2025:PHHC:162760

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

RFA-95-1997 (O&M)
Decided on:-20.11.2025

Lal Singh ....Appellant..

vs.

State of Haryana and another ....Respondents.

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. Sanjeev Gupta, Senior Advocate with
Mr. Lavish, Advocate,
for the appellant.

Mr. Abhishek Yadav, DAG, Haryana.

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HARKESH MANUJA J. (Oral)

1. By way of present appeal, challenge has been laid to an Award dated 10.10.1996 passed by the learned Additional District Judge, Ambala (for short, "Reference Court"), whereby, reference petition preferred at the instance of appellant-landowner invoking Section 18 of the Land Acquisition Act, 1894 (for brevity, "1894 Act"), was partly accepted.

2. Brief facts of the case are that some land (15 kanals 2 marlas) owned by the appellant-landowner, situated in the revenue estate of Village Mandaur, Tehsil and District Ambala, was acquired vide notification dated 07.01.1994 and 01.07.1997, issued under Sections 4 & 6 respectively of the 1894 Act, for the public purpose, namely, for the construction of 66 k.v. Sub Station Barnala. The total land acquired was 2.99 acres. The Land Acquisition Collector vide its Award, assessed the market value of the

acquired land and awarded Rs.3,72,000/- per acre along with 30% solatium and 12% additional amount.

3. Aggrieved of the same, the appellant-landowner invoked reference petition under Section 18 of the 1894 Act, seeking enhancement of compensation. Upon consideration of the material available on record, the Reference Court vide its Award dated 10.10.1996, partly accepted the reference petition, enhancing the market value of acquired land to the tune of Rs.3,87,140/- per acre.

4. Feeling dissatisfied with the aforesaid Award passed by the ld. Reference Court, the appellant-landowner preferred the present appeal.

5. Impugning the aforementioned award, learned counsel for the appellant-landowner submits that the learned Reference Court went wrong having discarded the sale deeds produced by the appellant-landowner in the shape of Ex.P-4 to Ex.P6, pertaining to the same revenue estate and were not too far in terms of time period as compared to the date of issuance of notification under Section 4 of the 1984 Act (i.e. 07.01.1994). Learned Senior counsel, thus, submits that the compensation was required to be assessed while taking into consideration the sale deed dated 18.05.1992 (Ex.P-4), vide which, 10 marlas of land was sold @ Rs.40,000/- and the base price per acre was Rs.6,40,000/-. He also submits that in the wake of time gap of almost 20 months between the date of sale deed Ex.P-4 dated 18.05.1992 and date of notification i.e. 07.01.1994, issued under Section 4 of the 1894 Act in the present case, an appropriate increase was required to be applied followed by suitable cut towards smallness of the area involved in the said sale transaction. Learned Senior counsel, thus, submits that the market value was required to be re-assessed in view of the aforesaid

submission.

6. On the other hand, learned counsel for respondent No.2 submits that a well-reasoned award was passed by the learned Reference Court having appreciated the pleadings and evidence available on record and thus, the same calls for no interference. He points out that the sale deed Ex.P-4 dated 18.05.1992 was merely for 10 marlas of land, whereas, the sale deed Ex.P-3 dated 09.09.1993 was more than 12 marlas and thus, the same was rightly relied upon by the learned Reference Court keeping in mind the size of area involved in the said two sale transactions. He thus submits that the appeal preferred at the instance appellant-landowner was required to be dismissed.

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

8. A perusal of impugned award shows that based on appreciation of material available on record, a positive finding of fact has been recorded with respect to the locational advantage as well as potential attached to the acquired land. The relevant findings from paragraph 12 of the impugned award passed by the learned Reference Court to the aforesaid effect are extracted hereunder:-

> *"12. In the instant case, the statement of PW-1 Lal Singh shows that the Government has declared village Mandhaur as a model Village. Even Ram Chander Kanungo of HSEB when came in the witness box as RW-1 pleaded his ignorance that village Mandhaur had been declared as a model village by the Haryana Government. Thus, it is proved that village Mandhaur has been declared a model village by the Haryana Government. RW1 Ram Chander Kanungo admitted that Apex Cable Factory was situated adjoining the acquired land and Birla Steel Industries was*

situated across the road at a distance of ¾ kilometer from the acquired land. The statement of PW2 G.L. Sharma show that the acquired land is situated at a distance of 2 km from the national highway and at a distance of 200 meters from state highway, the acquired land is therefore highly potential......"

8.1 Keeping in mind the aforesaid finding which have not been impugned by the respondents neither having preferred any appeal nor even cross-objections, the evidence produced on record from the side of the appellant-landowner in the form of following 04 sale instances need to be appreciated:-

Sr. No.	***(Exhibits)-Sale deed/agreement to sell dated***	***Total land with price***
1	Ex.P3, Sale deed dated 09.09.1993, village Mandhor	12/11/30 marla Rs.50,000/- (Rs.6,44,000/- per acre)
2	Ex.P4, Sale deed dated 18.05.1992, village Mandhor	10 marla Rs.40,000/- (Rs.6,40,000/- per acre)
3	Ex.P5 Sale deed dated 23.12.1992, village Mandhor	3/23/30 marla Rs.24,000/- (Rs.4,90,000/- per acre
4.	Ex.P6 Sale deed dated 02.12.1992, village Mandhor	1/10/30 marla Rs.10,000/- (Rs.16,10,000 per acre)

8.2 It is well settled that the sale instances pertaining to small parcels of land can also be relied upon for the purpose of determination of market value of the acquired land, subject to the similarity of nature of land involved in such sale transactions and that of the acquired land. Further, in view of the settled proposition of law by the Hon'ble Apex Court in ***"Horrmal vs. State of Haryana", reported as 2024 INSC 797***, for the purpose of making assessment of market value for the acquired land, the sale instances fetching the highest sale price are required to be relied upon.

8.3 In the given facts, all the 04 sale instances Ex.P-3 to Ex.P-6 pertained to the same revenue estate of village Mandhor, to which the land under acquisition belongs and there is no evidence available on record so as to reflect any dis-similarity between the nature of land comprised in the sale exemplars Ex.P-3 to Ex-P-6 and the acquired land.

9. In such circumstances, taking holistic view of the matter and upon appreciation of evidence available on record, sale deed Ex.P-4 dated 18.05.1992 needs to be taken into account vide which base price per acre comes to Rs.6,40,000/-. Since the sale deed Ex.P-4 is dated 18.05.1992 and there is time gap of around 20 months between the said sale transaction and the date of notification (i.e. 07.01.1994) under Section 4 of the 1894 Act in the present case, appreciation @ 20% (total) needs to be granted over the sale price per acre derived from said sale transaction and thus, the base price per acre comes to Rs.7,68,000/-. Furthermore, considering that the sale deed Ex.P-4 pertains to 10 marlas of land, whereas, the land under acquisition is around 3 acres, an appropriate cut towards the smallness of area involved in the said sale transaction needs to be applied.

10 In the given facts and circumstances, when a positive finding of fact has been recorded by the learned Reference Court with respect to the locational and potential advantage attached to the land under acquisition, it would be appropriate in case 1/3rd cut is applied towards smallness of area involved in the sale exemplar Ex.P-4 and consequently the market value per acre comes to Rs.5,12,000/-.

10.1 Furthermore, no cut towards development cost needs to be applied in the present case as the land has been acquired for the purpose of installation of 66 KV Sub-Station and the respondents are not going to suffer any loss of land or incur any cost towards providing any additional infrastructural amenities like roads, parks, green belt, community building etc.

11. Applying the aforesaid, the market value of the land under acquisition comes to Rs.5,72,444/- per acre. In addition, the appellant-landowner shall also be entitled for all other statutory benefits and interest as provided under the 1894 Act (amended upto-date), especially, interest on solatium. Consequently, the appeal filed at the instance of appellant-landowner is partly allowed.

12. Further, in case of unfortunate demise of any of the appellants-landowners, if the legal heir(s)-legal representative(s) have not been brought on record, they shall be entitled for filing exemption applications in their own names being legal heirs or legal representatives of the deceased-landowners; subject of course to any testamentary document created by the deceased.

13. Pending applications, if any, also stand disposed of.

20.11.2025 **(HARKESH MANUJA)**
sonika **JUDGE**

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