



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

**RFA No. 748 of 1996 (O&M)
Date of Decision: 03.12.2025**

Harbans Lal

...Appellant

Versus

Punjab State and another

...Respondents

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. Gurdial Singh Jaswal, Advocate
for the appellant-landowner.

Mr. Gunjan Mehta, Additional Advocate General, Punjab
for the respondents.

HARKESH MANUJA, J. (ORAL)

The appellant-landowner, by instituting the present appeal preferred under Section 54 of the Land Acquisition Act, 1894 (**for short “1894 Act”**), seeks modification of the award dated 04.01.1996 passed by the learned Additional District Judge, Hoshiarpur (**hereinafter to be referred as “Reference Court”**) for enhancement of compensation amount of trees.

FACTS

[2] Briefly, the facts are that in pursuance of Punjab Govt. Notification under Section 4 of the 1894 Act issued on 20.11.1986, followed by Notification dated 04.12.1986 under Section 6 thereof, certain land of the appellant-landowner, situated within the revenue estate of Village Zahadpur, Tehsil Dasuya, District Hoshiapur, was acquired. The acquisition was made for public purpose, namely,

“construction of proposed Shah Nehar Feeder No. 2 from Km. 2.16 to 3.465, RD No. 20450”. An Award dated 16.06.1987 was passed by the Land Acquisition Collector, Hoshiapur (**for short “LAC”**) in exercise of its power under Section 11 of the 1894 Act in this regard and further a supplementary award dated 11.09.1989 assessing the compensation of fruit bearing trees as well as non-fruit bearing trees existing over the same land was passed.

[3] Being dissatisfied, the appellant-landowner filed reference seeking enhancement of compensation by invoking Section 18 of the 1894 Act, which came to be dismissed vide judgment dated 04.01.1996 passed by the learned Reference Court. Hence, the present appeal.

CONTENTION(S):

ON BEHALF OF THE APPELLANT-LANDOWNER

[4] Learned counsel for the appellant submits that the assessment of market value for the fruit bearing as well as the non-fruit bearing trees was made by the LAC having relied upon formula dated 15.05.1985 prepared by Dr. G.S. Nijjer, Director of Horticulture, Government of Punjab, Chandigarh. Learned counsel further submits that the acquisition proceedings in the present case was initiated vide notification dated 20.11.1986 and thus, the assessment of compensation should have been carried out by giving appropriate increase from 1985 to 1987, by relying upon the price index prevailing at that point in time.

[4.1] In support, learned counsel for the appellant places reliance upon decision dated 02.08.2012 passed in ***RFA-3478-1992*** in case of ***“Kartar Singh and Karnail Singh sons of Shri Kesar***

Singh son of Shri Kesar Singh successor in interest of late Shri Kesar, both residents of Village Hardosaran, Tehsil Pathankot
Versus Punjab State through Collector Gurdaspur and Others”.

ON BEHALF OF RESPONDENT(S)-STATE OF PUNJAB

[5] On the other hand, learned counsel for the respondent-State submits that the assessment of market value as regards the trees was carried out by the LAC having relied upon the formula dated 15.05.1985 and the time gap between the date of formula and the notification was not much, thus the appellant was not entitled for any appreciation.

DISCUSSION AND REASONING

[6] After hearing learned counsel for the parties and having gone through the paper-book / records, I find substance in the submission(s) made on behalf of the appellant(s)-landowner(s).

[7] Acquisition in the present case was carried out vide notification dated 20.11.1986 issued under Section 4 of the 1894 Act and the assessment of compensation was made on the basis of formula dated 15.05.1985 whereas, undisputedly between 1985-1987 there had been increase in the price index which had gone from 127 points to 150 points, thereby making increase of 23 percent over the price assessed by Dr. G.S. Nijjer in its formula dated 15.05.1985. The enhancement of compensation against trees in terms of such increase in price index has even been approved by this Court vide decision dated 02.08.2012 passed in case of ***Kartar Singh (Supra)***. Relevant para thereof is reproduced hereunder:-

“ The appeal is for enhancement of compensation for value of the trees which were lost to the owner by the acquisition of land. The grievance

expressed is that the Reference Court had accepted the valuation of the trees made as per the formula called 'Dr. Nijjar's formula' for assessing the trees for the year 1985. The learned counsel for the appellants would argue that in Punjab Small Industries and Export Corporation Limited Versus Zail Singh in RFA No.1907 of 2002, decided on 28.09.2010, this Court had factored the increase for assessment of value of trees for the subsequent years by taking note of the increase in price index. In this case, the learned counsel argues that as against the valuation made as per Dr. Nijjar's formula of the year 1985, the price index had gone from 127 points to 150 points in 1987. This, according to him, would mean an increase of 23% over the price assessed by the application of Dr. Nijjar's formula.

2. I adopt the valuation and would provide for 23% increase on the valuation made as per the application of Dr. Nijjar's formula.....”

DECISION

[8] Accordingly, in view of the discussion made hereinabove, the present appeal is **allowed** to the extent that the appellant-landowner shall be entitled for increase of 23% over and above the amount assessed by the Collector vide its award dated 11.09.1989 towards compensation for the fruit bearing as well as non-fruit bearing trees besides all other statutory benefits provided under the 1894 Act.

[9] Pending miscellaneous application(s), if any, shall stand(s) disposed off.

December 03, 2025

**(HARKESH MANUJA)
JUDGE**

‘dk kamra’

Whether Speaking / Reasoned :	Yes	No
Whether Reportable :	Yes	No