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**FAO-1189-1991 (O&M)**

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

FAO-1189-1991 (O&M)**Reserved on : 19.01.2026****Pronounced on : 17.04.2026****Uploaded on : 17.04.2026***Whether only operative part of the judgment is pronounced? No**Whether full judgment is pronounced? Yes*

PURAN AND OTHERS

....Appellants

Versus

STATE OF HARYANA AND OTHERS

...Respondents

CORAM: HON'BLE MR. JUSTICE PANKAJ JAIN

Present: Mr. Ashwani Kumar Chopra, Sr. Advocate with
Mr. Brahmjot Singh Nahar, Advocate
for the appellants.

Mr. Naveen S. Panwar, D.A.G., Haryana.

Mr. Birender Singh Rana, Sr. Advocate with
Ms. Rajni, Advocate
for respondents No.57 & 75.

PANKAJ JAIN, J.

Present appeal has been filed under Section 39 of the Arbitration Act, 1940 (*hereinafter referred to as the "1940 Act"*) against order dated 10.02.1988, passed by the District Judge, Kurukshetra, whereby the earlier award dated 16.02.1987 was corrected while exercising powers as

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an Arbitrator in terms of the directions issued by the Supreme Court in Civil Appeal No. 2550 of 1985, decided on 03.05.1985.

2. The relevant facts that need to be culled out for necessary adjudication of the present case are that the appellants claim to be migrants from West Pakistan. As per their case, they were allotted land by the State Government on lease of 20 years under a scheme named as “Grow More Food Scheme” floated under East Punjab Utilization of Lands Act, 1949 (*hereinafter referred to as “1949 Act”*).

3. The lease was cancelled by the Collector vide order dated 02.03.1970. The said order was challenged by appellants in appeal. The Commissioner dismissed the appeal. They preferred revision petition before the Financial Commissioner, Haryana, Chandigarh. The same was accepted vide order dated 21.6.1971. Orders passed by Collector dated 2.3.1970 and that by Commissioner dated 06.05.1970 were set aside. The lease deed was for 20 years. The same expired in the year 1975. The State resolved to auction the land.

4. Aggrieved, the appellants approached this Court vide CWP No. 2368 of 1975, titled as *Jaila Ram and others versus State of Haryana and others*. The said writ petition was disposed off vide order dated 19.11.1982. The respondent i.e., the State of Haryana, was directed not to evict the appellants except in accordance with law. It was further ordered that no action be taken against the appellants without affording them adequate opportunity of hearing.

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5. Proceedings under Section 7 of 1949 Act were initiated, and the appellants were ordered to be evicted vide order dated 24.10.1983, passed by the Collector, Guhla. Present appellants preferred respective appeals, the same were dismissed. Revisions filed were also dismissed. The writ petition bearing CWP No. 3379 of 1984 challenging the eviction order was also dismissed on 02.08.1984. The matter travelled upto Supreme Court in Civil Appeal No. 2550 of 1985. The appeal was disposed off by the Supreme Court vide order dated 03.05.1985 observing as under:-

“Special leave granted.

By the consent of parties we dispose of the appeal in the following terms.

The learned District Judge, Kurukshetra is requested to determine the price of the land involved in this appeal is if it were a reference under section 18 of Land Acquisition Act, 1894 but this determination will be in his capacity as an arbitrator appointed by this Court and not in exercise of powers under section 18 of the Act. In other words, his determination will be final and binding between the parties. The learned District Judge shall determine the market price of the land as on April 1, 1985.

On the price being so determined by the learned District Judge the appellants shall deposit the same with the learned District Judge in one lumpsum within the time to be stipulated by the learned District Judge which shall not be less than four months from the date of the decision.

Mr. S.M. Ashri, learned counsel for respondent Nos.4 to 88 stated that the appellants have not paid any rent which they

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were liable to pay on the allotment of land to them since 1975. The appellants shall pay the rent @ Rs.5/- per year per acre within four months from today. Mr. Namit Lal, learned counsel for the appellants states that the rent has been deposited with the Collector. It is open to him to withdraw the amount and deposit the arrears of rent in the Court of District Judge, Kurukshetra who will disburse amongst respondent Nos.4 to 88.

The appeal is disposed of in these terms.”

6. Pursuant thereto, the District Judge while exercising the powers as Arbitrator passed an award dated 16.02.1987 determining the rate of land @ Rs. 17,000/- per acre observing as under:-

“It is well established that the market value means the price that a willing purchaser would pay to a willing seller for a property having due regard to its existing condition, with all its existing advantages, and its potential possibilities when laid in its most advantageous manner, excluding any advantages due to the carrying out of the scheme for the purposes for which the property is compulsorily acquired. In order to ascertain the market value of the property in dispute on 1.4.1985 I have carefully examined the various sale deeds, mutations and Ausat Panchsala as placed by the parties on the record and which have been tabulated above. Sale deed Ex.P6, Ex.P7, Ex.R1 (also Ex.R2), Ex.P5, Ex.P3, Ex.P1, Ex.P4 and Ex.P2 and Ex.P3 pertain to the years 1963, 1965, 1965, 1976, 1977, 1977, 1979, 1979 and 1981 respectively. It is a matter of common knowledge that the prices during the period w.e.f. 1979 to the crucial date i.e. 1.4.1985 have appreciated materially. Therefore, the said sale deeds do not provide sound instances of

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the market value as on 1.4.1985.

Sale deeds Ex.P6 is dated 1.1.1963, Ex.P7 dated 31.5.1965, Ex.R1 also Ex.R2 is dated 11.5.1965.

Similarly sale deeds Ex.P5 is dated 2.11.1976, Ex.P3 dated 7.2.1977 and Ex.P1 dated 23.2.1977. These sale deeds were executed much prior to crucial date i.e. 1.4.1985 and, therefore, cannot form good basis of assessing market value on that date.

Sale deeds Ex.P4 is dated 5.3.1979, Ex.P2 dated 20.6.1979 whereas mutation Ex.P13 embraces sale dated 9.3.1981. It is a matter of common knowledge that the prices during the period with effect from 1979 to 1.4.1985 have materially appreciated. Therefore, the said sale deeds cannot provide sound instances of market value as on 1.4.1985, Ex.R4 envelopes sale dated 17.6.1986 which was much after acquisition. It is well known that after acquisition the prices in the locality shoot up disproportionately. Therefore, this instance also cannot be taken as the basis of the market value. Thus, the only instances which can form the sound, correct and reasonable basis for assessment of the market value as on 1.4.1985 are Ex.R7, Ex.R5 and Ex.R8 involving the prices at Rs.32,000/-, Rs.3098/- and Rs.2352/- per acre respectively. The average per acre price comes to about Rs.12,500/- which seems to be on a little lower side because instance Ex.P5 is Ausat Panchsala.

On the other hand if the sale dated 17.4.1986 embraced by sale deed Ex.R4 is also taken into consideration then the average market value come to Rs.18,908/- per acre which is on a little higher side. I, therefore, feel that the average market value was Rs.16,690/- per acre which when rounded up comes

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to Rs.17,000/- per acre. Therefore, I award the compensation to the claimants at the rate of Rs.17,000/- per acre.

Reference is answered accordingly.”

7. The present appellants moved an application before the Supreme Court with a prayer to allow them to pay the amount determined vide award dated 16.02.1987 in installments. On 17.04.1987, the land owners moved an application seeking correction of award dated 16.02.1987. The Arbitrator allowed the application and corrected his order vide impugned order dated 10.02.1988. The appellants have challenged the same in the present appeal.

8. Ld. Senior Counsel for the appellants contends that the Arbitrator exceeded his jurisdiction by reviewing the award under the guise of correction/modification, which is impermissible under the 1940 Act.

9. *Per contra*, Ld. Senior Counsel appearing for respondents No.57 and 75 has submitted that it is a case wherein the contents of sale deed *qua* area were misread while determining the compensation. He has further submitted that sale consideration *qua* sale deed Ex.R5 was wrongly recorded as Rs.1,30,154/-, whereas in fact it was Rs.13,58,154.50/-. Likewise, sale deed Ex.R8 was incorrectly read as relating to a larger area i.e. 1 acre 2 kanals and 4 marlas of land, whereas it actually pertained to only a fractional share of 4/108 i.e. measuring 4 marlas. It is contended that these corrections were necessitated due to apparent clerical and arithmetical errors. Those errors materially affected the computation of compensation

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and were rightly corrected by the Arbitrator.

10. I have heard Ld. Senior Counsels for the parties and have carefully gone through records of the case.

11. During the course of hearing, both the Ld. Senior Counsels were asked to ascertain whether appellants are still in possession of land in dispute. Each of the parties asserts to be in possession of the same. Mr. Rana, senior counsel for respondents No.57 & 75, has produced copy of the Daily Diary Reports to submit that the eviction order dated 24.10.1983, passed by the Collector, already stands satisfied and that the landowners have been put in possession.

12. Be that as it may, since both the parties are asserting their possession, this Court deems it apt to decide the matter on merits.

13. Section 13 of the 1940 Act, empowers an Arbitrator to correct any clerical mistake or error arising from any accidental slip or omission in the award. The same reads as under:-

“13. Powers of arbitrator - The arbitrators or umpire shall, unless a different intention is expressed in the agreement, have power to-

(a) administer oath to the parties and witnesses appearing;

(b) state a special case for the opinion of the Court on any question of law involved, or state the award, wholly or in part, in the form of a special case of such question for the opinion of the Court;

(c) make the award conditional or in the alternative;

(d) correct in an award any clerical mistake or error arising

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from any accidental slip or omission;

(e)administer to any party to the arbitration such interrogatories as may, in the opinion of the arbitrators or umpire, be necessary.”

14. In view of the aforesaid provisions, the Arbitrator is well within its power to correct any clerical mistake or error arising from any accidental slip or omission in the award. Mr. Chopra is not in a position to dispute the corrected contents of Ex.R5, Ex.R7 and Ex.R8 spelled out in impugned order.

15. In view thereof, this Court finds that the Arbitrator rightly corrected the accidental omission made in the award, which earlier resulted in misreading of documentary evidence.

16. That apart, Mr. Chopra is not in a position to dispute that even as per the original award dated 16.02.1987, the appellants have not deposited any amount as directed by the Supreme Court.

17. In view of above, this court finds no merit in the present appeal. Same is ordered to be ***dismissed***.

18. Pending application, if any, shall also stands disposed off.

April 17, 2026
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(PANKAJ JAIN)
JUDGE

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No