



2026:AHC:122089-DB

HIGH COURT OF JUDICATURE AT ALLAHABAD

WRIT - C No. - 19903 of 2026

Central UP Gas Limited

.....Petitioner(s)

Versus

Union of India and 3 others

.....Respondent(s)

Counsel for Petitioner(s) : Puneet Agarwal
Counsel for Respondent(s) : A.S.G.I., C.S.C., Pranjal Mehrotra

Court No. - 21

**HON'BLE MAHESH CHANDRA TRIPATHI, J.
HON'BLE KUNAL RAVI SINGH, J.**

1. Heard Shri Puneet Agarwal, learned counsel for the petitioner, Shri Ambrish Shukla, learned Additional Chief Standing Counsel for the State-respondents, and Shri Pranjal Mehrotra, learned counsel appearing for the respondent–Union of India through the Ministry of Road Transport and Highways (hereinafter referred to as ‘NHAI’).

2. This writ petition has been filed praying inter alia for the following relief:

“i. issue a writ order or direction in the nature of mandamus restraining the respondents not to interfere in peaceful possession of the petitioners in respect of the plot no.203 (Part), situated at Chakeri, Tehsil- Sadar, District-Kanpur Nagar.

ii. issue a writ order or direction in the nature of mandamus directing the respondents to consider the realignment of the Kanpur Ring Road Project in respect to the acquisition area of plot no. 203 (Part), situated at Chakeri, Tehsil- Sadar, District- Kanpur Nagar.

- iii. issue a writ order or direction in the nature of mandamus restraining the respondents from demolishing the existing CUGL infrastructure, boundary wall and machinery until suitable alternative arrangement / solution is identified and implemented in respect of the plot no. 203 (Part), situated at Chakeri, Tehsil- Sadar, District- Kanpur Nagar.*
- iv. issue any other writ order or direction which this Hon'ble Court may deem fit and proper under the facts and circumstances of this case.*
- v. award cost of this petition to the petitioner.”*

3. The petitioner, namely Central U.P. Gas Limited (hereinafter referred to as 'CUGL'), is a Public Limited Company incorporated under the provisions of the Companies Act, 1956. It is a joint venture of two Maharatna Public Sector Undertakings, namely Gas Authority of India Limited and Bharat Petroleum Corporation Limited. The petitioner - CUGL has been authorized by the Petroleum and Natural Gas Regulatory Board to develop and operate City Gas Distribution Networks in the geographical areas of Kanpur, Unnao, Bareilly and Jhansi. The company is engaged in supplying Piped Natural Gas (PNG) to domestic, commercial and industrial consumers and also in distributing Compressed Natural Gas (CNG) through its stations.

4. Learned counsel for the petitioner submits that the petitioner had acquired leasehold rights over Plot No. 203 (Part), situated at Chakeri, Tehsil-Sadar, District-Kanpur Nagar, measuring about 1,750 square meters, from the Kanpur Development Authority through a duly registered lease deed dated 31.03.2010 for a period of 90 years. The petitioner paid the entire lease premium and advance lease rent and has remained in peaceful physical possession of the said land. After obtaining the said land, the petitioner established a CNG Filling (Mother) Station in the year 2011. The station was connected with the High Pressure Steel Pipeline Network and a District Regulating Station (DRS), along with a Medium Density Polyethylene (MDPE) pipeline network, was also installed for supply of PNG to nearby residential areas. Thousands of vehicles are refueled daily at the said station and six DB stations are also supplied through it. Large investments were made by the petitioner for installation of machinery, pipelines and other infrastructure.

5. He further submits that the dispute arose when the petitioner received a notice dated 16.03.2026 from respondent no. 4—Competent Authority/ Additional District Magistrate (Land Acquisition), Kanpur, informing that the land in question had been acquired for the Kanpur Ring Road Project under the provisions of the National Highways Act, 1956 (hereinafter referred to as ‘the Act, 1956’). The notice referred to notifications issued under Sections 3A(1) and 3D(1) of the Act, 1956 and directed the petitioner to appear for receiving ex gratia compensation for the structures standing on the land. He submits that prior to receipt of the said notice, no communication, notice or intimation regarding the acquisition proceedings had ever been served upon the petitioner. No survey or demarcation was conducted in the presence of the petitioner and, therefore, the petitioner remained completely unaware of the acquisition proceedings.

6. Upon inquiry, the petitioner came to know that notifications under Sections 3A(1) and 3D(1) of the Act, 1956 had been issued on 01.09.2022 and 02.02.2023 respectively for acquisition of land for the Kanpur Ring Road Project and that the petitioner’s land was also included therein. Thereafter, the petitioner approached the respondent-authorities requesting re-alignment of the proposed road project in order to save the existing CNG and PNG infrastructure, which caters to a large number of consumers. Representations dated 20.03.2026 and 13.04.2026 were submitted by the petitioner; however, the same were either rejected or kept pending without any effective consideration.

7. It is further stated that officials of the respondent-authorities visited the site and marked more than 35% of the land area for acquisition and threatened demolition of the boundary wall, machinery and other installations. Acquisition of even 30–40% of the land would render the entire CNG station and DRS non-functional, as the station would fail to comply with the mandatory safety requirements prescribed by statutory

authorities, including the Petroleum and Explosives Safety Organization, Fire Department and Pollution Control Board. Closure of the station would seriously affect thousands of daily CNG consumers, domestic PNG users and six dependent DB stations. He further submits that relocation of the entire infrastructure is not immediately possible and establishment of an alternative facility would require considerable time, approvals and investment.

8. Learned counsel for the petitioner has also contended that no compensation has yet been paid as required under Section 3H of the Act, 1956 and, therefore, possession cannot legally be taken under Section 3E of the Act, 1956. It has been emphasized that the CNG station serves an essential public utility function and its closure would adversely affect public interest and essential fuel supply. The petitioner has, therefore, approached this Court seeking protection against demolition and interference with its peaceful possession.

9. Per contra, Shri Pranjal Mehrotra, learned counsel for the respondent—NHAI, opposed the writ petition on the ground that the notification under Section 3A of the Act, 1956 was published as far back as on 01.09.2022. He further submits that, as per the communication dated 17.04.2026 issued by the Project Director, NHAI to the Chief Manager (O&M) of the petitioner-CUGL, the project had already been approved in the 68th Meeting of the Land Acquisition Committee held on 21.02.2022. Thereafter, the notification under Section 3D of the Act, 1956 was published on 02.02.2023. It has also been informed that the appointed date for Kanpur Ring Road (PKG-III) was declared on 28.01.2025 and approximately 50% of the construction work of the project has already been completed. Learned counsel submits that at such an advanced stage, any modification or change in the alignment is not feasible and would seriously affect the execution of the project. He further submits that it would be appropriate for the petitioner to shift its unit to some alternative location.

10. We have considered the submissions advanced by learned counsel for the parties and carefully examined the material brought on record. From the record, it is evident that the Kanpur Ring Road Project was approved in the 68th Meeting of the Land Acquisition Committee held on 21.02.2022. Thereafter, the notification under Section 3A of the Act, 1956 was issued on 01.09.2022 inviting objections from all concerned persons, and the final declaration under Section 3D of the Act, 1956 was issued on 02.02.2023. The communication dated 17.04.2026, which has appended by the petitioner itself as Annexure-5 to the writ petition, clearly indicates that the appointed date for Kanpur Ring Road (PKG-III) was declared on 28.01.2025 and a substantial portion of the construction work has already been completed. Thus, the acquisition proceedings have attained finality and the project is presently at an advanced stage of execution.

11. The principal relief sought by the petitioner is for re-alignment of the Kanpur Ring Road Project in order to save its existing CNG infrastructure. However, such a relief cannot be granted by this Court in exercise of jurisdiction under Article 226 of the Constitution of India, particularly when the project concerns a major public infrastructure scheme undertaken in larger public interest. The question of alignment of a national highway project involves technical, financial and administrative considerations, which are required to be examined by the expert authorities concerned. Once the alignment has been finalized after due approval and the project has substantially progressed, any interference at this stage would not only delay the project but would also increase public expenditure and adversely affect the rights and interests of other landowners and stakeholders connected with the project.

12. We also find that the petitioner had sufficient opportunity to raise its grievance at the appropriate stage. The notification under Section 3A of the Act, 1956 was published in the year 2022, followed by the

declaration under Section 3D of the Act, 1956 in the year 2023. Despite the same, the petitioner approached the authorities for re-alignment only in the year 2026, after substantial progress had already been made in the execution of the project. Even though the petitioner contends that no individual notice was served upon it, the acquisition notifications were issued in accordance with law and were part of the public domain. The petitioner, being a public utility company and a large commercial establishment, was expected to remain vigilant regarding acquisition proceedings affecting its land and infrastructure. At this belated stage, this Court does not find it appropriate to stall or alter an ongoing public project of such importance.

13. So far as the apprehension of demolition and closure of the petitioner's CNG station is concerned, we are of the view that public authorities are expected to act in a fair and reasonable manner while implementing the project. Although no case for interference in the acquisition proceedings or re-alignment of the project is made out, the petitioner may approach the respondent-NHAI seeking reasonable time for shifting its infrastructure and making alternative arrangements. In case such a request is made, the same shall be considered sympathetically and in accordance with law, keeping in view the fact that the petitioner is providing an essential public utility service to the consumers of the area.

14. Accordingly, for the reasons recorded above, the writ petition lacks merit and is hereby dismissed.

(Kunal Ravi Singh,J.) (Mahesh Chandra Tripathi,J.)

May 27, 2026

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