2025:PHHC:111848

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

105

1. RFA No.1769 of 2002 (O&M)
Date of Decision: 25.08.2025

GURBACHAN SINGH (DECEASED) THROUGH HIS LRS AND ANR
......Appellant(s)

Vs

THE PUNJAB STATE THROUGH LAND ACQUISITION COLLECTOR, PUNJAB AND ORS ....Respondent(s)

2. RFA No.1770 of 2002 (O&M)

TARA SINGH (SINCE DECEASED) THROUGH HIS LR .....Appellant(s)

Vs

THE PUNJAB STATE THROUGH LAND ACQUISITION COLLECTOR, PUNJAB AND ANR. ....Respondent(s)

3. RFA No.1771 of 2002 (O&M)

LAL SINGH AND OTHERS ......Appellant(s)

Vs

THE PUNJAB STATE THROUGH LAND ACQUISITION COLLECTOR, PUNJAB AND ANR. ....Respondent(s)

4. RFA No.1772 of 2002 (O&M)

TARA SINGH (SINCE DECEASED) THROUGH HIS LR AND ANR.
......Appellant(s)

Vs

THE PUNJAB STATE THROUGH LAND ACQUISITION COLLECTOR, PUNJAB AND ANR. ....Respondent(s)

5. RFA No.1773 of 2002 (O&M)

AMARJIT SINGH AND OTHERS ......Appellant(s)

Vs

THE PUNJAB STATE THROUGH LAND ACQUISITION COLLECTOR, PUNJAB AND ANR. …Respondents

6. RFA No.1774 of 2002 (O&M)

NAGINDER SINGH AND OTHERS ......Appellant(s)

Vs

THE PUNJAB STATE THROUGH LAND ACQUISITION COLLECTOR, PUNJAB AND ANR. ……Respondents

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RFA Nos.1769, 1770, 1771, 1772, 1773 & 1774 of 2002 (O&M)

CORAM: *HON'BLE MR. JUSTICE HARKESH MANUJA*

Present: Mr. Sandeep Sharma, Advocate with
Mr. Rohan Moudgill, Advocate and Ms. Maninee, Advocate
for the appellant(s)/landowner(s).

Mr. Gunjan Mehta, Addl. A.G., Punjab.

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<u>HARKESH MANUJA, J. (Oral)</u>

[1]. Vide this common order, RFA Nos.1769, 1770, 1771, 1772, 1773 and 1774 of 2002 (O&M) are being decided as all the appeals have arisen out of common acquisition/Award involving common facts and question of law. However, the facts are being derived from RFA No.1769 of 2002.

[2]. By way of present appeal(s), challenge has been laid to the Award dated 31.10.2001 passed by the learned Addl. District Judge, Faridkot (hereinafter to be referred as the 'Reference Court'), whereby Reference Petition filed under Section 18 of the Land Acquisition Act, 1894 (for short 'the Act') at the instance of landowners was partly accepted while enhancing the compensation to Rs.1,20,000/- per acre *qua* the acquired land besides awarding other statutory benefits/interest in favour of the appellants-landowners.

[3]. Briefly stating, in the present case(s), land measuring 237 *Kanals* 12 Marlas situated within the revenue estate of village Moga Jit Singh, Hadbast No.53, Tehsil Moga and District Faridkot, came to be acquired vide Notification dated 15.11.1983 issued under Section 4 of the Act for the purpose of construction of Warehouse by the State Government, followed by an Award passed by the Land Acquisition Collector (for short 'the LAC') on 20.05.1986 in terms of Section 11 of the 1894 Act, thereby determining the market value of the acquired land to be Rs.45,000/- per acre besides awarding statutory benefits.

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[4]. Aggrieved thereof, the appellant(s)-landowners invoked Reference under Section 18 of the Act, which came to be disposed of by the Reference Court vide its award dated 31.10.2001, while determining the market value of the acquired land @ Rs.1,20,000/- per acre, besides awarding all other statutory benefits.

[5]. Impugning the aforementioned Award, learned counsel for the appellants submits that with regard to the finding of fact recorded by the learned Reference Court whereby it was held that the land under acquisition was having potential advantage being part of Municipal limits of Moga besides even been reserved for *abadi deh*, the sale deeds proved by the appellants though pertaining to small plots should have been taken into account while making the assessment.

[5.1]. Learned counsel further submits that once it was taken into account by the learned Reference Court that even prior to the acquisition, this land besides the surrounding land was being sold in the form of plots, the sale deeds Exs.A-25, A-31, and A-32 were required to be taken into consideration for the purpose of making assessment of the market value in the case in hand by applying appropriate appreciation @ 30% per annum over the sale price pertaining to the above mentioned sale deeds and thus, prays for the further enhancement.

[6]. On the other hand, learned State counsel submits that considering the fact that the acquisition in the present cases was for a large chunk of land measuring 237 *Kanals* 12 *Marlas*, learned Reference Court relied upon Sale Deeds Ex.A-33 and Ex.A-36 and thus, the Award of Rs.1,20,000/- per acre was rightly passed while assessing the market value of acquired land by applying appreciation @ 40% upon the aforementioned sale deeds, therefore no interference is called for in the impugned Award.

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[7]. I have heard learned counsel for the parties and gone through the paper book.

[8]. From perusal of the record as well as the findings of fact recorded by the learned Reference Court, it is more than evident that the land under acquisition was having greater potential and locational value being part of municipal limits of Moga and even surrounded by residential houses as well as commercial establishments. It has also been established from the document Ex.A-18 (Resolution) that the land under acquisition was reserved for *abadi* purposes at the time of consolidation and it was even being sold in the form of plots (in marlas) much prior to the acquisition. Relevant extract from paragraph nos.10 and 12 of the Reference Court Award are reproduced hereunder:-

<u>Paragaph No.10</u>

"10. xxx xxx xxx. Surinder Singh AW3 has stated that Bhag Cinema and Grain Market are on the other side of the road situated near acquired land and the disputed land adjoins the the Food Specialities. Grain Market and Bhag Cinema are in existence for many years. Shellers and residential houses are the acquired land and development of Moga City is towards the disputed land. Raj Kumar Patwari AW4 has also stated that the shellers and residential are situated near the acquired land. Grain Market is in existence for the last 10/12 years. Bhag Cinema is also situated near the acquired land and it was constructed about two years after the construction of the Grain Market. He has further stated that the development of Moga is towards the disputed land. Site Plan Ex. A3 has been proved by AW5 Pritam Singh Dhaliwal which shows the construction in existence near about the land in dispute. Ex.A4 site plan shows that there is a lot of construction near the acquired land and the Food Specialities adjoins the land in dispute. Food Specialities is a big concern at Moga. All this shows that the land acquired has got the potential value."

<u>Paragaph No.12</u>

12. Copy the resolution Ex.A18 shows that disputed land was reserved for abadi at the time of consolidation which clearly shows that the land acquired meant for being used as abadi. It is also in evidence that the land

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was being sold in marlas much before the was acquisition of the land. xxx xxx xxx xxx."

[9]. In view of above, the learned Reference Court rather than taking into consideration only the sale deeds Exs.A-33 and A-36 which were of relatively larger areas, could have also placed reliance upon the sale deeds Exs.A-25, A-30 and A-31 which were though relating to small plots but were of the same revenue estate and of considerable value; especially under the circumstances wherein it was established on record that the land under acquisition was reserved for *abadi* during consolidation of the village and was even being sold in the form of plots (in *marlas*) much prior to its acquisition. The table giving details of the sale deeds relied upon by learned counsel for the appellant/landowners, is as under:-

Exs.	Area	Price	Price Per Acre	Village	Date
A-25	0-4 Marla	Rs.63,00	1,12,000	Moga Jit Singh	17.12.1979
A-26	43 Kanal 16 Marla	Rs.16,62,500	303652	Moga Jit Singh	18.10.1985
A-27	22 Kanal 16 Marla	Rs.9,71,700	348947	Moga Jit Singh	19.12.1985
A-28	2 ½ Marla	Rs.1500	96,000	Moga Jit Singh	13.03.1972
A-29	2 Marla	Rs.1500	1,20,000	Moga Jit Singh	17.03.1972
A-30	6 Marla	Rs.4500	1,20,000	Moga Jit Singh	21.03.1972
A-31	10 Marla	Rs.8000	1,28,000	Moga Jit Singh	13.11.1979
A-32	1 Kanal 8 ½ Marla	Rs.1,14,200	85,000 approximate	Moga Jit Singh	11.02.1980

[10]. Keeping in view of the aforesaid facts as well as the law applicable thereto in terms of the law laid down by the Hon'ble Apex Court in ***Horrmal (Deceased) through his LRs and others vs. State of Haryana and others***, reported as "***2024(4) R.C.R. (Civil) 758***', the highest of the sale instance needs to be taken into account for the purposes of determination of market value of the acquired

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land. Relevant paragraphs nos.28 and 29 of the aforementioned judgment are 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.*
>
> *29. In these extenuating circumstances, there exists significant disparity among the sale exemplars presently under consideration. Amongst these sale exemplars, being Ex. P2-P8 and Ex. P10, the highest sale instance values the land at Rupees 1,81,33,867 per acre, whereas the lowest values it at Rupees 16,94,000 per acre. Given this wide range and in light of the judicial precedents cited above, we are of the opinion that we should rely upon the highest sale exemplar, which is Ex. P5, rather than solely depending upon an average of the multiple sale deeds produced before us. Despite the Respondents' vehement contention that Ex. P5 should not be relied upon owing to it being a significantly smaller parcel of land— the detailed analysis conducted above indicates no reason why Ex. P5 cannot be utilised to determine the amount of compensation to be awarded to the Appellants for the acquired land."*

[11]. In view of aforesaid position of law, the exemplar sale deed dated 13.11.1979 (Ex.A-31) pertaining to 10 *Marlas* of land against which the sale price comes to Rs.1,28,000/- per acre needs to be relied upon for the purposes of assessment of market value of the acquired land, especially when the same has been found to be *bona fide* and genuine sale transaction there being no evidence from the side of respondents, doubting about its execution and sanctity. It may also be necessary to point out that in the given facts the geographical as well as locational and the potential advantage attached to the land under acquisition since the day of consolidation of the revenue estate in question has been noticed by the

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learned Reference Court; the same been kept reserved for *abadi* and also being sold in the form of plots (in marlas) even much prior to the acquisition. Accordingly, the market value of the land under acquisiton is determined/assessed by applying compound escalation @ 12% per annum on the sale price of Rs.1,28,000/- per acre of the sale deed dated 13.11.1979 (Ex.A-31) for the period between the date of sale i.e. 13.11.1979 and the date of notification under Section 4 of the Act in the present acquisiton i.e. 15.11.1983; which comes out to be Rs.2,00,409/- per acre.

[12]. Furthermore, since the exemplar sale deed Ex.A-31 which is being relied upon for the purposes of assessment of market value pertains to 10 Marlas of land whereas the acquisition relates to 237 Kanals 12 Marlas of land, thus in the humble opinion of this Court, once the purpose of acquisition in the present case(s) is for construction of warehouse by the State and the respondents are not going to loose much towards infrastructural development cost, it would be justified to apply cut @ 20% towards the sale exemplar being of small plot. Upon calculation, the value towards 20% cut comes to approximately Rs.40081.8 (rounded off to Rs.40,089/-).

[13]. Accordingly, in view of the detailed discussions made hereinabove, the award dated 31.10.2001 passed by the learned Reference Court is hereby modified while determining the market value @ Rs.1,63,320/- (Rs.2,00,409-Rs.40,089) per acre of the land under present acquisition besides award of all other statutory benefits as well as interest in favour of the landowners. Thus, the appeals filed the appellants-landowners are partly accepted.

[14]. Pending application(s), if any shall also stand disposed of.

(HARKESH MANUJA)
JUDGE

August 25, 2025
Atik

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

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