



CNR: KAHC010236602026

NC: 2026:KHC:41719
WP No. 10993 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 6TH DAY OF AUGUST, 2026

BEFORE

THE HON'BLE MR. JUSTICE SURAJ GOVINDARAJ

WRIT PETITION NO. 10993 OF 2026 (GM-KIADB)

BETWEEN:

GARAGE AND ENGINEERING
WORK SHOP ASSOCIATION (R),
HAVING OFFICE AT- PLOT NO.219,
AUTO COMPLEX, SAGAR ROAD,
SHIMOGA - 577 201
REPRESENTED BY ITS SECRETARY
MR. DHANANJAY
AGED ABOUT 55 YEARS
S/O B. MOHAN.

...PETITIONER

(BY SRI. ABHISHEK ARUN KUMAR HAPPALI, ADVOCATE FOR
SRI. BHARATH KUMAR V, ADVOCATE)

Digitally signed
by SHWETHA
RAGHAVENDRA
Location: HIGH
COURT OF
KARNATAKA

AND:

1. STATE OF KARNATAKA
REPRESENTED BY ITS SECRETARY,
DEPARTMENT OF INDUSTRIES AND COMMERCE,
VIDHANA SOUDHA, DR. B.R. AMBEDKAR VEEDHI,
BANGALORE - 560 001.
2. KARNATAKA INDUSTRIAL
AREAS DEVELOPMENT BOARD,
HAVING ITS HEAD OFFICE AT NO.49,
4TH AND 5TH FLOOR, EAST WING,
KHANIJA BHAVAN, RACE COURSE ROAD,



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BANGALORE - 560 001.
REPRESENTED BY ITS CHIEF EXECUTIVE OFFICER.

3. KARNATAKA INDUSTRIAL
AREAS DEVELOPMENT BOARD
HAVING ITS ZONAL OFFICE AT
KARUR INDUSTRIAL AREA, PLOT NO.CA(1-B),
P.B.ROAD, DAVANGERE - 577 006.
REPRESENTED BY ITS CHIEF EXECUTIVE OFFICER.

...RESPONDENTS

(BY SRI. SHAMANT NAIK, AGA FOR R1;
SRI. P.V. CHANDRASHEKAR, ADVOCATE FOR R2)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF
THE CONSTITUTION OF INDIA PRAYING TO QUASH THE
IMPUGNED ORDER DATED 17.01.2026 BEARING NO.
KAKAIPRAMAN/KEM.KA/HANCHIKE/E.C.231838/1 6351/2025-
26 PASSED BY THE RESPONDENT NO.2 UNDER SECTION 34-B
OF THE KARNATAKA INDUSTRIES AREAS DEVELOPMENT ACT,
1966 VIDE ANNEXURE-A IN THE INTEREST OF JUSTICE AND
EQUITY AND ETC.,

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



CORAM: HON'BLE MR. JUSTICE SURAJ GOVINDARAJ

ORAL ORDER

1. The petitioner is before this Court seeking for the following reliefs;

a. *Issue a writ, order or direction in the nature of Certiorari or any other appropriate writ, order or direction to quash the impugned order dated 17.01.2026 bearing No. KaKaiPraMan/Kem.Ka/Hanchike/E.C.231838/16351 /2025-26 passed by the Respondent No.2 under Section 34-B of the Karnataka Industries Areas Development Act, 1966 vide ANNEXURE-A in the interest of justice and equity.*

b. *Issue a writ, order or direction in the nature of mandamus or any other appropriate writ, order or direction directing the Respondent No.2 & 3 to permit the petitioner to utilize the Schedule Property for the welfare of Automobile Industrial Workers; As such may be done in the best interest of justice and equity.*

c. *Issue a writ, order or direction in the nature of mandamus or any other appropriate writ, order or direction directing the Respondent No.2 & 3 to permit the petitioner to complete the establishment of Automobile and Industrial Training Centre in the Schedule Property within a period of 18 Months; As such may be done in the best interest of justice and equity.*

d. *Grant such other relief that this Hon'ble Court may deem fit in the facts of the present matter.*



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2. The petitioner is an association registered under the Karnataka Associations Registration Act, 1960, established with the intention of providing automobile mechanic services and training to persons to learn such skills and establish their own vocation. With that intention, the petitioner had submitted an application for allotment of plot to the second respondent - KIADB on 10.07.1988 and made a security deposit of Rs.2,00,000/-.
3. The KIADB issued an allotment letter on 12.11.2009 for a plot measuring 6517 square feet on a lease cum sale basis. Thereafter, the petitioner was called upon to deposit the remaining amount of Rs.4,54,033/- which was paid by the petitioner on 01.12.2010. Possession certificate came to be issued on 13.12.2010 and a lease cum sale agreement was entered into on 13.12.2010 for a period of 10 years. The terms of lease cum sale agreement not having been satisfied by utilising the land and putting up the



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construction as per the project report, the KIADB on 01.09.2015 imposed a penalty on the petitioner of a sum of Rs.65,403/- and called upon the petitioner to complete the utilisation at the earliest. The said amount was not paid immediately by the petitioner, but, was paid over a period of time.

4. On 28.11.2016, followed by another representation on 06.12.2016, the petitioner sought for further time to implement the project. The same was rejected by the KIADB and a notice came to be issued on 27.12.2016 under Section 34-B(3) of the KIAD Act. The petitioner submitted a representation on 02.02.2017 seeking once again an extension of time. The KIADB replied on 03.02.2017, calling upon the petitioner to appear in person on 10.02.2017. The petitioner appeared before the KIADB on 10.02.2017 and again requested for extension of time. The same was rejected by the KIADB on 03.03.2017 by passing an order under Section 34-B(3) and (4) of the KIADB Act and



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cancelled the allotment made in favour of the petitioner.

5. This came to be challenged by the petitioner in W.P.No.13594/2017, where an interim order was granted on 05.04.2017 directing the KIADB not to take possession of the property. The said writ petition came to be disposed of on 24.01.2025 on the ground that the KIADB had not complied with the requirement of Section 34-B(1) and 2 of the KIADB Act.
6. In pursuance thereof, the KIADB issued a notice on 03.03.2025 under Section 34-B(1) of the KIADB Act, calling upon the petitioner to show cause why the land was not to be resumed on account of non-utilisation. On 11.03.2025, the petitioner replied seeking for one year further extension to complete the construction. The same was again rejected by the KIADB and the allotment cancelled by following the due procedure



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under Section 34-B(3) of the KIADB Act. Thereafter, the petitioner again submitted representation seeking for extension of time which was not considered by the respondent and it is in that background that the petitioner is before this Court seeking for the aforesaid relief.

7. When the matter was taken up for hearing on 23.07.2026, there was a categorical submission made by the counsel for the petitioner that the petitioner now has the ability to implement the project and in that background, the petitioner was called upon to place on record, the project report and the details of finance available to the petitioner.
8. Today, a memo has been filed enclosing a project report indicating that the total project cost would be Rs.7.50 lakhs. The bank statement of the petitioner has also been placed on record, indicating that the petitioner has a sum of Rs.2,01,310.96 to its credit in



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the said bank account. The submission of the learned counsel for the petitioner is that there are several persons willing to come forward and donate money for the purpose of construction of the Training Centre and as such, the amount required for the project would be available to the petitioner.

9. This Court is unable to accept the said submission at this stage. The allotment having made on 12.11.2009, lease cum sale agreement having been entered into on 30.12.2010, for a last nearly 16 years, no construction has happened on the subject property. Even today, the project report which has been placed on record indicates that an amount of Rs.7,50,000/- would be required for the purpose of construction. This Court finds *ex facie*, given estimate is on a lower side, when the plot area is about 6517 square feet and the construction proposed is 247 square meters amounting to 2656 square feet.



10. Firstly, the utilisation is less than half of the property.

Secondly, even for that, the cost of construction is stated to be only Rs.6,00,000/- which is on the lower side. The benefit which had been extended by this Court to the petitioner to place on record, the project report and source of funds was to ascertain the *bonafides* of the petitioner. The project report which has been placed on record does not indicate any such *bonafides*. That apart the petitioner has only a sum of Rs.2,00,000/- in the account and no source of raising the loan or otherwise, since there is no business being operated by the petitioner.

11. In that view of the matter, this Court is of the considered opinion that grant of any further extension or indulgence to the petitioner would not be in the interest of the KIADB or in the interest of industrialization which was the cause for acquisition of the land and allotment made to the petitioner.



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12. No grounds being made out, the petition stands
dismissed.

Sd/-
(SURAJ GOVINDARAJ)
JUDGE

GH
List No.: 1 Sl No.: 29