

2025:PHHC:116130



106 **IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

RFA-924-2004(O&M)
and other connected cases
Decided on:-28.08.2025

Land Acquisition Officer, Patiala and anr.Appellants..

vs.

Sukhchain Singh and othersRespondents.

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. Gunjan Mehta, Addl. A.G., Punjab.

None for the respondents-landowners.

HARKESH MANUJA J. (Oral)

1. Vide this common judgment, the batch of total 8 connected Regular First Appeals are being decided as all have arisen out of the same award. The details of the connected cases are given on the foot of the judgment.

1.2 For convenience, the facts are being taken from ***RFA-924-2004 (O&M)***.

2. By way of present appeal, challenge has been laid to an award dated 19.09.2002 passed by the Reference Court-cum-Additional District Judge, Muktsar, whereby, reference petition(s) preferred at the instance of respondents-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

respondents-landowners, situated in the revenue estate of Villages Jando Ke and Chak Baja Madahar, Tehsil and District Muktsar, was acquired vide notifications dated 22/23.02.1996 published on 11.03.1996 and 22/23.06.1996 published on 19.06.1996, issued under Sections 4 & 6, respectively of the 1894 Act, for the public purpose, namely, link channel Rd-0-17190 off-taking from RD-184480 right side Sirhind Feeder. The total land under acquisition was 39 kanals 06 marlas in Village Jando Ke; and 15 kanals 04 marlas in village Chak Baja Madahar. The Land Acquisition Collector vide its award No.2 dated 11.06.1998 assessed the market value of the acquired land of village Jando ke at the following rates for different kinds of land:-

Sr.No.	Kind of Land	Amount awarded per acre
1	Chahi	Rs.52,174/- per acre
2.	Nehri	Rs.52,632/- per acre
3.	Barani	Rs.36,000/- per acre
4.	Gair Mumkin	Rs.82,424/- per acre

3.1 Vide its award No.3, the Land Acquisition Collector assessed the market value of acquired land (being “*barani*”) of Village Chak Baja Madhar at the rate of Rs.36,000/- per acre.

4. Aggrieved of the aforementioned awards passed by the Land Acquisition Collector, respondents-landowners 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 19.09.2002, enhanced the market value of the acquired land as under:-

Sr.No.	Kind of Land	Amount awarded per acre
1	Nehri & Chahi	Rs.75,000/- per acre

2	Barani	Rs.50,000/- per acre
3.	Gair Mumkin	Rs.1,00,000/- per acre

5. Feeling aggrieved with the aforesaid award passed by the Reference Court, the appellants-State of Punjab have preferred the appeals, details whereof are mentioned in the foot of the judgment.

6. Impugning the aforementioned award, learned counsel for the appellants-State submits that the learned Reference Court having applied the principle of de-escalation went wrong while relying upon the sale instance dated 18.12.1998 (Ex.PA) pertaining to the revenue estate of Jando Ke, Tehsil and District Sri Muktsar Sahib being post notification as the acquisition in the present case commenced vide notification dated 11.03.1996/19.06.1996 under Section 4 of the 1894 Act and thus, prayed that the impugned award was liable to be set aside. No other argument has been addressed.

7. No one has chosen to appear on behalf of the respondents-landowners, though, as per the report prepared by the Registry on 23.07.2025, the learned counsel representing the respondents was informed through E-mail, as such, the present appeals are being heard in their absence.

8. Having heard learned counsel for the appellants-State and gone through the paper book, I am unable to find substance in the submissions made on behalf of the appellants-State of Punjab.

9. In the present case, 39 kanals 6 marlas of land out of the revenue estate of Jando Ke was acquired for the purpose of link channel. The notification under Section 4 of the 1894 Act was issued on 11.03.1996/19.06.1996. The learned Reference Court assessed the market

value of the acquired land while taking into account the sale instance dated 18.12.1998 (Ex.PA) pertaining to the same revenue estate i.e. village Jando Ke, Tehsil and District Sri Muktsar Sahib by applying the principle of de-escalation having recorded that the sale instance Ex-PA though of a subsequent period was not proved to be a fictitious document or a transaction manipulated to seek enhanced compensation. In such circumstances, while relying upon the exposition of law made by the Hon'ble Apex Court in case of ***"Ram Kishan (since deceased) thr. his Lrs etc. vs. State of Haryana and others," 2025 INSC 441***, no illegality or perversity can be found with the method adopted by the learned Reference Court having applied the doctrine of de-escalation on the sale price of Ex.PA, especially, when there was no evidence available on record from the side of the appellants-State that the sale transaction Ex.PA was not a bonafide sale transaction or an act of collusion on the part of landowners for deriving an undue advantage towards assessment of market value. As such, sale deed dated 18.12.1998 (Ex.PA) was rightly taken into account as a bonafide sale exemplar, especially, when it related to 4 kanals of land within the same revenue estate. Paras 26 and 27 of the ***Ram Kishan's*** case (supra) are reproduced hereunder:-

"26. Moreover, in [Chandrashekar \(dead\) by LRs and Others vs. Land Acquisition Officer and Another](#), (2012) 1 SCC 390, this Court, while recognising the Principle of De-escalation held in Para 37, 40 and 42 as under:-

37. Even though escalation of market price of land is a question of fact, which should ordinarily be proved through cogent evidence yet, keeping in mind ground realities, and taking judicial notice thereof, we are of the view that land prices are on the rise throughout the country. The outskirts of Gulbarga Town are certainly not an exception to the

rule. The exemplar sale deed dated 30-12-1983 was executed exactly 1 year 7 months and 17 days after the publication of the preliminary Notification on 13-5-1982. Keeping in mind the judgments referred to hereinabove, we are of the view, that no fault can be found with the determination rendered by the High Court in making a deduction of 10% under the head of “de-escalation”, specially when the period in question exceeded one year (as for annual deductions), by 7 months and 17 days.

40. Based on the aforesaid deductions, the High Court calculated the market value of the acquired land at Rs 67,954 per acre. In spite of the above, the market value of the acquired land for disbursement of compensation to the land-losers was fixed by the High Court at Rs 65,000 per acre. A perusal of the judgment rendered by the High Court reveals that in allowing final compensation at the rate of Rs 65,000 per acre to the land-losers, the High Court had placed reliance on market value fixed by the High Court itself in an earlier case. In this behalf, it would be pertinent to mention, that the High Court had awarded Rs 65,000 per acre as compensation payable to the land-losers, in an earlier process of litigation pertaining to acquisition of land, out of the same notification (under which the appellants' land was acquired). The aforesaid determination was rendered in respect of the land acquired from the revenue estate of Badepur Village.

42. The conclusions drawn by us hereinabove apply equally to Civil Appeals Nos. 8899-901 of 2011. In this behalf it would also be pertinent to mention, that the conclusions drawn by us pertain to acquisition of land falling in the revenue estate of Village Badepur. Insofar as the instant set of appeals are concerned, they pertain to land acquired from the revenue estate of Village Rajapur. The High Court, while making a reference to the land acquired from Village Rajapur, noticed that Village Rajapur had a lower market value as it was farther from the nerve centre of Gulbarga Town as compared to Village Badepur. As such, we are of the view that in the facts and circumstances of the present case, it would be just and appropriate to affirm the compensation determined by the High Court at Rs 65,000 per acre, even for the land acquired from the revenue estate of Village

Rajapur.”

27. Similarly, in *Sardara Singh and Others vs. Land Acquisition Collector, Improvement Trust, Rupnagar and Others*, (2020) 14 SCC 483, this Court considered as the base value award of the previous acquisitions of lands from adjoining villages to the village in question. In that case, the Court applied the principle of escalation. Para 9,11 and 12 of the said judgement are set out hereinbelow:-

“9. What emerges, therefore, is that in respect of lands coming from Kotla Nihang, which were acquired vide Notification dated 20-3-1985, the compensation was awarded @ Rs 4,84,000 (Rupees four lakh eighty-four thousand) per acre and in respect of lands which were acquired from Village Haveli Khurd vide Notification dated 12-4-1989 the compensation was awarded @ Rs 5,25,000 (Rupees five lakh twenty-five thousand) per acre. Mr Jain relied upon the site map appended at page 178 of the paper book to bring home the point that these two villages are adjoining to the village, with which we are presently concerned.

11. The fact that the acquisition in the aforesaid two villages was relied upon before the Land Acquisition Tribunal is quite evident from the discussion as aforesaid. The location and the potential of the lands under acquisition and their proximity with the lands from Kotla Nihang and Haveli Khurd was the basis of computation in the award dated 9-11-2001 which was set aside purely on a technical ground. The rates awarded in respect of those acquisitions were Rs 4,85,000 (Rupees four lakh eighty-five thousand) and Rs 5,25,000 (Rupees five lakh twenty-five thousand) per acre. The acquisitions were of the years 1985 and 1989. We are presently concerned with acquisitions which were initiated pursuant to notifications issued in the year 1993.

12. In our view, the compensation as awarded in respect of these two villages is a pointer which cannot be disregarded. The extent of land involved in the present matters is 25 acres of land which was to be used for Transport Nagar Scheme, essentially an urban requirement. We, therefore, rely upon rate of Rs 5,25,000 (Rupees five lakh twenty-five thousand) per acre, as awarded in the year 1989 to be the base rate

to arrive at the appropriate compensation for the acquisition in 1993 i.e. after four years. In the circumstances, in our view, the appellants are entitled to 6% cumulative increase over the base rate of Rs 5,25,000 (Rupees five lakh twenty-five thousand) irrespective of the category of land is awarded to the landholders.”

10 In view of the discussion made herein above, the principle of de-escalation been applied by the learned Reference Court being in consonance with law discussed herein above, finding no merit in the present appeals, the same are hereby dismissed, thereby, upholding the award passed by the learned Reference Court.

11. Copy of this judgment be supplied to respondents-landowners.

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

28.08.2025

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Whether speaking/reasoned:
Whether reportable:

Yes/No
Yes/ No

(HARKESH MANUJA)
JUDGE

Sr. No.	Case No.	Title
1.	RFA-925-2004 (O&M)	LAND ACQUISITION OFFICER, PATIALA & ORS. V/S MUKAND SINGH AND ORS.
2.	RFA-926-2004 (O&M)	LAND ACQUISITION OFFICER, PATIALA & ORS. V/S PRITPAL SINGH AND ORS.
3.	RFA-927-2004 (O&M)	LAND ACQUISITION OFFICER, PATIALA & ORS. V/S JANGIR SINGH
4.	RFA-928-2004 (O&M)	LAND ACQUISITION OFFICER, PATIALA & ORS. V/S JASPAL KAUR AND ORS.
5.	RFA-929-2004 (O&M)	LAND ACQUISITION OFFICER, PATIALA & ANR. V/S HARBANS SINGH & ANR.
6.	RFA-930-2004 (O&M)	LAND ACQUISITION OFFICER, PATIALA & ORS. V/S CHAGHAR SINGH AND ANR.
7.	RFA-931-2004 (O&M)	LAND ACQUISITION OFFICER, PATIALA & ANR. V/S BHAGWAN KAUR WIDOW AND ORS.