

**KARNATAKA ACT NO. 20 OF 2005**  
**THE KARNATAKA CO-OPERATIVE TEXTILE MILLS (ACQUISITION AND TRANSFER)**  
**(AMENDMENT) ACT, 2004.**

**Arrangement Sections**

**Sections:**

1. Short title and commencement
2. Amendment of section 2
3. Amendment of section 4
4. Amendment of section 5
5. Amendment of section 9
6. Amendment of section 10
7. Amendment of section 16
8. Insertion of new section 22A
9. Insertion of Annexure

**STATEMENT OF OBJECTS AND REASONS**

Writ Petition Nos.4227/99, 4590/99 and 4591/99 were filed by Smt.Susheela and others claiming to be the owners of the land leased to the Karnataka State Textile Ltd./Mahadev Textile Mills questioning the KSIIDC's publication of the advertisement for sale of properties belonging to the mill.

The Hon'ble High Court of Karnataka has held that the lessor is not the owner of the said land and issued a Writ of Mandamus, directing the State Government and the respondents not to auction or sell the landed property or land even under the Mill or otherwise, unless and until title of ownership in land is acquired by State Government is established as per law.

It is therefore, considered necessary to amend the Karnataka Co-operative Textiles Mills (Acquisition and Transfer) Act, 1986, suitably with effect from 30.6.86 to avoid loosing to Government land, keeping in view the orders passed by the Hon'ble High Court of Karnataka in the writ petitions, referred to above.

Hence the Bill.

(LC Bill No.5 of 2004)

(Entry 42 of list III of Seventh Schedule to the Constitution of India.)

**KARNATAKA ACT NO. 20 OF 2005**

(First published in the Karnataka Gazette Extra-ordinary on the Fourth day of July, 2005)

**THE KARNATAKA CO-OPERATIVE TEXTILE MILLS (ACQUISITION AND TRANSFER)  
(AMENDMENT) ACT, 2004.**

(Received the assent of the President on the Twenty Fourth day of June, 2005)

An Act to amend the Karnataka Co-operative Textile Mills (Acquisition and Transfer) Act, 1986.

Whereas it is expedient to amend the Karnataka Co-operative Textile Mills (Acquisition and Transfer) Act, 1986 (Karnataka Act 29 of 1986) for the purposes hereinafter appearing;

Be it enacted by the Karnataka State Legislature in the Fifty fifth year of the Republic of India as follows:-

**1. Short title and commencement.-** (1) This Act may be called the Karnataka Co-operative Textile Mills (Acquisition and Transfer) (Amendment) Act, 2004.

(2) It shall be deemed to have come into force with effect from the Thirtieth day of June, 1986.

**2. Amendment of section 2.-** In section 2 of the Karnataka Co-operative Textile Mills (Acquisition and Transfer) Act, 1986 (Karnataka Act 29 of 1986), (hereinafter referred to as the principal Act),-

(1) in clause (e), the following shall be inserted at the end, namely:-

"and the land belonging to the owner of land specified in the annexure appended to this Act, which is held on lease for the purpose of the Mills."

(2) after clause (g), the following clause shall be inserted, namely:-

"(gg) "owner of land" means a person to whom the land specified in the annexure appended to this Act belonged and which is held on lease for the purpose of the Karnataka Co-operative Textile Mills and includes any person who claims title to such land as his heir or legal representative."

**3. Amendment of section 4.-** In section 4 of the principal Act, after the words "lessor and lessee" the words "and owner of land" shall be inserted.

**4. Amendment of section 5.-** In section 5 of the principal Act,-

(1) in sub-section (1), after the words "lessor or lessee" the words "or owner of land" shall be inserted.

(2) In sub-section (3), after the words "mortgagee of any property" the words "and every owner of land having interest in, or in relation to, the property" shall be inserted.

(3) In sub-section (4),-

(a) after the words "mortgagee of any property" the words "and every owner of land having interest in, or in relation to, the property" shall be inserted.

(b) For the words "or other dues" the words "amount or other dues" shall be substituted.

**5. Amendment of section 9.-** In section 9 of the principal Act, for the words "or such other persons" the words "or owner of land or such other persons" shall be substituted.

**6. Amendment of section 10.-** In section 10 of the principal Act, in sub-section (2), for the words "or such other persons" the words "or owner of land or such other persons" shall be substituted.

**7. Amendment of section 16.-** In section 16 of the principal Act, in sub-sections (1) and (4) for the words "and other interested persons" the words "owner of land and other interested persons" shall be substituted.

**8. Insertion of new section 22A.-** After section 22 of the principal Act, the following section shall be inserted, namely:-

**"22A. Disbursement of amount of the lessor etc.,-** (1) If out of the amount paid to him in relation to the Mills, there is a balance left after meeting the liabilities specified in the Schedule, the Commissioner shall disburse such balance to the lessor, lessee and owner of land.

(2) Before making any payment to the lessor, lessee or owner of land in proportion to his interest in the Mills, the Commissioner shall satisfy himself as to the right of such lessor, lessee or owner of land to receive the whole or any part of such amount and in the event of there being a doubt or dispute as to the right of such lessor, lessee or owner of land to receive the whole or any part of the amount referred to in section 9 and 10 including apportionment of the amount among them, the Commissioner shall refer the matter to the Court and make disbursement in accordance with the decision of the Court.

(3) The court shall decide the apportionment of amount among the lessor, lessee or owner of land in relation to the Mills having due regard to the value on the appointed day of the property forming part of the Mills.

(4) Notwithstanding anything contained in this Act evidence shall be admissible to establish before the court right title and interest of the lessor, lessee or owner of land in relation to the Mills.

**Explanation.-** In this section 'Court' in relation to the Mills means the principal court of original jurisdiction within the local limits of whose jurisdiction the Mills is situated."

**9. Insertion of Annexure.-** After the Schedule to the principal Act, the following Annexure shall be inserted, namely:-

**ANNEXURE**

(See clause (gg) of section 2)

Landed Property vested with the Government as per section 4 and 5 of the Karnataka  
Co-operative Textile Mills, (Acquisition and Transfer) Act, 1986.

Sl. No.	Property No.		Kind	Area			Boundaries
	R.S. No.	CTS. No.		A	G	Sq. Yrds.	
1	2	3	4	5	6	7	8
1.	107/1B & 107/2 (Own) (Agril.)	103A/1	Open land and some unauthorised Buildings at South end. (Purchased from Sri G.K.Desai & R.G.Desai R.S.No.107/1B) (Purchased from K.V. Desai, H.R.Deshpande & L.S. Deshpande. R.S.No.107/2)	4	25	25	<b>East:</b> CTS No. 211 ABC 212 to 468 belonging to the Mills.  <b>West:</b> Unakal Road and Part of CTS No. 103A/1 Sold to Post & Telegraph Department Dharwar. Karwar Road.  <b>South:</b> CTS No.103/C and Part of <b>North:</b> CTS No. 103A/1 (2 Acres 7 Guntas) purchased by HDMC and beyond that R.S.No.214 (Indira Glass House)
2.	108 & 108A (Own)	211 ABC & 212 to 468.	Housing Colony Girani Chawl	7	28	96	<b>East:</b> R.S.No. 108 & beyond that by a gutter which is now used by Police Line  <b>North &amp; West:</b> R.S.No. 107 <b>South:</b> Karwar Road
3.	15 (Lease hold)	98	Building of Mill No.II) Old Spinning Unit, Doubling, RPW, Winding Sizing, Weaving, Folding, Printing, Boiler, Machine shop, Reeling, Canteen, Security, Retail Shop etc, (Owner of Land Sri. Ballappa, Tammanna.Naik, Chitaguppi)	8	04	076	<b>East:</b> Road to Unakal and Karwar Road <b>West:</b> By Revision Survey No. 17-16 & Part of 19 CTS No. 99 <b>South:</b> Nallaha & Karwar Road. <b>North:</b> By Survey No. 19 (CTS No.99)

4.	16, 17 & 19 (Part B) (Lease hold) (Agril)	99	<b>Mill No. II.</b> Building of Ginning & Pressing, Godowns and Open Land (Old Cattle Market.) Owner of the Land. Vittal Rao. Annaji, Deshpande. Ramachandram. Annaji, Deshpande.	14	28	00	<b>East:</b> Survey No.15 (CTS No.98) & Unakal Road. <b>West:</b> <b>North:</b> Revision Survey No. 18 & 19 Part (CTS No.100 & 102) <b>South:</b> R.S. No.25 (CTS No. 97) Nallaha.
5.	123 & 124 (Lease hold)	470	<b>Mill.No.I.</b> Buildings of Spinning Dept, Store, Time-Office, Administrative Offices, Dispensary etc., (Original Owner, Sri.Ballappa, Tammanna.Naik.Chitaguppi)	5	32	106	<b>Boundaries of R.S.No. 123.</b> <b>East:</b> Unakal Road. <b>West:</b> Nallaha & Karwar road and Part of CTS No.472 <b>North:</b> Karwar Road. <b>South:</b> R.S.No.126, CTS No.472 & 471.
6	126 (Own.)	472	Open Land with the un-authorized Lime-Stone shop & Factory of R.P.Dhongadi, Water Tank & Gutter (Nallaha)	1	21	41	<b>East:</b> Unakal Road, <b>West:</b> R.S No.124 & Nallaha. <b>North:</b> R.S. No.125 (CTS No.470) <b>South:</b> Nallaha
7.	122 (Agril) (Lease hold)	479	Two buildings of Govt. Primary School & Open Land. (Original owner 1. Sri. K.V. Desai 2. Gundu Ramachandra Desai 3. Ramachandra Gundu Desai 4. Annaji Gundu Desai)	00	33	00	<b>East:</b> R.S.No.164 & 165 (CTS No. 480/1 & 484) <b>West:</b> Road to Unakal. <b>North:</b> Karwar Road. <b>South:</b> R.S. No. 117.
8	164 (Own)	480/1	Staff Quarters & Open Land.	1	02	41	<b>East:</b> <b>West:</b> C.T.S. No. 485 & 446 C.T.S. No.479 <b>North:</b> Karwar Road. <b>South:</b> R.S.No.117 (City Survey No.478)
9	164 (Own)	480/2	Staff Quarters & Open Land.	00	08	76	
10.	164 (Own)	483	Staff Quarters & Open Land.	00	25	04	
11	164 (Own)	484	Staff Quarters & Open Land.	00	25	87	

12	165 (Own)	481	Open Land	00	28	62	<b>East: North &amp; West: South:</b>	CTS No.445.  CTS No. 480/1  CTS No. 478 & 566 (R.S.No. 117)
13	165 (Own)	482	Open Land	00	08	104		
14.	166 (Agril) (own)	3475	Temple of Tulaja Bhavani	00	04	14	<b>East: West: North: South:</b>	R.S. No.166 (Part) R.S. No.126. R.S. No.166 (Part) Bed of Nallaha.
15.	125 (Lease hold)	470 (Part)	Open Land (Original Owners - Panchas of Muneshwar Math)	00	19	101	<b>East: West &amp; North: South:</b>	Road to Unakal  Survey No. 124 (CTS No. 470) Remaining portion of Survey No. 125 (CTS No.471)

**Note:** This Annexure does not include the properties sold by The Karnataka Co-operative Textile Mills Ltd., and the Properties acquired by various Government Authorities before, 1986.

The above translation of the ಕರ್ನಾಟಕ ಸಹಕಾರಿ ಬಟ್ಟೆ ಗಿರಣಿಗಳ (ಅರ್ಜನೆ ಮತ್ತು ವರ್ಗಾವಣೆ) (ತಿದ್ದುಪಡಿ) ಅಧಿನಿಯಮ, 2004 (2005 ರ ಕರ್ನಾಟಕ ಅಧಿನಿಯಮ ಸಂಖ್ಯೆ 20) be published in the Official Gazette under clause (3) of Article 348 of the Constitution of India.

**T.N. Chaturvedi**  
**Governor of Karnataka**

By Order and in the name of the Governor of Karnataka,

**G. Dakshina Moorthy**  
Secretary to Government,  
Department of Parliamentary Affairs and Legislation.