

RESERVED ON 19TH AUGUST 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 02ND DAY OF SEPTEMBER, 2026

PRESENT

THE HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE

AND

THE HON'BLE MRS. JUSTICE K.S. HEMALEKHA

WRIT APPEAL NO.201 OF 2025 (GM-RES)

BETWEEN:

SWAMY GOWDA
S/O. LATE NANJEGOWDA
AGED ABOUT 72 YEARS,
R/AT POLICE STATION ROAD,
KRISHNARAJASAGARA,
MANDYA - 571 401.

...APPELLANT

(BY SRI. SATYANAND B.S., ADVOCATE)

AND:

1. THE SPECIAL LAND ACQUISITION OFFICER
AND COMPETENT AUTHORITY
NH-275, BANGALORE-MYSORE DIVISION,
NATIONAL HIGHWAYS AUTHORITY OF INDIA
OFFICE AT NO.1541, NARASIMHA NILAYA,
2ND CROSS, VIDYANAGARA
NEAR SUSHEELAMMA PARK
MANDYA - 571 401.
2. THE PROJECT DIRECTOR
NATIONAL HIGHWAYS
AUTHORITY OF INDIA
NH-275, BANGALORE-MYSORE DIVISION,
BASAVANAPURA (RAMADEVARAPADA)
RAMANAGARA-562 159.

3. NATIONAL HIGHWAYS AUTHORITY OF INDIA
NH-275, BANGALORE-MYSORE DIVISION,
BASAVANAPURA, RAMANAGARA - 562 159
BY ITS COMMISSIONER.
4. THE REGIONAL OFFICER
NATIONAL HIGHWAYS AUTHORITY OF INDIA
REGIONAL OFFICE NO.13
NAGASANDRA VILLAGE
TUMKURU MAIN ROAD
NEAR METRO STATION
BANGALORE - 560 073.
5. THE DEPUTY COMMISSIONER
MANDYA DISTRICT,
MANDYA-571401.

...RESPONDENTS

(BY MS. SRUTI C., ADVOCATE FOR R-1 & R-2;
SRI. K.S. HARISH, GOVERNMENT ADVOCATE FOR R-5;
R-4 - SERVED)

THIS WRIT APPEAL IS FILED UNDER SECTION 4 OF THE KARNATAKA HIGH COURT ACT PRAYING TO CALL FOR THE ENTIRE RECORDS PERTAINING TO R.P.NO.236/2022 DISPOSED OF ON 20.12.2024 & W.P.NO.9402/2021 DATED 22.10.2021; 2) SET ASIDE THE IMPUGNED ORDER DATED 20.12.2024 PASSED BY THE LEARNED SINGLE JUDGE ALTERING/ /MODIFYING THE FINAL ORDER DATED 22.10.2021 PASSED IN W.P.NO.9402/2021 (GM-RES) IN R.P.NO.236/2022 BY ALLOWING THIS WRIT APPEAL.

THIS WRIT APPEAL HAVING BEEN HEARD AND RESERVED FOR JUDGMENT, COMING ON FOR PRONOUNCEMENT THIS DAY, JUDGMENT WAS PRONOUNCED AS UNDER:

CORAM: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE
and
HON'BLE MRS. JUSTICE K.S. HEMALEKHA

C.A.V. JUDGMENT

(PER: HON'BLE MRS. JUSTICE K.S. HEMALEKHA)

1. Impugning the order dated 20.12.2024 passed in R.P. No.236/2022, the appellant, who was the petitioner in W.P. No.9402/2021 (GM-RES) and the respondent in review petition, has preferred the present *intra-court* appeal.

2. By the order dated 20.12.2024, the learned Single Judge modified the earlier order dated 22.10.2021 passed in W.P. No.9402/2021, by excluding an extent of 400 square meters from the compensation payable in respect of the acquisition proceedings. The learned Single Judge proceeded on the basis that, having regard to condition No.8 of the conversion order, the said extent of 400 square meters was required to be transferred to the local authority and therefore, could not form part of the compensation payable under the acquisition proceedings. The learned Single Judge, however, reserved the appellant's right to pursue an independent remedy in respect of the said extent.

Brief Facts:

3. The appellant is the owner of lands bearing Sy. Nos.150 and 151/1, situated at Brahamapura Village, Srirangapatna Taluk, Mandya District, measuring in all approximately 2021 square

meters. The said lands were converted for non-agricultural / residential purposes pursuant to the conversion order dated 12.02.2016 passed by the Deputy Commissioner, Mandya District.

4. The lands of the appellant were acquired for the purpose of road widening of the National Highway No.275 [**NH-275**]. The acquisition proceedings commenced with the issuance of a preliminary notification dated 01.02.2016 under Section 3A of the National Highways Act, 1956 [**NH Act**], followed by the final declaration dated 04.10.2016 under Section 3D of the NH Act. The extent of land covered by the acquisition proceedings was thus specifically identified in the statutory notification.

5. Upon conclusion of the acquisition proceedings, the Competent Authority determined the compensation payable to the appellant at ₹54,64,191/-. The appellant, being aggrieved by the determination, particularly on the ground that the subject lands had already been converted for residential purposes, invoked the statutory remedy under Section 3G (5) of the NH Act and the matter was placed before the Deputy Commissioner, Mandya District, who acted as the designated Arbitrator.

6. The learned Arbitrator considered the rival contentions and by an award dated 21.09.2019, accepted the appellant's contention

regarding the converted nature of the land and determined enhanced compensation in respect of the acquired extent to ₹2,81,51,652/-, which was further enhanced to ₹3,50,65,389/- vide letter dated 06.12.2019. Subsequently, the National Highways Authority of India [NHAI] issued a communication dated 01.06.2020 to the Special Land Acquisition Officer and Competent Authority, NH-275, Mandya seeking re-determination of the award and examination of similar cases, *inter alia*, with a view to avoiding the interest burden on NHAI. Aggrieved by the said communication, the appellant approached the Court in the aforesaid writ petition, seeking, *inter alia*, quashing of the impugned communication and a direction to the respondents to disburse the differential amount of ₹65,55,264/- together with the accumulated interest in terms of the arbitral award dated 21.09.2019.

7. The learned Single Judge by order dated 22.10.2021, allowed the writ petition, quashed the impugned communication, and directed respondent Nos.1, 2 and 4 therein to disburse the differential amount together with the accumulated interest in terms of the arbitral award.

8. The respondents thereafter instituted the Review Petition No.236/2022. By the impugned order, the learned Single Judge

modified the earlier order dated 22.10.2021 and excluded an extent of 400 square meters from the compensation payable under the acquisition proceedings.

Reasons and analysis:

9. The acquisition proceedings have to be examined in the backdrop of the statutory scheme under the NH Act. Section 3A provides for a declaration of the intention to acquire land required for public purpose specified therein. Section 3B enables the authorized officer to undertake the requisite survey and other acts in relation to the land proposed to be acquired. Section 3D provides for a declaration of acquisition and, upon publication of such declaration, the land vests absolutely in the Central Government free from encumbrances. Section 3G provides for determination of amount payable as compensation and, where amount determined by the Competent Authority is not acceptable to either party, sub-section (5) provides for determination of such amount by an Arbitrator appointed by the Central Government. By virtue of Section 3G(6), the provisions of Arbitration and Conciliation Act, 1996 [**A&C Act**] are made applicable to such arbitration.

10. In the present case, the extent of land forming the subject matter of the acquisition proceedings was identified as the land

bearing Sy.Nos.150 and 151/1 of Brahamapura Village, Srirangapatna Taluk, Mandya District, measuring approximately 2021 square meters acquisitioned for the purpose of widening of NH-275. The appellant, being dissatisfied with the compensation determined by the Competent Authority, invoked the statutory remedy under Section 3G (5) of the NH Act. The matter was thereafter adjudicated by the statutory Arbitrator. The Arbitrator considered the rival contentions and by Award dated 21.09.2019, accepted the appellant's case and determined the compensation payable in respect of the acquired land on basis of its converted nature, which was enhanced by letter dated 06.12.2019. The dispute referred to and adjudicated upon by the Arbitrator was, consequently, one relating to the determination of compensation payable for the acquired land.

11. The respondents having participated in the statutory process, had every opportunity to place before the Arbitrator any objection as to the extent of land in respect of which the compensation was payable. The respondents however, did not raise a contention before the Arbitrator that land to the extent of 400 square meters was liable to be excluded because of condition No.8 of the conversion order. Such a contention ought to have been raised,

before the Arbitrator, which was admittedly not done. The Arbitrator consequently adjudicated upon the compensation payable and passed an award on 21.09.2019. The said award was not challenged in accordance with the remedies available under the A&C Act and has, therefore, attained finality.

12. Once the statutory Arbitrator had adjudicated the dispute and determined the compensation payable in respect of the acquired land and such determination had attained finality, the acquiring authority could not thereafter assume to itself the power to reopen or reconsider the determination by issuing an administrative communication.

13. The respondents, on the other hand, issued the communication seeking reconsideration of the award, essentially with a view to reducing the financial liability arising therefrom. Challenging the same, the appellant approached this Court in the aforesaid writ petition, complaining that a concluded statutory determination was being reopened administratively and that the differential compensation determined under the arbitral award was being withheld.

14. The principal defence of the respondents in the writ proceedings, as reflected in the review proceedings, was that the

impugned communication was merely an inter-departmental communication and that the writ petition was premature, since no final decision has been taken pursuant thereto. Significantly, the case advanced in the review petition, that an extent of 400 square meters was not liable for compensation since it was required to be handed over to the local authority in light of condition No.8 of the conversion order, was neither the basis of the original proceedings nor was such an issue raised before the Arbitrator.

15. A review petition cannot be utilized to introduce a new factual foundation and thereby reopen the substantive rights that have already stood concluded. The jurisdiction of review is limited and cannot be converted into appellate jurisdiction so as to enable a party to raise a new case or seek reconsideration of matters which did not form the basis of the original adjudication. Such an exercise cannot be permitted. If the respondents were of the view that the Arbitrator had wrongly included the extent of 400 square meters in the land for which the compensation was payable, the appropriate remedy was to challenge the arbitral award in accordance with law. Having failed to do so and having allowed the award to attain finality, the respondents could not seek to achieve indirectly,

through a review petition, a reduction in compensation which they had not sought by challenging the award itself.

16. The Supreme Court in **Project Director, National Highways Vs. M. Hakeem**¹ held that the Court exercising jurisdiction under Section 34 of the A&C Act does not possess a general power to modify an arbitral award, which reinforces the limited nature of jurisdiction available in respect of a concluded arbitral determination. *A fortiori*, an administrative authority cannot, by issuing a communication, assume the power to recalculate, reduce or otherwise modify the compensation determined by the Statutory Arbitrator.

17. We are therefore of the considered view that the arbitral award dated 21.09.2019 constituted a concluded statutory adjudication of the compensation payable in respect of the acquired land. The respondents, having not challenged the award and having permitted the same to attain finality, could not thereafter reopen the determination by relying upon a new contention concerning an extent of 400 square meters. The impugned order passed in the review petition, insofar as it excludes the extent of 400 square meters from the compensation determined under the

¹ (2021) 9 SCC 1

arbitral award, therefore, does not merely correct an error apparent in the earlier order. It substantially alters the consequence of the arbitral adjudication and permits the respondents to advance a case which was neither raised before the Arbitrator nor formed the basis of the original proceedings.

18. In our view, such an exercise travels beyond the permissible scope of review jurisdiction and cannot be sustained. For the foregoing reasons, we allow the appeal, set aside the order dated 20.12.2024 passed in R.P. No.236/2022 and confirm the order dated 22.10.2021 passed in W.P. No.9402/2021 (GM-RES).

**Sd/-
(VIBHU BAKHRU)
CHIEF JUSTICE**

**Sd/-
(K.S. HEMALEKHA)
JUDGE**

MBM