

2025:PHHC:107147



226 IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

Decided on:-18.08.2025

1. RFA-86-1997 (O&M)

Ajan Singh @ Arjan Singh and othersAppellants..

vs.

The State of Punjab thr. Land Acquisition
Collector (Punjab) Drain, Irrigation Deptt., PatialaRespondent.

2. RFA-2256-1997 (O&M)

Malak Singh and anotherAppellants..

vs.

The State of Punjab thr. Land Acquisition
Collector (Punjab) Drain, Irrigation Deptt., PatialaRespondent.

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. C.M.Munjal, Advocate for the appellants (in both appeals).

Mr. Athar Ahmed, DAG, Punjab.

HARKESH MANUJA J. (Oral)

1. Vide this common judgment, the aforesaid two appeals are being decided as both have arisen out of the same award.

1.2 For convenience, the facts are being taken from **RFA-86-1997 (O&M)**.

2. By way of present appeal, challenge has been laid to an award dated 21.08.1996 passed by the Reference Court-cum-District Judge, Ferozepur, whereby, reference petition(s) preferred at the instance of

appellants-landowners having invoked Section 18 of the Land Acquisition Act, 1894 (*for brevity, "1894 Act"*), were partly allowed.

3. Brief facts of the case are that certain land owned by the appellants-landowners, situated in the revenue estate of Village Dulchike, Tehsil & District Ferozepur was sought to be acquired vide notification dated 12.01.1989, issued under Section 4 of the 1894 Act, for the public purpose i.e. for construction of protection '*bandh*'. The Land Acquisition Collector assessed the market value of '*Chahi*' land at the rate of Rs.30,000/- per acre and Rs.25,000/- per acre for '*gair mumkin*' land

4. Aggrieved of the award passed by the Land Acquisition Collector, appellants-landowners along with others invoked separate reference petition(s) under Section 18 of the 1894 Act, seeking enhancement of compensation. Upon consideration of the material available on record, the Reference Court vide its award dated 21.08.1996, enhanced the market value in the following terms besides granting other benefits:-

"In view of the above discussion, the reference are accepted and the petitioners are held entitled to compensation at the rate of Rs.40,000/- per acre for the acquired land. The petitioners are also entitled to 12% as enhanced compensation from the date of notification, till the possession was taken. The petitioners are also entitled to 30% solatium on the enhanced compensation. The petitioners are also entitled to interest @ 9% per annum on the enhanced compensation for the first year from the date of taking possession and for the subsequent period at the rate of 15% per annum till the amount of enhanced compensation is deposited in the Court. Memo of costs be prepared and the file be consigned to the record room."

5. Feeling dissatisfied with the aforesaid award passed by the

Reference Court, the appellant(s) have preferred aforementioned appeals.

6. Impugning the aforesaid award dated 21.08.1996, learned counsel for the appellant(s) submits that the Reference Court went wrong while applying the formula of de-escalation of 12% per year for a period of 5 years on the Collector rate fixed as on 28.03.1995 for the purposes of determination of market value as on 12.01.1989 i.e. the date of notification under Section 4 of the 1894 Act. Learned counsel points out that in the given facts, for the purpose of determination of market value, the de-escalation of not more than 8% per year was required to be applied and accordingly, the market value should have been assessed @ Rs.60,000/- per acre as on 12.01.1989.

7. On the other hand, learned State counsel submits that in the absence of any other evidence available on record, the Reference Court rightly applied de-escalation @ 12% per annum for a period of five years over the Collector rate of Rs.1 lac per acre fixed as on 28.03.1995 and thus, there is no illegality or perversity in the impugned award and the present appeals are thus, liable to be dismissed.

8. I have heard learned counsel for the parties and gone through the paper book.

9. In the present case, the learned Reference Court while determining the market value of the land under acquisition in relation to notification dated 12.01.1989 issued under Section 4 of the 1894 Act has relied upon the Collector rate for the year 1995-96 which was fixed on 28.03.1995 as per the report submitted by Chandra Committee and the fixation was made in all the sub-divisions of District Ferozepur.

10. From the records, it can be discerned that as per the

aforementioned report, for the purposes of fixation of collector rates, the price of land situated within the radius of 3 kms to 8 kms of the Indo-Pak border was taken to be Rs.1 lac per acre for “*nehri*” land as on 28.03.1995 and by applying the doctrine of de-escalation for the period between 12.01.1989 to 28.03.1995 at the rate of 12% per annum for a period of 5 years, the market value of the land under acquisition has been assessed @ Rs.40,000/- per acre.

11. However, considering the fact that the acquisition in the present case commenced vide notification dated 12.01.1989; keeping in view the economic scenario at that point of time with respect to the market value of agricultural land in the vicinity instead of applying de-escalation @ 12% per annum, it would be appropriate to apply de-escalation @ 10% per annum for a period of five years period between 28.03.1995 to 12.01.1989 and the market value would thus comes to Rs.50,000/- per acre.

12. In view of the aforesaid discussion, the impugned award dated 21.08.1996 passed by the learned Reference Court is modified to the extent that the market value of the acquired land is assessed at the uniform rate of Rs.50,000/- per acre, besides grant of all other statutory benefits and interest to the appellants-landowners as payable to them under the provisions of 1894 Act.

13. Accordingly, both the appeals stand disposed of in the aforesaid terms.

14. Pending application, if any, also stands disposed of.

18.08.2025

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(HARKESH MANUJA)
JUDGE

Whether speaking/reasoned:
Whether reportable:

Yes/No
Yes/ No