 18952/2021 (GM-KIADB) c/w WP.No.18986/2021 dated 16.05.2023 and WA 686/2023 c/w 689/2023 dated 26.07.2023, proceedings under Section 34-B of the KIAD Act, 1966 were initiated. Upon hearing the allottee, the CEO & EM issued an order on 03.09.2024 granting a period of two years from the date of approval of the sanctioned plan for project implementation and dropped the resumption proceedings. This order was communicated to the allottee on 08.09.2025, with instructions to submit an undertaking confirming that all funds obtained as loans against the allotted plot will be utilised exclusively for the proposed project.

Accordingly the allottee submitted an undertaking dated 20.09.2024 stating that, the loan raised, or any loan raised against the allotted land by the company shall be utilised for completing the development of the proposed



project in allotted land and requested for sanction of building plan. Hence, the allottee was granted building plan approval on 29-11-2024 vide building permit certificate No.DO2-KIADB-00042/22-23/BP.

At the request of the allottee, approval was granted on 07/10.02.2025 to sublease the lease hold rights of 25 acres of land in Plot No. 6, Kadugodi Industrial Area to the project developer (M/s LAM Research India Pvt Ltd) for the construction of a building and related purposes in connection with the implementation of the project.

The Executive Engineer-2, KIADB Zonal Office, Bengaluru vide report dtd.15-11-2025 categorically found that the allottee has not started any construction activities in Plot No.6 of Kadugodi Industrial Area and kept the land physically vacant.

On verification of the documents obtained from the office of the Registrar of the companies, the Board noticed certain breaches of the terms and conditions of the allotment / lease cum sale agreement. Accordingly notice U/s. 34-B(1) was issued on 02.01.2026 calling upon the allottee to remedy the following breaches of the terms and conditions of allotment/lease cum sale agreement.

- a) On 10/02/2025, approval was granted to sublease the leasehold rights for 25 acres of land located in Plot No. 6 of Kadugodi Industrial Area to M/s LAM Research (India) Pvt Ltd. The balance sheet for the year ending 31 March 2025, pertaining to allottee from the Registrar*



of Companies, indicates that as of 20 March 2025, you allottee had entered into both a sub-lease agreement and an agreement to sell for 25 acres out of the total 78 acres acquired on a lease-cum-sale basis from KIADB.

- b) The letter dated 08.12.2025, received via email by this office, indicates that you allottee, as a lessee of the allotted plot, executed an agreement of sale on 20.03.2025 in favour of M/s. LAM Research (India) Ltd and received part consideration amount. However, you allottee did not possess the alienable title required to execute such an agreement in favour of M/s LAM Research (India) Ltd. This execution of the agreement of sale and receipt of partial consideration are unauthorized and contrary to the terms and conditions of the lease-cum-sale agreement, as well as the undertaking given by the lessee.*
- c) You allottee, as lessee of the allotted plot, without obtaining prior permission from the Lessor (Board), entered into an agreement with M/s Nuziveedu Seeds Ltd (NSL) to sub-lease 18 acres out of a total of 78 acres obtained from KIADB on a lease-cum-sale basis and received an amount of Rs.32,91,53,735/-, which is substantiated by the balance sheet for the year ending 31.03.2015 of M/s Embassy*



East Business Park Pvt Ltd (formerly known as M/s Concord India Pvt Ltd), as obtained from the Registrar of Companies.

- d) *You as a lessee of the allotted plot, without obtaining prior permission from the Lessor (Board), entered into an agreement with M/s Mandava Holdings Pvt Ltd for sub-lease cum sale of 18 acres out of total 78 acres obtained on a lease cum sale basis from KIADB, even though you did not possess the requisite rights, title, or interest to transfer the allotted plot to third parties.*
- e) *You allottee entered into an agreement of sale and accepted a substantial amount as part consideration for the leasehold property of KIADB, despite lacking an alienable title to the allotted plot.*

The allottee after service of the said notice submitted a preliminary response requesting the Board to furnish the copy of the PWC valuation report of M/s. LAM Research India Pvt Ltd., letter addressed to the Commissioner for Industrial Development dated 08.12.2025 and the E-mail communication from M/s. LAM Research India Pvt Ltd to the Commissioner for Industries and Commerce dated 10.12.2025.

In response to the said letter, the Board informed that PWC preliminary valuation report of M/s. LAM Research India Pvt Ltd may be obtained from the website of the



Register of Companies. So far as the sublease and agreement to sell dated 28.03.2025 are concerned, the allottee was informed that the allottee being the party to those documents, the same are in its custody, the Board is not in possession of those documents. Further the allottee was called upon to remedy the breaches notified well within the stipulated time.

The allottee did not submit any reply within the stipulated time, notice under section 34-B(2) was issued on 23.01.2026. The allottee submitted a detailed reply to the notice issued U/s. 34-B(1) dated 02.01.2026 denying the breaches notified in the notice. It is submitted that the allegations of breach are based on a misunderstanding of the nature of the transaction documents, which were legally structured to be entirely conditional upon, and subject to KIADB's permissions. It is further submitted that the allottee did not violate any of the terms and conditions prescribed by KIADB and is fully compliant which agreements / documents entered into with KIADB.

It is further submitted in the reply that the allottee did not hand over any possession to LAM and the same will be hand over only upon execution of the sale deed.

In the reply statement it is further submitted that the agreement entered with M/s. Nuziveedu seeds Limited (NSL) and Mandava Holdings are MOU for 20 acres. This was an executory agreement not a sale deed and no title was transferred. However on 25.09.2008 the parties restructured the transaction by reducing the scale of the land from 20



acres to 18 acres and executed an agreement of sublease dated 25.09.2008.

The report of the EE is contrary to ground reality, the allottee has submitted project status update dated 15.09.2025 with site photographs. It is submitted that the sheer scale of development (78 acres) within the stipulated time entails a collaboration between Embassy and capable strategic partners such as LAM and NSL. The envisaged collaboration is as detailed below:-

- 1. Lam Research (25 Acres): A built-to-suit campus for their R&D and semi-conductor wing.*
- 2. NSL (18 Acres): A leading developer of IT/ITES space.*
- 3. Embassy (Remaining - 35 Acres): Developing the balance land.*

This is not "alienation" but acceleration. By splitting the 78 acres into three active construction zones.

Accordingly the allottee has not created a third party right inconsistent with the LCSA. All agreements entered into with LAM and NSLR expressly conditional upon, requested to drop the resumption proceedings.

Notice U/s. 34-B(3) was issued on 24.02.2026 calling upon the allottee for personal hearing on 06.03.2026. The Chief Operating Officer of Embassy Group along with their advocate present and submitted the records along with their written submissions.



I heard the parties and their representatives.

Perused the records. The allottee was permitted to file additional submissions in the office during 5 working days, the matter was reserved for orders. The lessee submitted its additional written submissions on 13.03.2026. Perused the written submissions.

On perusal of the records makes it clear that an extent of 78 acres 2219 Sq. mtrs of land in Plot No.6 of Kadugodi Industrial Area, Bengaluru Urban District was allotted to M/s. Embassy East Business Park Private Limited (Formerly known as Concord India (P) Ltd) for establishing an industry of "Infrastructure facilities for MNC IT & ITES companies". Subsequently the lease cum sale deed was executed 07.06.2007, followed by a Rectification Deed on 21/04/2008.

At the first instance, pursuant to the directions issued by the Hon'ble High Court of Karnataka in WP No.18952/2021 (GM-KIADB) c/w WP.No.18986/2021 dated 16.05.2023 and WA 686/2023 c/w 689/2023 dated 26.07.2023, proceedings under Section 34-B of the KIAD Act, 1966 were initiated. After hearing, on considering several factors that the allottee evinced interest in implementing the project having shown the positive conduct, the Board passed an order on 03.09.2024 granting two years time for implementing the project and resumption proceedings were dropped. This order was communicated to the allottee on 08.09.2025, with instructions to submit an undertaking confirming that all funds obtained as loans



against the allotted plot will be utilised exclusively for the proposed project.

Accordingly the allottee submitted an undertaking dated 20.09.2024 stating that, the loan raised, or any loan raised against the allotted land by the company shall be utilised for completing the development of the proposed project in the allotted land and requested for sanction of building plan. Hence, the allottee was granted building plan approval on 29-11-2024 vide building permit certificate No.DO2-KIADB-00042/22-23/BP.

At the request of the allottee, approval was granted on 07/10.02.2025 to sublease the lease hold rights of 25 acres of land in Plot No. 6, Kadugodi Industrial Area, to the project developer (M/s. LAM Research India Pvt Ltd) for the construction of a building and related purposes in connection with the implementation of the project.

The approval letter reads as under:-

With reference to the above, this is to inform that, in consideration of your request, as per clause 11(a) of the lease cum sale agreement dated 07.06.2007, you are hereby permitted to sub lease the lease hold rights of 25 acres of land in Plot No. 6 of Kadugodi Industrial Area in favour of project developer (M/s. LAM Research India Pvt Ltd) for the purpose of construction of buildings and allied purposes in pursuance of the implementation of the project as cleared by the Government.

On verification of the audit report submitted by the BSR & Associates LLP Chartered Accountants along with 52nd Annual Report including the balance sheet pertaining to the allottee M/s. Embassy East Business Park Pvt Ltd obtained



from the Register of Companies including the letter submitted by M/s. LAM Research to the Commissioner for Industrial Development and Director Department of Commerce and Industries dated 08.12.2025 (send through E-mail) the Board noticed the above said breaches mentioned in the notice issued U/s. 34-B(1).

Before considering the reply submitted by the allottee it is useful to refer Clause-11(a) of the lease cum sale agreement executed by the Board in favour of the allottee M/s. Embassy East Business Park Pvt Ltd. The clause-11(a) reads as under:-

11. (a) On written request from the lessee, the lessor may permit the sub lease of lease hold rights of the scheduled property or any part thereof in favour of a project developer solely for the construction of buildings and allied purposes in pursuance of the implementation of the project as cleared by the Government in the C&I Department, or, any other agency constituted by it in this behalf.

On plain reading of clause -11(a) of the lease cum sale agreement referred above makes it clear that on the written request of the lessee with the prior written consent of the KIADB, the lessee is entitled only to sublease the allotted schedule property or any part thereof in favour of a third party for its development. Except the sublease with the prior permission of the Board, the lessee is not entitled to alienate the leased property in any form, either entering into any type of MOU / agreement to sell or any other form of agreement in favour of the third parties during the subsistence of the lease. Even the subleasing of the allotted / leased property



by the lessee shall be with prior permission of the Board and on the written request of the lessee.

On perusal of the E-mail communication sent by the Lam Research India Pvt Ltd clearly indicates that the allottee entered into an agreement to sell dated 20.03.2025 clause-2 of the said letter reads as under:-

ii. An agreement to sell dated 20 March 2025 setting out the terms for eventual conveyance of the Schedule Property upon fulfilment of agreed Conditions Precedent. These documents follow a Memorandum of Understanding dated 8 January 2025 and a Term Sheet signed on 13 September 2024, which collectively establish the framework for the transaction.

52nd Annual report of the lessee company submitted before the Register of Companies wherein the lessee categorically admitted the entering into sublease agreement and agreement to sell in favour of M/s. LAM Research Pvt Ltd. The relevant entry reads as under:-

As on March 20, 2025, the company has entered into sub-lease agreement and agreement to sell for 25 acres of the total 78 acres of land obtained on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB). The said sub-lease and agreement to sell is conditional fulfilment of specified obligations by both parties as stipulated in the agreement.

The allottee in para 3 of the reply to notice issued U/s. 34-B(1) submitted as under:-

3. Sub Lease and ATS without Possession:

- a) KIADB granted its approval for sub-lease vide their letter dated February 7, 2025.***



- b) *Subsequently, Lam and Embassy entered into a Sub-Lease Deed dated March 20, 2025.*
- c) *Further Lam and Embassy executed an Agreement to Sell Without Possession ("ATS") dated March 20, 2025 for future conveyance of Schedule Property subject to compliance with LCSA and only upon KIADB conveying the land by way of sale deed in favour of Embassy.*

On perusal of the statements / admissions referred above, the lessee company itself categorically admitted the execution of the agreement of sale in favour of the M/s. LAM Research India Pvt Ltd and receipt of consideration amount. The copy of the sublease deed and agreement to sell have been produced along with the reply.

On perusal of the these documents makes it clear that both the sublease deed and agreement to sell were entered on 20.03.2025, sublease deed was registered before the office of the Sub-Registrar and the agreement to sell was unregistered which was not recorded in the encumbrance register.

*On perusal of the recitals of the agreement to sell dated 20.03.2025 discloses that M/s. Embassy East Business Park Pvt Ltd (previously known as Concord India Pvt Ltd) who was allottee/ lessee of the allotted plot claiming as a **seller** sold 25 acres of leased land in favour of M/s. LAM Research India Pvt Ltd who claimed as a **purchaser**. Clause -2.1 of the agreement to sell recites as under:-*

In consideration of the aggregate Consideration set out in Clause 3.1 below, the terms of this Agreement, and upon execution of the Lam Sale Deed, the seller agrees to grant, convey, assign, transfer, sell and over all its rights, title and



interest in the Schedule Property to and deliver possession of the Schedule Property in favour of the Purchaser, together with all the easements, advantages, liberties thereto had and enjoyed, absolutely free from all Encumbrances of whatsoever description and on the basis of the covenants and assurance mentioned hereunder, to have and to hold the same unto and for the use of the Purchaser, their successors and assigns absolutely and forever together with all title deeds, writings, documents and all other evidence of title together with all structure, drains, common passages, water courses, lights, liberties, privileges, easements, profits, advantages, and appurtenances whatsoever in the Schedule Property, or any part thereof.

Clause-3.1 of the agreement to sell refers to the agreed consideration and related terms. Clause 3.1 of the agreement to sell recites as under:-

The Parties agree that the total consideration for undertaking the Transaction shall be the sum of INR 1,125,00,00,000/- (Indian Rupees One Thousand One Twenty-Five-Crores only) ("Aggregate Consideration"), payable by the Purchaser to the Seller in 4 (four) tranches and within the timelines. Hundred and

On conjoint reading of the above referred clauses of the agreement to sell along with the report submitted by the lessee company to the Registrar of Companies extracted above clearly indicates that the lessee M/s. Embassy East Business Park Pvt Ltd in clear violations of the terms and conditions of the LCSA trying to alienate 25 acres of land by executing an agreement to sell in respect of the lease hold property though the lessee did not possess the alienable title required to execute such an agreement to sell) and received huge sum of Rs. 1125 crores from M/s. LAM Research India Pvt Ltd.



M/s. Embassy East Business Park Pvt Ltd being a lessee with the prior permission of the Board executed sublease deed on 20.03.2025 in terms of clause-11(a) of the LCSA, having delivered the possession to M/s. LAM Research India Pvt Ltd through Clause-3.1 of sublease deed, on the same day lessee executed an unregistered agreement to sell without possession and received consideration amount of Rs. 1125 crores. However the execution of the agreement to sell is clearly in violations of the terms and conditions of the LCSA executed by the Board. The allottee being a lessee did not possess any alienable title required to execute such an agreement to sell in favour of M/s. LAM Research India Pvt Ltd. The execution of an agreement to sell and receipt of huge consideration amount of Rs. 1125 crores is unauthorised and contrary to the terms and conditions of LCSA as well as the undertaking submitted by the allottee.

52nd Annual report of the allottee company submitted before the Register of Companies wherein the allottee M/s. Embassy East Business Park Pvt Ltd categorically admitted the entering into sublease of 18 acres of the totally 78 acres of land obtained on LCSA basis from KIADB for total consideration of Rs. 32,91,53,735/- from M/s. Nuziveedu Seeds Ltd (NSL) of which the entire consideration has been received. Further in the said report it was categorically admitted that the lessee entered into an agreement with M/s. Mandava Holdings Pvt Ltd for sublease cum sale of 18 acres



of land out of 78 acres of leased land obtained under LCSA.

The relevant entries reads as under:-

1.

<i>Particulars</i>	<i>As at 31 march 2015</i>	<i>As at 31 March 2014</i>
<i>Advance received for sub-lease of land (Refer note below)</i>	<i>329,153,735</i>	<i>195,919,735</i>
<i>Advance received for sale of property</i>	<i>2,000,000</i>	<i>2,000,000</i>
<i>Advanced received for sale of property</i>		
<i>Other payables</i>		
<i>- for statutory dues</i>	<i>37,661</i>	<i>55,008</i>
<i>- for expenses</i>	<i>2,672,327</i>	<i>9,262,908</i>
	<i>333,863,723</i>	<i>207,237,651</i>

The Company has entered into an agreement with Nuziveedu Seeds Limited (NSL) for sub-lease of 18 acres of the total 78 acres of land obtained on lease cum sale basis from Karnataka Industrial Area Development Board (KIADB) for consideration of Rs. 329,153,735 of which the entire consideration has been received by the Company in the current year. The sub-lease to NSL shall be on the same terms as between the Company and KIADB. The sub-lease shall be effective only after the receipt of NO objection Certificate (NOC) to be issued by KIADB. Since the NOC is yet to be issued by KIADB as of date, the consideration received is discloses as a liability.

2. The Company has entered into an agreement with Mandava Holdings Private Limited for sub-lease cum sale of 18 acres of the total 78 acres of land obtained on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB).



As at the balance sheet date, the assets held for sale has been stated at carrying amount (being lower of cost and agreed sub-lease-sum sale transaction is dependent on obtaining an NOC from KIADB value). Completion of the for sublease of the said land.

In the reply statement the allottee submitted that conditional MOU was entered into with parties, the same was an executory agreement not a sale deed. Clause-11(a) of the LCSA referred above authorises to sublease the allotted plot with the prior permission of the Board. Except the sublease of allotted plot with prior permission, entering into any transactions by execution of MOU/ agreement to sell/ any documents and receipt of consideration over the lease hold property of the Board is in clear violations of the terms and conditions of LCSA. The lessee in its reply statement categorically admitted the execution of the agreement in the form of MOU/agreement to sublease and receipt of the consideration which was reflected in the Annual Report submitted before the Register of Companies.

It is also admitted fact that the execution of such MOU /agreements and receipt of consideration amount is without the prior permission of the Board. Prior to execution of such agreement /MOU no written request from the lessee was received seeking permission to sublease or to enter into any agreement / MOU with regard to the lease hold property in favour of NSL and M/s. Mandava Holdings Pvt Ltd. Thereby it is clear that the allottee illegally entered into an agreement with M/s. Nuziveedu Seeds Ltd (NSL) and M/s. Mandava



Holdings Pvt Ltd and received huge sum in clear violations of the LCSA. The terms and conditions of the LCSA being a binding contract between the lessor and lessee, breaching of any conditions of the LCSA entails resumption of the allotted plot.

None of the Clause of LCSA permits the lessee to enter upon an agreement /MOU/ entering into any type of agreement conveying the leased property of the Board and receiving huge sum from the third parties.

It was contended by the lessee M/s. Embassy East Business Park that the copy of the agreement produced at SI No. 28 and 29 (agreement entered with NSL and M/s. Mandava Holdings Pvt Ltd) would show that the same are subject to the grant of permission by the Board, in the event not granting permission the agreements have no legal effect.

Before considering the submission of allottee, it is useful to refer the relevant recitals of the agreements entered with NSL and M/s. Mandava Holdings Pvt Ltd.

- 1. WHEREAS the First Party had got a lease cum sale from the Karnataka Industrial Area Development Board with regards to plot no. 6, of Kadugodi Plantation Industrial Area, which is morefully set out in the Schedule "A" hereto and whereas by a Memorandum of Understanding dated 17.11.2004 the First Party and the Second Party arrived at an Understanding whereas by the First Party agreed to transfer 20 acres of land from and out of the Schedule "A" Plot for a total consideration of Rs. 37,02,60,000/-.**
- 2. The First Party confirm having received upto now a sum of Rs. 20,00,00,000/- from the**



Second Party under the memorandum of understanding dated 17.11.2004.

It has now been mutually between the parties that instead of transfer of 20 acres of land and in view of the overall settlement between the Embassy Group of which the First Party is one of the Group Company the First Party shall execute a sublease pertaining to the extent of 18 Acres which is more fully set out in schedule "B" hereto for a total consideration of Rs. 33,32,34,000/- of which the First party has already received a sum of Rs. 20,00,00,000/- and the balance of Rs. 13,32,34,000/- shall be paid within 30 days of the First Party securing No objection Certificate from KIADB to sub lease the Schedule Property and against which the First Party shall execute a sub lease Deed in favour of the Second Party. The Parties will apply to secure sub lease permission from the KIADB in terms of the lease cum sale agreement 7th June 2007 in favour of the Second Party and then execute and register the sub lease agreement.

3. *AND WHEREAS, M/s. Steyr India Limited's name changed to M/s. Concord India Private Limited i.e. the First Party herein and the First party, claiming to have rights over the Schedule A property, caused Nuziveedu Seeds Limited (NSL), the principal company of parties two and three herein, to enter into a Memorandum of Understanding dated 17.11.2004 offering to sell a piece of land admeasuring 20 Acres out of Schedule A Property, representing that the property offered for sale, to NSL, can be building commercial, retail, for used entertainment and residential developments, for a total consideration of Rs. 37,02,60,000/- (Rupees Thirty Seven Crores Two Lakhs Thousand only) @ Rs. 425/- (Rupees Four Hundred and Twenty Five Only) per Sft.*

AND WHEREAS, Nuziveedu Seeds Limited (NSL) acting under the Memorandum of Understanding dated 17.11.2004, paid a sum of Rs. 20,00,00,000/- (Rupees Twenty Crores Only) being part sale consideration in respect of purchase of 20 Acres of land, out of Schedule A



Property, leaving balance sale consideration of Rs. 17,02,60,000/- (Rupees Seventeen Crores Two Lakhs Sixty Thousand only), which sum was agreed to be paid by NSL, upon the First Party handing over the possession on the date of registration.

- 4. The Balance consideration of Rs. 13,32,34,000/- (Rupees Thirteen Crores Thirty Two Lakhs and Thirty Four Thousand only) is received by First Party by way of adjustment vide agreement dated 06/02/2015 between Third Party herein, M/s. Embassy Real Estate Holdings and one Mr. Reddy Veeranna.***

On perusal of the above said recitals of the said agreements, makes it clear that the parties to the agreement i.e., M/s. Embassy East Business Park (M/s. Concord India Limited (lessee)) executed MOU on 17.11.2004 at the first instance with NSL agreeing to transfer 20 acres of land from and out of 78 acres of the land in plot No. 6 in Sy No. 1 in Kadugodi Industrial Area for total consideration of Rs.37,02,60,000/-.

In continuation of the MOU dated 17.11.2004 the lessee M/s. Embassy East Business Park (M/s. Concord India Limited) executed an agreement with NSL wherein the transfer of 18 acres of land instead of out of 78 acres was admitted and receipt of part consideration of Ra. 20 crores.

M/s. Embassy East Business Park (M/s. Concord India Limited (lessee)) executed one more MOU on 06.02.2015 with NSL and M/s. Mandava Holdings Pvt Ltd on 06.02.2015, wherein the lessee M/s. Embassy East Business Park (M/s. Concord India Limited) admitted the receipt of Rs. 13,32,34,000/- from the third party M/s. Mandava Holdings Pvt Ltd. The recitals of the documents



referred above makes it clear that the lessee M/s. Embassy East Business Park (M/s. Concord India Limited with an intention to transfer the leased property of the Board entered into MOU and agreements with the above said companies and received huge consideration amount of Rs. 33,32,34,000/-. The above said documents were executed in clear contravention of Clause-11(a) of the LCSA. From the recitals of the MOU and agreements makes it clear that the intention of the lessee was to transfer the leased property in favour of the above said companies and received huge sum as a sale consideration amount.

In the additional written submissions dated 13.03.2026, the allottee contended that the agreement entered by lessee with NSL dated 25.08.2008 is not binding or enforceable against KIADB. The parties entered into such a agreements / memorandum as a precursor. It is further submitted that agreement of sale does not create any right, title or interest in favour of the purchaser and requested to drop the resumption proceedings.

It is not in dispute that in resumption proceedings initiated under section 34 (B) of the KIAD Act, the Board cannot examine and decide as to whether an agreement of sale executed between the seller and purchaser creates any right, title or interest in favour of the purchaser or not. The Board has no such power under the KIAD Act to decide such questions including the point of limitation etc. The terms and conditions of the lease does not permit the lessee to execute / enter into the above referred documents as a precursor.



The records referred in the earlier part of this order clearly indicates that in contravention of the terms and conditions of lease, lessee executed those unlawful documents, (which was admitted by the lessee in its written submissions) and received the huge consideration acted against the interest of the Board.

None of the Clause of LCSA permits the lessee to enter into an agreement to sell /MOU/ any type of agreements conveying the leased property of the Board and receiving huge sum as sale consideration from the third parties.

In the reply statement the lessee submitted that conditional MOU was entered into with parties, the same was an executory agreement not a sale deed. The Clause-11(a) of the LCSA referred above authorises to sublease the allotted plot with the prior permission of the Board. Except to sublease with the prior permission, entering into any type transactions by execution of MOU/ agreements/ any other type of documents and receipt of consideration over the leased property of the Board is in clear violations of the terms and conditions of LCSA. The lessee in its reply statement categorically admitted the execution of the agreement in the form of MOU/agreement to sell and receipt of the consideration which was reflected in the Annual Report submitted before the Register of Companies. It is also admitted fact that the execution of such an agreement and receipt of consideration amount is without the prior permission of the Board. No written request from the lessee



was received seeking permission to sublease the leased property in favour of M/s. Mandava Holdings Ltd before the execution of such deeds. The lessee created such documents acting against the interest of the Board, illegally misused the valuable leased property of the Board for unlawful gain. The lessee entered into the above said unlawful transactions without the knowledge of the Board/without obtaining prior permission which is in contravention/violations of the terms and conditions of the lease. These transactions are collusive in nature entered into behind the back of the Board.

LCSA executed by Board does not empower / authorises the lessee M/s. Embassy East Business Park Pvt Ltd either to execute agreement to sell and receive consideration amount or any conditional agreement in respect of the leased property of the Board.

The lessee has created illegal documents like execution of MOU /agreement to sell and other type of agreements over the leased property and received huge sum as sale consideration even though the lessee did not possess the alienable title required to execute such an agreement to sell/ MOU, the same was in contravention of the terms and conditions of the LCSA.

The execution of those documents was categorically admitted by the lessee in its reply statement. However no plausible explanation is forth coming from the reply statement / written submissions of the lessee that the transactions entered into with the above said entities are not



alienations but acceleration. The recitals of the documents referred above and the entries referred in the Annual Reports submitted by the lessee before the Registrar of Companies clearly indicates entering into agreements and receipt of huge consideration over the leased property of the Board which is in clear violation of the terms and conditions of the LCSA. No satisfactory explanation is forth coming from the lessee with regard to the remedying the breaches notified.

The parties at their volition cannot subvert the rights of the lessor established under special enactment for the purposes of encouraging the development of industries and securing employment to the people. The entering into such MOU / Agreement to sell contrary to the object of the enactment will defeat the very object of the act.

The lessee having committed the clear breaches of terms and conditions of the LCSA as referred above the allotted plot to the lessee is liable to be resumed.

For the aforesaid reasons, I pass the following order:-

ORDER

No. KIADB/HO/Allot/AS-143/19886/2025-26 Dated: 16.03.2026.

In exercise of the powers conferred U/s. 34(B) (3) and (4) of the KIAD Act, 1966 the allotment of an extent of 78 acres 2219 sq.mtrs. of land in Plot No.6 of Kadugodi Industrial Area, Bengaluru Urban District is ordered to be resumed forthwith.



The lessee/allottee is hereby ordered to surrender the possession of the said plot within 30 days from the date of this order to the Executive Engineer, KIADB Zonal Office Bangalore.

It is further ordered that if lessee/allottee fails to surrender the possession of the said land within 30 days, the Executive Engineer, KIADB Zonal Office Bangalore, is authorized take possession of said land on behalf of the Board as provided U/s. 34(B) (5) of KIADB Act, 1966.

Communicate the order to the concerned.

Order pronounced on 16.03.2026.”

8. The Affidavit dated 12.05.2026 filed on behalf of the petitioner is as under:-

“ 1. Shailendra Konanur Subbaraya, the Authorised Signatory of the Petitioner Company, aged about 41 years, son of A R Anantha Subbaraya, having office at 1 Floor, 150, Infantry Road, Bangalore-560 001 do solemnly state on oath as follows:

1. I state that I am acquainted with the facts and circumstances of the case and authorized by the Petitioner to file this affidavit.

2. I state that the Petitioner has executed an Agreement to Sell ("ATS") on 20.03.2025 to sell an extent of



25 Acres ("sale land") out of the Petition land to Lam Research India Pvt. Ltd. ("LAM").

3. I state that subject to the Petitioner obtaining the Sale Deed under the Lease Cum Sale Agreement ("LCSA"), executed by the Respondent KIADB on 07.06.2007, the Petitioner has no right to execute any sale deed to convey the sale land to LAM.

4. I state that the said ATS is subject to the Petitioner fulfilling all conditions under the

5. I state that I have sought permission from Respondent KIADB to sub-lease an extent of 225 acres of land in Plot No. 6 of Kadugodi Indl.Area(Sub-lease land) to M/s.LAM Research India Pvt Ltd., After obtaining consent only I have executed the sub-lease deed to the sub lease land to M/s. LAM Research India Pvt.Ltd.

6. I state that upon having obtained permission under the clause 11(a) of the LCSA on 07.02.2025 from Respondent KIADB, the Petitioner has executed a sub-lease deed on 20.03.2025 in favour of LAM and delivered possession under the Sub-Lease Deed.

7. I state that the Petitioner shall not execute any sale deed to convey the right title and interest of the sale land or any portion of the Petition land to LAM without obtaining the sale deed under the LCSA from the Respondent KIADB.

8. I state that the ATS does not create any collateral right over the property in favour of LAM and does not in any way impinge upon the right of the KIADB over the subject land I further state that the transaction under the ATS between the parties is completely subject to the petitioner



fulfilling all conditions in LCSA and on full conveyance of the property in favour of the Petitioner by KIADB.

9. *I state that I will not convey the right title and interest of the Petition Land to any third party by execution of a sale deed prior to obtaining the sale deed under the LCSA from the Respondent KIADB*

10. *I have sought for permission from Respondent KIADB to Sub Lease 18 acres in Plot No.6 of Kadugodi Industrial Area to NSL SEZ Hyderabad P Ltd. (part of Mandava Holdings P Ltd./NSL Renewable Power P Ltd.). The Sub-Lease will not be executed without permission from the Respondent KIADB.*

11. *I request in view of the above that the Writ Petition be allowed as prayed for in the Writ Petition."*

9. As rightly contended by the learned Senior counsel for the petitioner, the very basis for forming apprehension to pass the impugned resumption order has been adequately / satisfactorily / sufficiently explained and allayed by the petitioner in the aforesaid Affidavit and consequently, without expressing any opinion on the merits / demerits of the rival contentions between the petitioner on one hand and the intervening applicants on the other, I deem it just and appropriate to quash the impugned resumption order and dispose of the present petition by issuing certain directions.



10. Insofar as intervening applicants in I.A.1/2026 and I.A.2/2026 are concerned, having regard to the present order which does not express any opinion on the merits / demerits of the rival contentions between the petitioner, and intervening applicants in the pending litigations and the same are kept open to be decided in accordance with law, I am of the view that I.A.No.1/2026 and I.A.No.2/2026 deserves to be disposed of accordingly.

11. In the result, I pass the following:-

ORDER

(i) Petition is hereby allowed.

(ii) The impugned order at Annexure-A dated 16.03.2026 passed by the respondent – KIADB is hereby quashed.

(iii) Liberty is however reserved in favour of the respondent – KIADB to initiate appropriate action against the petitioner in accordance with law, if the occasion so arises.

(iv) I.A.No.1/2026 and I.A.2/2026 filed by the intervening applicants are disposed of relegating the parties to work out their remedies in the aforesaid pending litigations and keeping / leaving open all contentions between the petitioner and intervening applicants to be decided in the pending / future litigations in



accordance with law and no opinion is expressed on the merits /
demerits of the rival contentions.

**Sd/-
(S.R.KRISHNA KUMAR)
JUDGE**

Srl.