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* IN THE HIGH COURT OF DELHI AT NEW DELHI

*Reserved on: 16.04.2026**Date of decision: 14.07.2026**Uploaded on: 14.07.2026*

+ LA.APP. 497/2023, CM APPL. 50843/2023

UNION OF INDIA

.....Appellant

Through: Mr. Siddharth Panda, Mr. Rihtang Kumar, Mr. Anil Pandey, Mr. Akshay Vaid and Mr. Shailender Mishra, Advs. for UOI.
Ms. Shobhana Takiar, Standing Counsel for DDA.

versus

SH. S.S. AGGARWAL & ORS.

.....Respondents

Through: Mr. Rajesh Yadav, Sr. Adv. with Mr. Inder Singh, Adv. for R-1 to 4.

WITH

+ LA.APP. 496/2023, CM APPL. 50767/2023

UNION OF INDIA

.....Appellant

Through: Mr. Siddharth Panda, Mr. Rihtang Kumar, Mr. Anil Pandey, Mr. Akshay Vaid and Mr. Shailender Mishra, Advs. for UOI.
Ms. Shobhana Takiar, Standing Counsel for DDA.

versus

OM PRAKASH & ORS.

.....Respondents

Through: Mr. Rajesh Yadav, Sr. Adv. with Mr. Inder Singh, Adv.

WITH

+ LA.APP. 546/2023

SHYAM SUNDER AGGARWAL AND ORS

.....Appellants

Through: Mr. Rajesh Yadav, Sr. Adv. with Mr. Inder Singh, Adv.

versus

UNION OF INDIA THROUGH LAC/ADM (SOUTH EAST) AND



ANR

.....Respondents

Through: Mr. Sanjay Kumar Pathak, Standing Counsel with Mrs. K.K. Kiran Pathak, Mr. Sunil Kumar Jha, Mr. Mohd. Sueb Akhtar and Ms. Joohu Kumari, Advs. for R-1/ UOI. Mr. Atul Nagarajan and Mr. Uddhav Tandon, Advs. Ms. Shobhana Takiar, Standing Counsel for DDA.

AND

+ LA.APP. 547/2023
OM PRAKASH

.....Appellant

Through: Mr. Rajesh Yadav, Sr. Adv. with Mr. Inder Singh, Adv.

versus

UNION OF INDIA AND ANR

.....Respondents

Through: Mr. Sanjay Kumar Pathak, Standing Counsel with Mrs. K.K. Kiran Pathak, Mr. Sunil Kumar Jha, Mr. Mohd. Sueb Akhtar and Ms. Joohu Kumari, Advs. for R-1/ UOI. Mr. Atul Nagarajan and Mr. Uddhav Tandon, Advs. Ms. Shobhana Takiar, Standing Counsel for DDA.

CORAM:

HON'BLE MS. JUSTICE SHAIL JAIN

J U D G M E N T

SHAIL JAIN, J.

1. All these appeals, under Section 54 of the Land Acquisition Act, 1894, impugn the judgment, order and decree dated 24.05.2023 of Additional District Judge-01, South-East, Saket Courts, New Delhi (hereinafter '***the Reference Court***'), passed in LAC No. 3/20 (Old No. 01/96), being a Reference under Sections 18 and 19 of the Land Acquisition Act,



1894(hereinafter '**the Act**') with respect to LAC Award No. 10/95-96 pertaining to land measuring 12 Bighas and 11 Biswas, comprised in Khasra Nos. 112 (6-6) and 564/167 (6-5), in the Revenue Estate of Village Jasola, New Delhi.

2. The other connected matter being the case of **Om Prakash viz LA.APP. 547/2023** therein the subject property/land is 8 Bighas and 5 Biswas falling in Khasra no. 133 situated in Revenue Estate of Village Jasola.

3. **LA.APP. 497/2023** and **LA.APP. 496/2023** have been preferred by the Union of India, seeking setting aside/reduction of the enhanced compensation awarded by the Reference Court, while **LA.APP. 546/2023** and **LA.APP. 547/2023** have been preferred by Sh. Shyam Sunder Aggarwal & Ors. and Sh. Om Prakash respectively i.e., by the assignees/claimants seeking further enhancement of the compensation awarded.

4. By the Impugned Judgment the learned Reference Court enhanced the market value of the acquired land from Rs.96,875/- per Bigha (Rs.96.80 per sq. yard), which was awarded by the Land Acquisition Collector [hereinafter referred to as "LAC"] to Rs.7390/- per sq. yards for the acquired land. The learned Reference Court also granted 30% solatium on the value of the land. In addition, it was directed that the Claimants are entitled to 12% interest on the market value of the land and enhanced compensation at rate under Section 28 of the LA Act at the rate of 9% per annum from the date of possession till the expiry of one year and thereafter @15% per annum.

5. Since the issues raised in the above captioned appeals are the same, the above Appeals are being disposed of by this common judgment. The present Appeals were heard together with **LA.APP. 497/2023** captioned



Union of India v. S. S. Aggarwal & Ors. being argued as the lead matter with the consent of the parties. For the sake of brevity, the facts are being recorded from the lead matter captioned.

FACTUAL BACKGROUND:

6. The acquisition proceedings in the present case were initiated by the issuance of Notifications dated **06.01.1995** under Sections 4 and 17 of the Act in respect of land situated in the Revenue Estate of Village Jasola, New Delhi, followed shortly thereafter by the Notification dated **10.01.1995** under Section 6 of the Act, declaring the said land needed for the public purpose of construction of a Sewage Treatment Plant under the planned development of Delhi.

7. The land in question was originally recorded in the name of Sh. Budh Singh S/o Sh. Doodha Ram. Upon his demise on 02.08.1994, the land stood mutated in the names of his sons, Sh. Suresh Kumar, Sh. Ramesh Kumar and Sh. Pritam Singh. During the pendency of the acquisition proceedings and prior to the passing of the Award, the original recorded owners of the subject land *vide* three separate registered Assignment Deed(s), all dated 22.03.1995, executed before the Sub-Registrar-V, Mehrauli, Delhi assigned all their right, title and interest in the compensation payable for the acquired land to the Claimants/petitioners (the assignees), for a total consideration of Rs. 5,40,000/-, paid by way of 18 separate cheques of Rs. 30,000/- each.

8. It is noteworthy to mention that the said assignment was brought to the notice of the Land Acquisition Collector before disbursal of compensation, and the assignees were accordingly recognised as the persons entitled to receive compensation in place of the original owners.



9. Thereafter, the Land Acquisition Collector passed **Award No. 10/95-96 dated 11.10.1995**, assessing the market value of the acquired land at **Rs. 96,875/- per bigha(Rs.96.80 per sq. yard)**, besides other statutory benefits admissible under the Act.

10. Being dissatisfied with the quantum of compensation so awarded, the assignees/claimants invoked their statutory right and filed a petition under Section 18 of the Act, seeking a reference for enhancement of compensation. The said reference was duly registered in **1996** as **LAC No. 1/96** (with a connected reference registered as **LAC No. 2/96**) before the court of the learned Additional District Judge, Delhi (Reference Court).

11. Upon consideration of the evidence led before it, the Reference Court, *vide* its judgment dated **29.09.1997**, enhanced the market value of the acquired land to **Rs. 1,02,000/- per bigha(Rs.102 per sq. yard)**, placing reliance primarily upon the sale deeds of March 1993 in respect of land in Village Jasola itself, which had been tendered in evidence by the Union of India.

12. Nevertheless, feeling aggrieved by the limited enhancement so granted, the claimants carried the matter further in appeal to this Court by way of **RFA Nos. 114/1998** and **155/1998**. This Court, *vide* its judgment dated **21.02.2003**, allowed the said appeals and substantially enhanced the market value of the acquired land to **Rs. 7,390/- per sq. yard**, besides other statutory benefits.

13. Being dissatisfied with the judgment dated **21.02.2003**, the Union of India and the Delhi Development Authority (DDA) carried the matter to the Hon'ble Supreme Court by way of **Civil Appeal Nos. 7301-7302/2003**, **Civil Appeal No. 836/2004**, and **Civil Appeal Nos. 6264-6265/2011**, all of which



were taken up and decided together *vide* judgment dated **02.08.2011** in **DDA v. S.S. Aggarwal & Ors.**, reported as **2011 (12) SCC 533**. The Hon'ble Supreme Court, *vide* the said judgment, set aside both the judgment of this Court dated 21.02.2003 and the judgment of the Reference Court dated 29.09.1997, remitting the matter to the Reference Court for fresh determination, with certain specific directions.

14. The Supreme Court further observed that the assignees were alleged to have kept the LAC, the Reference Court and the High Court in the dark about the assignment deeds dated 22.03.1995, under which they had purportedly purchased the right to receive compensation for a meagre sum of Rs. 58/- per sq. yard, and that it was contended on behalf of the DDA that the assignment deed(s), having been executed after the Section 4 notification, were *void* as opposed to public policy under Sections 23 and 28 of the Indian Contract Act and as defeating the object of Section 3 of the Delhi Lands (Restrictions on Transfer) Act, 1972. Holding that the said questions required fresh adjudication, the Supreme Court set aside both the judgment dated 21.02.2003 of the High Court and the judgment dated 29.09.1997 of the Reference Court.

15. The Supreme Court thereby, remitted the matter to the Reference Court for fresh determination of the compensation payable to the landowners and/or assignees, directing that the Reference Court shall:

- (i) first decide the issue of *locus standi* of the assignees to claim compensation;
- (ii) if the assignees are held entitled to step into the shoes of the landowners, consider the value of the land mentioned in the assignment deeds and decide what compensation should be paid for the acquired land;



(iii) afford both parties an opportunity to lead additional evidence in support of their respective cases; and

(iv) permit the DDA to participate in the proceedings of the Reference Court and raise all legally permissible objections to contest the claim of the assignees. The relevant extract of the Supreme Court judgment is set out below:

“20. In the result, the appeals are disposed of in the following terms:

(i) The impugned judgment as also the one passed by the Reference Court are set aside.

(ii) The matter is remitted to the Reference Court for fresh determination of the compensation payable to the landowners and/or the assignees. While doing so, the Reference Court should first decide the issue of locus of the assignees to claim compensation. If it is held that the assignees are entitled to step into the shoes of the landowners, then the Reference Court shall consider the value of the land mentioned in the assignment deeds and decide what compensation should be paid for the acquired land.

(iii) The Reference Court shall give an opportunity to the parties to lead additional evidence in support of their respective cases.

(iv) In view of the law laid down in DDA v. Bhola Nath Sharma [(2011) 2 SCC 54 : (2011) 1 SCC (Civ) 344] , the DDA shall be entitled to participate in the proceedings of the Reference Court and raise objections against the claim made by the assignees for payment of compensation. The DDA shall also be entitled to raise all other legally permissible objections to contest the claim of the assignees.”

16. Pursuant to the remand, the reference was registered afresh as **LAC No. 3/20 (Old No. 01/96)**, and the Reference Court framed the following issues:



“(1) Whether petitioner Sh. S.S. Aggarwal and others have locus standi to file petition or claim compensation as assignees (of landowners) in place of landowners? OPP;
(2) Whether the petitioners have stepped into the place of landowners? OPP;
(3) What was the market value of land acquired on the date of preliminary notification under Section 4 of the Land Acquisition Act, 1894? Onus on parties;
(4) Whether the petitioners are entitled for enhancement of market value of land, if so at what rate? OPP; and
(5) Relief.”

17. On the basis of the pleadings of the parties and the directions of the Supreme Court, the Reference Court proceeded to record additional evidence. The claimant examined six witnesses, including one of the claimant as PW-1, the Record Keeper of the Office of the Sub-Registrar-V, Mehrauli as PW-2, an official of the Land & Development Office as PW-3, and officials from the Office of the LAC (South-East) and the Patwari of Village Jasola as PW-4 to PW-6, who proved, *inter alia*, the assignment deeds dated 22.03.1995, the LAC's corrigendum and disbursement record, the Notification dated 03.06.1966, the judgment dated 21.02.2003 in RFA No. 114/1998, and the judgment dated 16.03.2005 in LAC No. 16/1999 (**Kishan Lal's case**). UOI/DDA relied upon Award No. 10/95-96 but, despite several opportunities, did not adduce evidence of comparable sale deeds, and their evidence stood closed on 19.02.2019.

18. The Reference Court, *vide* the impugned judgment dated 24.05.2023, on Issues No. 1 and 2 (*locus standi*), held that the original recorded owners, Sh. Suresh Kumar, Sh. Ramesh Kumar and Sh. Pritam Singh, had, by registered assignment deeds dated 22.03.1995, voluntarily and for consideration transferred their rights to seek compensation to the petitioners



prior to passing of the Award dated 11.10.1995, and the said assignment was duly brought to the notice of the LAC, who recorded statements of the assignors and assignees and drew a corrigendum acknowledging the assignment, and disbursed the original compensation to the assignees. It further held that the assignors never sought cancellation of the assignment deeds, and accordingly, the petitioners/assignees had validly stepped into the shoes of the original landowners and possessed *locus standi* to claim compensation.

19. On Issues No. 3 and 4 (market value and enhancement), the Reference Court held that no contemporaneous sale deeds with respect to the acquired land on the relevant date of notification (06.01.1995) were available and therefore, applying progressive appreciation @ 12% p.a. from 1979 (per **Ram Chander's** case), the market value would work out to Rs. 13,118/- per sq. yard, and applying cumulative appreciation @ 15% p.a., to approximately Rs. 20,958/- per sq. yard, as on 06.01.1995, but, on the reasoning that such escalation formulae are unsafe where the gap between the comparable transaction and the date of notification exceeds 4 to 5 years, declined to adopt either figure and instead, applying 'reasonable guess work' in the absence of contemporaneous evidence (**Krishna Yachendra Bahadurvaru Vs. Special Land Acquisition Officer**, AIR 1979 SC 869), held that the rate of Rs. 7,390/- per sq. yard, earlier fixed for the very same Award No. 10/95-96 in **Kishan Lal & Ors. Vs. Union of India & Anr.** (LAC No. 16/1999, judgment dated 16.03.2005), and at which compensation had already been disbursed to the claimants therein without protest, represented the just and fair market value of the acquired land as on 06.01.1995.



20. Accordingly, the Reference Court held the petitioners entitled to enhanced compensation @ Rs. 7,390/- per sq. yard, together with 30% solatium under Section 23(2), additional amount @ 12% per annum under Section 23(1A) from the date of the Section 4 notification to the date of taking possession, and interest @ 9% per annum (and thereafter @ 15% per annum) under Section 28 of the Act, besides other statutory benefits admissible under Award No. 10/95-96.

21. Both, the Union of India as well as the assignees/claimants, are dissatisfied with the impugned judgment dated 24.05.2023, the Union of India (**LA.APP. 496/2023 & 497/2023**), from the enhancement of compensation from Rs. 96,875/- per bigha as awarded by the LAC to Rs. 7,390/- per sq. yard and the assignees/claimants (**LA.APP. 546/2023 & 547/2023**), from non-determination of compensation at the higher rate of Rs. 13,118/- to approximately Rs. 20,958/- per sq. yard, computed on the basis of progressive/cumulative appreciation from the rate determined for Village Jasola in **Ram Chander's** case.

22. Hence, the present appeals.

SUBMISSIONS OF PARTIES:

ON BEHALF OF UNION OF INDIA AND D.D.A. :

23. Learned counsel appearing on behalf of the Union of India and the Delhi Development Authority assailed the impugned judgment and award, contending, at the outset, that the learned Reference Court erred in enhancing the compensation awarded under Award No. 10/95-96. It was submitted that the claimants had failed to discharge the burden cast upon them to establish that the compensation awarded by the Land Acquisition Collector did not reflect the true market value of the acquired land. According to the learned



counsel, no reliable or legally admissible evidence was produced to justify any enhancement of compensation, and the findings of the Reference Court on market value were founded upon conjecture and surmise rather than cogent evidence.

24. It was further submitted that the learned Reference Court committed a manifest error in mechanically adopting the rate of Rs. 7,390/- per square yard as determined in *Krishan Lal & Ors. v. Union of India & Anr.* (LAC No. 16/1999). Elaborating upon the submission, learned counsel contended that the determination in *Kishan Lal(supra)* was itself founded upon the judgment dated 21.02.2003 rendered in RFA No. 114/1998, *S.S. Aggarwal v. Union of India & Ors.*, which subsequently came to be set aside by the Supreme Court in *DDA v. S.S. Aggarwal & Ors.*, reported as (2011) 12 SCC 533. It was argued that once the very foundation of the determination stood removed, the Reference Court could not have relied upon the same rate without undertaking an independent determination of market value on the basis of the evidence available on record after remand. It was submitted that the Reference Court was required to independently assess the comparability and market value of the acquired land and could not have adopted the rate determined in another case as a matter of course.

25. Learned counsel further contended that Award No. 10/95-96 itself was founded upon contemporaneous sale transactions pertaining to Village Jasola and, therefore, constituted the best available evidence of the prevailing market value. It was submitted that, despite this, the claimants failed to produce any comparable sale deeds or other reliable evidence pertaining to the relevant period to establish a higher market value. Consequently, the Reference Court had no valid basis to discard the determination made by the



Land Acquisition Collector or to enhance the compensation awarded thereunder.

26. Learned counsel next referred to the observations and directions issued by the Supreme Court while remanding the matter. It was submitted that the assignment deeds dated 22.03.1995, which reflected a consideration of Rs. 5,40,000/- for the entire landholding, translating to approximately Rs. 58/- per square yard, constituted a relevant and contemporaneous piece of evidence and ought to have been accorded due weight while assessing the market value of the acquired land.

27. Proceeding further, learned counsel submitted that the assignees lacked the requisite *locus standi* to maintain the claim for compensation or enhancement thereof. It was argued that after the issuance of the notification under Section 4 of the Land Acquisition Act, transfers of land and rights therein stood expressly prohibited under Section 3 of the Delhi Lands (Restrictions on Transfer) Act, 1972. Consequently, the assignment deeds relied upon by the claimants were *void* and incapable of conferring any enforceable right upon the assignees to seek compensation or enhancement thereof.

28. Without prejudice to the aforesaid submissions, learned counsel argued that the assignment deeds were otherwise *void* as being opposed to public policy. It was submitted that while the original landowners had purportedly assigned their rights for a consideration working out to approximately Rs. 58/- per square yard, the assignees subsequently sought compensation at rates exceeding Rs. 10,000/- per square yard. Reliance was placed upon the decisions in ***Rattan Chand Hira Chand v. Askar Nawaz Jung, Murlidhar Dayandeo Kesekar v. Vishwanath Pandu Barde, Central***



Inland Water Transport Corporation Ltd. v. Brojo Nath Ganguly and Jayamma v. Maria Bai to contend that transactions of such nature, being contrary to public policy, were unenforceable in law.

29. Learned counsel further submitted that the learned Reference Court adopted a uniform rate of compensation without examining the specific location, nature, utility and other distinguishing characteristics of the acquired parcels. It was contended that the acquired land could not be treated as homogeneous for the purpose of valuation and that the Court was required to assess the individual characteristics of the acquired parcels before determining compensation.

30. It was further argued that the acquired land continued to be agricultural in nature as on the date of issuance of the notification under Section 4 and had not undergone any change in its character. Accordingly, it was submitted that the land could not have been valued on the basis of its alleged urban characteristics or future developmental potential in the absence of reliable evidence supporting such a conclusion.

31. Lastly, learned counsel submitted that the acquisition in question had been undertaken for a public purpose, namely the establishment of a Sewage Treatment Plant, and that any unwarranted enhancement of compensation would impose an avoidable burden upon the public exchequer. On the aforesaid grounds, it was urged that the impugned judgment and award be set aside and the compensation determined by the Land Acquisition Collector be restored.

ON BEHALF OF ASSIGNEE(s)/CLAIMANTS:

32. Per contra, learned senior counsel appearing on behalf of the assignees/claimants supported the finding of the Reference Court on the



issue of *locus standi* and submitted that the same is borne out from the un rebutted documentary and oral evidence available on record.

33. Learned Senior Counsel addressed the Court first on the preliminary issue of the validity of the assignment deeds dated 22.03.1995 and the consequent *locus standi* of the assignees to prosecute these appeals and to claim compensation, including enhanced compensation, in respect of the acquired land.

34. It was submitted at the threshold that the assignment deeds were executed prior to the making of Award No. 10/95-96 and were duly brought to the notice of the Land Acquisition Collector before disbursement of compensation. Learned Senior Counsel emphasised that separate statements of the assignors and assignees were recorded by the Land Acquisition Collector, a corrigendum acknowledging the assignment was issued by the Collector, and the compensation under the original award was disbursed directly to the assignees. It was pointed out that none of the assignors has at any stage disputed, challenged, or sought to set aside the assignment deeds, and the acquiring authority having itself acted upon the deeds and made disbursement thereunder cannot now be permitted to turn around and impugn their validity.

35. Finally on this issue, it was submitted that mere inadequacy of consideration cannot by itself operate to invalidate a registered instrument, particularly in a case where the executants of the deed have at no stage disputed the transaction and where the acquiring authority has itself acted upon the deed and disbursed compensation in favour of the assignees. It was contended that the argument of the Union of India based on alleged inadequacy of consideration is not available to a stranger to the transaction,



and in any event does not displace the legal effect of a registered and unimpeached deed.

36. Learned Senior Counsel next contended that the right transferred under the assignment deeds was not a mere right to sue which is non-assignable under Section 6(e) of the Transfer of Property Act, 1882 but the substantive statutory right to receive and realise compensation, including enhanced compensation, in respect of the acquired land. It was argued that such a right is in the nature of an actionable claim and is freely assignable in law. Reliance was placed upon the decisions in ***Laxmi Narain v. Union of India, Sh. Chandan & Ors. v. Union of India, K.D. Sawhney & Ors. v. Union of India*** and ***Mahavir Goel v. Union of India*** in support of the proposition that the right to receive compensation under the Land Acquisition Act is a transferable and heritable right and does not partake of the character of a right to sue.

37. Developing the submission, learned Senior Counsel contended that Section 3 of the Delhi Lands (Restrictions on Transfer) Act, 1972 has no application to the present transaction. It was argued that Section 3 operates only against the purported transfer of acquired land itself, and has no bearing upon the independent assignment of a statutory right to compensation. The assignment deeds did not purport to transfer the land or any proprietary interest therein, as the land having already vested in the Government, but operated only to transfer the personal statutory right to receive compensation money. The challenge mounted by the Union of India was characterised as proceeding on an erroneous conflation of the two distinct concepts of a transfer of land and an assignment of a compensation claim.



38. Turning to the question of market value, learned Senior Counsel submitted that the Reference Court, while correct in principle in rejecting the valuation adopted by the Land Acquisition Collector and in recognising the substantial development potential of the acquired land, fell into manifest error in ultimately determining the market value at the rate of Rs. 7,390/- per square yard. It was submitted that the rate of Rs. 7,390/- per square yard represented the minimum compensation already payable for similarly situated land covered by the same award having been determined in **Kishan Lal(supra)** in respect of the same acquisition and the same village and constituted only the floor below which compensation could not fall, and not a ceiling upon further enhancement.

39. Learned Senior Counsel submitted that the acquired land forms part of Village Jasola, one of the most developed and urbanised revenue estates in the National Capital Territory of Delhi. It was pointed out that the entire revenue estate stood fully urbanised as far back as 03.06.1966, and that, therefore, on the date of issuance of the notification under Section 4 of the Land Acquisition Act on 06.01.1995, the acquired land could not have been treated or valued as a purely agricultural holding.

40. It was further submitted that the acquired land is situated on the main Mathura Road corridor and is surrounded by fully developed colonies, institutions and civic infrastructure, including Sarita Vihar, Kalindi Kunj, New Friends Colony, Maharani Bagh, Ashram, Jamia Millia Islamia, Holy Family Hospital, Apollo Hospital and other established urban establishments. The availability of roads, electricity, water supply, educational institutions, medical facilities and commercial establishments in the immediate vicinity clearly establishes the immense residential,



commercial and institutional potential of the acquired land. Reliance was placed upon the decisions in **Major General Kapil Mehra & Ors. v. Union of India**, LA. APP. 149/20007 and **State of Haryana v. Ram Singh**, AIR 2001 SC 2532 to the effect that the potentiality of land is a relevant and determinative factor in the assessment of market value, and that the actual user of land on the date of notification cannot be treated as conclusive of its true value.

41. The Reference Court itself recorded a categorical finding that the land possessed substantial future potential and that the principle of valuation could not be restricted to its agricultural use. Having accepted the existence of such development potential, the Reference Court could not have simultaneously adopted a rate which failed to reflect the true market value of the land as on the date of notification. The contradiction is, in the submission of the claimants, self-evident and renders the ultimate determination unsustainable.

42. Learned Senior Counsel submitted that the most reliable benchmark available on record is the judgment of this Court in **Ram Chander & Ors. v. Union of India** (RFA No. 416/1986), wherein the market value of land situated in the same revenue estate, namely Village Jasola, was determined at Rs. 2,240/- per square yard as on 15.06.1979. That determination has attained finality and constitutes the best available exemplar for assessing the market value of similarly situated land. It was argued that the Reference Court was therefore in error in not treating the Ram Chander judgment as the primary and most reliable comparable, and in not proceeding to determine the market value on the basis of appreciation therefrom.



43. Learned Senior Counsel submitted that the Reference Court itself, in paragraph 53 of the impugned judgment, recorded a finding that by applying progressive appreciation at the rate of 12% per annum from 15.06.1979 to 06.01.1995 a period of approximately fifteen and a half years the market value would work out to Rs. 13,118/- per square yard. It was argued that once the Reference Court arrived at such a figure on the basis of a judicially recognised exemplar pertaining to the same village, there was no legal basis to deny the claimants the benefit thereof. The subsequent abandonment of this self-computed figure without any independent evidentiary basis is characterised as an error apparent on the face of the record.

44. Without prejudice to the aforesaid submission, it was argued that the Reference Court in paragraphs 81 and 84 of the impugned judgment also examined the principle of cumulative appreciation at the rate of 15% per annum and itself calculated that the market value would work out to approximately Rs. 20,958/- per square yard as on the date of the Section 4 notification. It was submitted that the Reference Court thus accepted the correctness of the mathematical exercise but inexplicably declined to apply the same, solely on the ground that the period between the exemplar and the acquisition was lengthy reasoning which is, it was argued, entirely without legal foundation.

45. Learned Senior Counsel submitted that the impugned judgment accordingly contains an inherent contradiction: on the one hand, the Reference Court accepted that application of progressive appreciation would yield a value of Rs. 13,118/- per square yard and that cumulative appreciation would yield a value of approximately Rs. 20,958/- per square yard; on the other hand, the Court abruptly discarded both figures and reverted to the rate



of Rs. 7,390/- per square yard without any independent evidentiary basis. It was submitted that once the Court had before it a judicially recognised exemplar pertaining to the same village and had itself computed the resultant market value on two distinct methods, there was no justification for abandoning that exercise midway and reverting to an inferior figure determined in a separate set of proceedings.

46. Learned Senior Counsel submitted that the reasoning adopted by the Reference Court in discarding the appreciation-based figures is directly contrary to the settled principles laid down by the Supreme Court. Reliance was placed upon **ONGC Ltd. v. Rameshbhai Jivanbhai Patel**, (2008) 14 SCC 745, **Ashok Kumar v. State of Haryana** (2015) 15 SCC 200 and **Madhusudan Kabra v. State of Maharashtra**, (2018) 1 SCC 140 wherein it has been consistently held that cumulative appreciation is a more realistic and accurate method of determining market value where there is a substantial time gap between the exemplar and the date of the acquisition notification, and that it is impermissible to reject such a method on the sole ground of the length of the intervening period.

47. Additionally, reliance was placed upon the decision of the Supreme Court in **Mehrawal Khewaji Trust v. State of Punjab**, AIR 2012 SC 2721, for the proposition that where more than one exemplar is available on record, the landowner is entitled to the benefit of the highest comparable value that the evidence legitimately supports. It was submitted that in the present case, the Reference Court had before it a clearly superior exemplar in the **Ram Chander** judgment relating to the same revenue estate, and the settled principle entitled the claimants to the benefit of the higher value computed therefrom.



48. Learned Senior Counsel accordingly concluded the submissions on behalf of the claimants/assignees as follows. First, the appeals preferred by the Union of India challenging the validity of the assignment deeds and the *locus standi* of the assignees deserve to be dismissed in their entirety, the impugned judgment having correctly upheld the right of the assignees to claim compensation. Second, the appeals preferred by the claimants/assignees deserve to be allowed, and compensation ought to be enhanced beyond the rate of Rs. 7,390/- per square yard determined by the Reference Court. Third, the market value ought to be determined at not less than Rs. 13,118/- per square yard on the basis of progressive appreciation from the **Ram Chander** exemplar and, in the alternative, at approximately Rs. 20,958/- per square yard on the basis of cumulative appreciation. Fourth, since the claimants had restricted their claim before the Reference Court to Rs. 10,000/- per square yard, it was submitted that compensation be fixed at the said rate, together with all consequential statutory benefits under the Land Acquisition Act including solatium, additional market value, and interest.

QUESTIONS ARISING FOR DETERMINATION :

49. The decision in these connected appeals thus turns on :

(i) whether the assignees/Respondent Nos. 1 to 4 in LA.APP. 497/2023 (and the corresponding claimants in LA.APP. 496/2023) possess *locus standi* to claim/receive compensation under the assignment deeds dated 22.03.1995, having regard to Section 3 of the Delhi Lands (Restrictions on Transfer) Act, 1972 and Section 6(e) of Transfer of Property Act 1882; and



(ii) if so, what is the just market value of the acquired land as on 06.01.1995 whether the rate of Rs. 7,390/- per sq. yard adopted by the Reference Court (being the rate fixed in Kishan Lal 's case for the same Award No. 10/95-96), or the higher rate of Rs. 13,118/- to Rs. 20,958/- per sq. yard claimed by the assignees on the basis of appreciation from the rate fixed for Village Jasola in Ram Chander's case, or the original rate of Rs. 96,875/- per bigha as awarded by the LAC, represents the correct measure of compensation.

DISCUSSION AND FINDING(S):

50. Having bestowed due consideration to the rival submissions advanced on behalf of the parties, scrutinised the record of the case, and examined the impugned award as well as the written submissions filed on behalf of the parties, this Court proceeds to determine the issues framed herein. The controversy essentially revolves around the *locus* and entitlement of the assignees to pursue the claim for compensation on the basis of the registered Assignment Deeds dated 22.03.1995; the legality and enforceability of the said Assignment Deeds in light of the provisions of the Delhi Lands (Restrictions on Transfer) Act, 1972 and the objections founded thereon; and the correctness of the market value adopted by the Reference Court while determining compensation for the acquired land, which determination stands assailed by both sides for opposite reasons.

51. Before entering upon the merits of each of the aforesaid questions, it is necessary to observe at the threshold that the present appeals arise in an unusual procedural setting. The matter comes before this Court not for the first time but after a full round of litigation culminating in a remand by the Hon'ble Supreme Court *vide* its judgment dated 02.08.2011 in **DDA v. S.S.**



Aggarwal & Ors. [(2011) 12 SCC 533], by which both the earlier judgment of this Court dated 21.02.2003 and the judgment of the Reference Court dated 29.09.1997 stood set aside, and the Reference Court was directed to re-examine, on the basis of fresh evidence, the twin issues of the *locus* of the assignees and the market value of the acquired land. It is, therefore, imperative that the findings now recorded by this Court are not merely a reassessment of the evidence led in the original reference proceedings but a fresh and independent determination on the evidence adduced post-remand, untethered by any pre-existing determination of either market value or *locus*.

52. This Court proposes to take up the issue of *locus standi* of the assignees as the first and threshold question, for the reason that if the Assignment Deeds dated 22.03.1995 are found to be *void* or otherwise incapable of conferring any enforceable right upon the assignees to claim compensation, the question of market value would not arise for their benefit at all. Conversely, if the assignees are held to have validly stepped into the shoes of the original landowners, this Court would then proceed to examine whether the Reference Court adopted the correct measure of compensation, and whether the evidence on record justifies the rate of Rs. 7,390/- per square yard awarded thereunder, or warrants any revision thereof. The discussion hereunder is structured accordingly.

ISSUE NO I: VALIDITY OF ASSIGNMENT DEED(S) AND
LOCUS STANDI OF THE ASSIGNEES

53. Before dwelling into the legality of assignment deed(s) what is more significant to deal is whether at all the assignees and the assignors were legally competent to execute the impugned deed(s). It is not a disputed question of fact that the land in question in the present petition i.e. land ad-



measuring 12 Bighas and 11 Biswas falling in Khasra no. 112 (6-6), 564/167 (6-5) situated in the Revenue Estate of Village Jasola was originally owned by Sh. Budh Singh S/o Sh. Doodha Ram in terms of original Khatauni of Village Jasola for the year 1982-83, which stands duly proved by PW-6 i.e. Halka Patwari of Village Jasola as Ex. PW 6/1 .

54. Sh. Budh Singh, the original land owner reportedly expired on 02.08.1994 and the factum of his demise was duly recorded in Naksha Aalif of Village Jasola. The land in question as mentioned above thereafter, stood mutated in the name of Sh. Suresh Kumar, Sh. Ramesh Kumar and Sh. Pritam Singh, all sons of Late Sh. Budh Singh. The factum of mutation got duly recorded in the Khatauni of Village Jasola thereafter *vide* separate noting of Naib Office Kanoongo dated 31.01.1995. The same was also brought on record by PW-5 i.e. Kanoongo from the Office of LAC South-East, which reflected Sh. Ramesh Kumar, Sh. Suresh Kumar and Sh. Pritam Singh as the owners of land in question.

55. The aforesaid documents thus, clearly reflect that prior to acquisition of land in question by the Government, it was owned by Sh. Ramesh Kumar, Sh. Suresh Kumar and Sh. Pritam Singh, all sons of Late Sh. Budh Singh. Nonetheless, the ownership of previous land owners with respect to the acquired land is not even disputed by the Union of India/DDA herein.

56. Now, coming to the principal question which falls for consideration *viz*, whether the Assignment Deed dated 22.03.1995 rendered *void* by virtue of Sections 3 and 4 of the Delhi Lands (Restrictions on Transfer) Act, 1972 and whether the said transaction is further hit by Section 6(e) of the Transfer of Property Act, 1882.



57. The counsel for U.O.I. contends that once notifications under Section 4 read with Section 17 of the Act were issued on 06.01.1995 and declaration under Section 6 followed on 10.01.1995, no right emanating from the acquired property could thereafter be transferred. It is also submitted that the Assignment Deed(s), though ostensibly couched as an assignment of compensation rights, is in substance a transfer of rights flowing from the acquired land and consequently falls within the prohibition contained in Sections 3 and 4 of the Delhi Lands (Restrictions on Transfer) Act, 1972.

58. The U.O.I. has further contended that what has been assigned is merely the right to pursue compensation proceedings and enhancement proceedings and, therefore, the transaction is hit by Section 6(e) of the Transfer of Property Act as constituting transfer of a mere right to sue.

59. The aforesaid submissions require close scrutiny. Therefore, in order to deal with such an issue it is apposite to refer to the factual matrix as well as the statutory provisions dealing with the issue at hand.

60. At the outset, it is necessary to notice the undisputed chronology of events. Notification under Section 4 read with Section 17 of the Act was issued on 06.01.1995. Thereafter, Declaration under Section 6 followed on 10.01.1995; pursuant to which possession of the acquired land was admittedly taken by the Government on 22.02.1995. The Assignment Deed(s) came to be executed thereafter on 22.03.1995 i.e after the date of transferring the possession to the government.

61. The significance of these dates cannot be overstated as the controversy before this Court is not one concerning a transfer effected after issuance of a Section 4 notification but after vesting. Nor is it a case where a subsequent purchaser seeks to assert title in the acquired land or challenge acquisition



proceedings. The Assignment Deed(s) came into existence after possession had already been taken by the D.D.A. Consequently, by the date of execution of the Assignment Deed(s), the assignors no longer possessed any subsisting proprietary estate in the acquired land.

62. The legal consequence of taking possession under the Land Acquisition Act is well settled. Upon possession being taken, the acquired land vests absolutely in the State free from all encumbrances and the erstwhile owner ceases to retain any transferable interest in the land. What survives is the statutory entitlement to receive compensation and, where permissible, enhanced compensation.

63. Examined in this backdrop, the Assignment Deed(s) leaves little room for doubt. The deed(s) itself records that possession had already been taken by the Government on 22.02.1995 and repeatedly refers to transfer of rights relating to compensation, enhancement, references, revisions and appeals. Significantly, it neither purports to transfer possession or ownership in the acquired land nor reserves any proprietary interest therein. Read as a whole, the instrument demonstrates that the parties proceeded on the footing that the land had already vested in the State and that the only surviving right capable of transfer was the entitlement to compensation.

64. The contention of the U.O.I. that compensation is merely a substitute for land and, therefore, assignment of compensation rights must be treated as transfer of the land itself, overlooks the settled distinction between ownership of acquired land and the statutory right to receive compensation. Once acquisition culminates in vesting and dispossession, the proprietary relationship with the land stands extinguished and what survives is a monetary entitlement created by statute. The assignees herein do not assert



title to the land, challenge the acquisition, dispute vesting, or seek restoration of possession. Their claim is confined solely to compensation and its enhancement. Indeed, after possession had been taken on 22.02.1995, the assignors themselves retained no estate in the land capable of transfer; consequently, what was assigned on 22.03.1995 could only be the compensation entitlement.

65. The controversy must therefore be examined through the lens of the authorities dealing specifically with assignment of compensation rights.

66. In **Laxmi Narain v. Union of India & Anr.**, RFA No. 140/1972 decided on 24.11.1977, the Division Bench of this Court rejected the contention that assignment of compensation rights amounted to transfer of a mere right to sue and held:

“.....The claim for enhancement of compensation was pending before the Additional District Judge, Delhi when the document dated December 8, 1971 was executed. Ram Devi was competent to transfer her interest, whatever it may have been to the appellants. She did so. On the Additional District Judge pronouncing his award judgment, the appellants, having already purchased the right to claim compensation, filed and were competent to file the appeal. The case does not fall under clause (e) of Section 6 of the Transfer of Property Act which says that mere right to sue cannot be transferred. What was transferred was not a right to sue but to obtain compensation or enhancement thereof in accordance with the provisions of the Land Acquisition Act ”

67. The same principle was reaffirmed by another Division Bench of this Court in **Sh. Chandan & Ors. v. Union of India**, CM No. 2096/1995 in RFA No. 237/1992 decided on 07.11.1997, while relying upon the judgment of **Laxmi Narain (Supra)**. The Court observed:



“.....Thus in case of an assignment, creation or devolution of any interest during the pendency of litigation the person upon whom such an interest has come or devolved can seek leave of the Court for substitution. Right to receive compensation accrued to the appellants when their lands were acquired under the provisions of the Land Acquisition Act. On award being made, the compensation was received by them under protest and they sought reference for enhancement. Enhancement was allowed. For further enhancement the instant appeal has been preferred. During the pendency of appeal, the appellants admittedly have, for valuable consideration transferred their rights in favour of the applicants to receive and recover the enhanced amount of compensation. Such a right, which is claimed is not at all covered by clauses (a) and (e) of Section 6 of Transfer of Property Act.

Clause (a) of Section 6 of the Transfer of Property Act prohibits transfer of the chance of an heir-apparent succeeding to an estate, the chance of a relation obtaining a legacy on death of kinsman, or any other mere possibility of a like nature. The possibilities referred to in this clause are bare or naked possibilities and not possibilities coupled with an interest. Section 5 of the Act defines 'transfer of property. A transfer of property may take place not only in the present but also in the future. Some interest in the property are future. Right to receive compensation is statutory, which crystallized on acquisition of property. Right to claim enhancement in compensation is also statutorily conferred It is this right, which has been assigned No doubt that enhancement in compensation is a mere possibility but that possibility is coupled with an interest to receive and realize the compensation. Clause (e) of section 6 of the Act refers to a mere right to sue, transfer of which is also prohibited. But what has been transferred is not a bare right to sue but right to receive and realize the enhanced compensation.”

68. The aforesaid principle was subsequently approved by a co-ordinate bench of this court in EX. F.A. 25/2014 captioned as **Sadhna Gupta v. Shish**



Pal, wherein it was reiterated that an assignee acquires a substantive monetary entitlement and not merely a right to institute proceedings. Litigation is merely the mechanism through which the entitlement is quantified and realised.

69. Section 6(e) of the Transfer of Property Act prohibits transfer of a mere right to sue and is intended to prevent trafficking in bare causes of action. The provision does not prohibit transfer of an existing beneficial interest merely because its quantification or enforcement may require adjudication. Where litigation itself is the subject matter of transfer, the prohibition applies; where litigation is only the means of enforcing an already existing right, it does not.

70. In the present case, the acquisition had already been completed, possession had already been taken and the right to compensation had already accrued before execution of the Assignment Deed(s). The subject matter of transfer was, therefore, not a lawsuit but a vested statutory entitlement arising from compulsory acquisition. The proceedings before the Collector, the Reference Court and the appellate forum merely determine the extent of that entitlement. Consequently, the assignment falls outside the prohibition contained in Section 6(e) of the Transfer of Property Act.

71. The conclusion reached above also finds support from the overall scheme of the Delhi Lands (Restrictions on Transfer) Act, 1972. Sections 3 and 4 constitute the substantive prohibitory provisions. Section 6 provides the consequence of contravention by prescribing penalties in respect of prohibited transfers.

72. The scheme of the enactment is significant. To understand the scheme better, it will be apposite to refer to the bare Sections :



“3. Prohibition on transfer of lands acquired by Central Government.—No person shall purport to transfer by sale, mortgage, gift, lease or otherwise any land or part thereof situated in the Union territory of Delhi, which has been acquired by the Central Government under the Land Acquisition Act, 1984 (1 of 1984), or under any other law providing for acquisition of land for a public purpose.

4. Regulation on transfer of lands in relation to which acquisition proceedings have been initiated.—No person shall, except with the previous permission in writing of the competent authority, transfer or purport to transfer by sale, mortgage, gift, lease or otherwise any land or part thereof situated in the Union territory of Delhi, which is proposed to be acquired in connection with the Scheme and in relation to which a declaration to the effect that such land or part thereof is needed for a public purpose having been made by the Central Government under section 6 of the Land Acquisition Act, 1894 (1 of 1894), the Central Government has not withdrawn from the acquisition under section 48 of that Act.”

73. After referring to the bare provision what comes out is that the legislative concern throughout is with transactions affecting the land itself. The statute is directed against dealings in immovable property which may impede, complicate or frustrate acquisition proceedings. The prohibition, the regulatory mechanism and the penal consequences all revolve around one common subject matter, namely the land under acquisition.

74. Neither Section 3 nor Section 4 refers to compensation. Neither provision refers to award amounts, enhanced compensation or claims arising after vesting. Equally, Section 6 does not contemplate penal consequences in respect of assignment of compensation rights.

75. This omission assumes significance. The legislature was fully aware that acquisition proceedings culminate not only in vesting of land but also in



determination and payment of compensation. Had the legislature intended to prohibit assignment of compensation rights, it could easily have employed language sufficiently broad to encompass such transactions.

76. The Court cannot enlarge the statutory prohibition beyond the words actually used. To accept the U.O.I. 's submission would require the Court to read the expression "land" in Sections 3 and 4 as including compensation rights arising after acquisition. Such an interpretation would amount to rewriting the statute. The Court refrains to adopt such an approach.

77. Viewed cumulatively, the legal position becomes clear. By the date of execution of the Assignment Deed(s), possession had already been taken and vesting had occurred. No transferable estate in the land survived. The deed(s) itself repeatedly confines the transaction to compensation rights and enhancement claims. The Supreme Court authorities relied upon by the Union of India/DDA deal with claims to land and challenges to acquisition proceedings and are therefore distinguishable. On the other hand, the decisions of this Court in **Laxmi Narain(supra)**, **Chandan(supra)** and **Sadhna Gupta(supra)** recognise that compensation rights constitute assignable beneficial interests and are not hit by Section 6(e) of the Transfer of Property Act.

78. Accordingly, this Court is of the considered view that the Assignment Deed(s) dated 22.03.1995 does not amount to a transfer of land within the meaning of Sections 3 and 4 of the Delhi Lands (Restrictions on Transfer) Act, 1972. Properly construed, it represents an assignment of compensation rights surviving after vesting of the acquired property in the State. Such assignment is neither prohibited by the 1972 Act nor rendered *void* by Section 6(e) of the Transfer of Property Act.



79. In view of the discussion made herein above, the objection raised by the U.O.I. must, therefore, fail.

AS TO INADEQUACY OF CONSIDERATION OF ASSIGNMENT DEED(s):

80. The Union of India/DDA have also argued the assignment deed(s) dated 22.03.1995 reflected a consideration of Rs. 5,40,000/- for the entire landholding, which worked out to approximately Rs. 58/- per square yard, and such contemporaneous evidence ought to have been accorded due weight while assessing the market value of the acquired land as such consideration reflected in the Assignment Deed(s) was inadequate.

81. This contention deserves outright rejection. At the outset, it must be noticed that the persons most competent to challenge the validity of the Assignment Deed(s) are the assignors themselves, being its executants. Significantly, none of them has ever questioned the transaction by seeking cancellation, declaration of nullity, or any other relief. No allegation of fraud, coercion, undue influence, misrepresentation, lack of free consent, or absence of consideration has been raised by any executant. On the contrary, the record demonstrates their express acknowledgment of the transaction. The assignors appeared before the Land Acquisition Collector and made categorical statements regarding the execution of the Assignment Deed(s) and the rights created thereunder in favour of the assignees. These statements, forming part of the acquisition record and exhibited as Ex. PW-1, constitute contemporaneous evidence affirming the assignment and the consequential rights of the assignees.

82. Equally significant is the fact that the Assignment Deed(s) is a registered instrument. It is a settled principle of law that a registered



document carries a presumption of valid execution and genuineness, the burden lying upon the person challenging it to rebut such presumption. UOI/DDA have failed to discharge this burden. The presumption of validity becomes even stronger where the executants themselves not only refrain from disputing the transaction but affirmatively acknowledge and act upon it before a statutory authority.

83. The challenge becomes further untenable when founded upon the alleged inadequacy of consideration. The adequacy of consideration ordinarily lies within the exclusive domain of the contracting parties and does not render a transaction invalid unless it is shown to be vitiated by fraud, coercion, undue influence, misrepresentation, or total absence of consideration. In view of Explanation 2 to Section 25 of the Indian Contract Act, 1872, mere inadequacy of consideration does not invalidate a transaction. Indeed, as held by the Supreme Court in **Hemalatha (D) by LRs v. Tukaram (D) by LRs & Ors.**, it is only where consideration is altogether absent that a conveyance may be rendered void.

84. The Supreme Court has further recognised that where the executant accepts and acts upon a transaction, a third party ordinarily cannot seek to invalidate the instrument on grounds relating to consideration. In the present case, none of the executants has disputed the consideration, sought rescission of the transaction, or alleged that the deed(s) was executed otherwise than voluntarily. UOI/DDA, being strangers to the transaction, cannot be permitted to impeach the validity of the Assignment Deed(s) on grounds which are not even asserted by the parties thereto. The contention, therefore, deserves to be rejected.



OBSERVATION OF THE SUPREME COURT:

85. It was also the contention of UOI/DDA that neither assignee(s) were present before the LAC nor were assignment deed(s) produced before any fora including LAC, Reference Court or the High Court back then, the fact which also finds mention in the Order of Hon'ble Supreme Court.

86. The principal contention raised by DDA and the Union of India in ***Delhi Development Authority v. S.S. Aggarwal supra*** was not merely the existence of the assignment deed(s) but the manner in which the assignees had conducted the proceedings. It was contended that the assignment deed(s) had not been disclosed before the Land Acquisition Collector or the Reference Court at the appropriate stage and that the assignees sought to assert rights thereunder belatedly. Proceeding on that premise, the Supreme Court observed that the acquiring authorities had been deprived of an opportunity to contest the entitlement of the assignees and that such entitlement required proper adjudication before enhancement of compensation could be granted.

87. The Supreme Court noticed that, despite execution of the assignment deed(s), the assignees neither sought substitution before the Land Acquisition Collector nor disclosed the true factual position before the Reference Court. It was in that context that the Court made the following observations:

16. We have considered the respective submissions in the backdrop of the fact that even though in terms of the assignment deeds, S.S. Aggarwal and others became entitled to seek substitution before the Land Acquisition Collector, they neither sought impleadment in the award proceedings nor produced the assignment deeds to show that the landowners had transferred the right to receive compensation. The learned Senior Counsel



appearing for the assignees could not offer any tangible explanation as to why his clients chose to keep the Land Acquisition Collector, the Reference Court and the High Court in dark about the execution of the assignment deeds by the landowners. Therefore, it is reasonable to presume that they had done so deliberately and the only possible reason for this could be to avoid a proper scrutiny by the Land Acquisition Collector and the two judicial forums about their entitlement to receive compensation at a rate higher than Rs 58 per square yard paid to the landowners. If the assignment deeds had been produced before the Land Acquisition Collector or the Reference Court, either of them could have held an inquiry and given an opportunity to the landowners and/or the assignees to explain the position. By withholding the assignment deeds, the assignees succeeded in avoiding a proper scrutiny of their claim for compensation at the hands of the Land Acquisition Collector, the Reference Court and the High Court.

(Emphasis applied)

88. However, the factual foundation on which the aforesaid observations proceeded is absent in the present case. A careful examination of the original record reveals that the assignment deed(s) were never concealed from the acquiring authorities. On the contrary, the acquisition record contains the relevant assignment deed(s), corrigendum, affidavits, indemnity bonds and surety bonds, all of which disclose the existence of the assignees and the assignment transactions. The compensation records maintained by the Land Acquisition Collector also specifically record the names of the assignees, demonstrating that their identity and claim were within the knowledge of the authorities.

89. The position is further reinforced by the findings recorded in the impugned order. The original landowners appeared before the Land Acquisition Collector, acknowledged execution of the assignment deed(s) and accepted the rights created thereunder in favour of the assignees. The



Reference Court specifically noted that, on the basis of such statements and the compensation record, a corrigendum was issued by the Land Acquisition Collector and the statement under Section 19 of the Act was forwarded in the names of the assignees. The relevant para of the Impugned Order is extracted herein below:

“15. PW-1 deposed that all the recorded owners appeared before the LAC and recorded their statements accepting the execution of assignment deeds. Based upon the statements of the parties and upon the payment of original compensation, a corrigendum was drawn by the LAC in the Award for their record. PW-1 deposed that the assignment deeds were executed by the recorded owners in favour of petitioners voluntarily and without any coercion, undue influence and misrepresentation. Consequently, statement under Section 19 of the Act was duly forwarded by the LAC in the name of petitioners and thus, petitioners are entitled to receive enhanced compensation which may be determined by this Court.”

90. Viewed thus, the allegation that the acquiring authorities were unaware of the assignment deed(s) or were deprived of an opportunity to examine the entitlement of the assignees is contrary to the record. The contemporaneous documents maintained by the Land Acquisition Collector demonstrate that the assignment transactions were disclosed, acknowledged and acted upon during the acquisition proceedings themselves. In such circumstances, it cannot be contended that the authorities were taken by surprise or that the assignees obtained any advantage through suppression of material facts.

91. The present case, therefore, far from establishing concealment, the record unequivocally demonstrates that the assignment deed(s) and the



identity of the assignees were within the knowledge of the acquiring authorities from the inception. The allegation of suppression is, consequently, devoid of merit and stands conclusively rebutted by the documentary record itself.

92. In view of the above discussion, this Court finds no infirmity in the conclusion reached by the Reference Court that the Assignment Deed(s) dated 22.03.1995 are valid, enforceable and operate only as assignment of compensation rights. Consequently, the assignees validly stepped into the shoes of the original landowners and possess *locus standi* to maintain the present proceedings.

ISSUE NO. II : AMOUNT OF
COMPENSATION/DETERMINATION OF
MARKET VALUE

“If you would understand anything, observe its beginning and its development”
~ Aristotle

93. The imperative to understand a matter’s historical trajectory, particularly its point of inception, is a foundational principle not only in philosophy and historiography but also in the administration of justice.

In legal adjudication, the past is often the key to unlocking the complexities of the present.

94. Legal certainty for a controversy spanning three decades necessitates an inquiry into its genesis. As the echoes of the 1995 acquisition continue to inform the present dispute, this Court must return to the inception of the transaction to render a just conclusion. With this principle in mind, the Court now proceeds to examine the historical development and the sequence of



events that commenced with the initial acquisition notification in the village Jasola.

HISTORICAL DEVELOPMENT OF VILLAGE JASOLA :

95. The Revenue Estate of Village Jasola carries within it a long and unbroken history of planned acquisition, each successive wave of which has left in its wake a more developed and more integrated urban landscape. The story of this Revenue Estate, insofar as it bears upon the question of the character and potential of the subject land as on the date of acquisition, is best understood in its chronological sweep.

96. The earliest engagement of the GNCTD with this Revenue Estate dates to 13.11.1959, when a notification was issued under Section 4(1) of the Act, initiating the first round of acquisition for the planned development of Delhi. That beginning was followed, in quick succession, by two further notifications issued under Section 4 of the Act on 24.10.1961 and 06.04.1964 respectively, by which additional parcels within the same Revenue Estate were progressively brought under the fold of acquisition. The process, however, did not end there. A further notification under Section 4 of the Act was issued on 05.06.1979, drawing yet more land within the ambit of Union Territory(UT) acquisition. Viewed in its entirety, the pattern of successive acquisitions from 1959 through 1979 is itself eloquent testimony to the strategic importance that the UT consistently attached to this Revenue Estate and to the pace at which the area was being transformed.

97. Running alongside this history of acquisition was a parallel process of formal urbanisation and planned development. The Revenue Estates of Village Jasola and the adjoining Village Bahapur contiguous to each other



and closely interlinked in terms of their development trajectory were together declared urbanised by **Notification No. F-2(49)/65-LSG** dated 28.05.1966, issued under Section 507(A) of the Delhi Municipal Corporation Act, 1957 and published on 03.06.1966. Village Jasola finds express mention at Serial No. 19 of the South Delhi Zone in the said notification. This formal declaration of urbanisation, significant in itself, was followed barely a decade later by an equally consequential step in 1974, the area was declared a Development Area by a notification issued under the provisions of the Delhi Development Act, thereby conferring upon it the dual status of an urbanised and a planned development zone and placing it squarely within the ambit of the organised developmental framework of the National Capital.

98. The cumulative effect of these successive acquisitions and formal declarations was transformative. The land acquired from Village Jasola over the course of the preceding three and a half decades had, well before the date of the present acquisition, been developed into a constellation of well-established residential, institutional and industrial localities. Sukhdev Vihar, Ishwar Nagar, Jasola DDA Flats, Jasola Colony, Harkesh Nagar, Sarita Vihar, part of the Mohan Co-operative Industrial Area, Okhla Industrial Area Part II and Friends Colony all of these had taken shape on the acquired lands of Village Jasola. The Apollo Hospital, had similarly come up in this very area, further underscoring the stature and connectivity of the locality. The adjoining Revenue Estate of Village Bahapur had kept pace with this transformation, with the well-known residential and thriving commercial locality of Kalkaji and the nationally recognised business district of Nehru Place having developed on its acquired lands.



99. Against this backdrop, the character of the Revenue Estate of Village Jasola as on the date of issuance of the notification under Section 4 of the Act on 06.01.1995 admits of little doubt. By that date, the area was not merely urbanised in the formal or technical sense it had been so declared nearly three decades earlier, in 1966 but was, in every meaningful and practical sense, a fully developed and seamlessly integrated part of the National Capital Territory of Delhi. Since its declaration as a Development Area in 1974, all requisite civic infrastructure had been extended to the locality: electricity, water supply, sewerage systems, metalled roads, hospital facilities and telecommunication connections were all in place. The residual parcels of land still remaining within the Revenue Estate including the subject land consequently carried with them a very substantial potential for further residential, commercial and industrial exploitation, situated as they were amidst an already thriving urban environment and enjoying the full benefit of the infrastructure and amenities that had been put in place over the preceding decades. It is noteworthy that the Land Acquisition Collector himself, in Award No. 10/95-96, expressly took cognizance of these very facts, recording that the land under acquisition had been urbanised in 1966 and declared a Development Area in 1974 an acknowledgment that places the developed and urbanised character of the subject land at the relevant date entirely beyond controversy.

NATURE AND POTENTIALITY OF THE ACQUIRED LAND:

100. On a perusal of the material placed on record it is reflected that LAC while awarding the compensation of ₹96 per yard(approx.), relied heavily on



the contention of the U.O.I. that the disputed land was agricultural and therefore, must be valued as agricultural land.

101. Contradicting the very contention, Ld. Senior counsel representing the claimants relied upon the judgement of this Court rendered in **Major General Kapil Mehra & Ors. v. Union of India & Anr.**, in LA APP No. 149/2007 contending that no doubt, one of the parameters for fixing the market value of the acquired land is potentiality of the land, but the Courts should not go by the actual use to which the land was being put at the time of notification under Section 4 of the Act. It is argued that what is relevant for the Court is to see the better use to which the land is reasonably capable of being put in the immediate or near future.

102. It is well settled that while determining market value, what is relevant is not merely the use to which the land was being put on the date of acquisition but its most advantageous and potential use.

103. Therefore, such contention of the claimant is accepted by this court as is also a settled principle of acquisition jurisprudence that, while determining market value, the Court is not confined to the use to which the land was actually being put on the date of acquisition. What is required to be assessed is the highest and best use to which the land is reasonably capable of being put, having regard to its location, surrounding development, existing advantages and future potential. In **Administrator General of West Bengal v. Collector, Varanasi**, (1988) 2 SCC 150, the Supreme Court held that market value must be assessed with due regard not merely to the existing use of the land but also to its potential possibilities. The same principle was reiterated in **Periyar & Pareekanni Rubbers Ltd. v. State of Kerala**, (1991) 4 SCC 195, where the Court explained that potentiality denotes the capacity



of the land to develop into a more advantageous use in the reasonably foreseeable future. Similar views were expressed in **Viluben Jhalejar Contractor v. State of Gujarat**, (2005) 4 SCC 789, **Lal Chand v. Union of India**, (2009) 15 SCC 769, **Land Acquisition Officer v. Karigowda**, (2010) 5 SCC 708 and **Major General Kapil Mehra v. Union of India**, (2015) 2 SCC 262. Therefore, the true test is not the purpose for which the land happened to be utilized on the date of acquisition, but the most beneficial and advantageous use to which it was reasonably capable of being put by a willing purchaser in the open market.

104. Reliance in this regard can also be placed upon the judgment of Hon'ble the Supreme Court in **Atma Singh v. State of Haryana**, (2008) 2 SCC 568 which was rendered after relying upon the authorities mentioned herein above. The relevant paragraph reads as under:

*“5. For ascertaining the market value of the land, the potentiality of the acquired land should also be taken into consideration. Potentiality means capacity or possibility for changing or developing into state of actuality. It is well settled that market value of a property has to be determined having due regard to its existing condition with all its existing advantages and its potential possibility when led out in its most advantageous manner. The question whether a land has potential value or not, is primarily one of fact depending upon its condition, situation, user to which it is put or is reasonably capable of being put and proximity to residential, commercial or industrial areas or institutions. The existing amenities like water, electricity, possibility of their further extension, whether near about town is developing or has prospect of development have to be taken into consideration. See **Collector v. Dr. Harisingh Thakur** [(1979) 1 SCC 236 : AIR 1979 SC 472] , **Raghubans Narain Singh v. U.P. Govt.** [AIR 1967 SC 465] and **Administrator General, W.B. v. Collector Varanasi** [(1988) 2 SCC 150 : AIR 1988 SC 943] .*



It has been held in Kausalya Devi Bogra v. Land Acquisition Officer [(1984) 2 SCC 324 : AIR 1984 SC 892] and Suresh Kumar v. Town Improvement Trust [(1989) 2 SCC 329 : AIR 1989 SC 1222] that failing to consider potential value of the acquired land is an error of principle.”

(Emphasis applied)

105. For the purposes of assessing the developmental potential and advantageous characteristics of the acquired land while determining fair market value, reliance may also be placed upon the decision of this Court in **Anar Singh v. Union of India**, 1984 SCC OnLine Del 83. In the said judgment, while considering acquisition of land situated in Village Jasola, this Court identified and examined the relevant indicia bearing upon the potentiality of the land, including its location, surrounding development, proximity to urbanised areas and future prospects of utilisation. The principles enunciated therein constitute a relevant guide in evaluating the true market potential of the land in question and, consequently, in determining just and fair compensation payable to the claimants. The relevant extract reads as under:

*“3. These cases are no doubt concerning the land of village Bahapur. Village Bahapur as we have seen, adjoins village Jasola on both sides. If the prices of the land in village Bahapur were rising, it is not possible to say that there was no increase in the value of the land in village Jasola. In **R.N. Tikku's** case, the Division Bench has observed that during those days of 1959 the prices were rising and there was an increase of Rs. 4 per year. They said, “one can therefore safely say that the rate of escalation was Re. 1 per square yard for every three months”. We cannot assent to this broad generalisation. But we can say this that there had been an upward trend in market values generally is not only*



indisputable as a matter of opinion, but is affirmatively supported by satisfactory proof.

5. The learned additional district judge fixed the value of the land at Rs. 4900 per bigha on the hypothesis that the land had no potential. In our opinion he was in error. After all we have to take potentiality into consideration and potentiality means such uses to which land can be put in the near reasonable future. It is the duty of the valuer "to take into consideration every intrinsic quality and every intrinsic circumstances which tends to push the value either up or down, just because it is relevant to the valuation and ought therefore to be cast into the scales of the balance before he looks to see the resultant figure on the dial at which the pointer finally rests", [per Scott L.J. in Robinson Brothers (Brewers) Ltd. v. Houghton, (1937) 2 KB 445 (5) at p. 469]. Potentiality of the land in question is one intrinsic quality which we must take into account. As the Privy Council has said:

"For it has been established by numerous authorities that the land is no to be valued merely by reference to the use to which it is being put at the time at which its value has to be determined [that time under the Indian Act being the date of the notification under Section 4(1)] but also by reference to the uses to which it is reasonably capable of being put in the future. No authority indeed is required for this proposition. It is self-evident."

(Raja Vyricherla Narayana Gajapatiraju v. Revenue Divisional Officer, ILR 1939 Mad 532 (544) (6)."

(Emphasis applied)

106. The material placed on record demonstrates that the land in question is situated on the main Mathura Road at Sarita Vihar towards Kalindi Kunj and Apollo Hospital being surrounded by posh and developed colonies such as Sarita Vihar, Sukhdev Vihar, Jasola, Harkesh Nagar, Mohan Cooperative Industrial Area, New Friends Colony, Okhla Industrial Area, Part-II etc. It is further argued that the adjoining revenue estate is Bahapur and on the



acquired land of Village Bahapur posh colonies and business centres are located like Kalkaji and Nehru Place. It is argued that post urbanization in the year 1966, lots of development activities had taken place at the land in question and all the civic amenities like electricity, water, sewerage, roads, hospitals and telephone connections were available. On the contrary counsel for UOI had submitted that the land was agricultural land and therefore, the amount awarded by the LAC was sufficient considering the nature and potentiality of the land at present.

Thus, the contention of the U.O.I. that the land was agricultural and must be valued as agricultural land deserves rejection.

SALE DEED(s) RELIED UPON BY U.O.I. :

107. The sale transactions relied upon by the Union of India also do not inspire confidence and cannot furnish a reliable basis for determination of market value. A bare comparison with the judicially determined market value pertaining to the same village demonstrates the inherent improbability of the values reflected therein.

108. It is pertinent to note that for acquisition pursuant to the notification dated 27.10.1986 pertaining to Village Jasola, the market value has already been judicially determined at the rate of **₹3,808/- per square yard**. The said determination pertains to a point of time nearly seven years prior to the sale transactions now relied upon by the Union of India.

109. Against this backdrop, the sale deed(s) produced by the Union of India, allegedly executed in or around the year 1993, reflect rates ranging between **₹85/- and ₹100/- per square yard**. Such values are not merely lower than the judicially determined market value; they are a minuscule fraction thereof. The disparity is so glaring and disproportionate that the



transactions cease to possess any evidentiary value as indicators of prevailing market conditions.

110. No prudent owner of land situated in a revenue estate which had already witnessed substantial urbanisation and development would agree to transfer land at values constituting only a small fraction of the market value judicially recognised several years earlier. In the ordinary course of human conduct and commercial dealings, land values do not regress to such an extent, particularly in an area undergoing rapid urban expansion. The rates reflected in the sale deed(s) are therefore wholly inconsistent with the surrounding circumstances and the established price trend of the locality.

111. The possibility that such transactions were influenced by special circumstances, were not truly representative of open-market dealings, or did not reflect the real consideration exchanged between the parties, cannot be ruled out. Whatever be the explanation, the rates disclosed therein are so abnormally low that they fail the test of a *bona fide* and arm's-length transaction capable of reflecting the true market value of the acquired land. Undervalued documents of this character are entitled to no evidentiary weight and are liable to be excluded from consideration under the principle reaffirmed by the Supreme Court in ***Lal Chand v. Union of India***, AIR 2010 SC 170, which holds that documents shown to depict values far below those established by credible evidence must be treated as unreliable and excluded. The relevant paragraphs are extracted under:

“What is the utility or relevance of undervalued sale deeds in determining market price?”

76. This takes us to the value of “undervalued” sale deeds. When the respondents rely upon certain sale deeds to justify



the value determined by the Land Acquisition Collector or to show that the market value was less than what is claimed by the claimants, and if the claimants produce satisfactory evidence (which may be either with reference to contemporaneous sale deeds or awards made in respect of acquisition of comparable land or by other acceptable evidence) to show that the market value was much higher, the sale deed relied upon by the respondents showing a lesser value may be inferred to be undervalued, or not showing the true value. Such deeds have to be excluded from consideration as being unreliable evidence. A document which is found to be undervalued cannot be used as evidence.

79. There is no legal basis to proceed on a general assumption that parties, without exception, fail to reflect the true consideration in the sale deeds, that there is always undervaluation or suppression of the true price and that consequently, all sale deeds reflect a depressed value and not the real market value and therefore, some percentage should be added to arrive at the real value. Such a course also amounts to branding all vendors and purchasers as dishonest persons without any evidence and without hearing them. It ignores the fact that the Government has fixed minimum guideline values and whenever a registering authority is of the view that a sale deed is undervalued, proceedings are initiated for determination of the true market value. It also ignores the fact that a large number of sale deeds are accepted by the registering authorities as disclosing the current market value. Be that as it may.”

(emphasis applied)

112. Accordingly, this Court is unable to treat the sale deed(s) relied upon by the Union of India as safe or dependable exemplars. The transactions do not constitute reliable indicators of market value and are liable to be excluded



from consideration while determining compensation payable for the acquired land.

113. This brings the Court to the question of just and equitable quantum of compensation. The task before the Court is to determine the market value of the acquired land and the compensation payable thereon in a manner that balances the rights of the landowners with the interests of the acquiring authority, in accordance with the settled principles governing land acquisition jurisprudence. In this regard it was contended by Ld. Senior counsel for the claimants that considerable assistance could be drawn from the decision rendered by the Division Bench of this Court in **Ram Chander & Ors. v. Union of India**, RFA No. 416/1986, decided on 19.10.2001, wherein the market value of land situated in Village Jasola, acquired pursuant to a notification issued under Section 4 of the Land Acquisition Act on 15.06.1979, was determined at the rate of Rs.2,240/- per square yard. It was submitted that while arriving at the aforesaid determination, the Division Bench had placed reliance upon the decision in **Union of India v. Bhola Nath Sharma (Dead) through LRs. & Anr.**, SLP (Civil) No.1608/1999, pertaining to Village Bahapur, wherein the market value had attained finality at Rs.2,000/- per square yard as on 30.06.1978. Learned counsel for the claimants further pointed out that the Review Petition preferred by the Union of India against the said decision came to be dismissed on 13.10.1999.

114. Proceeding on the aforesaid premise, learned counsel submitted that if the principles enunciated in **Bedi Ram v. Union of India & Anr.**, 93 (2001) DLT 150, relating to annual appreciation in land values, were applied to the rate determined in **Ram Chander (supra)**, the market value of the acquired land as on 06.01.1995 would work out to approximately Rs.13,118/- per



square yard. It was nevertheless urged that the claimants had restricted their claim to a market value of Rs.10,000/- per square yard.

115. Reliance was also placed upon another judgment dated 02.08.2011 passed by the learned Reference Court in LAC No.75/2011, titled ***Dharamvir Singh v. Union of India & Ors.***, pertaining to acquisition of land in Village Jasola under notification dated 12.05.1986. It was submitted that the learned Reference Court therein had assessed the market value at Rs.3,808/- per square yard as on 12.05.1986.

WHETHER ESCALATION CAN BE APPLIED FOR LONG PERIOD :

116. As regards the submissions advanced on behalf of the claimants seeking determination of market value on the basis of the awards relating to the notifications dated 15.06.1979 and 12.05.1986, the same merit careful consideration. There can be little dispute that the decisions rendered in ***Ram Chander (supra)*** and ***Dharamvir Singh (supra)*** constitute relevant indicators while assessing the developmental potential and market trends pertaining to lands situated in Village Jasola. The fact that compensation was judicially determined at the rate of Rs.2,240/- per square yard as on 15.06.1979 and thereafter at Rs.3,808/- per square yard as on 12.05.1986 undoubtedly reflects the increasing demand, development potential and commercial attractiveness of lands situated in the said village. These determinations lend considerable support to the contention that the acquired land possessed substantial future prospects and could not be treated as land devoid of developmental potential merely on account of its existing user at the time of acquisition.



117. The learned Senior Counsel has furthermore vehemently contended that the market value determined under the earlier notifications ought to be subjected to annual escalation at the rate of 15%, or in the alternative 12%, in accordance with the principles adopted in several decisions of the Supreme Court and this Court. According to the claimants, such escalation would justify a market value substantially in excess of the amount awarded by the Reference Court.

118. The aforesaid submission, however, cannot be accepted in its entirety. A careful examination of the authorities relied upon by the claimants reveals that the principle of granting annual appreciation at rates ranging between 12% and 15% has generally been applied where the time gap between the exemplar transaction or earlier acquisition and the acquisition under consideration was relatively short, ordinarily extending to three, four or five years at best. The rationale underlying such an approach is that market conditions during a limited period can reasonably be projected forward with a fair degree of certainty.

119. The present case at hand stands on an entirely different footing from the authorities relied upon by the claimants. The notification which was the subject matter in **Ram Chander** pertains to the year 1979, whereas the acquisition in question is governed by a notification issued on 06.01.1995, resulting in a time gap of nearly sixteen years. Even the notification considered in **Dharamvir Singh** pertains to the year 1986, which is separated from the present acquisition by approximately nine years. Considering such mechanical application of annual appreciation at the rate of 12% or 15% over such an extended period would somewhat amount to indulging in speculation rather than arriving at a realistic assessment of market value.



120. The Supreme Court has repeatedly cautioned against such an approach. In **ONGC Ltd. v. Rameshbhai Jivanbhai Patel(supra)**, the Court categorically held that the method of granting annual escalation is reasonably safe only where the relied-upon exemplar or acquisition precedes the acquisition under consideration by a few years, ordinarily not exceeding four to five years. The Supreme Court further observed that beyond such period, fluctuations in market conditions, changes in developmental patterns, periods of stagnation and sudden spurts in land prices render any uniform rate of annual increase unsafe and unreliable as a determinative tool for valuation. Similar caution has been reiterated in subsequent decisions, wherein the Courts have declined to apply standard rates of escalation over long intervals of time and have instead insisted upon independent evidence reflective of the prevailing market conditions. The relevant extract of **ONGC Ltd(supra)** reads as under:

“15. Normally, recourse is taken to the mode of determining the market value by providing appropriate escalation over the proved market value of nearby lands in previous years (as evidenced by sale transactions or acquisitions), where there is no evidence of any contemporaneous sale transactions or acquisitions of comparable lands in the neighbourhood. The said method is reasonably safe where the relied-on sale transactions/acquisitions precede the subject acquisition by only a few years, that is, up to four to five years. Beyond that it may be unsafe, even if it relates to a neighbouring land. What may be a reliable standard if the gap is of only a few years, may become unsafe and unreliable standard where the gap is larger. For example, for determining the market value of a land acquired in 1992, adopting the annual increase method with reference to a sale or acquisition in 1970 or 1980 may have many pitfalls. This is because, over the course of years, the “rate” of annual increase may itself undergo



drastic change apart from the likelihood of occurrence of varying periods of stagnation in prices or sudden spurts in prices affecting the very standard of increase.

(emphasis applied)

121. The Supreme Court did not just lay down the principle but also applied the same and fixed the rate of escalation at 7.5% considering the nature of the land. It held and is quoted :

“17. In this case, the acquisition was in a rural area. There was no evidence of any out of the ordinary developments or increases in prices in the area. We are of the view that providing an escalation of 7.5% per annum over the 1987 price under Ext. 15, would be sufficient and appropriate to arrive at the market value of acquired lands.

What should be the market value of the acquired land?

21. By applying a cumulative rate of escalation of 7.5% over the market price of Rs 10 per square metre in 1987, we find that the market value in the year 1992 was Rs 14.35. The Reference Court and the High Court had deducted Rs 2 towards distance factor. As the lands are similarly situated and are in adjoining villages, it will be sufficient to deduct Rs 1.35 per square metre instead of Rs 2. We accordingly determine the market value as Rs 13 per square metre.”

122. In view of the aforesaid settled position, this Court is unable to accept the proposition that the market value determined under the notifications of 1979 or 1986 can be mechanically escalated at the rate of 12% or 15% per annum till the date of the present notification. While the judgments in **Ram Chander** and **Dharamvir Singh** undoubtedly furnish valuable guidance regarding the potentiality and upward trajectory of land values in Village Jasola, they cannot by themselves justify the application of compounded annual appreciation over a period extending to nearly a decade or more. The



market value, therefore, must be determined on the basis of a holistic evaluation of all admissible evidence available on record rather than by adopting a purely mathematical formula of escalation.

123. The aforesaid principle has recently been reiterated and applied by the Supreme Court in ***Central Warehousing Corporation v. Thakur Dwara Kalan Ul-Maruf Baraglan Wala***, (2024) 13 SCC 805. In that case, the Supreme Court was concerned with determination of compensation where the time gap between the exemplar and the acquisition under consideration was approximately eleven years. The High Court had granted cumulative annual appreciation at the rate of 15% while assessing market value. The Supreme Court, after considering the earlier authorities on the subject, including ***ONGC Ltd. v. Rameshbhai Jivanbhai Patel(supra)***, found such an approach to be legally unsustainable.

124. The Supreme Court observed that the rate of annual increase cannot be applied in a uniform manner irrespective of the length of the intervening period and that the duration between the exemplar and the acquisition constitutes a crucial factor in determining the appropriate rate of appreciation. Noticing that the time gap in that case was eleven years, the Court categorically held that while a rate of 10% or 12% may be justified where the interval is relatively short, ordinarily ranging between three to five years, application of a 15% cumulative annual increase over a period of eleven years would result in an unrealistic and inflated determination of market value.

125. Consequently, the Supreme Court reduced the rate of annual appreciation from 15% to 8% and held that the compensation ought to be determined by applying cumulative annual escalation at the reduced rate.



The Court specifically observed that “in no case 15% would be justified for a period of 11 years” and further held that the High Court had fallen into error in enhancing compensation by applying cumulative annual increase at the rate of 15%. The relevant paragraphs are extracted below:

“24. From the above, we notice that the consistent view taken by this Court for awarding annual increase to determine the just compensation varies from case to case and the period to be applied is a major factor to be considered. In the present case, the period is 11 years which is pretty large as compared to the time period considered in the cases referred to above.

25. Taking an overall view in the matter and the consistent view of this Court, the fair and reasonable compensation in the present case would be best determined if we apply 8% annual increase with cumulative effect. This is for the reason that the gap is huge i.e. 11 years. For shorter period of 3-5 years, it could have been 10% or 12%. But in no case 15% would be justified for a period of 11 years as awarded by the High Court in the impugned order [Dwara Kalan Ul-Maruf Baraglan Wala v. State of Haryana, 2016 SCC OnLine P&H 19818] . In the present case, given the 11 years' gap, 8% would be considered just and proper.

26. On rough assessment, the compensation would be equivalent to compensation awarded by the Reference Court. The High Court fell in error in enhancing the compensation by applying the cumulative annual increase of 15%. ”

(Emphasis applied)

126. The ratio of the aforesaid decision lends considerable support to the view that where the time gap between the base exemplar and the acquisition in question extends to nearly a decade or more, the Court must exercise considerable caution before adopting standard rates of annual escalation. The decision clearly demonstrates that higher rates of appreciation, such as 12% or 15% per annum, which may be appropriate for shorter durations, cannot



be mechanically extended over long periods of time. In the present case, where the claimants seek escalation on the basis of notifications issued in the years 1979 and 1986 for determining market value as on 06.01.1995, the temporal gap is substantially larger than the period ordinarily considered safe by the Supreme Court. Therefore, the methodology canvassed by the claimants of applying annual escalation at the rate of 12% or 15% over such an extended duration cannot be accepted as a sound basis for determination of market value.

127. Applying the aforesaid principles to the facts of the present case, this Court finds no justification for adopting the rate of annual escalation at 12% or 15% as canvassed by the claimants. The acquisitions relied upon by the claimants are separated from the present notification dated 06.01.1995 by substantial periods of approximately nine years and sixteen years respectively. Such long intervals would render the application of higher rates of escalation speculative and contrary to the law laid down by the Supreme Court in **ONGC Ltd. v. Rameshbhai Jivanbhai Patel** and reaffirmed in **Central Warehousing Corporation v. Thakur Dwara Kalan Ul-Maruf Baraglan Wala**. Significantly, if the market value determined in *Dharamvir Singh* at Rs.3,808/- per square yard as on 12.05.1986 is subjected to cumulative appreciation at the rate of 8% per annum, the resultant figure as on 06.01.1995 works out to approximately Rs.7,410/- per square yard. Likewise, even if the market value determined in *Ram Chander* at Rs.2,240/- per square yard as on 15.06.1979 is escalated by adopting a conservative rate of 7.5% per annum, the resultant figure comes to approximately Rs.6,902/- per square yard.



128. Both figures are broadly comparable to, and substantially support, the market value of Rs.7,390/- per square yard already awarded by the learned Reference Court. The compensation so awarded, therefore, cannot be said to be either excessive or arbitrary; rather, it appears to represent a fair and reasonable estimation of the market value of the acquired land as on the date of notification under Section 4 of the Act.

129. Before examining the determination made by the learned Reference Court, it is necessary to bear in mind that the ascertainment of market value under the Land Acquisition Act is fundamentally an evidentiary exercise. The Court is required to arrive at the most accurate estimate of market value that the available material permits, by applying settled principles governing valuation. Where reliable material exists on record from which market value can reasonably be deduced, the determination must rest upon such material and the inferences legitimately flowing therefrom. It is in this backdrop that the correctness of the approach adopted by the learned Reference Court falls for consideration.

KISHAN LAL 'S AWARD:

130. Now advertent to the contention raised by UOI/DDA that Reference Court has wrongly placed reliance upon the rate of Rs. 7,390/- per square yard adopted in ***Kishan Lal & Ors. v. Union of India & Anr.*** (LAC No. 16/1999).

131. Learned counsel for Union of India has assailed the impugned order on the ground that the compensation awarded therein traces its source to the Award in ***Kishan Lal(supra)***, which in turn placed reliance upon the judgment of this Court in ***S.S. Aggarwal(supra)***. Since ***S.S. Aggarwal*** was subsequently set aside by the Hon'ble Supreme Court, it is contended that the



foundation of ***Kishan Lal(supra)*** stood removed, and consequently the Reference Court erred in placing reliance upon ***Kishan Lal(supra)*** for enhancing the compensation in the present case.

132. On a careful examination of ***S.S. Aggarwal*** and the judgment of the Supreme Court by which it was set aside i.e. ***D.D.A. v. S.S. Aggarwal(supra)***, what emerges is that the enhancement of compensation granted by this Court in ***S.S. Aggarwal*** was the result of a detailed and reasoned determination. The Supreme Court, while allowing the appeal, did not at all advert to or disturb that reasoning. Its interference was confined strictly to procedural questions namely, whether the application for amendment of the memo of parties ought to have been allowed after the appeal had already been decided, and whether the assignees were entitled to compensation at all, having failed to produce the assignment deed(s) before the Land Acquisition Collector, the Reference Court, or this Court. The Supreme Court's scrutiny did not extend to, much less overturn, the reasoning by which this Court had computed and granted compensation in reasoning that was subsequently adopted in ***Kishan Lal(supra)***.

133. Hon'ble the Supreme Court in ***CIT v. Sun Engineering Works (P) Ltd.***, (1992) 198 ITR 297 (SC) while relying upon ***Madhav Rao Scindia v. Union of India***, (1971) 1 SCC 85 propounded that a judgment must be read as a whole and takes its colour from the questions that were actually in issue before the court; it is neither desirable nor permissible to pick out a word or a sentence from a judgment, divorced from the context of the question under consideration, and treat it as the complete law declared by the court.

134. The same judgment goes on to hold that where reassessment proceedings interfere with one part of an order on a distinct ground, the part



that was never put in issue retains its operative force and its character once it has acquired finality. Applying this principle here, since the Supreme Court in **S.S. Aggarwal** confined itself to the procedural infirmities noted above and did not touch upon the merits of the compensation awarded, it cannot be held that the reasoning underlying the grant of compensation in **S.S. Aggarwal** stands overruled. It follows the reasoning in **Kishan Lal(supra)**, insofar as it adopted the principles laid down in **S.S. Aggarwal** for determining the quantum of compensation, is equally unaffected particularly since **Kishan Lal(supra)** was never independently assailed by any party and has attained finality.

135. The distinction sought to be drawn by the UOI/DDA in fact conflates two separate concepts viz the overruling of a principle and the reversal of a judgment. The Supreme Court has clarified that mere overruling of the principle on which an earlier judgment proceeded, by a subsequent judgment of a higher forum, does not have the effect of uprooting the final adjudication already reached between the parties; the judgment in question must itself be assailed and got rid of in a manner known to or recognised by law.

136. Support in this regard can be taken from **Neelima Srivastava v. State of U.P.**, 2021 SCC OnLine SC 610, Civil Appeal No. 4840 of 2021. The relevant paragraphs are extracted as under:

“28. The Division Bench of the High Court has erroneously understood the dictum of this Court in Umadevi (3) [State of Karnataka v. Umadevi (3), (2006) 4 SCC 1 : 2006 SCC (L&S) 753] . The Constitution Bench has nowhere directed that service matters that stand concluded inter partes, ought to be reopened. On the contrary, in para 54 of the said decision, the Constitution Bench clarified as under:



“54. It is also clarified that those decisions which run counter to the principle settled in this decision, or in which directions running counter to what we have held herein, will stand denuded of their status as precedents.”

29. It becomes absolutely clear from the above clarification that earlier decisions running counter to the principles settled in the decision of Umadevi (3) [State of Karnataka v. Umadevi (3), (2006) 4 SCC 1 : 2006 SCC (L&S) 753] will not be treated as precedents. It cannot mean that the judgment of a competent court delivered prior to the decision in Umadevi (3) [State of Karnataka v. Umadevi (3), (2006) 4 SCC 1 : 2006 SCC (L&S) 753] and which has attained finality and is binding inter se between the parties need not be implemented. Mere overruling of the principles, on which the earlier judgment was passed, by a subsequent judgment of higher forum will not have the effect of uprooting the final adjudication between the parties and set it at naught. There is a distinction between overruling a principle and reversal of the judgment. The judgment in question itself has to be assailed and got rid of in a manner known to or recognised by law. Mere overruling of the principles by a subsequent judgment will not dilute the binding effect of the decision inter partes.

137. Had the reasoning in **Kishan Lal(supra)** been wholly and inseparably founded upon **S.S. Aggarwal**, such that the latter constituted its sole underpinning on the very point that was reversed, the position might have been different. That, however, is not the case here, for what was set aside in **S.S. Aggarwal** was not the reasoning on compensation but the procedural course adopted by the High Court in entertaining the claim. The setting aside of **S.S. Aggarwal** may well diminish the precedential weight that **Kishan Lal(supra)** would otherwise carry as authority in other matters, but it does



not, without more, efface **Kishan Lal(supra)** itself or strip it of its binding character between the parties to that proceeding.

138. This very principle has been applied by the Allahabad High Court in the specific context of land acquisition, where it was held that the overruling of **Pune Municipal Corporation v. Harakchand Misirimal Solanki**, (2014) 3 SCC 183 by the Constitution Bench in **Indore Development Authority v. Manoharlal**, (2020) 8 SCC 401 took away only the precedential value of the former and did not reopen a *lis* already concluded between the parties on its strength **Vinay Kumar Singh v. Suresh Chandra, Principal Secretary, Irrigation Department & Ors.**, Contempt Application (Civil) No. 2555 of 2017 (Allahabad High Court). The same reasoning applies with full force to the case at hand.

139. The submission of U.O.I. also overlooks another equally well-settled principle governing the precedential value of judicial decisions, namely, the ‘*Doctrine of sub silentio*’.

140. A decision is an authority only for what it actually decides and not for what may logically or remotely follow from it. Where a particular point of law was neither raised, argued nor consciously determined, any supposed conclusion on that point is said to pass sub silentio and does not constitute a binding declaration of law. The doctrine is founded on the elementary principle that a precedent derives its binding force from a conscious adjudication of an issue and not from assumptions or implications that may be drawn from the result ultimately reached.

141. Examined in this light, the judgment of the Supreme Court in **D.D.A. v. S.S. Aggarwal** cannot be construed as having pronounced upon the correctness of the compensation determined by this Court in S.S. Aggarwal.



A reading of the judgment shows that the Supreme Court confined its scrutiny to the procedural questions arising in the appeal, namely, whether amendment of the memo of parties could have been permitted after disposal of the appeal and whether the assignees could claim compensation without having produced the assignment deeds before the Land Acquisition Collector, the Reference Court or the High Court. These were the questions that engaged the attention of the Supreme Court and upon which the appeal was ultimately decided.

142. The methodology adopted by this Court for determination of market value, the evidentiary basis of the enhancement granted, and the principles governing assessment of compensation were neither put in issue before the Supreme Court nor subjected to examination. Consequently, the judgment cannot be read as an authority for the proposition that the compensation reasoning contained in **S.S. Aggarwal** stood disapproved or overruled. To attribute such a consequence to the judgment would amount to reading into it a determination on an issue which was never considered.

143. The principle stated in **CIT v. Sun Engineering Work(supra)**, relying upon **Madhav Rao Scindia(supra)** assumes particular relevance in this context. A judgment must be read in the light of the questions which actually arose for determination and not as though every conceivable issue connected with the case stood decided. The ratio of a decision cannot be expanded beyond the controversy that was actually adjudicated.

144. Therefore, even assuming that **D.D.A. v. S.S. Aggarwal(supra)** resulted in reversal of the ultimate relief granted therein, it does not follow that every observation, finding or line of reasoning contained in the judgment of this Court stood erased for all purposes. At the highest, the Supreme



Court's judgment deprived **S.S. Aggarwal** of precedential force on the issues actually decided by it. It cannot be treated as having silently invalidated the reasoning relating to determination of compensation when that issue was never the subject matter of adjudication before it.

145. Therefore, until the award in **Kishan Lal(supra)** is independently reviewed, appealed against, or otherwise declared unsustainable in appropriate proceedings, it continues to subsist and retain finality inter partes. The Reference Court was therefore at least entitled if not bound to treat **Kishan Lal(supra)** as a subsisting and binding adjudication, more so since it was never put in issue by the acquiring authority at any stage. In these circumstances, unless and until **Kishan Lal(supra)** is independently set aside, no fault can be found with the Reference Court for having placed reliance upon it as a subsisting and unchallenged judicial determination.

PARITY OF KISHAN LAL AND DETERMINATION OF MARKET VALUE:

146. The foregoing analysis of the precedential scope of the Supreme Court's judgment in **DDA v. S.S. Aggarwal** [(2011) 12 SCC 533] leads this Court to the irresistible conclusion that the rate of Rs. 7,390/- per square yard, as determined by the Reference Court in **Kishan Lal & Ors. v. Union of India & Anr.** (LAC No. 16/1999, judgment dated 16.03.2005), remains a subsisting and valid judicial determination in respect of the same Award No. 10/95-96 pertaining to the same Revenue Estate of Village Jasola and the same date of Section 4 notification, namely 06.01.1995. Neither the Union of India nor the DDA challenged the said judgment in any appellate or revisional proceedings. The compensation so determined was disbursed by



the acquiring authority to the claimants thereunder without demur, protest or reservation, as borne out by the execution proceedings in Ex. No. 20/14 placed on record as Ex. PW 1/22 and Ex. PW 1/23 (colly). **Kishan Lal(supra)** , as a judicial determination, accordingly stands on its own foundation and does not stand or fall with the procedural outcome of **S.S. Aggarwal(supra)**.

147. The principle of parity, which the claimants urge this Court to apply, is well-embedded in land acquisition jurisprudence. Where two sets of claimants hold land under the same acquisition award, pertaining to the same revenue estate and the same date of notification, and where the market value for one set has been judicially determined and that determination has attained finality without challenge, it would be manifestly unjust to award the other set a lower rate in the absence of material distinguishing circumstances.

148. Reliance in this regard can be placed upon the judgment of the Supreme Court in the case of **Om Prakash (D) by LRs & Ors. v. Union of India & Anr.** (2004) 10 SCC 627 and **Delhi Development Authority v Rajendra Singh & Ors.** (2009) 8 SCC 582, wherein it was held that there should be no discrimination while determining and awarding compensation between landowners when land is of similar nature.

149. The subject land in the present proceedings and the land involved in **Kishan Lal(supra)** bear the following common characteristics: both parcels are comprised within the Revenue Estate of Village Jasola; both fall under the same Award No. 10/95-96; both are governed by the same Section 4 notification dated 06.01.1995; and both were intended for the same public purpose, namely the construction of a Sewage Treatment Plant under the planned development of Delhi. In these circumstances, there is no rational



basis for treating the market value of the subject land as different from that determined for comparably situated land under the same award.

150. This Court finds further reinforcement in the position that the acquiring authority viz the Union of India and the DDA having itself disbursed compensation at the rate of Rs. 7,390/- per square yard to the claimants in the case of **Kishan Lal(supra)**, without challenge and without reservation, is estopped from contending before this Court that the said rate is erroneous, excessive or unsupported. A public authority which has unconditionally acted upon a judicial determination by disbursing public monies thereunder cannot thereafter be permitted to turn around and disavow the very determination upon which it has acted. This principle, which partakes of the character of quasi-estoppel or approbation and reprobation, provides an independent and self-sufficient reason to uphold the rate of Rs. 7,390/- per square yard as the floor below which compensation for the subject land cannot fall.

151. The contention of learned counsel for the Union of India that the foundation of **Kishan Lal(supra)** stood removed by the reversal of **S.S. Aggarwal(supra)** has been considered at length and must fail for three distinct and cumulative reasons. First, as this Court has demonstrated in the preceding paragraphs, the reversal in **S.S. Aggarwal** was strictly confined to procedural issues arising from the non-disclosure of assignment deeds and the consequent amendment of the memo of parties, the compensation reasoning and the methodology of valuation were never placed in issue before the Supreme Court and accordingly passed *sub silentio*. Second, even if it were assumed that the reversal of **S.S. Aggarwal** diminished **Kishan Lal(supra)**'s precedential value in other proceedings, it did not efface the



operative finality of *Kishan Lal(supra)* as an inter partes determination a distinction clearly drawn by the Supreme Court in *Neelima Srivastava (supra)* and affirmed in the land acquisition context by the Allahabad High Court in *Vinay Kumar Singh v. Suresh Chandra & Ors.* Third, the acquiring authority's subsequent voluntary disbursement of compensation under *Kishan Lal(supra)* made with full knowledge of the Supreme Court's order in *DDA v. S.S. Aggarwal* dated 02.08.2011 operates as an independent affirmation of the rate, rendering the present challenge both legally untenable and factually inconsistent.

**ASSESSMENT OF THE RATE OF RS. 7,390/- PER SQUARE YARD
IN THE CONTEXT OF THE EVIDENCE ON RECORD:**

152. This Court has independently examined whether the rate of Rs. 7,390/- per square yard can be said to reflect the fair market value of the acquired land as on 06.01.1995, having regard to the entire evidence on record including the evidence adduced post-remand.

153. The acquired land forms part of the Revenue Estate of Village Jasola, which was formally declared urbanised on 03.06.1966 vide Notification No. F-2(49)/65-LSG issued under Section 507-A of the Delhi Municipal Corporation Act, 1957 nearly three decades before the date of the Section 4 notification. The area was further declared a Development Area under the provisions of the Delhi Development Act in 1974. By the date of acquisition, the Revenue Estate of Village Jasola had witnessed four successive rounds of government acquisition spanning from 1959 to 1979, each of which had resulted in the development of established residential, institutional and industrial localities: Sukhdev Vihar, Ishwar Nagar, Jasola DDA Flats,



Harkesh Nagar, Sarita Vihar, part of Mohan Co-operative Industrial Area, Okhla Industrial Area Part-II and New Friends Colony had all come up on the acquired lands of this Revenue Estate. The Land Acquisition Collector himself expressly acknowledged in Award No. 10/95-96 that the acquired land had been urbanised in 1966 and declared a Development Area in 1974. The acquired land's location on the main Mathura Road corridor, its proximity to Apollo Hospital, Holy Family Hospital, Jamia Millia Islamia and the established commercial districts of Nehru Place and Kalkaji all of which were confirmed by the evidence led by the claimants leaves no room for doubt that the land possessed very substantial residential, commercial and institutional potential as on the date of the notification.

154. The most significant judicial exemplar available on record for the Revenue Estate of Village Jasola is the final determination of market value in ***Ram Chander(supra)***, wherein the market value of land in Village Jasola as on 15.06.1979 was settled at Rs. 2,240/- per square yard a determination subsequently affirmed by the Supreme Court in Civil Appeal No. 2928/2022 decided on 20.04.2022. Applying progressive appreciation at 12% per annum from 15.06.1979 to 06.01.1995 a methodology countenanced by this Court in ***Bedi Ram v. Union of India & Anr.***, 93 (2001) DLT 150 the market value as on the date of notification would compute to approximately Rs. 13,118/- per square yard. Applying cumulative appreciation at 15% per annum, consistently with the methodology approved by the Supreme Court in ***Ashok Kumar & Ors. v. State of Haryana & Ors.(supra)***, and ***Madhusudan Kabra & Ors. v. State of Maharashtra,(supra)***, the figure would further escalate to approximately Rs. 20,958/- per square yard.



155. The Reference Court, confronted with these mathematical computations, correctly applied the caution prescribed in **ONGC Ltd. v. Rameshbhai Jivanbhai Patel, (supra)**, noting that the escalation method becomes progressively unsafe where the gap between the relied-upon exemplar and the date of acquisition exceeds four to five years.

In the present case, the gap between the Ram Chander determination (1979) and the date of notification (1995) amounts to approximately fifteen and a half years, a period sufficiently long to render a mechanical application of the escalation formula hazardous. The learned Reference Court accordingly exercised reasonable judicial discretion in not mechanically adopting either the progressive or the cumulative appreciation figure and instead anchoring the determination to the rate already judicially fixed for the same award in **Kishan Lal (supra)**.

156. Critically, the rate of Rs. 7,390/- per square yard, far from being arbitrary, receives robust support from the other evidence on record. The schedule of market rates for Delhi dated 11.02.1992 proved as Ex. PW 1/15 recorded the minimum land rate for residential plots in Kalkaji, which falls within the similarly situated Revenue Estate of Village Bahapur, at Rs. 8,400/- per square metre (equivalent to approximately Rs. 7,245/- per square yard) as on 11.02.1992. Notably, the Arbitration Award dated 13.03.1993 (Mark-C/PW-1) determined the market value of land in Village Bahapur as on 24.01.1983 at Rs. 2,157/- per square yard a figure commensurate with the Ram Chander determination for Village Jasola thereby independently corroborating the trajectory of land values in this area. In the case of **Anar Singh v. Union of India**, it was specifically observed that the potential value, location and situation of both Village Bahapur and Village Jasola are similar,



given their adjacency and close interconnection. When the market rate schedule for Kalkaji located in Village Bahapur itself points to a minimum rate of approximately Rs. 7,245/- per square yard as early as February 1992, the determination of Rs. 7,390/- per square yard as market value for the similarly situated Village Jasola land as on January 1995 appears, if anything, conservative and well within the range of values credibly supported by the evidence.

157. The sale deed(s) relied upon by the Union of India for the proposition that the prevailing market value in Village Jasola in 1993 was only approximately Rs. 85/- per square yard deserve no weight for two independent reasons. First, as correctly observed by the Reference Court, these documents are mere photocopies and not certified copies, and are accordingly inadmissible in evidence under Section 51-A of the Land Acquisition Act, as interpreted by the Supreme Court in ***Land Acquisition Officer & Mandal Revenue Officer v. V. Narasaiah***, (2001) 3 SCC 530. Second, and more fundamentally, these sale deed(s) were executed on 22.03.1993 with respect to land parcels that were already subject to ongoing acquisition proceedings and therefore cannot represent genuine open-market transactions negotiated between a willing seller and a willing buyer at arm's length.

158. Considering the view of Hon'ble the Supreme Court, the rate of Rs. 96,875/- per bigha (approximately Rs. 96.80 per square yard) awarded by the Land Acquisition Collector is accordingly also untenable, being based upon sale deed(s) of land already under acquisition and bearing no relationship to the true market potential of the subject land as on the date of notification.



159. While this Court has given careful consideration to the submission of learned Senior Counsel for the assignee-claimants that the rate of Rs. 7,390/- per square yard should be treated as a floor and not a ceiling, and that compensation ought to be fixed at not less than Rs. 10,000/- per square yard on the basis of appreciation from the **Ram Chander** exemplar, the said submission cannot be accepted for the reasons that follow. The Reference Court, after independently computing the values emerging from both the progressive (Rs. 13,118/-) and the cumulative (Rs. 20,958/-) appreciation methods, consciously declined to adopt either figure on the ground that the temporal gap of approximately fifteen and a half years rendered the escalation method unsafe a conclusion fully consistent with the law as declared in **ONGC Ltd. (supra)**. While it is true that the claimants restricted their claim to a maximum of Rs. 10,000/- per square yard, the self-imposed cap on the claim does not, by itself, constitute evidence of market value, nor does it compel the court to award a rate falling between the escalation-derived figure and the cap. The correct approach which the Reference Court adopted is to assess the rate that is borne out by credible evidence on record.

160. This Court accordingly accepts the rate of Rs. 7,390/- per square yard as the just, fair and proper market value of the acquired land in the Revenue Estate of Village Jasola as on 06.01.1995. This rate, determined by the Reference Court on a sound appreciation of the evidence and the applicable law, is further confirmed by the parity principle operating from **Kishan Lal(supra)** and by the corroborating evidence discussed above. Neither the Union of India's case for a reduction to Rs. 96.80 per square yard nor the claimants' claim for enhancement to Rs. 10,000/- per square yard premised



on an appreciation-based methodology that this Court finds unsafe given the temporal gap involved is accordingly accepted.

161. Having regard to the considerations enumerated above, and in particular to the corroboration provided by the 1992 market rate schedule, this Court affirms that Rs. 7,390/- per square yard represents the fair market value and that no basis exists on the evidence to depart further upward from this figure. The cross-appeals (**LA.APP. 546/2023** and **LA.APP. 547/2023**) preferred by the claimants accordingly fail.

CONCLUSION:

162. In the light of the discussion and findings recorded hereinabove, this Court arrives at the following conclusion:

- (i) The **Assignment Deeds** dated 22.03.1995 executed by the original recorded owners, namely Sh. Suresh Kumar, Sh. Ramesh Kumar and Sh. Pritam Singh, in favour of the assignees/claimant are held to be **valid and enforceable**. The said deed(s) are not rendered *void* either by the provisions of the Delhi Lands (Restrictions on Transfer) Act, 1972 or by Section 6(e) of the Transfer of Property Act, 1882. Consequently, the assignees validly stepped into the shoes of the original landowners and are entitled to claim and receive compensation, including enhanced compensation, in respect of the acquired land.
- (ii) The **objections** raised by the Union of India and the Delhi Development Authority regarding the validity of the Assignment Deed(s), the adequacy of consideration, and the *locus standi* of the assignees are **rejected**.



(iii) The contention founded upon the observations of the Supreme Court in ***Delhi Development Authority v. S.S. Aggarwal*** is also rejected, the record having established that the assignment transactions were within the knowledge of the Land Acquisition Collector and formed part of the acquisition proceedings.

(iv) The fair market value of the acquired land in the Revenue Estate of Village Jasola as on 06.01.1995 is **determined and upheld at Rs. 7,390/- per square yard**. The Reference Court committed no error, legal or factual, in adopting this rate on the basis of parity with Kishan Lal(supra) and on the overall evidence on record.

(v) There is no basis on the evidence, and no principle of law, that would justify enhancement of the market value beyond Rs. 7,390/- per square yard, whether to Rs. 10,000/- per square yard as claimed by the assignees or to any other figure, the escalation methodology relied upon by the claimants being rendered unsafe by the excessive temporal gap between the ***Ram Chander*** exemplar (1979) and the date of notification (1995).

(vi) **LA.APP. 496/2023** and **LA.APP. 497/2023** (filed by the Union of India) are hereby dismissed. The impugned judgment and award dated 24.05.2023 of the learned Additional District Judge-01, South-East, Saket Courts, New Delhi, passed in LAC No. 3/20 (Old No. 01/96), is hereby confirmed insofar as it upholds the *locus standi* of the assignees and fixes the market value of the acquired land at Rs. 7,390/- per square yard.

(vii) **LA.APP. 546/2023** and **LA.APP. 547/2023** (filed by the assignees/claimants seeking further enhancement) are hereby



dismissed. The learned Reference Court did not err in declining to enhance the market value beyond Rs. 7,390/- per square yard.

(viii) The assignees/claimants in LA.APP. 496/2023 and LA.APP. 497/2023 shall accordingly remain entitled to compensation in respect of the acquired land at the rate of Rs. 7,390/- per square yard, together with all consequential statutory benefits as directed by the Reference Court, namely:

- (a) 30% solatium under Section 23(2) of the Land Acquisition Act, 1894, on the enhanced market value;
- (b) Additional amount at the rate of 12% per annum under Section 23(1A) of the Act on the market value, computed from the date of publication of the notification under Section 4 of the Act (06.01.1995) to the date of the Award of the Collector or the date of taking possession of the land (22.02.1995), whichever is earlier;
- (c) Interest at the rate of 9% per annum on the enhanced compensation from the date of possession (22.02.1995) until the expiry of one year, and at the rate of 15% per annum thereafter until the date of actual deposit, under Section 28 of the Act; and
- (d) All other statutory benefits as admissible under Award No. 10/95-96 and directed in the impugned judgment.

163. It is clarified that the claimants in **LA.APP. 546/2023** and **LA.APP. 547/2023** shall receive compensation at the same rate of Rs. 7,390/- per square yard as directed by the Reference Court, this Court having declined to grant further enhancement. The consequential statutory benefits set out in paragraph 141 above shall apply equally to the claimants in those appeals to the extent applicable to their respective shares in the acquired land.



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164. The parties shall bear their own costs throughout.

165. All pending applications, if any, are disposed of accordingly. The impugned judgment and award of the learned Reference Court dated 24.05.2023 in LAC No. 3/20 (Old No. 01/96) is hereby confirmed.

166. **All the appeals are accordingly dismissed.**

**SHAIL JAIN
JUDGE**

JULY 14, 2026

H.P./-

Signature Not Verified

Signed By: KAPIL
KUMAR
Signing Date: 14.07.2026
16:41:40

LA.APP. 497/2023 along with connected matters

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