

IN THE HIGH COURT OF PUNJAB AND HARYANA AT  
CHANDIGARH

RFA-8533-2018 (O&M)  
Reserved on: 24.11.2022  
Date of decision: 07.12.2022

STATE OF HARYANA AND ORS.

..Appellants

Versus

SURAT SINGH

..Respondent

CORAM: HON'BLE MR. JUSTICE ANIL KSHETARPAL

Present: Mr. Shivendra Swaroop, AAG, Haryana.

Mr. Manish Mehta, Advocate  
Mr. J.P. Sharma, Advocate  
for the landowners.

**ANIL KSHETARPAL, J.**

1. **Introduction and background:**

1.1 While praying for the modification of the market value assessed in the Reference Court's (hereinafter referred to as 'the RC') award on account of compulsory acquisition of the land, the State of Haryana as well as the landowners have filed this batch of appeals and cross-appeals, respectively (details whereof are at the foot of the judgment). The notifications under Section 4 and 6 of the Land Acquisition Act, 1894 (hereinafter referred to as 'the 1894 Act') and the awards passed by the Land Acquisition Collector (hereinafter referred to as 'the LAC') as well as by the RC, are common. The learned counsel representing the parties are *ad idem* that this batch of appeals can conveniently be disposed of by a common judgment.

1.2           The relevant particulars of this batch of appeals, in brief, are as under:

| Sr. No. | Particulars                                              | Relevant Date                                                                                                                          |
|---------|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Preliminary notification under Section 4 of the 1894 Act | 15.03.2011                                                                                                                             |
| 2.      | Area of acquired land                                    | 102 kanals and 16 marla                                                                                                                |
| 3.      | Location of acquired land                                | Village Nangal Kalia                                                                                                                   |
| 4.      | Purpose of acquisition                                   | Expansion and four-laning of village Rai Malikpur to Narnaul                                                                           |
| 5.      | Declaration under Section 6 was issued.                  | 19.07.2011                                                                                                                             |
| 6.      | Date and number of LAC award                             | Award No.12 dated 20.02.2012                                                                                                           |
| 7.      | Amount assessed by the LAC                               | The LAC offered to pay the market value of the acquired land measuring 102 kanals and 16 marla at the rate of Rs.20,00,000/- per acre. |
| 8.      | Date of RC's award                                       | 01.11.2017                                                                                                                             |
| 9.      | Amount assessed by the RC                                | The RC has assessed the market value at the rate of Rs.48,42,106/- per acre.                                                           |

**Facts:**

1.3           Dissatisfied with the amount offered by the LAC, on the applications filed by the landowners under Section 18 of the 1894 Act, the cases were referred to the RC for redetermination. The landowners claimed that the acquired land has a great potential to be developed as a residential/commercial complex and the market value of the acquired land was not less than Rs.5,000/- per sq. yards.

1.4           On the other hand, while contesting the petitions, the State of Haryana has claimed that the amount offered by the LAC is just, fair,

reasonable and adequate.

2. Evidence produced by the respective parties:

2.1 In the oral evidence, the landowners examined the following witnesses:-

|      |                 |
|------|-----------------|
| PW-1 | Sh. Ramji Lal   |
| PW-2 | Sh. Satish      |
| PW-3 | Sh. Chetram     |
| PW-4 | Sh. Ashok       |
| PW-5 | Smt. Meera Devi |

2.2 Though, a perusal of the requisitioned record of the RC reveals that the landowners did not produce sale deeds Ex.P-1 to Ex.P-4, however, it appears that since a large number of connected reference petitions from various adjoining villages were decided, hence, the aforesaid mistake has resulted. However, for the purpose of adjudication of the appeals, the sale deeds produced by the landowners as noticed by the trial Court in para 20 are being taken into consideration while deciding the appeals.

2.3 It may be noted here that the sale deeds Ex.P-1 and Ex.P-4 as referred by the RC are not the part of the record of the RC, which was requisitioned. However, the learned counsel representing the parties are *ad idem* that these sale deeds were produced by them.

2.4 In the documentary evidence, apart from the sale deeds, the landowners have produced the following documents:-

|       |                  |
|-------|------------------|
| PW5/B | Collector’s Rate |
| PW5/C | Collector’s Rate |
| PW5/D | Site plan        |

2.5 On the other hand, in oral evidence, the State of Haryana

examined RW-1 Sh. Sajjan Singh, Sub-Divisional Engineer.

2.6 In documentary evidence, the State of Haryana produced the following documents apart from the sale deeds, a tabulated compilation of whereof is given in para 4.5 of the judgment:-

|                                    |                                           |
|------------------------------------|-------------------------------------------|
| <i>Ex.R-1 to R-8 &amp; Ex.R-12</i> | <i>Copies of sale deeds</i>               |
| <i>Ex.R-9</i>                      | <i>Copy of gazette notification</i>       |
| <i>Ex.R-10</i>                     | <i>Copy of Aks-shijra</i>                 |
| <i>Ex.R-11</i>                     | <i>Photocopy of rate fixation of land</i> |

3 Analysis of the reasons recorded by the RC:-

3.1 The RC, on appreciation of the pleadings, culled out the following issues for adjudication:-

- “1. What was the market value of the acquired land on the date of publication of notification under Section 4 of the Land Acquisition Act, 1894? OPP*

*2. Whether the petitioners are entitled to any enhanced compensation, if so, at what rate? OPP*

*3. Whether the petitioners are entitled to get compensation on account of superstructures, trees etc.? OPP*

*4. Relief.”*

3.2 The RC without recording any reason whatsoever has selected the sale deed Ex.P-3 for assessing the market value of the acquired land. Despite noticing that the aforesaid sale instance is not only post the date of notification under Section 4 of the 1894 Act but also is with respect to a small plot located in a different village namely Akbarpur Sirohi, the Court chose to rely upon the same. After deducting 60% on account of disparity in the size of the sale deed and the acquired land, the Court has assessed the market value of the acquired land at the rate of Rs.48,42,106/- per acre. Various sale deeds produced by the State were not taken into consideration

on the ground that the price reflected in these sale deeds is lesser than the amount offered by the LAC and by misinterpreting the provisions of Section 25 of the 1894 Act.

4. **Discussion and analysis of the arguments of the the learned counsel representing the parties:**

4.1 This Bench has heard the learned counsel representing the parties at length, analysed their arguments, and with their able assistance perused the paperbook along with the lower Court record, which was requisitioned.

4.2 On the one hand, the learned counsel representing the landowners contends that deduction of 60% is excessive because the land has been acquired for the widening and four-laning of the existing road. Hence, the entire land was of commercial value i.e. great potential, consequently, deduction of 60% is excessive.

4.3 On the other hand, the learned counsel representing the State of Haryana contends that the RC has erred in interpreting Section 25 of the 1894 Act. It is further contended that the sale instances produced by the landowners should not have been relied upon by the parties, whereas, the sale deeds produced by the State being comparable parcels of land should have been taken into account while determining the market value of the acquired land.

4.4 With regard to the interpretation of Section 25 of the 1894, the matter is no longer *res integra* in view of the judgment passed by the Supreme Court in **Lal Chand Vs. Union of India, (2009) 15 SCC 769**, wherein, it has been declared that there is no bar in taking into account the sale deeds produced by the parties reflecting a price lower than the amount

offered by the LAC. The only bar is that the landowners shall not be offered the market value lower than the amount offered by the LAC. In other words, it has been held that there is no prohibition in taking into account the sale deeds reflecting a price lower than the amount offered by the LAC. In view of the aforesaid judgment, the RC has erred in keeping the sale instances produced by the State, out of consideration.

4.5 At this stage, it is considered appropriate to compile the complete information in respect of various sale deeds produced by the parties in order to have a birds' eye view of the matter, in a tabulated form:-

| SALE DEED PRODUCED BY THE LANDOWNERS |              |               |            |            |                 |                          |                 |
|--------------------------------------|--------------|---------------|------------|------------|-----------------|--------------------------|-----------------|
| Sr. No.                              | Exhibit Nos. | Sale Deed No. | Date       | Total Area | Amount (in Rs.) | Amount Per Acre (in Rs.) | Village         |
| 1                                    | P-1          |               | 06.12.2010 | 6 marla    | 6,00,000/-      | 1,60,00,000/-            | Momanpur        |
| 2                                    | P-2          |               | 11.10.2010 | 9 marla    | 6,80,000/-      | 1,20,88,888/-            | Nangal Kalia    |
| 3                                    | P-3          |               | 02.05.2011 | 19 marla   | 14,37,500/-     | 1,21,05,263/-            | Akbarpur SirhoI |
| 4                                    | P-4          |               | 19.07.2010 | 15 marla   | 13,59,000/-     | 1,44,96,000/-            | Momanpur        |
| SALE DEED PRODUCED BY THE STATE      |              |               |            |            |                 |                          |                 |
| 1                                    | R-1          | 1123          | 21.01.2011 | 3K-15M     | 5,20,000/-      | 11,09,333/-              | Nangal Kalia    |
| 2                                    | R-2          | 257           | 21.06.2010 | 1A-16M     | 10,00,000/-     | 9,00,000/-               | Nangal Kalia    |
| 3                                    | R-3          | 1801          | 28.01.2013 | 1A-3K-4M   | 20,00,000/-     | 11,55,000/-              | Nangal Kalia    |
| 4                                    | R-4          | 3109          | 02.09.2011 | 3K-1M      | 4,50,000/-      | 11,00,000/-              | Nangal Kalia    |
| 5                                    | R-5          | 4350          | 30.03.2012 | 1A-2K-16M  | 15,00,000/-     | 9,07,407/-               | Nangal Kalia    |
| 6                                    | R-6          | 618           | 02.07.2012 | 5K-7M      | 14,04,375/-     | 12,71,028/-              | Nangal Kalia    |
| 7                                    | R-7          | 652           | 15.10.2010 | 4K         | 5,50,000/-      | 8,00,000/-               | Nangal Kalia    |
| 8                                    | R-8          | 469           | 15.07.2011 | 2K-19M     | 4,00,000/-      | 10,84,745/-              | Nangal Kalia    |
| 9                                    | R-12         | 51            | 25.04.2011 | 2K         | 5,00,000/-      | 20,00,000/-              | Nangal Kalia    |

**Note:- This Court has rectified the discrepancies found in the table made by the RC.**

4.6 As per the judgment passed by the RC, the landowners have produced four sale instances. Ex.P-1 to Ex.P-4 are with respect to different villages namely Momanpur and Akbarpur Sirohi, whereas, the acquisition is

from village Nangal Kalia. There is no evidence to prove that the parcels of land sold through Ex.P-1, Ex.P-2 and Ex.P-4 were comparable with the acquired land. Moreover, Ex.P-3 is not only post the date of notification under Section 4 of the 1894 Act but also is with respect to a tiny sized plot located in a different village. Hence, it was not appropriate for the RC to rely upon the same for assessing the market value of the acquired land. In fact, on reading of para 21 of the impugned judgment, it is evident that the RC has not recorded a finding that such parcel of land is comparable with the acquired land.

4.7 The State of Haryana has produced a layout plan as Ex.R-10. On a careful perusal of the sale deeds produced by the State in conjunction with Ex.R-10, it is evident that sale instance Ex.R-5 (bearing No.4305) and Ex.R-6 (bearing No.618) are with respect to the parcels of land abutting the acquired land, though, these sale instances are post the date of notification under Section 4 of the 1894 Act, however, these sale instances prove that the price of the comparable parcels of land did not witness any steep increase in the market value even after the notification for compulsory acquisition was out. All the sale deeds produced by the State of Haryana prove that the price of the land was not beyond the amount offered by the LAC. The sale deed Ex.R-12 (bearing No.51) is with respect to a small parcel of 2 kanal land. This sale deed though is post the date of notification under Section 4 of the 1894 Act but still it has been sold at the rate of Rs.20,00,000/- per acre.

4.8 Hence, the RC has erred in relying upon sale instance Ex.P-3 while ignoring the sale instances Ex.R-5 and Ex.R-6, which are with respect to comparable parcels of land located adjacent to the acquired land. Even,

the sale instance Ex.R-12 is also abutting the acquired land.

5. Decision:

5.1 In view of the aforesaid discussion, the arguments of the learned counsel representing the landowners with regard to the percentage of deduction is rendered academic, hence, it is not required to be examined in detail.

5.2 Keeping in view the aforesaid facts, this Court is left with no other choice but to set aside the impugned judgment passed by the RC. The appeals filed by the State of Haryana are allowed, whereas, that of the landowners are dismissed.

5.3 All the pending miscellaneous applications, if any, are also disposed of.

07<sup>th</sup> December, 2022

(ANIL KSHETARPAL)  
JUDGE

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Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No

| Sr. No. | Case No.      | Parties Details                                                      |
|---------|---------------|----------------------------------------------------------------------|
| 1.      | RFA-8533-2018 | STATE OF HARYANA & ORS. V/S SURAT SINGH                              |
| 2.      | RFA-8534-2018 | STATE OF HARYANA & ANR V/S PATRAM                                    |
| 3.      | RFA-8535-2018 | STATE OF HARYANA & ANR V/S VIKRAM AND OTHERS                         |
| 4.      | RFA-8536-2018 | STATE OF HARYANA & ORS V/S HANSRAM                                   |
| 5.      | RFA-8537-2018 | STATE OF HARYANA & ORS V/S SUMER SINGH (SINCE DECEASED) THR. HIS LRS |
| 6.      | RFA-8538-2018 | STATE OF HARYANA & ORS. V/S PRAVEEN SANGHI                           |
| 7.      | RFA-8539-2018 | STATE OF HARYANA & ORS V/S SURAJBHAN                                 |
| 8.      | RFA-8540-2018 | STATE OF HARYANA & ANR V/S RATIRAM AND ORS                           |
| 9.      | RFA-8541-2018 | STATE OF HARYANA & ANR V/S RAMJI LAL                                 |
| 10.     | RFA-8542-2018 | STATE OF HARYANA & ORS V/S SURENDER SINGH AND ORS                    |

|     |               |                                                    |
|-----|---------------|----------------------------------------------------|
| 11. | RFA-8543-2018 | STATE OF HARYANA & ORS V/S NATHU RAM               |
| 12. | RFA-8544-2018 | STATE OF HARYANA & ORS V/S OM PARKASH & ORS        |
| 13. | RFA-8545-2018 | STATE OF HARYANA & ORS V/S SMT. MEERA DEVI AND ORS |
| 14. | XOBJR-34-2020 | STATE OF HARYANA & ORS V/S SMT. MEERA DEVI AND ORS |
| 15. | RFA-8546-2018 | STATE OF HARYANA & ORS V/S LAL CHAND               |
| 16. | RFA-3369-2018 | CHHAJU RAM V/S STATE OF HARYANA AND ORS            |
| 17. | RFA-3209-2018 | HANSRAM V/S STATE OF HARYANA AND ORS               |
| 18. | RFA-3999-2018 | NATHU RAM V/S STATE OF HARYANA AND ORS             |
| 19. | RFA-6339-2018 | PATRAM V/S STATE OF HARYANA & ANR                  |
| 20. | RFA-6340-2018 | RATIRAM V/S STATE OF HARYANA & ORS                 |

07<sup>th</sup> December, 2022

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(ANIL KSHETARPAL)

JUDGE