2026:DHC:3770

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% Reserved on : 16.12.2025
Pronounced on : 30.04.2026
Uploaded on : 04.05.2026

\+ **LA.APP. 47/2017**

NAVEEN KUMAR JAIN .....Appellant

Through: Mr. L. B. Rai, Mr. Kartik Rai, Mr. Satvik Rai, Mr. Vineesh Tyagi, Mr. D.S. Lakra, Mr. Aakash Parashar, and Mr. Sohan Lal, Advocates.

versus

UNION OF INDIA & ORS .....Respondent

Through: Mr. Sanjay Kumar Pathak, Standing Counsel with Mrs. K.K. Kiran Pathak, Mr. Sunil Kumar Jha, Mr. Mohd Sueb Akhtar, Mr. Divakar Kapil, Advocates for UOI.
Mr. Gyanendra Kumar and Mr. Tarun Johri, Advocates for DMRC.

CORAM:
HON'BLE MR. JUSTICE MANOJ KUMAR OHRI

JUDGMENT

1. The present appeals, preferred under Section 54 of the Land Acquisition Act, 1894 (hereinafter referred to as the "LA Act"), pertain to acquisition proceedings undertaken in respect of 89 *bighas* of **"agricultural land"** falling in the revenue estate of village *Mundka*, for the purpose of "Construction of Depot, Staff Quarters and TSS of *Inderlok-Mundka Corridor* of *Delhi* MRTS Project Phase-II" near Senior Secondary School,

Mundka and North of NH-10 (*Mundka* Depot).

2. Pertinently, besides the above acquisition, 54 *bighas* 02 *biswa of* extended *Lal Dora* land falling in the revenue estate of village *Mundka* was also acquired; however, the consideration in the present proceedings is restricted to agricultural land only.

3. Though argued separately, the submissions addressed were common. On the prayer of learned counsels, the appeal titled "*Naveen Kumar Jain Vs. Union of India & Ors.*", bearing **L.A. APP. 47/2017**, is treated as the lead case, and all the appeals pertaining to agricultural land are disposed of *vide* this common judgment.

4. The sequence of relevant events in the acquisition proceedings are set out in the table below:-

No.	**Date**	**Particulars**
1.	07.06.2007	Notification issued under Section 4 of the LA Act, bearing no. F7(17)/2005/L&B/LA/MRTS(W)/3291 (hereinafter referred to as the "Acquisition Notification").
2.	23.10.2007	Declaration made under Section 6 of the LA Act, bearing no. F7(17)/2005/L&B/LA/MRTS(W)/10635.
3.	01.01.2009	The Land Acquisition Collector (West), *Delhi* (hereinafter referred to as the "LAC") passed Award No. 02/DC(W)/2008-09, fixing the price for the agricultural land as Rs.17,58,400/- per acre.
4.	-	The Reference Court, under Section 18 of the LA Act, enhanced the price for the agricultural land to Rs.21,31,277/- per acre.

LAC AWARD

5. The LAC took into account Order bearing no. F.9(20)/80/L&B/LA/6720 dated 30.08.2005 issued by the GNCT of *Delhi*, whereby the minimum rate for agricultural land was fixed @ Rs.17,58,400/- per acre, and also an earlier Award pertaining to village *Mundka* i.e., Award No. 13/DC(W)/2005-06, which, in turn, had also relied on the said Order. Based on the above two parameters, as noted in the table above, the LAC assessed the fair market value of the agricultural land under acquisition to be Rs.17,58,400/- per acre. In such consideration, the LAC discarded 4 registered sale deeds of agricultural land that were sought to be relied upon by the landowners.

6. It is pertinent to note that while reaching the aforenoted conclusion, the LAC noted the presence of structures such as boundaries and factories on the land, but excluded them from the fair market value determination. These structures were deemed contrary to land use under the Delhi Land Reforms Act, 1954, and were neglected pursuant to Section 24 (eighthly) of the LA Act.

7. Aggrieved by the LAC's decision, the landowners approached the Reference Court under Section 18 of the LA Act seeking enhanced market value for the acquired land.

REFERENCE COURT

8. The Reference Court, treating the case of *Smt. Anjali Garg Vs. Union of India & Anr.*[1] as the lead matter, held the fair market value determined by

[1] LAC No. 58/11 (New No. 14/16), decided on 03.10.2016

the LAC to be erroneous. It took into account the Office Order dated 30.08.2005 issued by the GNCTD whereby minimum rate of Rs.17,58,400/- per acre for acquisition of agricultural land was fixed. The Court, thereafter, applied a progressive appreciation of 12% per annum until 07.06.2007 (amounting to Rs.3,72,877/- per acre) to assess and determine the total fair market value to be Rs.21,31,277/- per acre.

9. While arriving at this conclusion, the Court discarded the valuation report of *M/s. Khanna and Associates* furnished by the landowners, on the ground that it was not prepared for the purpose of determining the use of the acquired land but only to identify the structures thereon and assess their value.

The landowners' claim that the land was being used for industrial/commercial purposes was also rejected, as neither any document in the name and style of any industrial/commercial unit, nor the time since which industrial activities were going on, nor any permission or sanction of the authorities, was placed on record. Further, no Notification was shown which authorised the use of the land as industrial. Rather, the Notification dated 17.09.2007 established that on the date of the Acquisition Notification, the acquired land was not notified or part of the Master Plan.

The landowners had also claimed parity with the compensation awarded in *Jayant Juneja Vs. E. Sreedharan & Ors.*[2]; however, the petitions were held to be bereft of any such plea. The Court held that the land therein was not acquired under an Award, but rather the DMRC had directly entered into an agreement for a very small parcel of land admeasuring 873 sq. metres. Furthermore, it was observed that the valuation report of *ABC*

---

[2] Contempt Petition (C) No. 34 of 2011 in Civil Appeal No. 4115/2009

Valuer that was furnished and relied upon by the landowners was merely a photocopy and not part of the concerned Supreme Court decision. As the report was not proved by its author, the State did not have an opportunity to test the parameters or rebut it. It was also found to pertain to a valuation made on 08.12.2008, a much later period than relevant to the present matter. Ultimately, it was held that the said valuation report had not been duly proved and could not be relied upon.

The landowners had also re-emphasized their reliance on sale exemplars. The Reference Court observed that the only sale deed that pertained to village *Mundka* was dated 13.07.2007. It was discarded as the same was executed subsequent to the Acquisition Notification. The other relied upon sale deeds pertained to village *Bakkarwala*, which was not considered to be "ideally, geographically and topographically" similar to village *Mundka*. Also, the sale exemplars relied upon by the landowners were opined to show very high rates whereas the ones relied upon by the Union of India and DMRC showed very low rates.

10. Dissatisfied with the impugned judgments, the landowners have approached this Court. Pertinently, neither the Union of India nor the beneficiary, i.e. the DMRC, though parties before the Reference Court, have challenged the impugned judgments.

SUBMISSIONS

11. Mr. Rai, learned counsel for the appellant landowners, while placing reliance on *Jamna* (*supra*), submits that in the said case, this Court determined the value of agricultural land in village *Mundka*, acquired *vide* Notification dated 17.06.2005, @ Rs.23,93,227.20/- per acre. It is submitted

that since the Acquisition Notification in the present matter was issued on 07.06.2007 i.e., approximately 2 years after the Notification in *Jamna* (*supra*), the market value of the appellants' land ought to be determined by applying commensurate appreciation to the value arrived at in the said decision.

12. In the alternative, it is contended that this Court should determine the value of the land on the basis of the Notification dated 24.01.2008, put into effect retrospectively from 18.12.2007, as per which the Land and Building Department of GNCTD had itself revised the minimum rate for the purpose of determining compensation for acquisition of agricultural land in *Delhi* to Rs.53,00,000/- per acre. Notably, the said Notification was made effective barely 6 months after the issuance of the subject Acquisition Notification on 07.06.2007.

13. It is further contended that since the market value of agricultural land is generally pegged at half the value of land falling within the 'extended *Lal Dora*' area of village *Mundka*, this Court may grant to the appellants half the fair market value awarded for the extended *Lal Dora* land. It is stated that the rationale behind asking for 50% of the value determined for extended *Lal Dora* land is that in the consolidation proceedings, if a farmer gave land falling in the category of 'agricultural land', he got half the amount of land in the 'extended *Lal Dora*' part. He, however, concedes that this was neither argued before the Reference Court nor has any such ground been pleaded in the present appeals.

14. Mr. Rajshekhar Rao, learned Senior Counsel appearing for the appellant in the matter of "*Anjali Garg Vs. Union of India & Ors.*", bearing **L.A. APP. 33/2017**, while reiterating the aforesaid submissions, also relied

upon the Notification dated 24.01.2008 and submitted that the Reference Court ought to have determined the fair market value in accordance with the said Notification.

15. Mr. Vibhore Garg, learned counsel for the appellants in the matters "*Mange Ram Aggarwal Vs. Union of India & Anr.*" bearing **LA APP. No. 219/2017** & "*Om Prakash Gupta Vs. Union of India & Ors.*" bearing **LA APP. No. 46/2017**, submits that the Reference Court erred in not considering the valuation report dated 08.12.2008 furnished in *Jayant Juneja* (*supra*) by holding that the same had not been duly proved. The said case pertained to the acquisition of approximately 873 sq. metres of agricultural land in village *Mundka* by the DMRC, where a much higher compensation was paid. It is submitted that during pendency of proceedings before it, the Supreme Court had appointed one *M/s. ABC Valuer & Co.* to determine the market value of the land concerned. Based on the said valuation, the DMRC paid compensation @ Rs.38,533.33/- per sqm. In the same valuation report, the market rate of that specific agricultural land was determined to be Rs.27,400/- per sqm. as of June 2007, i.e., at the time of the Acquisition Notification. It is submitted that since the appellant landowners' land also falls under the category of 'agricultural land', the fair market value ought to be the same.

16. Learned counsels also contended that the land in question, though it falls in the category of 'agricultural land', was, however, used for industrial purposes. In this regard, reliance is placed on the valuation reports of the property situated in the same vicinity, prepared by the valuer *M/s. Khanna & Associates*, exhibited as Ex. 7/A & Ex. 7/B in *Smt. Anjali Garg* (*supra*). It is submitted that the said documents categorically record that the land in

question is agricultural with industrial use. Furthermore, the Notifications dated 17.09.2007 & 07.02.2007 are referred to in order to show that the area, including *Phirni Road*, *Mundka*, and *Udyog Nagar*, was being regularized as part of the unorganized industrial cluster. In this backdrop, it is reiterated that the building potential of the land has to be taken into consideration while determining the market value of the land.

17. *Per contra*, Mr. Pathak, learned Standing Counsel for the Union of India, as well as the learned counsel for the DMRC, both advert to Section 24 of the LA Act to contend that the future potentiality of the land in question cannot be considered a relevant factor to determine the market value of the land as the same has been statutorily barred. It is further contended that where relevant measures of fair market value predating the Section 4 Notification are available, those post-dating it ought not to be considered.

18. Learned counsel for the DMRC additionally contended that the Reference Court had failed to apply the judicially accepted principle of 'Belting' to determine the fair market value of the land. He submitted that all plots situated in the same vicinity will not have the same situational advantages and different land areas have to be assessed differently.

19. In rejoinder, learned counsel for the appellant landowners, while re-emphasising the minimum rates circulated *vide* Notification dated 24.01.2008, took strong objection to the applicability of the 'Belting' principle by arguing that the land in question is homogenous in nature. Reliance in this regard is placed upon *Baljeet Singh Vs. Union of India*

through Land Acquisition Collector & Anr.[3] and *Trishala Jain Vs. State of Uttaranchal*[4].

ANALYSIS & FINDINGS

20. I have heard the learned counsels for the parties and perused the documents placed on record. Since the present batch of appeals pertains to the determination of compensation to be granted *qua* the subject land, before dealing with the above stated contentions, it is necessary to refer to the relevant provisions of the LA Act.

Some of the factors which the Court must take into consideration while determining compensation are enumerated in Section 23 of the LA Act in the following manner:-

> "***23. Matters to be considered in determining compensation.*** *– (1) In determining the amount of compensation to be awarded for land acquired under this Act, the Court shall take into consideration—*
>
> *first,* *the market-value of the land at the date of the publication of the notification under Section 4, sub-section (1);*
>
> *secondly,* *the damage sustained by the person interested, by reason of the taking of any standing crops or trees which may be on the land at the time of the Collector's taking possession thereof;*
>
> *thirdly,* *the damage (if any) sustained by the person interested, at the time of the Collector's taking possession of the land, by reason of severing such land from his other land;*
>
> *fourthly,* *the damage (if any) sustained by the person interested, at the time of the Collector's taking possession of the land, by reason of the acquisition injuriously affecting his other property, movable or immovable, in any other manner, or his earnings;*
>
> *fifthly,* *if, in consequence of the acquisition of the land by the Collector, the person interested is compelled to change his residence or place of business, the reasonable*

---

[3] Civil Appeal Nos.5480-5486 of 2013, decided on 19.09.2017
[4] AIR 2011 SC 2458.

expenses (if any) incidental to such change; and

sixthly, *the damage (if any) bona fide resulting from diminution of the profits of the land between the time of the publication of the declaration under Section 6 and the time of the Collector's taking possession of the land.*"

21. Likewise, the factors which the Court needs to ignore while determining compensation are given in Section 24 of the LA Act. They read as follows:-

"***24. Matters to be neglected in determining compensation.** — But the Court shall not take into consideration—*

first, the degree of urgency which has led to the acquisition;

secondly, any disinclination of the person interested to part with the land acquired;

thirdly, any damage sustained by him, which, if caused by a private person, would not render such person liable to a suit;

fourthly, any damage which is likely to be caused to the land acquired, after the date of the publication of the declaration under Section 6, by or in consequence of the use to which it will be put;

fifthly, any increase to the value of the land acquired likely to accrue from the use to which it will be put when acquired;

sixthly, any increase to the value of the other land of the person interested likely to accrue from the use to which the land acquired will be put;

seventhly, any outlay or improvements on, or disposal of, the land acquired, commenced, made or effected without the sanction of the Collector after the date of the publication of the notification under Section 4, sub-section (1); or

eighthly, any increase to the value of the land on account of its being put to any use which is forbidden by land or opposed to public policy."

22. The fair market value of land which is subjected to acquisition is invariably taken on the date of publication of the Notification under Section 4 of the LA Act. It is to be computed by seeing what a hypothetical purchaser is willing to pay to purchase that land from the open market and also what is a reasonable price for a willing vendor. The computed market value must be in line with the market value reflected in the most comparable

instances. Care must be taken to ensure that only genuine transactions are taken into account, and not those inflated in expectation of prospective acquisition. Both temporal and geographical proximity of the transactions has to be taken into account as in how close they are to the date of the Section 4 Notification, and situation-wise, as in how comparable the land in question is to the land being acquired. Courts have taken into account even post notification instances provided they are genuine, proximate, and the purchaser has not paid a higher price due to the increased development prospects. Once the index of market value is determined by identifying suitable transactions, this value is taken as the norm, which is increased or decreased based on the plus and minus factors of the particular acquisition in a commonsensical fashion. A gainful reference may be made to the decision in *Chimanlal Hargovinddas Vs. Special Land Acquisition Officer, Poona & Anr.*[5], wherein the Supreme Court held as under:-

> "*4. The following factors must be etched on the mental screen:*
>
> *…*
>
> *(5) The market value of land under acquisition has to be determined as on the crucial date of publication of the notification under sec. 4 of the Land Acquisition Act (dates of Notifications under secs. 6 and 9 are irrelevant).*
>
> *(6) The determination has to be made standing on the date line of valuation (date of publication of notification under sec. 4) as if the valuer is a hypothetical purchaser willing to purchase land from the open market and is prepared to pay a reasonable price as on that day. It has also to be assumed that the vendor is willing to sell the land at a reasonable price.*
>
> *(7) In doing so by the instances method, the Court has to correlate the market value reflected in the most comparable instance which provides the index of market value.*
>
> *(8) only genuine instances have to be taken into account. (Sometimes instances are rigged up in anticipation of Acquisition of land).*
>
> *(9) Even post notification instances can be taken into account (1) if they are very proximate, (2) genuine and (3) the acquisition itself has not*

[5] (1988) 3 SCC 751

motivated the purchaser to pay a higher price on account of the resultant improvement in development prospects.

(l0) The most comparable instances out of the genuine instances have to be identified on the following considerations:

(i) proximity from time angle,

(ii) proximity from situation angle.

(11) Having identified the instances which provide the index of market value the price reflected therein may be taken as the norm and the market value of the land under acquisition may be deduced by making suitable adjustments for the plus and minus factors vis-a-vis land under acquisition by placing the two in juxtaposition.

(12) A balance-sheet of plus and minus factors may be drawn for this purpose and the relevant factors may be evaluated in terms of price variation as a prudent purchaser would do.

(13) The market value of the land under acquisition has thereafter to be deduced by loading the price reflected in the instance taken as norm for plus factors and unloading it for minus factors.

(14) The exercise indicated in clauses (11) to (13) has to be undertaken in a common -sense manner as a prudent man of the world of business would do. ..."

23. In *Tribeni Devi Vs. Collector of Ranchi*[6], the Supreme Court discussed some other indicators like rent fetched for the same or the neighbouring lands, opinion of experts etc. for determination of the market value. The relevant observations are extracted hereunder:-

"*4. The general principles for determining compensation have, been set out in Sections 23 & 24 of the Act. The compensation payable to the owner of the land is the market value which is determined by reference to the price which a seller might reasonably expect to obtain from a willing purchaser, but as this may not be possible to ascertain with any amount of precision, the authority charged with the duty to award compensation is bound to make an estimate judged by an objective standard. The land acquired has, therefore, to be valued not only with reference to its condition at the time of the declaration under section 4 of the Act but its potential value also must be taken into account. The sale-deeds of the lands situated in the vicinity and the comparable benefits and advantages which they have, furnish a rough and ready method of computing the market value. This, however, is not the only method. The rent which an owner was actually receiving at the relevant point of time or the rent which the neighbouring lands of similar nature are fetching can*

[6] AIR 1972 SC 1417

Signature Not Verified
Digitally Signed
By:NIJAMUDDEEN ANSARI
Signing Date:04.05.2026
14:08:46

be taken into account by capitalising the rent which according to the present prevailing rate of interest is 20 times the annual rent. But this also is not a conclusive method. This Court had in Special Land Acquisition Officer, Bangalore v. T. Adinarayan Setty, indicated at page 412 the methods of valuation to be adopted in ascertaining the market value of the land on the date of the notification under section 4(1) which are : (i) opinion of experts, (ii) the price paid within a reasonable time in bona fide transactions of purchase, of the lands acquired or the lands adjacent to the lands acquired and possessing similar advantages; and (iii) a number of years' purchase of the actual or immediately prospective profits of the lands acquired. These methods, however, do not preclude the Court from taking any other special circumstances into consideration, the requirement being always to arrive as near as possible an estimate of the market value. In arriving to a reasonably correct market value, it may be necessary to take even two or all of those methods into account inasmuch as the exact valuation is not always possible as no two lands may be the same either in respect of the situation or the extent or the potentially nor is it possible in all cases to have reliable material from which that valuation can be accurately determined."

24. Adverting now to the rival contentions, the landowners are aggrieved by the non-consideration of the four sale exemplars relied upon by them and, on the other hand, the respondents have sought to rely on their own set of sale exemplars. In this regard, it is sufficient to note that neither set of sale deeds reflects the actual fair market value of the land. While the sale deeds relied upon by the respondents were only photocopies of the certified copies that were handed over by their counsel before the references were listed for final arguments, thus denying the landowners the right of challenging their genuineness, the three sale deeds relied upon by the landowners pertained to a different village, *Bakkarwala*, which was held to be not "ideally, geographically and topographically" similar to village *Mundka*, and the remaining one deed was found to be executed after the date of the Acquisition Notification. Though the learned Standing Counsel for the Union has referred to Section 51A of the LA Act, the same pertains to

certified copies of documents being accepted as evidence, and not photocopies of certified copies. Therefore, the said documents don't qualify as secondary evidence under Section 51A of the LA Act. Further, the market values reflected in the same were even lower than the minimum rates for acquisition of agricultural land in *Delhi* notified *vide* GNCTD's Order dated 30.08.2005. This Court is in complete agreement with the approach of the Reference Court in not taking into consideration the sale deeds relied upon by both the parties.

25. Another contention raised by the landowners, that the value of the land ought to have been pegged at half of the value determined for the extended *Lal Dora* land, is also meritless as, concededly, neither was this argued before the Reference Court nor any evidence led on this aspect, nor has the same been made a ground of challenge in the present appeals. Further, the submission lacks any documentary support.

26. Next, reliance was sought to be placed on the decision in *Jayant Juneja* (*supra*). A perusal of the said decision shows, *inter alia*, that an area admeasuring 873 sq. metres was urgently required by the DMRC, and that both the parties to the transaction had 'agreed' for the release of this portion on the market rates prevailing on 08.12.2008, i.e. much after the Acquisition Notification. A plain reading of the order would show that the same was more in the nature of a "consent decree". The extract of the relevant Supreme Court order reads as under:-

> "*Impleadment allowed.*
>
> *An area admeasuring 2175 sq. meters in Delhi was acquired for Planned Development (specifically for road). An area admeasuring 873 sq. meters out of total area of 2175 sq. meters are urgently required for Delhi Metro Rail Corporation (DMRC). Vide Order dated 24th September, 2007 this Court directed the interim order passed by the High*

Court to continue.

The present Interlocutory Application seeks modification of our Order dated 24th September, 2007 to the extent of the land admeasuring 873 sq. meters to be released from the subject matter of the pending Special Leave Petition for Delhi Metro Rail Corporation. Parties appearing before us, namely, the claimants and Delhi Metro Rail Corporation agree for release of 873 sq. meters of land on the basis that the claimants would be receiving compensation for the said land admeasuring 873 sq. meters at the market rate prevailing as on today's date. Delhi Development Authority and respondent Nos. 2 and 3 have no objection subject to rider that this arrangement would be without prejudice to their rights and contentions in the pending Special Leave Petition.

Accordingly, our Order dated 24th September, 2007 stands modified.

Interlocutory Application are disposed of accordingly."

27. Another contention raised by the landowners regarding the use of land for industrial purposes also merits rejection as, in the opinion of this Court, the Reference Court rightly noted that the Government Notifications dated 17.09.2007 and 07.02.2007 showed that on the date of the Acquisition Notification, the land had not been notified for industrial purposes. Further, reliance on the valuation report prepared by the valuer '*M/s. Khanna & Associates*' was also found to be meritless, as the said report was prepared only to identify structures and assess their value, and not to establish the use of the land. The Reference Court also noted that there were no documents proved on record to establish the name and style of the unit, or the necessary permissions, licenses, and sanctions required to establish industrial activity and use.

28. Insofar as the issue of 'Belting' raised on behalf of the DMRC is concerned, it is also pointed out that neither was such a contention raised before the Reference Court, nor any documentary evidence led in this regard to establish any lack of homogeneity or varying potential within the acquired

land. It is further highlighted that the DMRC has not separately challenged the impugned judgments by way of appeal, despite being arrayed as a respondent before the Reference Court. Furthermore, this Court is guided by the decision of the Supreme Court in *Baljeet Singh* (*supra*), which specifically dealt with agricultural land in village *Mundka*. In that case, the Supreme Court specifically noted the landowners' submission that the belting system applied by the High Court for village *Mundka* was not appropriate as the potential of the land was more or less the same, and ultimately set aside the said system after deeming it inappropriate in the facts and circumstances in light of the principles laid down in *Trishala Jain* (*supra*). Since the present matter is likewise concerned with agricultural land in the same village, this Court finds that the application of a belting system is not warranted and the fair market value must be applied uniformly. Similarly, the issue of development cost is stated to be not raised before the Reference Court. It is also pertinent to note that in the prior decision of this Court in *Jamna* (*supra*) relating to the acquisition of agricultural land in village *Mundka*, this Court did not impose any development cost, and the said decision was upheld by the Supreme Court in *Baljeet Singh* (*supra*).

29. Adverting now to the decision of this Court in *Jamna* (*supra*), which pertained, *inter alia*, to proceedings carried out in the context of an earlier Section 4 Notification dated 17.06.2005 for the acquisition of agricultural land in village *Mundka*. In the said decision, this Court determined the value of agricultural land @ Rs.23,93,227.20/- per acre. In doing so, the Court relied on its prior decision in *Chiranji Lal Vs. Union of India & Anr.*[7], relating to a Section 4 Notification dated 06.02.2003 and applied

[7] LA Appeal No. 489/2009 dated 02.06.2011

appreciation @ 10%.

30. The Reference Court also adopted a somewhat similar approach. As the LAC had relied on the the minimum rate for agricultural land fixed *vide* the GNCTD's Order dated 30.08.2005, the Reference Court awarded further 12% progressive appreciation till 07.06.2007.

31. This Court cannot be oblivious to the fact that agricultural land rates in *Delhi* underwent an exponential rise between the years 2005 and 2008. This aspect was reflected not only in the sale deeds executed at the relevant time but also caught the attention of this Court in *Jai Singh Vs. UOI*[8]. At the cost of repetition, it is noted that the Notification dated 24.01.2008 (made applicable retrospectively from 18.12.2007) fixed the minimum price of agricultural land in *Delhi* @ Rs.53,00,000/- per acre, as against the minimum price of Rs.17,58,400/- per acre fixed *vide* GNCTD's Order/Notification dated 17.08.2005. That is a more than a three-fold increase in the minimum rate in less than 3 years. The relevant extract from *Jai Singh* (*supra*) is as under:-

> "*7. Since the learned Land Acquisition Collector as also the learned Reference Court have relied upon the notifications issued from time to time by the Government of NCT Delhi, fixing minimum price for agricultural lands in Delhi, let me therefore note the dates and the minimum rates notified from time to time pertaining to agricultural lands in Delhi since the same would be relevant for the present decision. The same would be as under:-*

Sl.No.	*Date of Notification*	*Effective Date of the price*	*Price (in lakhs/acre)*	*Price increase Per annum*
1.	*3.5.1990*	*27.4.1990*	*4.65*	
2.	*25.7.1997*	*1.4.1997*	*10.0*	*11.5*
3.	*24.9.1998*	*1.4.1998*	*11.2*	*11.2*

[8] 2011 SCC OnLine Del 3504

4.	*21.11.2000*	*-*	*12.32*	
5.	*9.8.2001*	*1.4.1999* *1.4.2000*	*12.16* *13.82*	*11* *11*
6.	*9.8.2001*	*1.4.2001*	*15.7*	*11.5*
7.	*30.8.2005*	*30.8.2005*	*17.584*	*2.98*
8.	*24.1.2008*	*18.12.2007*	*53*	*89.51*

8. From the tabulation hereinabove noted it would be apparent that after minimum price was last fixed w.e.f. 27.4.1990 in sum of Rs. 4.65 lakhs/acre it was increased after nearly 7 years to Rs. 10 lakhs/acre and the annual increase comes to 11.5% per annum (simple). The next year i.e. w.e.f. 1.4.1998 the price was enhanced by 11.2% to reach the figure of Rs. 11.2 lakhs/acre and thereafter w.e.f. 21.11.2000 the price was enhanced to Rs. 12.32 lakhs/acre, which notification was superseded, inasmuch as when the notification dated 9.8.2001 was issued the price was retrospectively enhanced w.e.f. 1.4.1999 to Rs. 12.16 lakhs/acre i.e. the price increased by 11% per annum with reference to the price determined as of 1.4.1998 and vide same notification the price was retrospectively enhanced w.e.f. 1.4.2000 to Rs. 13.82 lakhs/acre i.e. increased by 11% per annum vis-à-vis the previous i.e. Rs. 12.16 lakhs/acre and w.e.f. 1.4.2001 the price rose by 11.5% per annum vis-à-vis the previous price of Rs. 13.82 lakhs/acre to reach the figure of Rs. 15.7 lakhs/acre. The price was next enhanced w.e.f. 30.8.2005 to Rs. 17.584 lakhs/acre which gives us an increase of only 2.98% per annum and then the price rose to Rs. 53 lakhs/acre as of 18.12.2007 i.e. increased 89.51% per annum with reference to the base figure of Rs. 17.584 lakhs/acre and the date 30.8.2005."

32. Thus, this Court now has two approaches that can be adopted: one is to follow Jamna (*supra*), which determined the fair market value of agricultural land in village *Mundka* on 17.08.2005, and then award reasonable appreciation; and the other is to consider the mean of two successive Notifications regarding the minimum price to arrive at the fair market value of the acquired land.

Method I

33. As noted above, in Jamna (*supra*), the Coordinate Bench of this Court specifically dealt with the acquisition of agricultural land in village *Mundka*

pertaining to a Section 4 Notification dated 17.06.2005. When the decision in *Jamna* (*supra*) was assailed, the Supreme Court in *Baljeet Singh* (*supra*), found the determinations made by the Coordinate Bench of this Court to be appropriate, save for the limited modification by removing the aspect of belting. The fair market value calculated in *Jamna* (*supra*), being Rs.23,93,227.20/- per acre as on 17.06.2005, therefore serves as a reliable 'anchor' for determining the fair market value of the acquired land in the present matter.

34. Pertinently, the decision in *Jamna* (*supra*) relating to village *Mundka* was based on another decision of this Court in *Chiranji Lal* (*supra*), which, in turn, was based on the Division Bench judgment of this Court in *Pratap Singh (dead) through LRs etc Vs. Union of India & Ors.*[9], which was also upheld by the Supreme Court[10]. It is also worth noting that the decision in *Jamna* (*supra*) was relied upon by another Coordinate Bench of this Court in *Paramjeet Singh Suri Vs. Union of India & Ors.*[11].

35. Accordingly, one way of calculating the fair market value in the present matter is to apply an annual appreciation to the market value of Rs.23,93,227.20/- per acre determined in *Jamna* (*supra*) from 17.06.2005 up to the date of the Acquisition Notification in the present matter, i.e., 07.06.2007.

36. Bearing in mind that the land rates in *Delhi* witnessed an exponential upward trend, that also came to be recognized by the GNCTD in its Notification dated 24.01.2008, this Court is of the opinion that a 10% appreciation fails to adequately reflect the true state of affairs. However, it is

[9] LA.APP. 193/2006, decided on 19.12.2008.
[10] SLP(C) No. 34388/2009, decided on 19.04.2010.
[11] 2019:DHC:6439

not certain as to which specific period this increase has taken place in. In the considered opinion of this Court, an annual appreciation of 15% is deemed more representative of the market reality between June 2005 and June 2007.

37. Applying a 15% annual appreciation to the rate of Rs.23,93,227.20/- per acre for a total of 720 days i.e., from 17.06.2005 to 07.06.2007, the fair market value under this method is determined to be Rs.31,01,360.18/- per acre.

Method II

38. At the time of the Acquisition Notification, the minimum rate for the purpose of determining compensation for agricultural land in *Delhi* was Rs.17,58,400/- per acre, as notified *vide* Notification dated 30.08.2005. Yet, barely 6 months after the Acquisition Notification, the GNCTD revised the minimum rate to Rs.53,00,000/- per acre.

39. In such circumstances, the golden rule of average is to be applied to bridge the gap between the two rates. This methodology finds support in the decision of the Coordinate Bench of this Court in *Jai Singh* (*supra*), which was affirmed by the Supreme Court in *Union of India Vs. Jai Singh & Anr.*[12]. An extract from the decision of this Court is reproduced hereunder:-

> "*45. ... The law of statistics which governs mean average as one of the recognized modes to determine a value, in between 2 given values, requires the 2 end points to be the ones which would be closest to the point for which the mean average has to be determined.*"

40. A similar equitable approach was adopted by the Division Bench of this Court in *Jai Narain Vs. UOI & Anr.*[13], which was upheld by the

[12] Civil Appeal No. 675 of 2012, decided on 16.12.2014.
[13] 2008:DHC:6336-DB

Supreme Court in *Union of India Vs. Ishwar Singh & Ors.*[14]. Writing for the Division Bench of this Court, Justice T.S. Thakur (as his Lordship then was) recognized that the minimum prices stipulated by the Government could be made a basis for determining compensation by either adding or offloading appreciation for the period intervening the date of the Section 4 Notification and the Notifications fixing the minimum rates. The Division Bench held that the average of the two rates, one appreciated forward from an earlier Notification and the other de-escalated backward from a subsequent one, should truly represent the minimum market value of the land in question.

41. Adopting this logic, the minimum rate of Rs.17,58,400/- per acre, having been notified about 2 years prior on 30.08.2005, necessitates a proportionate appreciation to reach the date of the Acquisition Notification. Conversely, the minimum rate of Rs.53,00,000/- per acre, coming into effect 6 months post the Acquisition Notification, requires proportionate discounting. To arrive at a balanced figure, the mean of these two indicators must be determined as they would have stood on the date of the Acquisition Notification, i.e., 07.06.2007.

42. Accordingly, applying the rate of 15% annual appreciation and de-escalation to the concerned minimum rates:-

i. The rate of Rs.17,58,400/- per acre (notified on 30.08.2005) is appreciated by 15% per annum until the date of the Acquisition Notification (07.06.2007). The same comes out to Rs.22,25,219.07/- per acre.

ii. The rate of Rs.53,00,000/- per acre (effective from 18.12.2007) is de-escalated by 15% per annum backward to the date of the

[14] SLP(C) Nos. 10627-10671/2009, decided on 27.03.2017.

Acquisition Notification (07.06.2007). This comes out to Rs.48,77,452.06/- per acre.

43. The average of the above two values comes out to Rs.35,51,335.56/- per acre.

44. Consequently, we now have two figures arrived at using two different methodologies:-

Method I: Rs.31,01,360.18/- per acre

Method II: Rs.35,51,335.56/- per acre

45. It is evident that there does not exist a huge disparity between the two figures, there being only a marginal difference of under 15%. This Court is of the considered opinion that, keeping in view the rapid escalation in the minimum rates for agricultural land as recognized by the GNCTD, the appellant landowners ought to be given the benefit of that trend. Accordingly, this Court deems it appropriate to adopt the higher of the two figures to calculate the fair market value of the acquired land.

Fair Market Value

46. In view of the foregoing discussion, the fair market value for the agricultural land as on the date of the Acquisition Notification is determined to be Rs.35,51,335.56/- per acre.

CONCLUSION

47. In the result, this Court passes the following order:-

i. The impugned judgments passed by the Reference Court are quashed and set aside;

ii. The compensation granted to the appellants *qua* the agricultural land is enhanced from Rs.21,31,277/- per acre to Rs.35,51,335.56/- per acre; and

iii. The landowners would be entitled to solatium and interest as per statute and as clarified in *Sunder Vs. Union of India*[15].

iv. Wherever the Award amounts are deposited with the Registry, the same shall be released to the landowners.

48. The present appeals, along with pending applications, if any, are disposed of in the above terms.

MANOJ KUMAR OHRI
(JUDGE)

MAY 04, 2026
nb

[15] (2001) 7 SCC 211