



181 (19 cases)

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

**RFA No. 1182 of 2024 (O&M)
and "18" connected cases
Date of Decision: 12.05.2026**

Jaharvir Goga Samiti

...Appellant

Versus

State of Haryana and another

...Respondents

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. Vijay Kumar Jindal, Sr. Advocate, assisted by
Mr. Abhishek Shukla, Advocate,
for the appellant(s)-landowner(s).
(in RFA Nos. 1182, 1183, 1184, 1190, 1192, 1193, 1202,
1204, 1206, 1207, 1218, 1219 & 1220 of 2024; and 105
of 2025)

Mr. Bhag Singh, Advocate
for the appellant(s)-landowner(s).
(in RFA Nos. 1189 & 1210 of 2024)

Mr. Yadvinder Singh Turka, Advocate with
Ms. Jaspreet Kaur Sandhu, Advocate
for the appellant(s)-landowner(s).
(in RFA Nos. 7, 14 & 38 of 2025)

Mr. Abhinash Jain, Deputy Advocate General, Haryana
for the respondent(s)-State of Haryana.

HARKESH MANUJA, J. (ORAL)

This order shall dispose off the present nineteen (19)
appeals bearing RFA Nos. 1182, 1183, 1184, 1189, 1190, 1192,
1193, 1202, 1204, 1206, 1207, 1210, 1218, 1219 & 1220 of 2024; 7,
14, 38 & 105 of 2025); as the same arise out of common acquisition /
award.

[2] In all appeals, the appellant(s)-landowner(s) are seeking
further enhancement of compensation for the acquired land.

[3] The appellant(s)-landowner(s), by way of present appeal(s) preferred under Section 54 of the Land Acquisition Act, 1894 (for short "1894 Act"), seek modification of the award dated 02.08.2024 passed by the learned Additional District Judge, Ambala (hereinafter to be referred as "Reference Court"), for enhancement of compensation amount.

FACTS

[4] The relevant date(s) / particulars of the acquisitions are as under:-

Particulars	Relevant date / description
Notification under Section 4 of the Land Acquisition Act, 1894	03.05.2012
Final declaration under Section 6 of the Land Acquisition Act, 1894	17.10.2012
Total Extent acquired	20 acres 6 Kanal 15 Yards (As per LAC's Award)
Village	Barara
Had Bast No.	203
Tehsil & District	Barara & Ambala
Public Purpose	Construction of Mini Secretariat for Sub Division Barara
Land Acquisition Collector's Award No. & Date	1 dated 13.10.2014
Land Acquisition Collector's Award	Rs. 15 lakhs per acre for the land besides other statutory benefits under the 1894 Act.
Reference Court's Awards date	02.08.2024
Reference Court's Award	Reference(s) allowed while granting Rs. 390/- per square yard along with other statutory benefits under the 1894 Act.

[5] Dissatisfied with the aforesaid award dated 02.08.2024 passed by the learned Reference Court, the present appeal(s) have been preferred at the instance of appellant(s)-landowner(s).

CONTENTION(S):

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

[6] Impugning the aforesaid award dated 02.08.2024, learned Senior Counsel for the appellant(s)-landowner(s) submits that

the learned Reference Court erred having discarded the sale deeds produced by the appellant(s)-landowner(s), especially when the majority of such sale deeds pertained to the acquired land parcel itself. Learned Senior Counsel also points out that the parameters laid down under Section 26 of The Right To Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (**for short "2013 Act"**) are though required to be followed by the Land Acquisition Collector, Ambala (**for brevity "LAC"**), however, the same in no manner restrict or regulate the scope of the jurisdiction vested with the 'Authority' adjudicating upon the application preferred under Section 64 of the 2013 Act by the appellant(s)-landowner(s). Learned Senior Counsel thus submits that the re-determination of the market value in the case(s) in hand was required to be made by relying upon the sale instances produced by the appellant(s)-landowner(s), especially the one fetching highest of the sale consideration.

No other point has been raised on behalf of the appellant(s)-landowner(s).

ON BEHALF OF RESPONDENT(S)-STATE OF HARYANA

[7] Per contra, learned counsel for the respondent(s)-State of Haryana submits that the impugned award passed by the learned Reference Court is based on proper appreciation of evidence and the pleadings available on record; the learned Reference Court rightly relied upon the sale exemplars Exhibit R-1 & Exhibit R-2; as such, no modification therein is required and thus, the present appeals are liable to be dismissed. Learned State Counsel also contends that as

the award dated 13.10.2014 was passed by the LAC under the provisions of the 2013 Act, the objections preferred at the hands of aggrieved landowners were to be dealt strictly within terms of Section 26 thereof.

DISCUSSION AND REASONING

[8] 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).

[9] In the present case(s), though the acquisition proceedings commenced in terms of notifications dated 03.05.2012 & 17.10.2012 issued under Sections 4 & 6 of the 1894 Act respectively, however, with the enactment of the 2013 Act, which was made effective from 01.01.2014, the assessment of market value was made vide Award No. 1 dated 13.10.2014 by the LAC, purportedly while taking into account the parameters laid down under Section 26 of the 2013 Act. Being aggrieved of the said determination, the appellant(s)-landowner(s) filed their objections which were entertained and dealt with in terms of Section 64 of the 2013 Act.

LEGAL ANALYSIS

[10] Before this Court proceeds to further examine the factual background of the present case, it would be appropriate to first address the question of law that arises for consideration in these proceedings, as the answer thereto would have a direct bearing on the outcome of the matter. The question of law that falls for determination before this Court is:

Whether the ‘Authority’ or the Court, while adjudicating upon a reference under Section 64 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, is absolutely bound by the parameters prescribed under Section 26 thereof for determination of market value of the acquired land?

[11] To appreciate the question that arises for consideration, it would be necessary to make a comparative examination of the relevant provisions of the 1894 Act and the 2013 Act side by side. Accordingly, Sections 11 of the 1894 Act *vis-a-vis* 26 of the 2013 Act, Section 23 of 1894 Act *vis-a-vis* Section 28 of the 2013 Act, Section 64 and 69 of 2013 Act are extracted hereinbelow:-

I. SECTION 11 OF 1894 ACT AND SECTION 26 OF 2013 ACT

<p style="text-align: center;"><u>Section 11</u> Land Acquisition Act, 1894 (1894 Act)</p>	<p style="text-align: center;"><u>Section 26</u> The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (2013 Act)</p>
<p>Enquiry and award by Collector: [(1)] [Section 11 renumbered as sub-Section (1) thereof by Act 68 of 1984, Section 8 (w.e.f. 24.9.1984).] On the day so fixed, or on any other day to which the enquiry has been adjourned, the Collector shall proceed to enquire into the objection (if any) which any person interested has stated pursuant to a notice given under section 9 to the measurements made under section 8, and into the value of the land [at the date of the publication of the notification under section 4, sub-section (1)] [Inserted by Act 38 of 1923, Section 5.], and into the respective interest of the persons claiming the compensation and shall make an award under his hand of</p> <p>(i)the true area of the land;</p> <p>(ii)the compensation which in his opinion should be allowed for the land; and</p> <p>(iii)the apportionment of the said compensation among all the persons known or believed to be interested in the land, of whom, or of whose claims, he has information, whether or not they have respectively appeared before him:</p>	<p>Determination of market value of land by Collector: (1) The Collector shall adopt the following criteria in assessing and determining the market value of the land, namely:-</p> <p>(a) the market value, if any, specified in the Indian Stamp Act, 1899 (2 of 1899) for the registration of sale deeds or agreements to sell, as the case may be, in the area, where the land is situated; or</p> <p>(b) the average sale price for similar type of land situated in the nearest village or nearest vicinity area; or</p> <p>(c) consented amount of compensation as agreed upon under sub-section (2) of section 2 in case of acquisition of lands for private companies or for public private partnership projects, whichever is higher:</p> <p>Provided that the date for determination of market value shall be the date on which the notification has been issued under section II.</p> <p>Explanation 1. - The average sale price referred to in clause (b) shall be determined taking into</p>

<p>[Provided that no award shall be made by the Collector under this sub-section without the previous approval of the appropriate Government or of such officer as the appropriate Government may authorise in this behalf:</p> <p>Provided further that it shall be competent for the appropriate Government to direct that the Collector may make such award without such approval in such class of cases as the appropriate Government may specify in this behalf.] [Inserted by Act 38 of 1923, Section 5.]</p> <p>(2)[Notwithstanding anything contained in sub-section (1), if at any stage of the proceedings, the Collector is satisfied that all the persons interested in the land who appeared before him have agreed in writing on the matters to be included in the award of the Collector in the form prescribed by rules made by the appropriate Government, he may, without making further enquiry, make an award according to the terms of such agreement.</p> <p>(3) The determination of compensation for any land under sub-section (2) shall not in any way affect the determination of compensation in respect of other lands in the same locality or elsewhere in accordance with the other provisions of this Act.</p> <p>(4) Notwithstanding anything contained in the Registration Act, 1908 (16 of 1908), no agreement made under sub-section (2) shall be liable to registration under that Act.] [Section 11 renumbered as sub-Section (1) thereof by Act 68 of 1984, Section 8 (w.e.f. 24.9.1984).][11-A. Period within which an award shall be made [Inserted by Act 68 of 1984, Section 9 (w.e.f. 24.9.1984).]</p> <p>(1)The Collector shall make an award under section 11 within a period of two years from the date of the publication of the declaration and if no award is made within that period, the entire proceedings for the acquisition of the land shall lapse:</p> <p>Provided that in a case where the said declaration has been published before the commencement of the Land Acquisition (Amendment) Act, 1984, the award shall be made within a period of two years from such commencement.</p> <p>Explanation. In computing the period of two years referred to in this section, the period during which any action or proceeding to be taken in pursuance of the said declaration is stayed by an order of a Court shall be excluded.] [Substituted by Act 68 of 1984, Section 6, for the first proviso (w.e.f. 24.9.1984).]</p>	<p>account the sale deeds or the agreements to sell registered for similar type of area in the near village or near vicinity area during immediately preceding three years of the year in which such acquisition of land is proposed to be made.</p> <p>Explanation 2. - For determining the average sale price referred to in Explanation 1, one-half of the total number of sale deeds or the agreements to sell in which the highest sale price has been mentioned shall be taken into account.</p> <p>Explanation 3. - While determining the market value under this section and the average sale price referred to in Explanation 1 or Explanation 2, any price paid as compensation for land acquired under the provisions of this Act on an earlier occasion in the district shall not be taken into consideration.</p> <p>Explanation 4. - While determining the market value under this section and the average sale price referred to in Explanation 1 or Explanation 2, any price paid, which in the opinion of the Collector is not indicative of actual prevailing market value may be discounted for the purposes of calculating market value.</p> <p>(2) The market value calculated as per sub-section (1) shall be multiplied by a factor to be specified in the First Schedule.</p> <p>(3) Where the market value under sub-section (1) or sub-section (2) cannot be determined for the reason that-</p> <p>(a) the land is situated in such area where the transactions in land are restricted by or under any other law for the time being in force in that area; or</p> <p>(b) the registered sale deeds or agreements to sell as mentioned in clause (a) of sub-section (1) for similar land are not available for the immediately preceding three years; or</p> <p>(c) the market value has not been specified under the Indian Stamp Act, 1899 (2 of 1899) by the appropriate authority, the State Government concerned shall specify the floor price or minimum price per unit area of the said land based on the price calculated in the manner specified in sub-section (1) in respect of similar types of land situated in the immediate adjoining areas:</p> <p>Provided that in a case where the Requiring Body offers its shares to the owners of the lands (whose lands have been acquired) as a part compensation, for acquisition of land, such shares in no case shall exceed twenty-five per cent. of the value so calculated under sub-section (1) or sub-section (2) or sub-section (3) as the case may be:</p> <p>Provided further that the Requiring Body shall in no case compel any owner of the land (whose land has been acquired) to take its shares, the value of</p>
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	<p>which is deductible in the value of the land calculated under sub-section (1):</p> <p>Provided also that the Collector shall, before initiation of any land acquisition proceedings in any area, take all necessary steps to revise and update the market value of the land on the basis of the prevalent market rate in that area:</p> <p>Provided also that the appropriate Government shall ensure that the market value determined for acquisition of any land or property of an educational institution established and administered by a religious or linguistic minority shall be such as would not restrict or abrogate the right to establish and administer educational institutions of their choice.</p>
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II. SECTION 23 OF 1894 ACT AND SECTION 28 OF 2013 ACT

<u>Section 23</u> Land Acquisition Act, 1894 (1894 Act)	<u>Section 28</u> The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (2013 Act)
<p>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</p> <p>first, the market value of the land at the date of the publication of the [notification under section 4, sub-section (1)] [Substituted by Act 38 of 1923, Section 7, for " declaration relating thereto under section 6" .];</p> <p>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 Collectors taking possession thereof;</p> <p>thirdly , the damage (if any) sustained by the person interested, at the time of the Collectors taking possession of the land, by reason of severing such land from his other land;</p> <p>fourthly , the damage (if any) sustained by the person interested, at the time of the Collectors 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;</p> <p>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 expenses (if any) incidental to such change;</p> <p>and</p> <p>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 Collectors taking possession of the land.</p>	<p>Parameters to be considered by Collector in determination of award: In determining the amount of compensation to be awarded for land acquired under this Act, the Collector shall take into consideration-</p> <p>firstly, the market value as determined under section 26 and the award amount in accordance with the First and Second Schedules;</p> <p>secondly, the damage sustained by the person interested, by reason of the taking of any standing crops and trees which may be oh the land at the time of the Collector's taking possession thereof;</p> <p>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;</p> <p>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;</p> <p>fifthly 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 expenses (if any) incidental to such change;</p>

<p>[(1-A) In addition to the market value of the land, as above provided, the Court shall in every case award an amount calculated at the rate of twelve per centum per annum on such market value for the period commencing on and from the date of the publication of the notification under section 4, sub-section (1), in respect of such land to the date of the award of the Collector or the date of taking possession of the land, whichever is earlier.</p> <p>Explanation. In computing the period referred to in this sub-section, any period or periods during which the proceedings for the acquisition of the land were held up on account of any stay or injunction by the order of any Court shall be excluded.] [Inserted by Act 68 of 1984, Section 15 (w.e.f. 24.9.1984).]</p> <p>(2) In addition to the market value of the land as above provided, the Court shall in every case award a sum of [thirty per centum] [Substituted by Act 68 of 1984, Section 15, for " fifteen per centum" (w.e.f. 24.9.1984).] on such market value, in consideration of compulsory nature of the acquisition.</p>	<p>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 19 and the time of the Collector's taking possession of the land; and</p> <p>seventhly, any other ground which may be in the interest of equity, justice and beneficial to the affected families.</p>
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III. SECTION 64 OF 2013 ACT

	<p style="text-align: center;"><u>Section 64</u></p> <p>The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (2013 Act)</p>
	<p>Reference to Authority:</p> <p>(1) Any person interested who has not accepted the award may, by written application to the Collector, require that the matter be referred by the Collector for the determination of the Authority, as the case may be, whether his objection be to the measurement of the land, the amount of the compensation, the person to whom it is payable, the rights of Rehabilitation and Resettlement under Chapters V and VI or the apportionment of the compensation among the persons interested:</p> <p>Provided that the Collector shall, within a period of thirty days from the date of receipt of application, make a reference to the appropriate Authority:</p> <p>Provided further that where the Collector fails to make such reference within the period so specified, the applicant may apply to the Authority, as the case may be, requesting it to direct the Collector to make the reference to it within a period of thirty days.</p> <p>(2) The application shall state the grounds on which objection to the award is taken:</p> <p>Provided that every such application shall be made-</p> <p>(a) if the person making it was present or represented before the Collector at the time when he made his award, within six weeks from the date of the Collector's award;</p>

	<p>(b) in other cases, within six weeks of the receipt of the notice from the Collector under section 21, or within six months from the date of the Collector's award, whichever period shall first expire:</p> <p>Provided further that the Collector may entertain an application after the expiry of the said period, within a further period of one year, if he is satisfied that there was sufficient cause for not filing it within the period specified in the first proviso.</p>
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IV. SECTION 69 OF 2013 ACT

	<p><u>Section 69</u> The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (2013 Act)</p>
	<p>69. Determination of award by Authority.—</p> <p>(1) In determining the amount of compensation to be awarded for land acquired including the Rehabilitation and Resettlement entitlements, the Authority shall take into consideration whether the Collector has followed the parameters set out under section 26 to section 30 and the provisions under Chapter V of this Act.</p> <p>(2) In addition to the market value of the land, as above provided, the Authority shall in every case award an amount calculated at the rate of twelve per cent. per annum on such market value for the period commencing on and from the date of the publication of the preliminary notification under section 11 in respect of such land to the date of the award of the Collector or the date of taking possession of the land, whichever is earlier.</p> <p>Explanation:— In computing the period referred to in this sub-section, any period or periods during which the proceedings for the acquisition of the land were held up on account of any stay or injunction by the order of any Court shall be excluded. (3) In addition to the market value of the land as above provided, the Authority shall in every case award a solatium of one hundred per cent. over the total compensation amount.</p>

SCOPE AND AMBIT OF SECTION 26 OF THE 2013 Act

I. PLAIN LANGUAGE OF SECTION 26

[12] A bare reading of Section 26 of the 2013 Act makes it evident that the Legislature in the heading as well as the body thereof

has employed the word 'Collector' and conspicuously abstained from using the words 'Authority' or 'Court'. The Hon'ble Apex Court in ***Officer on Special Duty (Land Acquisition) v. Shah Manilal Chandulal, (1996) 9 SCC 414*** observed that the 1894 Act itself draws a clear and conscious distinction between the 'Collector' and the 'Court'. Adverting to the definitions contained in Sections 3(c) and 3(d) of the 1894 Act, the Court noted that while the Collector is an executive authority entrusted with statutory functions such as making an award under Section 11 of the 1894 Act and referring matters to the Court under Section 18 thereof, the Court is a judicial authority of a distinct and separate character. The Collector, in discharge of his functions under the 1894 Act does not act as a Court. The dichotomy between the Collector and the Court, as embedded in the scheme of the 1894 Act, cannot be lost sight of. The relevant paragraph of ***Shah Manilal Chandulal's case*** is extracted hereunder:-

“11. The question emerges: whether the LAO/Collector acts as a court? Section 3(d) defines ‘Court’ to mean the principal civil court of original jurisdiction or a principal judicial officer within any special local limits appointed thereunder to perform the functions of the court under the Act. ‘Collector’ has been defined in clause 3(c) to mean the Collector of district and includes a Deputy Commissioner etc. appointed by the appropriate Government to perform the functions of the Collector under the Act. He is variously called the Collector/LAO. It would thus be clear that the Act made a distinction between the Collector and the court. The Collector/LAO performs the statutory functions under the Act including the one making the award under Section 11 and referring a written application made under Section 18(1) of the Act to the court and complies with Sections 19 and 20 of the Act. The dichotomy of the Collector and the court cannot be lost sight of.”

[12.1] The position is no different under the 2013 Act. The expressions 'Authority' and 'Collector' are distinctly defined under Sections 3(f) and 3(g) of the 2013 Act, respectively. While the

definition of 'Collector' under Section 3(g) of the 2013 Act is *pari materia* to Section 3(c) of the 1894 Act, the term 'Authority' is defined under Section 3(f) of 2013 Act as the Land Acquisition and Rehabilitation and Resettlement Authority constituted under Section 51 thereof. A comparative chart of Section 3(c) of the 1894 Act *vis-à-vis* Section 3(g) of the 2013 Act and Section 3(d) of the 1894 Act *vis-à-vis* Section 3(f) of the 2013 Act are extracted hereunder:-

I. SECTION 3 (c) OF 1894 ACT AND SECTION 3(g) OF 2013 ACT

<p style="text-align: center;"><u>Section 3(c)</u> Land Acquisition Act, 1894 (1894 Act)</p>	<p style="text-align: center;"><u>Section 3(g)</u> The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (2013 Act)</p>
<p>(c) the expression “Collector” means the Collector of a district, and includes a Deputy Commissioner and any officer specially appointed by the [appropriate Government] to perform the functions of a Collector under this Act</p>	<p>(g) "Collector" means the Collector of a revenue district, and includes a Deputy Commissioner and any officer specially designated by the appropriate Government to perform the functions of a Collector under this Act</p>

II. SECTION 3(d) OF 1894 ACT AND SECTION 3(f) OF 2013 ACT

<p style="text-align: center;"><u>Section 3(d)</u> Land Acquisition Act, 1894 (1894 Act)</p>	<p style="text-align: center;"><u>Section 3(f)</u> The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (2013 Act)</p>
<p>(d) the expression “Court” means a principal Civil Court of original jurisdiction unless, the [appropriate Government] has appointed (as it is hereby empowered to do) a special judicial officer within any specified local limits to perform functions of the Court under this Act</p>	<p>(f) "Authority" means the Land Acquisition and Rehabilitation and Resettlement Authority established under section 51</p>

[12.2] The conscious legislative distinction between the two expressions, maintained consistently across both enactments, was noted by the Hon'ble Apex Court in ***Deputy Commissioner And Special Land Acquisition Officer v. M/s S.V. Global Mill Limited 2026(1) RCR(civil) 843*** wherein the Court, while examining the provisions of the 2013 Act relating to the 'Authority', observed that

Chapter VIII of the 2013 Act establishes the ‘Authority’ as the first judicial forum for adjudication of disputes relating to land acquisition, compensation, rehabilitation and resettlement. The ‘Authority’ is a single-member body, with eligibility confined to sitting or former District Judges or legal practitioners of not less than seven years’ standing. The nature of the ‘Authority’ as a judicial body is further evident from Sections 60 and 61 of the 2013 Act. Under Section 60 thereof, the ‘Authority’ is vested with the powers of a Civil Court under the Code of Civil Procedure, 1908, in respect of specified matters, while retaining the power to regulate its own procedure, guided by the principles of natural justice. Under Section 61 of the 2013 Act, the proceedings before the ‘Authority’ are deemed to be judicial proceedings and the ‘Authority’ itself is deemed to be a Civil Court. The powers exercised by the ‘Authority’ are thus wider and distinct from those of the Collector, and the role of the two cannot be equated. For the sake of ready reference, the relevant portion of the judgment in **S.V. Global Mill Limited** (supra) is set out hereinbelow:

“25. Chapter VIII of the 2013 Act provides for the establishment of the Authority which is entrusted with the function of disposal of disputes relating to land acquisition, compensation, rehabilitation and resettlement and is the first judicial forum in the scheme of the 2013 Act.

26. The Authority comprises only one person who is qualified to be appointed to the said post if he has either been a District Judge in the past or is currently serving as one. Alternatively, a legal practitioner of 7 years’ standing or more is qualified to hold the said post. Though the appointment is made by the Government, the same must be done in consultation with the Chief Justice of the concerned High Court as per Section 53 of the 2013 Act. The term ‘consultation’, employed in the said provision, indicates the primary role required to be played by the Chief Justice of the High Court in the appointment process. The said procedure of appointment shows the nature of the duties assigned to the Authority. None other than a legally trained person having one of the aforementioned qualifications would be eligible to be appointed as the Authority. Sections 60 and 61 of

the 2013 Act throw more light on the nature of the Authority as a judicial entity.

27. The Authority has been vested with the same powers as those of a Civil Court under the Civil Procedure Code, 1908 (hereinafter referred to as ‘the CPC’) in respect of the matters enumerated under Section 60 of the 2013 Act. In other words, he exercises the power of an original forum. It further goes on to state that the Authority is not bound by the procedure laid down in the CPC and has the power to regulate its own procedure, subject to the provisions of the 2013 Act and the Rules thereunder, while being guided by the principles of natural justice. This shows that the Authority exercises wider and distinct powers than those of the Collector and, thus, the role of the Collector is not comparable to that of the Authority.

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74. We have dealt with the provisions contained in both the enactments in extenso already. We have also dealt with the principles of law. Upon such analysis, we reiterate that the 2013 Act is a unique piece of legislation. The Collector is given two different and distinct roles up to a certain stage of the acquisition process. The first role is to facilitate the acquisition on behalf of the Government, and the other is with respect to the determination of the compensation. For both these roles, there is no question of application of any provisions of the 1963 Act, as the Collector either acts as a statutory authority on the executive side or as a quasi-judicial authority while determining the compensation or as an authority dealing with rights having civil consequences while making a reference. In all these three acts, there is no role that is exclusively judicial. As we have already discussed, only when the issue of compensation is decided by the Authority, who is a legally trained person entitled to exercise the powers of a Civil Court, followed by the declaration of an award deemed to be a decree, does an out-and-out judicial forum enter the picture. The proceedings before him are original in nature, with two parties appearing before him, of which even the Collector is a party, since it is his award that is under challenge. There is a reason why the Authority is expected to exercise an element of fair play by following the principles of natural justice which would otherwise inhere in a party before it. It is only the Court that is given the inherent power of formulating its own procedure when it is not provided under the statute.....”

[12.3] Thus, from the bare reading of the provision, it is clear that Section 26 of the 2013 Act is addressed solely to the Collector and prescribes the methodology to be followed by him while determining the market value of the acquired land. The said provision does not extend to the ‘Authority’ or the Court. Had there been any such legislative intent, the words ‘Authority’ or ‘Court’ would have

found express mention in Section 26 of the 2013 Act. Thus, the word 'Collector' as employed under Section 26 of the 2013 Act cannot, by any stretch of interpretation, be construed to include the 'Authority' or the 'Court'.

II. LEGISLATIVE PURPOSE BEHIND SECTION 26

[13] The Statement of Objects and Reasons of the 2013 Act records that the provisions of the 1894 Act governing land acquisition and determination of compensation were found inadequate in addressing issues relating to the exercise of the statutory power of the State for involuntary acquisition of private land and property. The 2013 Act was accordingly enacted to remedy these deficiencies and to provide just and fair compensation to landowners against compulsory acquisition of their land. The relevant portion of the Statements and Objects of the 2013 Act is reproduced hereunder:-

“Be it enacted by Parliament in the Sixty Fourth Year of the Republic of India as follows-

STATEMENT OF OBJECTS AND REASONS

The Land Acquisition Act, 1894 is the general law relating to acquisition of land for public purposes and also for companies and for determining the amount of compensation to be made on account of such acquisition. The provisions of the said Act have been found to be inadequate in addressing certain issues related to the exercise of the statutory powers of the State for involuntary acquisition of private land and property. The Act does not address the issues of rehabilitation and resettlement to the affected persons and their families.”

[13.1] A perusal of Section 11 of the 1894 Act shows that although the said provision enables the LAC to assess the market value as against the acquired land after hearing the affected landowners yet, the same conferred no guidance upon the Collector for the said purpose, leaving the said power entirely unregulated. The

unregulated nature of this power is further evident from the language of Section 11(1)(ii) of the Act of 1894, which requires the Collector to award compensation that *'in his opinion should be allowed for the land'*. The said opinion was not circumscribed by any legal standard, objective criterion or measurable factor, it was, in effect, an absolute and unfettered discretion vested in a single executive authority. The Collector was left entirely to his own devices in arriving at a figure that he deemed appropriate, with the result that the determination of market value under the 1894 Act was susceptible to wide variation and inconsistency. The Hon'ble Apex Court in ***Ambya Kalya Mhatre v. State of Maharashtra (2011) 9 SCC 325*** has vividly captured the plight of landowners that resulted from this unregulated discretion, observing that Collectors invariably offer compensation far below the true market value, compelling landowners to pursue lengthy and expensive litigation before the Reference Court, the High Court and the Supreme Court, by which time the cost of litigation and appreciation in land prices renders it virtually impossible for the landowner to acquire alternative land of similar area and quality. The relevant paragraph thereof is extracted hereunder:-

"17. The Collector making the offer of compensation on behalf of the state is expected to be fair and reasonable. He is required to offer compensation based on the market value. Unfortunately Collectors invariably offer an amount far less than the real market value, by erring on the safer side, thereby driving the land owner first to seek a reference and prove the market value before the reference court and then approach the High Court and many a time this Court, if he does not get adequate compensation. In most land acquisitions, the land acquired is the only source of his livelihood of the land owner. If the compensation as offered by the Collector is very low, he cannot buy any alternative land. By the time he fights and gets the full market value, most of the amount would have been spent in litigation and living expenses and the price of lands would have appreciated enormously, making it impossible to buy an alternative land. As a result,

the land owner seldom has a chance of acquiring a similar land or an equal area of similar land.....”

[13.2] It is precisely to address this mischief that the Legislature introduced a regulatory framework under Section 26 of the 2013 Act. Section 26, in consonance with the Statement of Objects and Reasons, remedied this position by laying down specific criteria to be followed by the Collector while determining the market value of the acquired land. The Legislature, in its wisdom, thus with the latest enactment, intended to regulate the power and discretion vested in the Collector by laying down specific codified parameters in this regard, given that no such regulatory framework existed under Section 11 of the 1894 Act, which conferred wide and unbridled discretion upon the Collector in the matter of determination of market value.

III. SECTION 26 AND INTERPLAY WITH OTHER PROVISIONS OF THE 2013 ACT

[14] A comparative analysis of Section 23 of the 1894 Act and Section 28 of the 2013 Act further supports the view taken hereinabove. Both provisions deal with the determination of the amount of compensation and prescribe the parameters for the same. It is significant to note that both enactments consciously distinguish between '*market value*' and '*compensation*', the former being the value of the acquired land in the open market, and the latter being the total award payable to the landowner. The market value is only one of the several components of compensation under both provisions, along with other heads such as damage to standing crops, severance

of land, injury to other property and loss of earnings etc. Neither Section 23 of the 1894 Act nor Section 28 of the 2013 Act prescribes any methodology for determination of '**market value**' itself. Section 26 of the 2013 Act became the first legislative attempt to lay down parameters for determination of market value, and the same were prescribed exclusively for the Collector. The law on determination of market value developed entirely through judicial pronouncements under the Act of 1894, without any statutory guidance, is itself a strong indicator that the Legislature, even while enacting Section 26 of the 2013 Act, never intended to reduce the adjudicatory process to a fixed statutory formula. A bare perusal of Sections 26 and 64 of the 2013 Act further makes it evident that the criteria under Section 26 were never intended to govern or bind the Authority in its adjudicatory jurisdiction under Section 64.

[14.1] A conjoint reading of Sections 26, 64 and 69 of the Act of 2013 further shows that Section 64 provides for a reference to the Authority at the instance of any aggrieved person in respect of, inter alia, 'the amount of compensation', an expression broad enough to encompass the full determination of market value and is not confined to a mere examination of whether the Collector has complied with the parameters under Section 26. Section 69, which directly governs the determination of the award by the Authority, requires it to 'take into consideration' whether the Collector has followed the parameters prescribed under Sections 26 to 30. The language of Section 69(1) is significant in three respects:

[14.1.1] *First*, the use of the word 'shall' in Section 69(1) makes it mandatory for the 'Authority' to conduct an enquiry into whether the Collector has followed the procedure prescribed under Sections 26 to 30, casting upon the 'Authority' the role of a supervisory and corrective forum empowered to examine the correctness of the Collector's determination, and not that of a mechanical applier of the same parameters. *Second*, the 'Authority' is required to consider whether the Collector has followed the parameters under Section 26, it is not required to itself follow those parameters. The provision thus draws a clear distinction between the Collector's obligation to follow Section 26 and the Authority's obligation to examine such compliance.

[14.1.2] *Third*, the Legislature has used the expression 'take into consideration' and not 'shall only take into consideration', 'shall be bound by' or 'shall be confined to'; a conscious and deliberate choice of words indicating that the Collector's compliance with the parameters under Section 26 is one of the several factors to be considered by the Authority in the exercise of its adjudicatory jurisdiction and not an exhaustive or binding standard. Had the Legislature intended the Authority to be strictly bound by the parameters under Section 26, it would have said so expressly in Section 69. The scope of the reference under Section 64 is therefore not circumscribed or guided by Section 69. The Authority retains full and independent power to determine the market value of the acquired land on the basis of all material placed on record, with the Collector's compliance with the parameters under Sections 26 to 30 being merely

one of the considerations to be kept in mind. Pertinently, it goes without saying that in the absence of any relevant material or evidence brought before the 'Authority' by the affected landowner during the adjudicatory process under Section 64 of the 2013 Act, the 'Authority' or the Court, while not be bound by the said criteria, may nevertheless draw guidance therefrom in appropriate cases.

BINDING SECTION 26 UPON THE AUTHORITY/COURT: IN CONFLICT WITH THE SETTLED LAW

[15] From a bare reading of Section 26 of the 2013 Act, the following parameters are prescribed therein: -

- a) Clause (a) prescribes the consideration of the base price specified in the Stamp Act for the registration of agreements/sale deeds in the area where the concerned land is situated.
- b) Clause (b) to Section 26(1) requires the Collector to consider the average sale price for similar types of land situated in the nearest village or the nearest vicinity. This test of average sale price is similar to the exemplar test which is adopted and applied in cases of acquisition under the Land Acquisition Act, 1894, but with modifications in terms of Explanations 1 to 4.
- c) Clause (c) to Section 26(1) of the Acquisition Act, 2013 requires the Collector to take into consideration the amount of compensation agreed upon by the parties under Section 2(2) of the Acquisition Act, 2013 in cases involving the acquisition of land for private companies or public-private partnership projects. These agreements are entered into voluntarily, based upon consented terms, and reflect the market value as settled inter-se the parties.

The highest of the values as determined by Clauses (a), (b) and (c), is to be treated as the market value under Section 26(1) of the Acquisition Act, 2013.

I. CIRCLE RATES AS MINIMUM BASE PRICE: CLAUSE (A)

[16] Clause (a) of Section 26(1) of the 2013 Act essentially talks about the base Collector Rate prevalent in an area. However, the base collector rate fixed by the District Authorities for the purposes of payment of stamp duty at the time of registration of sale deed cannot be indicative of the market price of the land in the area concerned. The value specified in the Indian Stamp Act, 1899, for registration of sale deeds or even the agreements to sell is in fact, the minimum base price that the State prescribes for revenue purposes.

[16.1] The said question whether circle rates or guideline values fixed under the Stamp Act can be relied upon for computing market value was examined by the Hon'ble Apex Court in ***U.P. Jal Nigam, Lucknow v. M/s. Kalra Properties (P) Ltd. Lucknow 1996(3) SCC 124*** and ***Lal Chand v. Union of India, (2009) 15 SCC 769***, wherein it was held, while placing reliance upon ***Jawajee Nagnatham v. Revenue Divisional Officer, Adilabad, (1994) 4 SCC 595*** and ***Krishi Utpadan Mandi Samiti v. Bipin Kumar, (2004) 2 SCC 283***, that market value under Section 23 of the 1894 Act cannot be determined solely on the basis of basic valuation registers, which are maintained not to reflect true market value but to curb undervaluation of land for stamp duty purposes. The Court held that circle rates and guideline values constitute only a prima facie basis for ascertaining market value, as their purpose is the protection of State revenue and

not the determination of actual market value. Relying further upon **R. Sai Bharathi v. J. Jayalalitha, (2004) 2 SCC 9**, the Hon'ble Apex Court reiterated that such rates are neither final nor determinative, and it remains open to any person to establish the actual market value of the land before the competent 'Authority'. The relevant paragraphs of **U.P. Jal Nigam Lucknow's case** (supra) and **Lal Chand's case** (supra) are extracted hereunder:-

U.P. Jal Nigam Lucknow's case

*"5. This Court in **Jawajee Nagnatham v. Revenue Divisional Officer, Allahabad, A.P., (1994) 4 SCC 595**, had considered whether market value of the acquired land would be determining on the basis of basic valuation register maintained by the Collector for the purpose of levy of stamp duty under the Stamp Act and the method of valuation on that basis is valid in law. This question was considered in extenso in the context of the power of the State under Section 47A of the Stamp Act to fix the basic valuation for stamp duty. After elaborate survey of the amendment made by the State legislature by local amendment to the Stamps Act under Section 47A, this Court had held that the market value shall be determined only on the basis of the evidence adduced by the claimant and in rebuttal thereof by the State, as to the prevailing market value of that particular land. The basic valuation is only for the purpose of collecting the stamp duty and that, therefore, it cannot form foundation to determine the market value.*

*6. The finding of the Court that the concession that the market value determined by the Collector on the basis of basic valuation would be properly applied, is obviously illegal. Shri Gopal Subramaniam contended that the Government of U. P. had issued three different circulars accepting the position that the basic valuation would form basis for determination of the compensation under Section 23 (1) and that, therefore, the High Court was right in accepting the valuation made by the Collector and in directing to pay the compensation on that basis. After the judgment in Nagnathan's case (supra), the Division Bench of the High Court of Allahabad in **State of U.P. v. Shau Singh (1995 HVD Vol. 1 191)** held that the rates fixed for the collection of stamp duty cannot be relied upon to determine market value. Therefore, the instructions issued by the Government for determination of the market value on the basis of basic valuation register were held illegal. The Collector, therefore, was obviously wrong in determining the compensation under Section 23 (1) on the basis of prevailing rates in 1992 as per basic valuation circulars."*

Lal Chand's case

*"13. This Court in **Jawajee Nagnatham v. Revenue Divisional Officer 1994(3) R.R.R. 67 : [1994 (4) SCC 595]** and several cases following it, including **Land Acquisition Officer, Eluru v. Jasti Rohini 1995(2) R.R.R.***

199 : 1995(2) R.R.R. 205 : [1995 (1) SCC 717], U.P. Jal Nigam, Lucknow through its Chairman v. M/s. Kalra Properties (P) Ltd. Lucknow [1996 (3) SCC 124] and Krishi Utpadan Mandi Samiti Sahaswan v. Bipin Kumar 2004(1) RCR (Civil) 720 : [2004 (2) SCC 283] held that market value under section 23 of LA Act cannot be fixed on the basis of the rates mentioned in the Basic Valuation Registers' maintained for the purpose of detection of undervaluation and collection of proper stamp duty.

13.1) In *Jawajee Nagnatham*, the land owners had appealed to the Andhra Pradesh High Court against the order of Reference Court, claiming increase, relying up on the market value entered in the Basic Valuation Register maintained by the Revenue Authorities under the Stamp Act. The High Court rejected the claim based on the Basic Valuation Register, as such Register had no evidentiary value or statutory basis. In appeals by the land owners, this Court held that the Basic Valuation Register was maintained for the purpose of collecting stamp duty under Section 47A of the Indian Stamp Act, 1899 (as amended in Andhra Pradesh); that Section 47A conferred no express power to the Government to determine the market value of the lands prevailing in a particular area, village, block, district or region and to maintain Basic Valuation Register for levy of stamp duty in regard to instruments presented for registration; that there was no other statutory provision or rule having statutory force providing for maintaining such Valuation Register; and therefore, such Register prepared and maintained for the purpose of collecting stamp duty had no statutory base or force and cannot form the basis to determine the market value of any acquired land under Section 23 of the LA Act. *Jasti Rohini* also arose from Andhra Pradesh and followed *Jawajee Naganatham* and held that the Basic Valuation Register had no statutory basis.

13.2) The case of *U.P. Jal Nigam* arose from Uttara Pradesh. In that case, the land owner filed a writ petition seeking a direction to U.P. Jal Nigam to pay compensation in regard to lands acquired on the basis of market value assessed by the Collector, Lucknow. The High Court allowed the petition and directed the U.P. Jal Nigam to pay compensation at the rate determined by the Collector, on the basis of the basic valuation circulars issued for purposes of stamp duty. This Court reversed the decision of the High Court following its earlier decision in *Jawajee Naganatham* and held that the Collector committed an error in determining the market value on the basis of Basic Value Circulars. *Jawajee Naganatham* was again followed in *Bipin Kumar*, which is another case from Uttar Pradesh.

13.3) All the four decisions rejected the value entered in the Basic Valuation Registers, on the ground that they had no statutory basis having regard to the provisions of stamp law applicable in the respective States (Andhra Pradesh and Uttar Pradesh) and cannot be the basis for determination of market value under Section 23 of LA Act.

14. There are also another set of decisions considering such circle rates could be considered as *prima facie* basis, for purposes of ascertaining the market value and determining whether there was any undervaluation of the instrument for purposes of stamp duty, which is a revenue collection exercise. We may refer to one of those cases, that is **Ramesh Chand Bansal v. District Magistrate/Collector, Ghaziabad [1999 (5) SCC 62]**, wherein this Court held :

"Reading Section 47A with the aforesaid R. 340-A it is clear that the circle rate fixed by the Collector is not final but is only a prima facie determination of rate of an area concerned only to give guidance to the Registering Authority to test prima facie whether the instrument has properly described the value of the property. The circle rate under this Rule is neither final for the authority nor to one subjected to pay the stamp duty. So far sub-sections (1) and (2) it is very limited in its application as it only directs the Registering Authority to refer to the Collector for determination in case property is under-valued in such instrument. The circle rate does not take away the right of such person to show that the property in question is correctly valued as he gets an opportunity in case of under-valuation to prove it before the Collector after reference is made."

15. In **R. Sai Bharathi v. J. Jayalalitha [2004 (2) SCC 9]**, while examining the issue in the context of a case relating to disproportionate assets, this Court held :

"The guideline value is a rate fixed by authorities under the Stamp Act for purposes of determining the true market value of the property disclosed in an instrument requiring payment of stamp duty. Thus the guideline value fixed is not final but only a prima facie rate prevailing in an area. It is open to the registering authority as well as the person seeking registration to prove the actual market value of property. The authorities cannot regard the guideline valuation as the last word on the subject of market value. x x x This scheme of the enactment and the Rules contemplate that guideline value will only afford a prima facie basis to ascertain the true or correct market value. Undue emphasis on the guideline value without reference to the setting in which it is to be viewed will obscure the issue for consideration. It is clear, therefore, that guideline value is not sacrosanct as urged on behalf of the appellants, but only a factor to be taken note of, if at all available in respect of an area in which the property transferred lie."

[16.2] In view of the above, the Collector rate under Clause (a) of Section 26(1) can, at best, serve as a guiding factor for the 'Authority' or the Court in determining market value. It is a minimum base price fixed for revenue purposes and cannot be elevated to the status of a determinative standard of assessing the true market value. Binding the 'Authority' or the Court to such a rate would be contrary to settled law and inconsistent with the object of the 2013 Act to ensure just and fair compensation to the landowner.

II. SALE DEEDS AS IMPERFECT INDICATORS: CLAUSE (B)

[17] Clause (b) of Section 26(1) of the 2013 Act prescribes the average sale price of similar types of land situated in the nearest

village or vicinity as a parameter for determination of market value. Binding the 'Authority' or the Court to this parameter is equally problematic. The market value of acquired land must be determined on the basis of the price that a willing purchaser would pay to a willing seller in an open market. Further, as held by the Hon'ble Apex Court in ***Horrnal v. State of Haryana, 2024(4) RCR(Civil) 758*** that where multiple sale instances are available on record, it is the highest sale instance that must form the basis for determination of market value, as the landowner is entitled to the best price his land could have fetched at the time of acquisition. The rationale is that a willing seller in an open market would naturally seek the best available price, and a landowner compulsorily deprived of his land cannot be placed in a worse position than such a seller.

[17.1] This Court is not oblivious to the fact that averaging of sale instances is even permissible, but as held in ***Anjani Molu Dessai v. State of Goa, (2010) 13 SCC 710***, recourse to averaging is justified only where the sale consideration reflected in the available sale deeds fall within a narrow bandwidth. The Hon'ble Apex Court in ***Sri Rani M. Vijayalakshmanna Rao Bahadur v. Collector of Madras 1969(1) MLJ 45***, reiterated that where sale deeds pertaining to various transactions are relied upon, the sale instance reflecting the highest value must be preferred, unless there exist strong circumstances justifying a departure therefrom. The relevant observations of the Hon'ble Supreme Court in ***Anjani Molu Dessai*** (supra) and ***Sri Rani M. Vijayalakshmanna Rao Bahadur*** (supra) are reproduced hereinbelow:-

Anjani Molu Dessai’s case

“13. The legal position is that even where there are several exemplars with reference to similar lands, usually the highest of the exemplars, which is a bona fide transaction, will be considered. Where however there are several sales of similar lands whose prices range in a narrow bandwidth, the average thereof can be taken, as representing the market price. But where the values disclosed in respect of two sales are markedly different, it can only lead to an inference that they are with reference to dissimilar lands or that the lower value sale is on account of under-valuation or other price depressing reasons. Consequently averaging can not be resorted to. We may refer to two decisions of this Court in this behalf.”

Sri Rani M. Vijayalakshmanna Rao Bahadur’s case

“2. It seems to us that there is substance in the first contention of Mr Ram Reddy. After all when land is being compulsorily taken away from a person he is entitled to say that he should be given the highest value which similar land in the locality is shown to have fetched in a bona fide transaction entered into between a willing purchaser and a willing seller near about the time of the acquisition. It is not disputed that the transaction represented by Ex. Rule 19 was a few months prior to the notification under Section 4, that it was a bona fide transaction and that it was entered into between a willing purchaser and a willing seller. The land comprised in the sale deed is 11 grounds and was sold at Rs. 1951 per ground. The land covered by Rule 27 was also sold before the notification but after the land comprised in Ex. Rule 19 was sold. It is true that this land was sold at Rs. 1096 per ground. This, however, is apparently because of two circumstances. One is that betterment levy at Rs. 500 per ground had to be paid by the vendee and the other that the land comprised in it is very much more extensive, that is about 93 grounds or so. **Whatever that may be, it seems to us to be only fair that where sale deeds pertaining to different transactions are relied on behalf of the Government, that representing the highest value should be preferred to the rest unless there are strong circumstances justifying a different course. In any case we see no reason why an average of two sale deeds should have been taken in this case.**”

[17.2] Another difficulty with the parameter of average sale price under Clause (b) is that sale deeds are frequently executed at a consideration lower than the prevailing market price, often to reduce stamp duty liability, as recognized by the Hon'ble Apex Court in ***Haryana State Industrial Development Corporation v. Pran Sukh, (2010) 11 SCC 175***. Sale instances reflecting a lesser consideration are required to be scrutinized with greater caution, as they may represent distress sales, transactions between relatives, or deliberate

undervaluation. Therefore, taking average of available sale instances, without due scrutiny of their reliability and evidentiary worth, would not yield the true market value of the acquired land and cannot form a sound basis for determination of just compensation. It would be useful to reproduce the relevant portion of the **Pran Sukh's case** (supra), which reads as under:

*"17. In our view, the learned Single Judge did not commit any error by relying upon sale transaction Exhibit P1 for the purpose of fixing market value of the acquired land. Undisputedly, that sale transaction was between two corporate entities and the entire sale price was paid through bank drafts. It is also not in dispute that the land which was subject-matter of Exhibit P1 is situated at village Naharpur Kasan and is adjacent to the acquired land. The Corporation and the State Government did not adduce any evidence to prove that the land sold vide Exhibit P1 was over-valued with an oblique motive of helping the land owners to claim higher compensation. Therefore, we do not find any justification to discard or ignore sale deed Exhibit P1. The refusal of the learned Single Judge to rely upon other sale transactions in which sale price of the land was shown as Rs. 7 lakhs per acre **also does not suffer from any legal infirmity because its well-known that transactions involving transfer of properties are usually undervalued with a view to avoid payment of the requisite stamp duty and registration chargs.**"*

[17.3] Explanation 1 to Section 26(1) of the Act of 2013 restricts the consideration of sale deeds to those registered within the immediately preceding three years in the near village or vicinity. This restriction is not without difficulty. As recognized by the Division Bench of Hon'ble Kerala High Court in **K.C.Aleyas v. State of Kerala 2025 NCKERHC 8449**, if no sale deeds are available within this three-year window, Explanation 1 becomes unworkable and the Court must step in and apply the principle of guesstimation. Further, *in State of Kerala v. V.J.Mathew 2024 NCKERHC 31712* while interpretation Explanation 1, it was observed that if a sale deed beyond three years is beneficial to the claimant, it may be relied upon. The Legislature intended to adopt whichever criteria yields the highest

and most beneficial value to the claimant, and there was no absolute embargo on relying upon deeds beyond three years if they work in the landowner's favour. It is thus evident that although the question of law that falls for determination before this Court did not directly arise in the aforesaid judgments, various High Courts have nonetheless been expanding the scope of Section 26 beyond its literal terms, recognising its inherent inadequacies and interpreting it in consonance with the principles governing determination of market value under the 1894 ct. This is itself reflective of the fact that a strict and literal application of Explanation 1 to Section 26(1) is unworkable in practice. The relevant paragraphs of **K.C.Aleyas’ case** (supra) and **V.J.Mathew’s case** (supra) are extracted hereunder:-

K.C.Aleyas’ case

“.....However, we must note that the explanation to Section 26(1)(b) creates a statutory embargo on multiple points. While Explanation 1 provides that the sale deed or agreement of sale registered in the vicinity of the area during immediately preceding three years of the year to which the acquisition is proposed alone can be taken, Explanation 3 provides that the compensation paid for similar land under acquisition under this Act cannot be considered. This, according to us, is a substantial deviation from the procedure prescribed under the earlier Act. Our paramount consideration in these appeals is how far these restrictive covenants will impact the claim of the landowners. Though the wisdom of the legislature introducing the restrictive covenants may fall outside the scope of Judicial scrutiny, nevertheless, the courts can always step in to obliterate the difficulties faced by the landowners when faced with the land acquisition though such interference should be within the permissible limit.

13.4. As far as these appeals are concerned, we are required to consider the impact of the restrictions imposed by Explanations 1 and 3. We will deal with Explanation 1 first. Explanation 1 to Section 26(1)(a) provides that a document executed within a period of 3 years in relation to property in the near vicinity has to be considered for arriving at the market value. The said restrictive covenant will become unworkable if, in a given case, if there is no document executed in the

vicinity of the area during the preceding three years from the date of the acquisition. Therefore, we are inclined to think that Explanation 1 cannot apply in all circumstances, and in the absence of an exemplar, the court will have to step in and apply the principles of guesstimation.

V.J.Mathew's case

"15. Explanation 1 to Section 26(1) of Act 30 of 2013 states as follows:

Explanation 1.- The average sale price referred to in clause (b) shall be determined taking into account the sale deeds or the agreements to sell registered for similar type of area in the near village or near vicinity area during immediately preceding three years of the year in which such acquisition of land is proposed to be made.

16. This provision is advantageous for claimants. If the Collector is allowed to rely upon any sale deeds beyond three years, in normal course it may adversely affect the claimant as the presumption is that the market value escalates every year. See the Judgment of the Apex Court in G.M., Oil & Natural Gas Corporation Ltd. v. Rameshbhai Jivanbhai Patel & Anr. [(2008) 14 SCC 745]. Therefore, this being a beneficial provision, it has to be construed as a provision not to restrict any advantage if available to the claimant based on a deed prior to three years, but not to adversely affect a claimant by placing reliance on a deed beyond three years. If the provision is understood as above, there is no harm in placing reliance on a deed beyond three years if it is beneficial to the claimant. We make it clear that if it is not beneficial to the claimant, it cannot be relied upon. The Legislature, in fact, intended to adopt any criteria which is higher and beneficial to the claimant. Therefore, there is no embargo under the law in placing reliance on a deed beyond three years provided it is beneficial to the claimant."

[17.4] Explanation 2 to Section 26(1) of the Act of 2013 provides that for the purpose of determining the average sale price under Explanation 1, one-half of the total number of sale deeds reflecting the highest sale price shall be taken into account. This provision, read with Explanation 1, presents a further difficulty. The methodology of averaging sale deeds over a period of three years entirely fails to account for the appreciation in land value over time,

a factor expressly recognised by the Hon'ble Apex Court in ***G.M., Oil & Natural Gas Corporation Ltd. v. Rameshbhai Jivanbhai Patel & Anr. (2008) 14 SCC 745*** whereby it was held that market value escalates from year to year. This difficulty is particularly acute in areas experiencing rapid urban development, such as those situated in the vicinity of metropolitan cities or Union Territories; where land prices may escalate manifold within a very short span of time. In such cases, even a sale deed executed six months prior to the date of acquisition may not be reflective of the true market value prevailing at the time of notification of acquisition, let alone a deed executed two or three years earlier. A mechanical averaging of sale instances over the prescribed three-year period would therefore, inevitably result in a determination of market value that falls well below the true prevailing market value, an outcome that is directly contrary to the object of the Act of 2013 of ensuring just and fair compensation to the landowner.

[17.5] While this Court is mindful of the fact that Explanation 4 to Section 26(1) of the 2013 Act empowers the Collector to discount any price that, in his opinion, is not indicative of the actual prevailing market value for the purposes of calculating market value. While this provision appears, at first blush, to vest the Collector with a corrective discretion to weed out unreliable sale instances, however, a closer examination reveals that it does not cure the fundamental infirmities of the averaging methodology prescribed under Section 26(1)(b) of the 2013 Act. *First*, the discretion under Explanation 4 is entirely subjective, it is the

Collector's opinion that determines whether a price is indicative of actual prevailing market value or not. As discussed in preceding parts of this judgment, the Collector is an executive authority whose awards have consistently tended to undervalue the acquired land. It would be wholly unreliable to vest such a subjective discretion in the very authority whose determination the 2013 Act seeks to check and regulate. *Second*, Explanation 4 only empowers the Collector to discount prices that are not indicative of market value, it does not empower him to enhance or go beyond the three parameters prescribed under Section 26(1)(b). The Collector may thus discard unreliable sale instances but cannot look beyond the prescribed parameters to arrive at the true market value. The fundamental deficiency of the averaging methodology, its failure to account for appreciation, rapid escalation in prices near urban areas and the unique attributes of the acquired land, remains entirely unaddressed. *Third*, the practical effect of Explanation 4 is paradoxical and potentially harmful to the landowner. The Collector, in the exercise of his discretion under Explanation 4, may discount the highest-priced sale instances on the ground that they are not reflective of prevailing market value, thereby, reducing the average further and arriving at a figure that is even lower than what the strict application of Explanations 1 and 2 would have yielded. This further reinforces the view that the parameters under Section 26, including the discretion under Explanation 4, cannot be applied as a binding and exhaustive standard by the Authority or the Court.

[17.6] Explanation 3 to Section 26(1) prohibits placing reliance upon the 'price paid as compensation' in earlier acquisitions under the Act. As held by the Division Bench of Hon'ble Kerala High Court in case of **K.C.Aleyas** (supra), the word used in Explanation 3 is 'compensation' which, as noted in the preceding discussion, includes solatium, interest and several other statutory heads under Sections 27 and 28 of the 2013 Act, of which market value is only one component. Explanation 3 therefore, excludes only the total compensation amount and cannot be read as prohibiting reliance upon the 'market value'; fixed by the Reference Court or the High Court in earlier proceedings in the same village. Such a reading would amount to adding words to the statute, which is impermissible. Moreover, the State cannot accept the market value of land in the same village in earlier proceedings and thereafter deny the benefit of such value to a similarly situated landowner. Regardless of whether such proceedings were conducted under the 1894 Act or the 2013 Act; it would be violative of Article 14 of the Constitution, as recognized by Constitution Bench of the Hon'ble Apex Court in **Nagpur Improvement Trust v. Vithal Rao, (1973) 1 SCC 500** wherein it was held that that if two enactments enable the State for the acquisition of land and the state discriminates owners on the said basis, the owner who is discriminated can claim protection of Article 14.

[17.7] Therefore, binding the Authority or the Court strictly to the averaging methodology under Section 26(1) would invariably result in a determination of market value that falls below the true prevailing rate. It ignores appreciation in land value, disregards the unique attributes of the acquired land and excludes the application of principles that settled jurisprudence recognised as essential to a just and fair determination of market value. To bind the Authority or the Court to such a restrictive reading would be all the more impermissible, for unlike the Collector, the Authority and the Court exercise an independent adjudicatory jurisdiction and are duty bound to determine the true and fair market value of the acquired land on the basis of all material available.

III. ADJUDICATION CANNOT BE REDUCED TO A MERE MATHEMATICAL EXERCISE

[18] The discussion made hereinabove makes it clear that limiting the 'Authority' or the Court strictly to the parameters of Section 26 of the 2013 Act would be contrary to the well-established principles of land acquisition law, that is, the Courts do not possess a magic wand to determine the exact and the definitive value of the land and in the process of guess work, the Court would rely upon every possible material brought on record by the parties. The Hon'ble Apex Court in ***Bharat Petroleum Corpn. Ltd. v. Phoolvati Dharambir Agarwal, 2023 SCC Online SC 2162***, expressly held that Courts must apply the principle of guesstimate for fixation of just and fair market value of acquired land, thereby acknowledging that no mathematical formula can yield a precise answer. In ***Madhya Pradesh Road Development Corporation v. Vincent Daniel and***

Others 2025(7) SCC 798, the Hon'ble Apex Court further recognized that a given parcel of land is not a one-dimensional commodity, it carries social, economic, territorial and environmental attributes, each of which bears upon its market value. The Court accordingly held that market value must be computed through an attribute-based valuation model rather than fixed prices. The relevant paragraphs of **Bharat Petroleum Corpn. Ltd's case** (supra) and **Vincent Daniel's case** (supra) are extracted hereunder:-

Bharat Petroleum Corpn. Ltd's case

*"20. Adverting to the observations made by the High Court in Para 21 of the impugned Judgment or the conclusion drawn in Para 23 thereof regarding the market value of Rs.4,00,000/- per ground, it appears to us that there is no credible evidence led by the respondent - claimants to establish the said market value of the appropriated land. **True it is that where multiple exemplars are relied upon, and such exemplars relate to adjoining or nearby areas having similar potentiality, the highest bona fide exemplar ought to be the benchmark for estimation of the fair and just value. It is equally true that the Courts do not possess a magic wand to determine the exact and the definitive value of the land and in the process of guess work, the Court would rely upon every possible material brought on record by the parties.** Applying the principle of guesstimate for fixation of fair and just market value of the acquired land, we thus deem it appropriate to rely upon (i) the sale instance(s) of highest consideration with appropriate deduction; (ii) the valuation report (Exhibit "C35") which stipulates the fair market value of the land @ Rs.2,50,000/- per ground; and (iii) the average of all the exemplars relied upon by the respondent-claimants. Hence, we are of the firm opinion that the fair and just market value of the acquired land at the relevant time was about Rs.2,50,000/- per ground. Having held so, we set aside the deductions of 15% towards largeness of the area or 10% as development charges as made by the High Court. Once it has been found as a matter of fact that the entire piece of land is developed and is being already used for industrial or commercial purposes, it is illogical to impose any further cut towards development charges. Suffice to say that, it is not the case of the appellant-BPCL that any part of the land has gone into waste or is not capable to utilization. Rather, the location of the land clearly establishes its potentiality to be utilized for the purpose for which it has been acquired."*

Vincent Daniel's case

"7. The theory of deduction was applied in the case of Tribeni Devi (supra), which was decided in 1971. Recently, in a 2017 decision in Jag Mahender and Another v. State of Haryana and Others, (2017) SCC Online SC 2160 as well, the theory of deduction was applied to arrive at a fair and

*reasonable market value. This judgment also states that the prospective prices of smaller developed plots cannot be adopted to determine the value of underdeveloped tracts of land. **Further, the peculiarities of the land-whether the same is plain or uneven, the soil is soft or hard, whether the land is situated on a hill or is low-lying, etc. are all relevant factors. A given parcel of land has multiple dimensions-social, economic, territorial, and environmental. Accordingly, the market value must be computed through a valuation model based on attribute pricing rather than fixed prices. In some cases, sale deeds for adjoining lands can be an 'exemplar', i.e., lands that are similarly placed and have comparable attributes. However, computation of the market value may require calibration, taking into consideration the advantages and disadvantages of the acquired land relative to the exemplars.** The exemplars must be carefully chosen, especially as . lands are often heuristically grouped in localities at the same rate due to a lack of specific data."*

[18.1] In case the strict application of the parameters laid down under Section 26 of the 2013 Act are to be followed by the 'Authority' or Court as well at the time of adjudicating upon the application filed under Section 64 of the 2013 Act at the instance of landowner(s), the entire adjudicatory process would be reduced to merely a ministerial exercise of procuring figures from documents and performing arithmetical calculations; the landowner would, in effect, be deprived of any meaningful opportunity to place material on record and make a substantive representation as to the true market value of the acquired land; which is apparently neither the intent of the legislature nor a conclusion that can be drawn from a conjoint reading of Section 26 read with Section 64 of the 2013 Act.

[18.2] Further, the Hon'ble Apex Court in ***Vincent Daniel's case*** held that even the Collector, while applying the parameters under Section 26 of the 2013 Act is required to factor in the theory of deductions, the principle of belting and other material considerations, recognising that the calculation of accurate market value is not an exact science and that the mandatory procedure under Clauses (a)

and (c) of Section 26(1) does not account for the unique factors that affect land valuation. It is evident that the Courts are conscious of the fact that even the Collector, who is merely an executive authority making an award at the first instance, is not bound to apply Section 26 of the 2013 Act mechanically and is required to go beyond its parameters to arrive at an accurate market value, thus it would be wholly incongruous to hold that the ‘Authority’ or the Court, which exercises an independent and wider adjudicatory jurisdiction, is strictly bound by the said parameters.

[18.3] Moreover, such an interpretation would also render obsolete the well-settled jurisprudence permitting the ‘Authority’ or the Court to rely upon various other indicators of market value beyond the parameters of Section 26, including allotment letters (*Manilal Shamalbhai Patel v. Officer on Special Duty (Land Acquisition) 2025(2) RCR(Civil) 413*), auction rates (*Karnataka Housing Board v. Land Acquisition Officer (2011) 2 SCC 246*), and previous awards, which were held to carry the same evidentiary value as sale exemplars (*Manoj Kumar v. State of Haryana (2018) 13 SCC 96*). Since it is evident that land valuation is influenced by a wide range of variables, each specific to the land in question, no single uniform approach can yield an accurate market value in all cases. An interpretation that negates decades of developed jurisprudence under the 1894 Act is impermissible, more so when the 2013 Act was brought into force to strengthen and improve upon the framework for just compensation and not to curtail it. The ‘Authority’ and the Courts must remain cognizant of this reality, both in giving meaning to the

relevant provisions and in the exercise of their adjudicatory jurisdiction.

THE 2013 ACT AS A BENEFICIAL LEGISLATION: RULE OF LIBERAL CONSTRUCTION

[19] The 2013 Act is a welfare legislation. It is not only an improved version of the 1894 Act but also meant to provide more benefits while ensuring a robust mechanism for awarding just and fair compensation to the landowners. In ***Delhi Development Authority v. Virender Lal Bahri (2020) 15 SCC 328***, the Hon'ble Apex Court held that the 2013 Act, being a beneficial legislation, must be construed in a manner that furthers its object of ensuring just and fair compensation to landowners and of effecting land acquisition in a humane fashion with the least disturbance to the owners. The Court further held that where two interpretations are possible, the one that accords with the beneficial object of the legislation must be preferred. The relevant portions of the judgments in ***Virender Lal Bahri's case*** (supra) are set out hereinbelow for ease of reference:

*“15. We must not forget that we are dealing with a beneficial legislation. The Preamble which has been referred to casts light on the object sought to be subserved by the 2013 Act in general, as well as by Section 24. We have already seen that land acquisition is to take place in a humane fashion, with the least disturbance to the owners of the land, as also, to provide just and fair compensation to affected persons. Viewed in the light of the Preamble, this legislation, being a beneficial legislation, must be construed in a way which furthers its purpose [see *Eera (through Dr. Manjula Krippendorf) v. State (NCT of Delhi) and Anr., (2017) 15 SCC 133* at paragraphs 106, 128, 129, and 131]. On the assumption, therefore, that two views are possible, the view which accords with the beneficial object sought to be achieved by the legislation, is obviously the preferred view.”*

[19.1] The Hon'ble Apex Court in *Union of India v. Prabhakaran Vijaya Kumar, (2008) 9 SCC 527*, reiterated that welfare statutes must be given a broad and liberal interpretation. Where two constructions are possible, the one consonant with the object of the Act and beneficial to those for whom the legislation was enacted must be adopted. A purposive construction that gives effect to the legislative intent is to be preferred over a literal one, and semantic or etymological considerations must not be permitted to defeat the object of a beneficial enactment.

[19.2] In such circumstances, where landowners aggrieved of compulsory acquisition approach the 'Authority' under Section 64 of the 2013 Act seeking just and fair compensation, the 'Authority' or the Court is duty bound to take into consideration all material placed on record by the aggrieved landowners and cannot be restricted to the parameters laid down under Section 26 of the 2013 Act. Since the 2013 Act is a beneficial legislation, an interpretation that restricts the 'Authority' or the Court to the parameters of Section 26 of the 2013 Act would defeat its very objective by depriving the adjudicatory forum of the power to award just and fair compensation to the landowner and cannot, therefore, be accepted.

CONCLUSION

[20] This Court is, therefore, of the considered opinion that the criteria prescribed under Section 26 of the 2013 Act can serve only as guiding factors for the 'Authority' or the Court in the determination of market value and cannot be elevated to the status of binding parameters that circumscribe their jurisdiction. In view of the

detailed discussion made hereinabove, Section 26 of the 2013 Act prescribes the methodology for determination of market value exclusively for the Collector which does not extend to or bind the 'Authority' or the Court. The 'Authority' or the Court, while adjudicating upon a reference under Section 64 of the 2013 Act, retain full and independent power to assess the market value on the basis of all material placed on record and are not confined to the parameters prescribed under Section 26. The question of law is answered accordingly.

FACTUAL ANALYSIS

[20] In the present case(s), the appellant(s)-landowner(s) produced on record the following eight sale instances in order to substantiate their claim towards enhancement of market value:-

<u>Sr. No</u>	<u>Exhibit</u>	<u>Sale Deed No.</u>	<u>Date</u>	<u>Revenue Estate Village</u>	<u>Area</u>	<u>Value In Rs. Per Sq. Yard</u>
1.	P2	1716	25.02.2008	Barara	302.5 sq. yards (10 m)	Rs.1000/-
2.	P3	1852	28.03.2008	Barara	153.33 sq. yards (0.06 m)	Rs.1000/-
3.	PA	2028	25.03.2009	Barara	181.5 sq. yards (6 m)	Rs.1002.70
4.	PB	902	22.09.2009	Barara	181.5 sq. yards (6 m)	Rs.1002.70
5.	PC	1571	23.11.2010	Barara	153.33 sq. yards (5 m)	Rs.1206.50
6.	PD	227	28.04.2011	Barara	180 sq. yards (6 m)	Rs.1555.50
7.	P4	284	13.05.2010	Barara	400 sq. yards (13 m)	Rs.1200/-
8.	P5	185	19.04.2012	Barara	876 sq. yards (29 m)	Rs.1803/-

[21] A perusal of the record shows that from a comparative analysis of the land details provided under the award dated 13.10.2014 passed by the LAC as well as the aforementioned sale

instances, it is evident that the land parcels forming part of such sale deeds are in fact, part of the acquired land itself, except the sale instance dated 19.04.2012 (Exhibit P-5) which pertains to land forming part of Rectangle No. 48, Killa No. 5 and that too is just abutting the acquired land parcel as per the site plan (Exhibit P-1) produced on record by the appellant(s)-landowner(s), this fact has not been seriously disputed or denied by the respondent(s). Further, the site plan (Exhibit P-1) shows that the acquired land, being surrounded by commercial establishments, carries locational advantage and potential for residential and commercial use, besides the fact that all the sale instances which are part of the acquired land pertain to small parcels itself shows that it carried potential for being used as residential/commercial.

[21.1] In such circumstances, all the aforementioned sale exemplars pertaining to the same revenue estate of Village Barara, District Ambala need to be relied upon for the purpose of assessing the market value of the case(s) in hand. However, in the humble opinion of this Court, no merit can be found in the contention that the sale instances Exhibits R-1 and R-2 produced by the respondents deserve consideration for the purpose of determining the market value in the present case(s), as the land parcels forming part thereof are situated at a substantial distance from the acquired land.

[22] Keeping in view the fact that the value of sale consideration reflected in the sale instances produced by the appellant(s)-landowner(s) are closely range-bound between Rs.1000/- per sq. yard to Rs. 1810/- per sq. yard, this Court is of the

opinion that taking the average of the eight sale instances would be the most appropriate way to determine the market price in the case(s) in hand. The aforesaid view is also derived from decision of the Hon'ble Apex Court in case of **Bharat Petroleum Corpn. Ltd.'s case** (supra), whereby it was held that the Courts can deviate from the general principle of taking the highest sale instance by taking average of the sale deed(s) and the same would depend upon the facts of the case. The relevant portions of paragraphs 17 and 20 are extracted hereinbelow:-

*"17. We may also hasten to add that though the general practice is of considering the highest sale Exemplar, but, many a time, Courts take an average of relevant sale instances to arrive at the nearest possible market value of the acquired land. Averaging of sale instances, as per judicial precedents, is not wholly impermissible.....
.....True it is that where multiple exemplars are relied upon, and such exemplars relate to adjoining or nearby areas having similar potentiality, the highest bona fide exemplar ought to be the benchmark for estimation of the fair and just value. It is equally true that the Courts do not possess a magic wand to determine the exact and the definitive value of the land and in the process of guess work, the Court would rely upon every possible material brought on record by the parties. Applying the principle of guesstimate for fixation of fair and just market value of the acquired land, we thus deem it appropriate to rely upon (i) the sale instance(s) of highest consideration with appropriate deduction; (ii) the valuation report (Exhibit "C35") which stipulates the fair market value of the land @ Rs.2,50,000/- per ground; and (iii) the average of all the exemplars relied upon by the respondent-claimants. Hence, we are of the firm opinion that the fair and just market value of the acquired land at the relevant time was about Rs.2,50,000/- per ground. Having held so, we set aside the deductions of 15% towards largeness of the area or 10% as development charges as made by the High Court....."*

[22.1] Further, Hon'ble Apex Court in case of **Anjani Molu Dessai** (supra) and **Hormal** (supra) held that where there are several sale instances of similar nature of land with prices ranging in a narrow bandwidth, the average thereof can be taken as

representing the market price. The relevant extract of **Horrmal’s case** (*supra*) is extracted hereunder:-

“28. This view has been reiterated in **Sh. Himmat Singh v. State of M.P., (2013) 16 SCC 392** where a three-judge bench of this Court consolidated various precedents to affirm that in circumstances where there are multiple sale deeds available for consideration, the Court shall rely on the highest valued exemplars unless the prices fall within a narrow range, in which case calculating an average of the values therein may be more congruous.”

[22.2] Accordingly, for award of just and fair compensation to the landowners and taking into account the peculiar circumstances of the case(s) in hand, this Court deems it appropriate to take the average of multiple sale deeds produced on record by the appellant(s)-landowner(s) before this Court for determining the market value in the present case(s).

[23] It may be noticed here that on account of the time gap between the respective dates of the sale instances and the date of the notification under Section 4 of the 1894 Act in the case(s) at hand, as such, an appreciation at the rate of 12% per annum needs to be applied over the base price derived from such sale instances. Pertinently, no appreciation is required to be applied over the base price derived from the sale instance Ex.P-5 as the time gap between the said sale instance dated 19.04.2012 upto the date of notification under Section 4 of the 1894 Act in the case(s) in hand is merely 14 days. Applying the same, the average value comes to Rs.1520/- per sq. yard as per calculation made hereunder:-

Exhibit / Date of Execution of sale deed (1)	Rate Per Sq. Yard (Rs.) (2)	Section 4 Notification Date (3)	Time Period Between Execution & Notification (4)	Interest Rate (5)	Interest Amount (Rs.) (6)	Amount after appreciation (2+6) (Rs.) (7)
P-2/ 25.02.2008	1000/-	03.05.2012	4 Years 2 Months 8 Days	12%	503/-	1,503.00

P-3/ 28.03.2008	1000/-	03.05.2012	4 Years 1 Month 5 Days	12%	492/-	1,492 .00
P-A/ 25.03.2009	1002.70	03.05.2012	3 Years 1 Month 8 Days	12%	374/-	1,377 .00
P-B/ 22.09.2009	1002.70	03.05.2012	2 Years 7 Months 11 Days	12%	314/-	1,317.00
P-C/ 23.11.2010	1206.50	03.05.2012	1 Year 5 Months 10 Days	12%	209/-	1,416.00
P-D/ 28.04.2011	1555.50	03.05.2012	1 Year 0 Month 5 Days	12%	190/-	1,745.00
P-4/ 13.05.2010	1200/-	03.05.2012	1 Year 11 Months 20 Days	12%	284/-	1,484.00
P-5/ 19.04.2012	1803/-	03.05.2012	0 Year 0 Month 14 Days	--	--	1,803.00
		03.05.2012	Total			12137.00
	Average of sale deeds		12137 ÷ 8			1,517.13.
	Net amount					1,520.00 (Round Off)

[24] However, taking into account the fact that the acquisition in the present case relates to an area measuring 20 acres 6 Kanal 15 Yardss, whereas the total area reflected in the sale instances produced by appellant(s)-landowner(s) is approximately 4 kanals only, a cut of 60% would suffice towards smallness of area involved therein. Applying the same over the value derived from the average of the sale instances produced by appellant(s)-landowner(s) comes to Rs. 608/- per sq. yard. [(1520 – 912 = 608)].

[25] Furthermore, 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 public purpose, namely “Construction of Mini Secretariat for Sub Division, Barara” and the respondent(s)-State did not suffer any loss of land nor did it incur any cost towards providing of additional infrastructural amenities.

[26] Also, it is not in dispute that neither any cross-appeal nor cross-objections were filed at the instance of respondent(s)-State of Haryana, assailing the award(s) passed by the learned Reference

Court. Consequently, the findings regarding the application of a factor of 1.5 by the learned Reference Court have attained finality.

DECISION

[27] In view of the aforesaid discussion, impugned award dated 02.08.2024 passed by the learned Reference Court is modified and the appellant(s)-landowner(s) are held entitled for award of market value at the rate of **Rs. 608 per sq. yard**. The 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.

[28] 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.

[29] All the appeals are **disposed off** accordingly.

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

May 12, 2026

'dk kamra'

**(HARKESH MANUJA)
JUDGE**

Whether Speaking / Reasoned :	Yes	
Whether Reportable :	Yes	