



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

**RFA No. 1069 of 1999 (O&M)
Date of Decision: 04.12.2025**

Sukhdev Kaur and another

...Appellants

Versus

Land Acquisition Collector, Nawanshahr and another

...Respondents

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. Jagdip S. Virk, Advocate
for the appellants-landowners.

Mr. Athar Ahmad, Deputy Advocate General, Punjab
for the respondents.

HARKESH MANUJA, J. (ORAL)

CM-2031-CI-1999

Prayer in the present application moved on behalf of the applicants-appellants, is for leading additional evidence to prove the market value of the land in dispute.

After arguing for some time, learned counsel for the applicants-appellants does not press the present application any further.

Dismissed as not pressed.

MAIN APPEAL

The appellants-landowners, by instituting the present appeal preferred under Section 54 of the Land Acquisition Act, 1894 **(for short “1894 Act”)**, are seeking modification of the award dated 01.12.1998 passed by learned Additional District Judge, Nawanshahr

(hereinafter to be referred as “Reference Court”) for enhancement of compensation amount.

[2] Briefly, the facts are that in pursuance of Punjab Govt. Notification under Section 4 of the 1894 Act issued on 29.10.1992, followed by Notification dated 19.10.1993 under Section 6 thereof, certain land of the appellants-landowners, situated within the revenue estate of Banga, Tehsil Nawanshahr, was acquired. The acquisition was made for public purpose, namely, for the construction of family quarters for the staff and Police Station Banga, Tehsil Nawanshahr. The Land Acquisition Collector, Nawanshahr (**for short “LAC”**) vide Award No. 1, dated 13.03.1996, assessed market value at the rate of Rs.1,00,000/- per acre for the acquired land alongwith other statutory benefits under the 1894 Act.

[3] Dissatisfied with the aforesaid Award, landowners / interested persons filed objection under Section 18 of the Act of 1894, which was dismissed vide decision dated 01.12.1998 by the learned Reference Court. Hence, the present appeal.

CONTENTIONS:

ON BEHALF OF APPELLANT(S)-LANDOWNER(S)

[4] Impugning the aforementioned award dated 01.12.1998, learned counsel for the appellant(s) submits that the learned Reference Court failed to take into account the sale deed dated 12.02.1988 (Ex. P-5) vide which 4 marla of land was sold for Rs. 30,000/- and the base price per acre was Rs. 12,00,000/-. He also points out that the land parcels which formed part of the sale deed- Ex. P-5 was also pertaining to Banga Town, same estate as that of land under acquisition in the present case. He further submits that

after taking into account the sale deed-Ex. P-5, an appreciation at the rate of 12% per annum for the time gap between the said sale deed till the date of notification under Section 4 of the 1894 Act in the present case, was required to be applied; followed by a suitable deduction towards smallness of area involved in the said sale transaction and thereafter, the market value should have been re-assessed in favour of the appellants.

ON BEHALF OF RESPONDENT(S)-STATE OF HARYANA

[5] On the other hand, learned counsel for the respondent(s)-State of Punjab submits that the impugned award passed by the learned Reference Court was based on proper appreciation of evidence and the pleadings available on record; as such, no modification therein was required and thus, the present appeal was liable to be dismissed.

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] Admittedly, the land under acquisition was situated on the main road leading from Nawanshahr-Banga-Phagwara and thus possessed the locational and potential value attached to it. For the purpose of determination of market value, the appellants-landowners produced the following three sale deeds:-

Exhibit	Date of Sale Deed	Area	Amount (Rs.)	Price Per Acre (in Rs.)
P-2	29.06.1994/ 14.07.1994	0K-15M	1,69,000/-	18,02,666/-
P-4	29.04.1994	0K-6½M	1,95,000/-	48,00,000/-
P-5	12.02.1988	0K-4M	30,000/-	12,00,000/-

A perusal of the aforesaid chart shows that the sale deeds Ex. P-2 & P-4 are post notification and thus, were rightly discarded, whereas the sale deed dated 12.02.1988 (Ex. P-5) pertains to 4 marla of land and belongs to the same very estate of Banga Town, as that of the land under acquisition and thus, needs to be relied upon for the purpose of determination of market value in the present case. As per sale deed dated 12.02.1988 (Ex. P-5), four marla of land was sold for Rs. 30,000/- with base price per acre being Rs. 12,00,000/-. Since, there has been a time gap of about 4 years and 8 months between the sale deed dated 12.02.1988 (Ex. P-5) and the notification under Section 4 of the 1894 Act in the case in hand issued on 29.10.1992 as such, considering the fact that the acquired land was located on the State Highway, an appreciation at the rate of 8% per annum needs to be applied over the base sale price besides making deduction of 60% towards the smallness of area involved in the said sale exemplar-Ex. P-5. In the given facts, a little bit of higher deduction applied in the case in hand also accounts for the fact that a comparative location of the land parcel forming part of the sale deed-Ex. P-5 and the acquired land was not established on record.

[8] Moreover, in the given facts and circumstances, no deduction towards the development cost needs to be applied as the acquisition proceedings were carried out for the purpose of construction of family quarters for the staff and Police Station Banga, Tehsil Nawanshahr and the State did not suffer any loss of land nor even incurred any cost towards providing of additional infrastructural amenities.

[9] Accordingly, in view of the discussion made hereinabove, by applying appreciation for the time gap between the date of sale exemplar dated 12.02.1988 (Ex. P-5) and the date of notification under Section 4 of the 1894 Act issued on 29.10.1992, the market value of the acquired land as on the date of notification under Section 4 of the 1894 Act, comes to **Rs. 6,59,200/- per acre**, as per calculation below:-

Description	Amount per acre (in Rs.)
Market Value of the acquired land (as per sale deed dated 12.02.1988 / Ex. P-5)	12,00,000.00
Add: Appreciation @ 8% per annum (Rs.12,00,000 x 8/100 x 56/12) (from 12.02.1988 to 29.10.1992 = 4 years and 8 months, i.e. 56 months)	4,48,000.00
	16,48,000.00
Less: Deduction @ 60% towards smallness of area (Rs. 16,48,000 x 60/100)	9,88,800.00
	6,59,200.00
Net Compensation	6,59,200.00

DECISION

[10] In view of the aforesaid discussion, impugned award dated 01.12.1998 passed by the learned Reference Court is modified and the appellants-landowners are held entitled for award of market value at the **rate of Rs. 6,59,200/- per acre**. The appellant(s)-landowner(s) are also awarded consequential / statutory benefits and interest as provided in the 1894 Act (as amended up-to-date), especially the interest on solatium as well.

[11] Also, wherever the landowner(s) has/have unfortunately died in the appeal(s) / cross-objection(s) after filing thereof and the legal representatives have not been impleaded, they shall be at liberty to seek execution of the present decision by moving appropriate application(s) before the learned Executing Court.

[12] **Disposed off** accordingly.

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

December 04, 2025
‘dk kamra’

(HARKESH MANUJA)
JUDGE

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