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CWP-19799-2023 & CWP-8072-2024

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

1. **CWP-19799-2023**

Reserved on: 10.02.2025 Date of decision: 20.03.2025

SOHAN LAL AND OTHERS

...Petitioners

Versus

UNION OF INDIA AND OTHERS

...Respondents

2. **CWP-8072-2024**

DHURENDER AND OTHERS

...Petitioner

Versus

UNION OF INDIA AND OTHERS

...Respondents

CORAM: HON'BLE MR. JUSTICE SURESHWAR THAKUR HON'BLE MR. JUSTICE VIKAS SURI

Argued by: Mr. Shailendra Jain, Senior Advocate with

Ms. Richa Sharma, Advocate

for the petitioners (in CWP-19799-2023).

Mr. Abhilaksh Grover, Advocate and

Ms. Nandini Gupta, Advocate

for the petitioner (in CWP-8072-2024).

Mr. Satya Pal Jain, Additional Solicitor General of India with Mr. Dheeraj Jain, Senior Panel Counsel, for respondent No.1 (in CWP-19799-2023).

Mr. Maninder Singh, Advocate as Amicus Curiae assisted by

Mr. Maninderjit Singh Bedi, Advocate

Mr. Ankur Mittal, Advocate as Amicus Curiae assisted by

Mr. P.P. Chahar, Advocate,

Mr. Saurabh Mago, Advocate,

Ms. Svaneel Jaswal, Advocate

Ms. Kushaldeep Kaur, Advocate

Mr. Karan Gupta, Advocate

Mr. Prince Goyal, Advocate

Ms. Saanvi Singla, Advocate

Mr. Sakal Sekri, Advocate and

Mr. Siddhanth Arora, Advocate



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Ms. Geeta Singhwal, Senior Panel Counsel with Mr. M.L. Singhwal, Advocate for respondent No.1 (in CWP-8072-2024).

Mr. Sanjeev Sharma, Senior Advocate with Dr. Puneet Kaur Sekhon, Advocate and Mr. Vivek Dahiya, Advocate for respondent No.3 (in CWP-19799-2023).

SURESHWAR THAKUR, J.

1. Since a common question of law is involved in both the writ petitions, therebys both the writ petitions are amenable to become decided through a common verdict.

For the sake of brevity the facts are taken from CWP-19799-2023

- 2. Through the instant writ petition, the petitioner has prayed for the issuance of a writ in the nature of mandamus, thus directing the respondents to award statutory benefit of solatium @ 30% and interest @ 9% and 15% akin to Section 23(2) and 28 of the Land Acquisition Act, 1894 (hereinafter referred to as 'the Act of 1894'), upon the market values quantified by the respondent No.2 vide its award No.1/H dated 30.04.2012 (Annexure P-1), in lieu of the compulsory acquisition of the lands of the petitioners by the respondents, whereovers, the respondents assumed possession on 30.04.2012, in the light of the ratio of the judgment passed by this Court, on 12.04.2023 in LPA No.4965 of 2018, titled 'National Highway Authority of India V. Resham Singh and others'.
- 3. A further prayer is made for the issuance of a writ of Certiorari, therebys declaring Section 3G of the National Highways Act, 1956 (hereinafter referred to as 'the Act of 1956') as unconstitutional,



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being in violation of Article 14 of the Constitution of India. It is further prayed that Section 3J of the Act of 1956 being struck down.

- 4. Vide Notification No.S.O. 3035(E) dated 27.11.2009 issued under Section 3-A(1) of the Act of 1956, the respondent No.1 notified for compulsory acquisition the petitioners' land, being part of 955 kanals 16 Marlas, situated within the revenue estate of Tehsil Hansi, District Hisar. The said notification was for achieving a public purpose, namely, for building (widening/ four-laning etc.) maintenance, management and operation of National Highway No.10, on the stretch of land from 119.850 km to 170.00 km (Rohtak-Hisar section) in District Hisar. The same was followed by the making of a declaration, vide notification No.S.O 1470(E) dated 19.08.2010 under Section 3(D)(1) of the said Act of 1956.
- 5. Respondent No.2 announced award No.1/H dated 30.04.2012 (Annexure P-1) under Section 3G of the said Act of 1956, for quantification of market value of the above said lands of the petitioners, at abysmally low rates of Rs.25 lacs per acre for all kinds of lands, by failing to award any of the statutory benefits on the lines, akin to Section 23(2) and 28 of the Act of 1894, on the dictum of the judgment rendered in 'M/s Golden Iron and Steel Forgings V. Union Of India and Others' reported in 2011 (4) R.C.R. (Civil) 375, wherebys the therein assailed award was declared to be suffering from a patent illegality, relevant paragraph whereof becomes extracted hereinafter.

"The statutory benefits available under the Land Acquisition Act, 1894, by virtue of the above said provisions, are also to be granted to the land losers/landowners, whose land has



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been acquired under the National Highways Act, 1956 and a refusal of the same or not making available the said benefits to them, suffer from the vice of discrimination and violation of the provisions of the Article 14 of the Constitution of India."

- 6. The petitioners being dissatisfied from the award passed by respondent No.2, also filed their respective applications under Section 3-G(5) of the Act of 1956, wherebys they claimed enhancement of compensation awarded by the respondent No.2 along with consequential thereto benefits and interest, thus on grounds analogous to the ones engrafted in Section 23(2) and 28 of the Act of 1894. However, vide main award dated 04.05.2016 (Annexure P-2) passed, in Petition No.149 of 2012 titled as 'Ishwar Singh (now deceased) V/s National Highway Authority of India etc.', thus by the Ld. Additional Deputy Commissioner-cum-Arbitrator, who became so appointed by respondent No.1 under Section 3-G(5) of the Act of 1956, rather an order of dismissal was passed on the said applications.
- 7. Petitioner No.1 also served a notice for demand of justice upon the respondents, wherebys they espoused for the grant of statutory benefits akin to solatium, additional amount and interest, as available under Section 23(2), 23(1A) and 28 of the Act of 1894, for the acquired lands, on the dictum of *M/s Golden Iron & Steel Forgings case (supra)*, but since no affirmative action was drawn on the said issued notice, thereupons the petitioners filed CWP No.30123 of 2018, which however became dismissed *in limini* in terms of the detailed order of even date (Annexure P-3) passed in CWP No.12445 of 2018 titled as '*Umed Singh*



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& Others V/s National Highways Authority of India & Others', the relevant paragraph whereof becomes extracted hereinafter.

"Petitioners seek the statutory benefits as per the judgment of the Division Bench in M/s Golden Iron & Steel Forgings Vs. Union of India & others 2011 (4) RCR (Civil) 375. It is the case of the petitioners themselves, as per para No.4 of the affidavit now placed on record that they have already filed objections under Section 34 of the Arbitration & Conciliation Act, 1996, before the District Judge, whereby the award (Annexure P-3) itself is subject matter of challenge. The relevant para reads as under:

"4. That against the said award dated 04.05.2016 (Annexure P-3) passed by respondent No.3, landowner/claimants filed their objections/applications under section 34 of the Arbitration and Conciliation Act, 1996 (as amended upto date) seeking setting aside of the said award, dismissing their claim petitions for enhancement of compensation. In those objections/applications, the objectors/petitioners also raised the plea qua non award of the statutory benefits by the respondents No.3 and 4 in their respective awards, towards 1) Solatium under section 34 (2) of the said Act, which is 30% of the market value; 2) Interest under section 28 of the said Act, which is 9% or 15% as applicable; 3) Additional Market Value as provided under section 23 (1A) of the said Act (12%). The said objections/applications of the respective petitioners are pending before the Ld. Principal Civil Court of ordinary jurisdiction."

In such circumstances, filing of the present writ petitions before this Court is misconceived as a party cannot be permitted to avail two remedies against the same order at the same time. In similar circumstances, this Court in CWP-29431-2017 titled Phool Singh Vs. National Highway Authority of India & others, decided on 12.03.2018, has declined to entertain the writ petitions on the ground of alternative remedy being available, in view of the law laid down in United Bank of India Vs. Satyawati Tondon and



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others, 2010 (8) SCC 110 on the principles of alternative remedy, which view has further been fortified in Authorized Officer, State Bank of Travancore & another Vs. Mathew K.C. 2018 (3) SCC 85. It is also to be noticed that in Phool Singh's case (supra), the award had been set aside twice by the District Judge and in such circumstances, the parties were relegated to their alternative remedy, which had already been preferred earlier.

In the present case, the matter is still pending before the District Judge and the petitioners have chosen to avail the remedy before this Court, which, on the face of it, would not be maintainable. Accordingly, in view of the above discussion, the present writ petitions are dismissed in limine."

- 8. A reading of the above extracted verdict reveals, that the said writ was not decided on merits, but the said writ petition was dismissed as being not maintainable, especially in view of a *subjudice* petition before the learned District Judge concerned. Therefore, the (supra) verdict naturally does not encapsulate therein any binding *ratio decidendi* which may support the arguments addressed before this Court by the learned counsel for the respondents.
- 9. Petitioner No.1 also filed thereagainst LPA No.140 of 2019, which was dismissed as withdrawn vide order dated 24.01.2019 (Annexure P-4), wherebys Annexure P-3 acquired conclusivity.
- 10. In the meanwhile, the petitioners had filed an Arbitration Petition, under Section 34 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the Conciliation Act') along with an application under Section 5 of the Limitation Act, wherebys they sought condonation of delay in filing the Arbitration Petition. However the arbitration petition as well as the application for condonation of delay,



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came to be dismissed vide separate orders respectively dated 11.04.2023 (Annexure P-5) in the case of petitioner No.1 and dated 21.02.2023 (Annexure P-6) in the case of petitioners No.2 and 3.

- 11. The petitioners aver that though, the respondents were under a Constitutional obligation to grant them, the statutory benefits akin to the ones envisaged in Section 23(2) and 28, as embodied in the Act of 1894, especially when they were fully aware of the law laid down by this Court in *M/s Golden Iron & Steel Forgings case (supra)*, but despite the (supra) ratio becoming encapsulated in the judgment (supra), yet till date no mitigatory action has been taken by the respondents.
- 12. Insofar as, 28 (twenty eight) of such landowners/ claimants are concerned, and whose lands were taken over under the same acquisition proceedings, they become aggrieved from the (supra), wherebys they thus instituted CWP No.17177 of 2017 before this Court, whereins they are seeking the grant of those benefits as become envisaged in the verdict rendered by this Court in *M/s Golden Iron & Steel Forgings case (supra)*.
- passed in a bunch of similar writ petitions (including CWP No.17177 of 2017), main case being 'Vinod Kumar versus State of Haryana & Others' (CWP No. 17010 of 2017) disposed them, with a direction to resort to the necessary measures in terms of clause (i) to (iv) set out in the order dated 14.12.2016 passed in CWP No.25846 of 2016 by the Division Bench of this Court in 'Joginder Singh & Another versus Union of India (UOI) & Others'. Relevant paragraphs whereof becomes extracted hereinafter.



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"The principles laid down by this Court in Golden Iron and Steel Forgings's case (supra), are undisputable. The fact that the benefit of solatium and interest has been extended to other similarly situated landowners vide order dated 27.09.2012 in Bhag Singh's case (supra), can be hardly denied. In these circumstances, it appears imperative upon respondent Nos.3 & 4 to consider the petitioners' claim for the grant of solatium and interest in accordance with the decision of this Court in Golden Iron and Steel Forgings's case (supra).

While considering the claim of the petitioners in the light of the above-cited decision, the respondents shall be required to follow the recent directions dated 11.08.2016 issued by the Hon'ble Supreme Court in Civil Appeal No.10533 of 2011 (Sunita Mehra and another versus Union of India and others), to the following effect:-

".....that the award of solatium and interest on solatium should be made effective only to proceedings pending on the date of the High Court order in Golden Iron & Steel Forgings vs. Union of India and others, i.e. 28.03.2008. Concluded cases should not be opened. As for future proceedings, the position would be covered by the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (came into force on 01.01.2014), which Act has been made applicable to acquisitions under the National Highways Act, 1956 by virtue of notification/order issued under the provisions of the Act of 2013. With the aforesaid modification and clarification in the order of the High Court, these civil appeals are disposed of...."

The writ petition is accordingly disposed of in the following terms:-

- (i) The petitioners may apply to the Competent Authoritycum-Land Acquisition Collector within a period of one month for the grant of aforesaid benefits;
- (ii) The said Competent Authority will issue notice and call for the records/reply from the National Highway Authority of India:
- (iii) The Competent Authority shall thereafter determine the petitioners' claim for the aforesaid benefits, especially in view



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of the decisions of this Court and the Hon'ble Supreme Court, cited above;

- (iv) If the petitioners are found entitled to, a self speaking supplementary Award to this effect shall be passed within a period of four months from the date of filing of the application;
- (v) The National Highways Authority of India is directed to deposit the amount payable in terms of the supplementary award, in interest-bearing fixed deposit account(s) in any nationalized bank which shall be disbursed subject to attaining finality of the litigation in the Golden Iron and Steel Forgings's case (supra).

The writ petition stands disposed of accordingly."

14. Though therebys the benefit of the exposition of law made in M/s Golden Iron & Steel Forgings case (supra), became extended to the petitioners in CWP No.17177 of 2017. However, the said benefit remains unextended to the other petitioners, despite theirs prima facie standing at par with the petitioners in the (supra) writ petition, whereons the judgment (supra) became rendered. It appears that the denial of the espoused benefit to the present petitioners, thus at par with the petitioners in CWP-17177 of 2017, rather occurred on account of dismissal of arbitration proceedings, on the ground of delay. However, initially it appears that the exposition of law made in M/s Golden Iron & Steel *Forgings case (supra)*, is an exposition of law in rem, wherebys even to those who were not petitioners, thus yet the benefit of the exposition of law made thereins, to the extent, that even in respect of launchings of acquisition proceedings under the Act of 1956, thereupons the benefit envisaged in Section 23(2) and 28, as carried in the Act of 1894, but is to be extended to the landowners whose lands became subjected to acquisition under the Act of 1956. Moreover, since a challenge is laid to



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the vires of Section 3G and 3J of the Act of 1956, therebys too, to conclusively rest the validity of the said laid challenge, it becomes incumbent upon this Court, to determine the validity of the said made challenge.

15. On the basis of the said decision dated 06.09.2017, as passed in CWP-17177 of 2017, respondent No.2 passed a supplementary award dated 03.07.2018 (Annexure P-9), thus granting statutory benefits towards 30% solatium and @ 12% on account of additional amount from 16.01.2010 (date of notification of 3A) to 30.04.2012 (date of award) to the petitioners in CWP No.17177 of 2017. The operative part of the supplementary award reads as under:-

"In view of above noted facts I, Rajender Kumar, Authority Land Acquisition, Hisar Rs.1,06,50,002/- (One Crore Six Lac Fifty Thousand Two only) on account of 30% Solatium and Rs.97,45,480/- (Ninety Seven Lac Forty Five Thousand Four Hundred Eighty Only) on account of compulsory acquisition charges @ 12% from 16-01-2010 (date of notification of 3-A) to 30-04-2012 (date of Award) i.e. Total Amount Rs.2,03,95,282/- (Two Crore Three Lac Ninety Five Thousand Four Hundred Two Rupees only). I don't find the petitioners to entitled to any relief under the LARR Act, 2013 and their claim to that extent is rejected. The order/Supplementary Award is announced in open Court today i.e. 02-07-2018. Let the payment be disbursed according to record and the entries to this effect may be made in the Award Statement."

Submissions of the learned counsel for the petitioners

16. The learned counsel for the petitioners submits, that the National Highways Laws (Amendment) Act, 1997, creates an arbitrary and unequal system for determining compensation, for land acquired under the Act of 1956, as compared to the general, more comprehensive



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and potentially more favorable procedures available under the Act of 1894 or under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation And Resettlement Act, 2013 (hereinafter referred to as the "Act of 2013").

- 17. He further submits that both the Sections i.e. 3G and 3J of the Act of 1956 violate Article 14 of the Constitution of India, by providing for mandatory arbitration proceedings, with a pre-determined mindset of the arbitrators concerned. The land-losers cannot seek an able recoursing to Section 11 of the Conciliation Act, wherebys they can thus seek appointment of an unbiased arbitrator, thus for settling the disputes arising under the Act of 1956. The specific provisions of the Act of 1956 govern such disputes, and the Courts are bound to observe its resolution framework, despite the provisions of Section 34 and 37 of the Conciliation Act, standing on the relevant statute. Moreover, when the able recoursing of an arbitration remedy has been prescribed in the said statute, to become ensured to be ably rested, upon, the prima donna plank, inasmuch as, for an arbitral mechanism becoming ably opted, thus as a dispute resolution mechanism, but requiring, that the imperative sine qua non as becomes embodied in the factum, that a valid contract becoming executed between the concerned, and, thereins becoming enclosed an ad idem arbitration clause, thus becoming cogently established. The said consensuality is grossly amiss in the instantly created statutory arbitration remedy.
- 18. Since admittedly the said arbitration clause is not existing in any contract executed between the concerned, resultantly therebys the effect of the instantly absent, but the (supra) imperative sine qua non,



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wherebys alone there would be an effective and an able functionality of the contemplated mechanism, of arbitration under Section 3G of the Act of 1956, thus for ably settling the disputes, is that, naturally therebys the (supra) being an idly created mechanism, wherebys it has no legal foundation. Resultantly, the said provisions are required to be struck down.

Submissions of the learned counsel for NHAI-respondent No.3

- 19. Learned counsel for the NHAI submits, that the land was acquired in the year 2010 and an award in respect of the said acquired lands, was made on 30.04.2012. At the very outset the present petition is completely unfounded inasmuch as, the provisions of the Conciliation Act, have specifically been made applicable for the purpose of determination of the amount payable, as compensation, under the provisions of Section 3G of the Act of 1956, therebys since the challenge to the award dated 30.04.2012 in terms of Section 34(3) of the Conciliation Act, was not made within the prescribed period of limitation of 3 months plus 30 days, thus the application seeking condonation of delay has been correctly decided vide order dated 11.04.2023 and dated 21.02.2023, passed by the learned Addl. District Judge concerned.
- 20. He further submits that before seeking a writ in the nature of a mandamus, a clear and distinct notice is required to be served which, as stated in paragraph 4 of the written statement has not been done in the present case.
- 21. He further submits that there is a limited scope of judicial interference with an award made under Section 34 of the Conciliation Act, as the same does not permit modification of the award, therebys



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even under the Conciliation Act, the petitioner would not be entitled to any benefit.

22. He further submits that even if it is to be assumed that the awarding of compensation was erroneous, thereupons the only available remedy thereagainst was to seek the setting aside of the award but through recoursing the remedy of arbitration.

Submissions of Mr. Ankur Mittal, Advocate (Amicus Curiae)

- 23. He submits that in the matter regarding compulsory acquisition, one cannot ignore the constitutional protection granted under Article 300-A and Article 31-A of the Constitution of India, especially when Article 300-A of the Constitution of India provides, that "No person shall be deprived of his property save by authority of law", wherebys the landholder becomes Constitutionally ensured, that the law enacted for acquisition of lands, thus shall provide for the payment of compensation at those rates which shall not be less than the market value.
- Consequently, he submits that since the Act of 1894 and also the Act of 2013, though make the hereinafter envisagings, in respect of determination of compensation, to the land loser concerned, therebys a similar thereto provision was required to be engrafted in the Act of 1956, which however has not been done. As such, the computation of compensation as envisaged in Section 3G of the Act of 1956 rather naturally is completely flawed. Consequently, therebys it makes an ill open disparity with the statutorily envisaged methodology(ies) in the (supra) enactments, besides moreovers, he further submits, that since the entire set of land losers is to be construed to be a homogeneous class, whereupons, vis-a-vis the said homogeneous class of land losers, thus

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similar, just and fair compensation is required to be determined, whereas, vis-a-vis the same class of homogeneous, an artificial distinction has been created inasmuch as, vis-a-vis the land losers, whose lands became subjected to acquisition through employment of the Act of 1956, theirs becoming awarded compensation lesser than the ones as envisaged in the Act of 1894, and in the Act of 2013.



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inviting claims from the time of the 27. in the land to be acquired.

- (4) Such notice shall state the particulars of the land and shall require all persons interested in such land to appear in person or by an agent practitioner referred to in sub-section (2) of section 3C, before competent land authority, at a time Collector, the nature of their compelled respective interest in change such land.
- (5) If the amount of determined by the reasonable either of the parties, be determined by the arbitrator to appointed Central
- (6) Subject to the provisions of this Act, the provisions of possession of the the Arbitration and land. Conciliation Act. 1996 (26 of 1996) market value of the shall apply to every land,

Government--

- authority or arbitrator while determining section (1) or subsection (5), as the case may be, shall into consideration—
- (a) the market value of the land on the date of publication of the notification under section 3A;
- (b) the damage, if any, sustained by the person interested at date

the injuriously

any other manner, or his earnings; fifthly, consequence of the acquisition of the hv the the and place and to state person interested is to residence or place possession thereof; business,

time publication of the declaration section 6 and the time Collector's [(1A)]

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commencing of the publication necessary by him. 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 of

- **Determination** all persons interested | Collector's taking | compensation.—The Collector having possession of the determined the market value of the land to be land, by reason of acquired shall calculate the total amount of acquisition | compensation to be paid to the land owner (whose land has been acquired) by including affecting his other all assets attached to the land.
 - property, movable 28. Parameters to be considered by or immovable, in 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—

firstly, the market value as determined under section 26 and the award amount in accordance with the First and Second Schedules:

secondly, the damage sustained by the person interested, by reason of the taking of any standing crops and trees which may be on the his land at the time of the Collector's taking

the thirdly, the damage (if any) sustained by the person interested, at the time of the Collector's competent authority expenses (if any) taking possession of the land, by reason of under sub-section (1) incidental to such severing such land from his other land;

or sub-section (2) is change, and sixthly, fourthly, the damage (if any) sustained by the not acceptable to the damage (if any) person interested, at the time of the Collector's either of the parties, bona fide resulting taking possession of the land, by reason of the the amount shall, on from diminution of acquisition injuriously affecting his other an application by the profits of the property, movable or immovable, in any other land between the manner, or his earnings;

the 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;

sixthly, the damage (if any) bona fide resulting taking 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

above seventhly, any other ground which may be in arbitration under this provided, the Court the interest of equity, justice and beneficial to shall in every case the affected families.

- (7) The competent award an amount 29. Determination of value of things the calculated at the attached to land or building.—(1) The rate of twelve per | Collector in determining the market value of the centum per annum the building and other immovable property or amount under sub- on such market assets attached to the land or building which value for the period are to be acquired, use the services of a on competent engineer or any other specialist in and from the date the relevant field, as may be considered
 - (2) The Collector for the purpose of determining the value of trees and plants attached to the land acquired, use the services of experienced persons in the field of agriculture, forestry, horticulture, sericulture, or any other field, as may be considered necessary by him.
- (3) The Collector for the purpose of assessing taking the value of the standing crops damaged the time of taking possession of the during the process of land acquisition, may

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from other land; (c) the damage, if any, sustained by the any person interested at the time of taking which possession of the land, by reason of the acquisition injuriously affecting his other immovable property in any manner, earnings; consequences of the addition person | land land, the interested business,

severing of such land - In computing the necessary by him. this period periods during proceedings for the acquisition of the land were held up Court shall $_{in}$ excluded.] (2) In to the acquisition of the market value of the as reasonable expenses, on such if any, incidental to value, of the acquisition.

of the land, whichever is use the services of experienced persons in the land, by reason of the earlier. Explanation. field of agriculture as may be considered

period referred to in 30. Award of solatium. (1) The Collector sub-section, having determined the total compensation to or be paid, shall, to arrive at the final award, impose a "Solatium" amount equivalent to one the hundred per cent. of the compensation amount.

Explanation.—For the removal of doubts it is hereby declared that solatium amount shall be in addition to the compensation payable to any stay or injunction (2) The Call

- (2) The Collector shall issue individual awards by the order of any detailing the particulars of compensation be payable and the details of payment of the compensation as specified in the First Schedule.
- (3) In addition to the market value of the land above provided under section 26, the Collector shall, is provided, the Court in every case, award an amount calculated at compelled to change shall in every case the rate of twelve per cent. per annum on such his residence or place award a sum of market value for the period commencing on the [thirty per centum] and from the date of the publication of the market notification of the Social Impact Assessment in study under sub-section (2)of section 4, in consideration of the respect of such land, till the date of the award compulsory nature of the Collector or the date of taking possession of the land, whichever is earlier.

Inferences of this Court

such change.

25. Now since in the legislative wisdom of the parliament, the prescribed methodology for determination of compensation, earlier in the Act of 1894, thus became re-engineered through the enactment of the Act of 2013, inasmuch as, therebys there was a vast improvisation vis-a-vis the envisagings made in the Act of 1894, specifically to the extent that the Act of 2013, providing a methodology for computation of compensation, at an escalated level or at the more enhanced level, vis-avis the one prescribed in the Act of 1894, besides when in the (supra), thus prescriptions also occur for re-settlement being done of the displaced land losers. Resultantly, since therebys when even in the Act of 1956, there was to be an alike infused legislative wisdom, wherebys the earlier thereto methodology for assessment of compensation was to be re-



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engineered, besides was to be improvised, so as to ensure, that the Act of 1956 becomes well attuned to the needs of the land losers. However the said has not been done, wherebys ex facie there is inter se dichotomy inter se the methodologies for determination of compensation, wherebys but naturally different rates of compensation become assessed vis-a-vis the lands which becomes subjected to acquisition under the Act of 1956, whereupons thus obviously they are neither just nor fair determinations of compensation amounts.

26. The said view finds succor from the verdict drawn by the Apex Court in case titled as 'Union of India and another V. Tarsem Singh and others', reported in 2019 (4) RCR (Civil) 431, whereins, in the relevant paragraphs thereof, as becomes extracted hereinafter, thus a trite exposition of law has been made, to the extent, that the provisions of the Act of 1894 relating to the assessment of solatium and interest, as, contained in Section 23(1A) and (2) of the Act of 1894, and the interest payable in terms of the proviso to Section 28 of the Act of 1894, will ipso facto apply to acquisitions made under the Act of 1956. Moreover, when also the issue relating to the Constitutional validity of Section 3J of the Act of 1956, when has also been thereins rather declared to be Constitutionally void. In sequel, the Constitutional validity of the said Section has to suffer alike therewith consequence.

41. There is no doubt that the learned Solicitor General, in the aforesaid two orders, has conceded the issue raised in these cases. This assumes importance in view of the plea of Shri Divan that the impugned judgments should be set aside on the ground that when the arbitral awards did not provide for solatium or interest, no Section 34 petition having been filed by the



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landowners on this score, the Division Bench judgments that are impugned before us ought not to have allowed solatium and/or interest. Ordinarily, we would have acceded to this plea, but given the fact that the Government itself is of the view that solatium and interest should be granted even in cases that arise between 1997 and 2015, in the interest of justice we decline to interfere with such orders, given our discretionary jurisdiction under Article 136 of the Constitution of India. We therefore declare that the provisions of the Land Acquisition Act relating to solatium and interest contained in Section 23(1A) and (2) and interest payable in terms of section 28 proviso will apply to acquisitions made under the National Highways Act. Consequently, the provision of Section 3J is, to this extent, violative of Article 14 of the Constitution of India and, therefore, declared to be unconstitutional. Accordingly, Appeal @ SLP (C) No. 9599/2019 is dismissed.

27. The (supra) expositions of law have been reaffirmed in a verdict made over miscellaneous application No.1773 of 2021, filed in the judgment (supra), therebys the said made reaffirmed expositions of law acquire re-enforced vigor. However, the verdict (supra), declare Section 3J of the Act of 1956 to be Constitutionally void besides make the provisions of Sections 23(1A) and (2) and the interest payable in terms of Section 28 of the Act of 1894, to be applicable to the launching of acquisition proceedings under the Act of 1956. Moreover, in the verdict (supra), Sections 23(1A) and (2) and interest payable in terms of Section 28 of the Act of 1894, are all made effective both prospectively as well as retrospectively. Relevant portion whereof becomes extracted hereinafter.

"C. ISSUES

15. As previously elaborated, the singular issue prompting filing of the instant Application is to determine



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definitively whether the judgment in **Tarsem Singh (supra)** is applicable prospectively or extends retrospectively.

D. ANALYSIS

16. At the outset, it is essential to briefly refer to the ratio espoused in Tarsem Singh (supra), which, after considering the relevant facts, applicable laws, and precedents, held that Section 3J of the NHAI Act, by excluding the applicability of the 1894 Act and thereby denying 'solatium' and 'interest' for lands acquired under the NHAI Act, is violative of Article 14 of the Constitution. To this end, the decision in Tarsem Singh (supra) took notice of the eleven grounds raised on behalf of the NHAI and the Union of India, and dealt with those grounds by segregating the appeals therein into eleven groups and outlining them in seriatim.

17. Regardless, the prayer in the instant Application expressly seeks clarification that the decision in Tarsem Singh (supra) should be deemed to operate prospectively only. However, in our considered view, granting such a clarification would effectively nullify the very relief that Tarsem Singh (supra) intended to provide, as the prospective operation of it would restore the state of affairs to the same position as it was before the decision was rendered.

behind **Tarsem Singh (supra)** was to resolve and put quietus upon the quagmire created by Section 3J of the NHAI Act, which led to the unequal treatment of similarly situated individuals. The impact of Section 3J was short-lived, owing to the applicability of the 2013 Act upon the NHAI Act from the date of 01.01.2015. As a result, two classes of landowners emerged, devoid of any intelligible differentia: those whose lands were acquired by the NHAI between 1997 and 2015, and those whose lands were acquired otherwise.



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- 19. This must be viewed in the light of the principle that when a provision is declared unconstitutional, any continued disparity strikes at the core of Article 14 and must be rectified, particularly when such disparity affects only a select group. To illustrate, rendering the decision in Tarsem Singh (supra) as prospective would create a situation where a landowner whose land was acquired on 31.12.2014 would be denied the benefit of 'solatium' and 'interest', whereas a landowner whose land was acquired the very next day, 01.01.2015—the date on which the Ordinance was promulgated, to read the 2013 Act into the NHAI Act, would be entitled to these statutory benefits.
- 20. Be that as it may, even if we were to assume that the decision in Tarsem Singh (supra) suffers from the vice of vagueness, the absence of a judicial directive or an explicit legislative mandate should not result in the creation of an artificial classification among a homogeneous group by the same State exercising powers under the same Statute. In this specific instance, the landowners have no discretion or choice regarding the date of land acquisition or the surrender of possession. Thus, both equity and equality demand that no such discrimination be permitted, as allowing it would be unjust.
- 21. That being so, the decision in Tarsem Singh (supra) also cannot be assailed on the grounds that it opens a Pandora's Box or contravenes the doctrine of immutability, as it merely allows for the grant of 'solatium' or 'interest', which are inherently embedded as compensatory benefits under an expropriating legislation. This exercise cannot be equated to reopening of cases or revisiting the decisions that have already attained finality. Similarly, the restoration of these twin benefits does not invite reconsideration of the merits of a decided case, re-evaluation of the compensation amount, or potentially declaring the acquisition process



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itself to be unlawful. Instead, the ultimate outcome of **Tarsem Singh (supra)** is limited to granting 'solatium' and 'interest' to aggrieved landowners whose lands were acquired by NHAI between 1997 and 2015. It does not, in any manner, direct the reopening of cases that have already attained finality.

22. On the contrary, modifying or clarifying the judgment in Tarsem Singh (supra) would lend itself to violating the doctrine of immutability, undermining the finality of the decision. In fact, what the Applicant seeks to achieve, indirectly, is to evade responsibility and further delay the resolution of a settled issue where the directions given are unequivocal—Quando aliquid prohibetur ex directo, prohibetur et per obliquum i.e. 'what cannot be done directly should also not be done indirectly'. This Court has, on several occasions, disapproved of the practice of filing Miscellaneous Applications as a strategic litigation tactic aimed at neutralising judicial decisions and seeking a second opportunity for relief.

23. In all fairness, the only defense that may perhaps seem appealing is the claim of a financial burden amounting to Rupees 100 crores. However, this argument does not persuade us for several reasons: First, if this burden has been borne by the NHAI in the case of thousands of other landowners, it stands to reason that it should also be shared by the NHAI in this instance, in order to eliminate discrimination. Second, the financial burden of acquiring land cannot be justified in the light of the Constitutional mandate of Article 300A. Third, since most National Highways are being developed under the Public Private Partnership model, the financial burden will ultimately be passed on to the relevant Project Proponent. Fourth, even the Project Proponent would not have to bear the compensation costs out of pocket, as it is the commuters who



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will bear the actual brunt of this cost. Ultimately, the burden is likely to be saddled onto the middle or upper-middle-class segment of society, particularly those who can afford private vehicles or operate commercial ventures. We are thus not inclined to entertain the plea for prospectivity on this limited tenet.

24. Lastly, as regards the decision in Sunita Mehra (supra), which is claimed to have prohibited the grant of 'solatium' or 'interest' in concluded cases, we find that this position has already been addressed and clarified in Tarsem Singh (supra). Given that the Government, through the then Solicitor General, had conceded this issue at that time, it cannot now retract its stance and seek to reargue the same bone of contention. Hence, this assertion too, stands rejected.

E. CONCLUSION

25. In view of the foregoing analysis, we find no merit in the contentions raised by the Applicant, NHAI. We reaffirm the principles established in Tarsem Singh (supra) regarding the beneficial nature of granting 'solatium' and 'interest' while emphasising the need to avoid creating unjust classifications lacking intelligible differentia. Consequently, we deem it appropriate to dismiss the present Miscellaneous Application.

26. Leave is granted in the other connected matters, and all the appeals are disposed of with a direction to the Competent Authority to calculate the amount of 'solatium' and 'interest' in accordance with the directions issued in Tarsem Singh (supra). In this context, the appeal arising out of SLP (C) Diary No. 52538/2023 is dismissed, as the challenge therein pertains to the High Court's refusal to award Additional Market Value as another component of the compensation, while 'solatium' and 'interest' have already been granted.



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27. Pending applications, if any, stand disposed of in the above terms.

Ordered accordingly."

- 28. On the other hand, the learned counsel for the respondent-NHAI submits, that since the petitioners failed to avail the statutory remedy under Section 34 of the Conciliation Act/within the prescribed time, therebys the learned Additional District Judge, Hisar, declined to entertain the challenge and dismissed the application for condonation of delay vide his orders respectively carried in Annexures P-5 and in P-6. The said orders are strictly in consonance of law and no ground is made out to question the correctness of the said orders.
- 29. Be that as it may, the Court yet becomes enjoined, with the Constitutional duty to yet embark upon the fact whether the presently envisaged remedy of arbitration vis-a-vis the land losers concerned, who become aggrieved from an award passed under the Act of 1956, thus is a perfunctorily created remedy or is an idly created dysfunctionally remedy.
- 30. In the said regard, it is of utmost importance, that the indispensable norm or the firm bedrock of arbitration becoming well opted, thus as an alternative dispute resolution mechanism, but is the existence of a consensual or an ad idem arbitration clause, carried in the contract drawn between the concerned. The effect of the necessity of existence of an ad idem arbitration clause, in the contract drawn amongst the contracting parties concerned, but is that, qua therebys but fortification becoming infused in the argument of the learned counsel for the petitioners, that the instantly incorporated statutory remedy of



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arbitration, thus is ridden with a vice of unilaterally-ness, whereupons, no effective legal tenacity can be assigned theretos. As such, since the firm bedrock of a functional arbitration remedy when requires, qua thus the same becoming planked upon a valid arbitration clause, as exists in a valid contract, whereas, the same is completely amiss in the presently created statutory remedy, whereupons it is ex facie, thus a force majeure statutory arbitration, therebys when it looses its functionality, as such, it is required to be declared to be Constitutionally void.

31. If the envisagings of an arbitration remedy, to the aggrieved from the award passed by the Collector concerned, thus is the sequel of an ill statutory diktat becoming foisted, upon the land losers concerned, but bereft of the imperative consensuality, thereby also the said force majeure statutory arbitration remedy rather is Constitutionally void. Moreover, essentially when therebys, there is a want of any bilateral ad idem, thus required to become infused hence an arbitration clause, in a consensual contract executed amongst the concerned, therebys too, the said defect also makes the statutory remedy of arbitration to be an idly created and also a dysfunctional remedy whereto no reverence can be assigned. Resultantly the remedy of arbitration to the aggrieved land losers from an award passed under the Act of 1956 by the Collector, but cannot stand the touchstone of a well prescribed remedy, inasmuch as, the same becoming embodied in a consensual contract becoming entered into between the acquiring authority and the land losers concerned. Therefore, therebys it suffers from a gross defect, nor therebys the land losers become well enabled to ensure that valid and just compensation becomes assessed vis-a-vis him/them. As such, it is expropriatory also.



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- 32. In the said regard, it is also relevant to refer to the assigning of a leverage to the aggrieved land losers from the award passed by the Collector under the Act of 1894, inasmuch as, to the thereins land losers, thus becomes bestowed the remedy of raising of an enhancement petition under Section 18 of the Act of 1894, before the Land Reference Court, thus manned by District Judge or by the Addl. District Judge. The endowment of the said remedy to the land losers, is manifestative of the fact, that judicial decisions based on precedents rendered by Constitutional Courts, do become rendered, on the reference petition(s) concerned. As such, there is an assurance to the land losers concerned, qua through well made judicial decision, thus just and fair compensation becoming determined, vis-a-vis the lands acquired, rather than their lands become expropriated, through the remedy of arbitration becoming created qua them vis-a-vis an award passed under the Act of 1956, that too, without the Collector concerned, applying the mandates enclosed in Section 23(2) and 28 of the Act of 1894.
- 33. The said remedy rather than being snatched from the aggrieved land losers, as has been done through the instant legislation, especially when it has passed subsequent to the Act of 1894, thus in the year 1956, rather required that pari materia thereto judicial remedy becoming bestowed vis-a-vis the land losers. Reiteratedly, in the Act of 1956 become manifested contra thereto envisagings, inasmuch as, an unjust remedy of arbitration rather thereunders becomes created vis-a-vis the aggrieved, wherebys the Union Parliament, has remained oblivious to the necessity of judicial appraisal being made by Courts of law, but manned by trained judicial officers, who naturally can thus test the



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validity of the awards passed by the Collectors, who exercise jurisdiction under the Act of 1956. Since the said has not been done, therebys the presently envisaged remedy of the arbitration is required to be quashed.

- Now, since this Court has extracted the various manners of 34. assessments of compensation as envisaged respectively in the Act of 1956, in the Act of 1894 and in the Act of 2013. Moreover, since the comparative table (supra) pertaining to the methodology of assessment of compensation under the said Act(s), reveals that adequate deference becomes meted to the market value of the lands, besides to the other thereins envisaged statutory benefits. In addition, when under the Act of 2013, thus exists a methodology for assessing compensation to the aggrieved land losers, at a more escalated scale, than the one envisaged in the Act of 1894. Consequently, the Act of 1956 was required to be recalibrated, so that therebys it becomes attuned vis-a-vis the Act of 2013, besides to the prevalent credible market values. However, the said has not been done, therebys the Act of 1956, is thus detached, from ground reality, wherebys also just and fair compensation would remain unassessed vis-a-vis the land losers concerned.
- 35. It appears that for ensuring just and fair compensation becomes assessed to the land losers concerned, so that therebys, the doctrine of eminent domain, thus becomes well employed, but necessarily on the touchstone of Articles 300-A and Article 31-A of the Constitution of India, with envisagings, that unless lawful, just and fair compensation is assessed vis-a-vis the land losers, therebys the Legislation to acquire the lands of land losers, but would be expropriatory. Moreover, since this Court in verdict rendered in <u>M/s</u>



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Golden Iron & Steel Forgings case (supra) has made a trite exposition of law that when compensation becomes assessed vis-a-vis the acquisitions launched under the Act of 1956, therebys the same is required to be assessed in terms of the mandates respectively enclosed in Section 23(2) and 28 of the Act of 1894.

- 36. Therefore since said was an exposition of law in rem thereupon it was required to be rigorously applied by the Authority, who became seized with the motions as laid before them.
- 37. Now the order of dismissal passed by the learned Collector concerned, upon the application filed by the land losers concerned, seeking awarding of compensation, thus on principles analogous to the ones, as engrafted in Section 23(2) and 28 of the Act of 1894, is also required to be quashed and set aside. The simple reason for stating so becomes premised, on the ground, that since the statutory remedy of arbitration as embodied in the Act of 1956, has been declared to be Constitutionally void. Moreover, when therebys the said alternative remedy is a disfunctional remedy, as such, in the absence of any alternative efficacious remedy to the petitioners, or till the apposite amendment is carried by a Central Legislation passed by the Union Parliament, therebys this Court in the exercise of its extraordinary writ jurisdiction, thus yet can proceed to endow to the present land losers in CWP-19799-2023, the benefit of the judgment passed in CWP-17177-2017, as the notification in respect whereof, the said judgment became passed, but is common to the instant writ petition.
- 38. <u>However, insofar as, the dismissal order passed by the learned Addl. Deputy Commissioner, upon Arbitration Petition No.764 of </u>



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2018, is concerned, since the said verdict was passed on 11.04.2023, therebys when the said verdict is passed in terms of a Constitutionally void Section 3G of the Act of 1956. Resultantly in terms of the verdict passed in *Tarsem Singh's case (supra)*, especially when no efficacious alternative remedy is available to the petitioner in the instant writ petition, thus through exercising the extraordinary writ jurisdiction, this Court grants similar relief to the present petitioners. As such, after the quashing of the award passed by the Collector concerned, in respect of the petitioners, thus a fresh award is ordered to be passed by the Collector concerned, in respect of the subject lands covered in CWP-17177-2017 (qua the petitioners), but bearing in mind the principles of law expostulated in *Tarsem Singh's case (supra)*, and *M/s Golden Iron & Steel Forgings case (supra)*.

Since the effect of the said declaration of voidness as made vis-a-vis Section 3G of the Act of 1956, is that, the amendments are required to be made by the Union Parliament, wherebys in alteration to the remedy of arbitration, thus a remedy becomes bestowed to the land losers, wherebys they can seek in alignment with the mandate existing in Section 18 of the repealed Act of 1894, thus enhancement of compensation over the sums assessed by the Collector appointed under the Act of 2013. Significantly, therebys the aggrieved land losers, can seek enhancement of compensation from the one assessed by the Collector concerned, through petitions becoming filed by the learned District Judge/Additional District Judge concerned. However, till the said amendment is made, thereupto the exposition of law made in *Tarsem Singh's case (supra)*, thus would hold overwhelming clout, besides



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thereupto in the exercise of extraordinary writ jurisdiction, the Writ Court may on a case to case basis, after quashing the awards, passed by the Collector concerned, thus proceed to make such directions wherebys the principles expostulated in *Tarsem Singh's case (supra)*, become adhered to.

- 40. It appears that for bringing harmonization inter se the different methodology(ies) envisaged in the Act of 1956, thus through the expositions made in the judgment delivered in *Tarsem Singh's case* (supra), it has declared that even when compensation, become assessed by a Collector, who proceeds to exercise jurisdiction under the Act of 1956, therebys he is bound to yet revere the said decision, wherebys the said principles are required to be constantly meted deference, and, if not revered they are required to be hereafter revered by the Collectors appointed under the Act of 1956.
- 41. Significantly also the principle of eminent domain, thus is to be rigorously and uniformly employed, to the same or similar homogeneous class of land losers, rather than disparity becoming created amongst them, through different and contra methodology(ies), becoming created respectively in the Act of 1956, in the Act of 1894 and in the Act of 2013. In case separate and distinction methodologies for determining compensation become foisted upon the Collector concerned, besides with the thereafter, contra distinct remedies for seeking enhancement become created qua aggrieved, thus respectively in the Act of 1894, and in the Act of 2013, besides in the Act of 1956, therebys the said inter se distinctivity(ies) are not based, upon, any intelligible differentia nor have any rationale nexus with the objective to be achieved which is yet to



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assess compensation at uniform rates, thus to all land losers concerned. However, enigmatically the foundational effect of parity becoming ensured amongst the similar class of land losers, has been lost sight of, by the Union Parliament, in making different and distinct methodology(ies), for assessment of compensation, to but a similar set of land losers. Moreover, the prescribed methodology for enhancement in the Act of 1956, but is prima facie a dysfunctional and arbitrary remedy, vis-a-vis the ones respectively created in the Act of 1894 and in the Act of 2013 qua the aggrieved from the appositely passed awards. As such, the doctrine of eminent domain which was to be uniformly applied rather has been inconsistently employed, through the creation of an utmost invidious discrimination amongst a common set of land losers, therebys the said contra methodology(ies) are required to be discountenanced.

Final Order

- In sequel, both the instant writ petitions are allowed. Moreover Sections 3G and 3J of the Act of 1956 are hereby declared to be Constitutionally void. Further, the respondents are directed to award statutory benefit of solatium @ 30% and interest @ 9% and 15% akin to Section 23(2) and 28 of the Land Acquisition Act, 1894.
- Act of 1956 to be Constitutionally void, therebys when the said provisions is void or non est, therebys when it is completely dysfunctional, as such, all pending arbitration petitions also become completely ineffective, wherebys in terms of the expositions of law made in *Tarsem Singh's case (supra)*, thus this Court can proceed to in the exercise of extraordinary writ jurisdiction, thus in case, the parameters

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enshrined in *Tarsem Singh's case* (*supra*), re-affirmed in miscellaneous application bearing No.1773/2021 in Civil Appeal No.7064 of 2019, becoming not applied by the Collectors in passing the awards, rather pass such/said appropriate directions, as deemed fit but on a cases to case basis. Even the execution petition(s) filed to execute awards passed by

the arbitrators would become ineffective.

44. This Court appreciates the profound wisdom and enriched

legal assistance provided by Mr. Ankur Mittal, Advocate (Amicus

Curiae) assisted by Mr. P.P. Chahar, Advocate, Mr. Saurabh Mago,

Advocate and Ms. Svaneel Jaswal Advocate; Mr. Maninder Singh,

Advocate (Amicus Curiae) assisted by Mr. Maninderjit Singh Bedi,

Advocate and Mr. Sangam Garg (Law Researcher) attached with this

Court.

45. The Registry of this Court is directed to circulate a copy of

this judgment to all the Collectors concerned, in the State of Punjab as

well as in the State of Haryana.

(SURESHWAR THAKUR) JUDGE

20.03.2025

Ithlesh

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

(VIKAS SURI) JUDGE