



211 (12 cases)

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

RFA No. 3279 of 2001 (O&M)

Date of Decision: 19.08.2025

Belu Ram

...Appellant

Versus

State of Haryana and another

...Respondents

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. Rajesh Arora, Advocate
for the appellant(s) / landowner(s).
(in RFA Nos. 3279 to 3283, 4427 & 4428 of 2001)

Mr. D.S. Nain, Advocate and
Mr. Satpal Nain, Advocate
for the appellant(s) / landowner(s)
(in RFA Nos. 5154 of 2001; 621 & 622 of 2002)

None for the appellant(s) / landowner(s)
(in RFA Nos. 130 & 131 of 2002)

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

HARKESH MANUJA, J. (ORAL)

**CM-1707-CI-2002 in RFA-621-2002; and
CM-1709-CI-2002 in RFA-622-2002**

Prayer in the present applications under Section 149 of CPC, moved on behalf of the applicants-appellants/landowners, are for making good the deficiency of Court fee.

The main appeals stood admitted vide order dated 30.07.2002.

For the reasons stated in the applications, duly supported by the affidavit(s) of Sh. Narender, Clerk, office of Sh. D.S. Nain, Advocate, the same are **allowed**, subject to all just exceptions. The

applicants-appellants are permitted to make up the deficiency in court fee.

MAIN APPEAL(S)

The present order shall dispose off a batch of ***12** number of appeals (detail whereof is on the foot of the judgment), filed under Section 54 of the Land Acquisition Act, 1894 (**for short, the 'Act of 1894'**); out of which, five appeals bearing RFA Nos. 3279 to 3283 of 2001 pertain to **Village Nand Singh Wala**; five appeals bearing RFA Nos. 4427, 4428 & 5154 of 2001; and RFA Nos. 621 & 622 of 2002 relate to **Village Sangatpura**, while two appeals bearing RFA Nos. 130 & 131 of 2002 pertain to Village **Budha Khera**.

[2] In all the appeals, the appellants-landowners are seeking further enhancement of compensation for the acquired land.

[3] In RFA Nos. 3279 to 3283 of 2001 pertaining to **Village Nand Singh Wala**, Tehsil & District Kaithal, challenge has been made to Award dated 05.04.2001 passed by the learned Additional District Judge, Kaithal (**hereinafter to be referred as “Reference Court”**), whereby the market value of the acquired land in question has been upheld @ Rs. 1,50,000/- as determined by the Land Acquisition Collector (**for short “LAC”**) vide Award No. 7 dated 06.03.2000 as on the date of Notification under Section 4 of the Act of 1894 issued on 06.07.1998.

[4] In RFA Nos. 4427, 4428 & 5154 of 2001; and RFA Nos. 621 & 622 of 2002 relating to **Village Sangatpura**, Tehsil & District Kaithal, challenge has been made to Award dated 27.03.2001 passed by the Reference Court, whereby the market value of the acquired land in question has been upheld @ Rs. 1,50,000/- as determined by

the LAC vide Award No. 9 dated 06.03.2000 as on the date of Notification under Section 4 of the Act of 1894 issued on 06.07.1998.

[5] In RFA Nos. 130 & 131 of 2002 relating to **Village Budha Khera**, Tehsil & District Kaithal, challenge has been made to Award dated 05.04.2001 passed by the Reference Court, whereby the market value of the acquired land in question has been upheld @ Rs. 1,50,000/- as determined by the LAC vide Award No. 8 dated 06.03.2000 as on the date of Notification under Section 4 of the Act of 1894 issued on 06.07.1998.

FACTS

[6] Briefly, the facts are that in pursuance of Haryana Govt. Notification under Section 4 of the Act issued on 06.07.1998, followed by Notification dated 12.02.1999 under Section 6 thereof, land measuring 3.12 acres of **Village Nand Singh Wala**, H.B. No. 8, Tehsil & District Kaithal; 9.69 acres of **Village Sangatpura**, H.B. No. 87, Tehsil & District Kaithal; and 5.50 acres of **Village Budha Khera**, Tehsil & District Kaithal,, including the land of present appellant(s)-landowners, was acquired. The public purpose for acquisition of land was stated to be extension of Manjhala Sub Minor from RD 7300 to 22000. The LAC, vide Award Nos. 7, 9 & 8, dated 06.03.2000, assessed the market value of acquired land @ Rs. 1,50,000/- per acre for all kinds of land in respective villages.

[7] Dissatisfied with the aforesaid Award, landowners / interested persons filed objections under Section 18 of the Act, which were decided vide awards dated 05.04.2001 & 27.03.2001 by the Reference Court, whereby market value of the acquired land was

upheld @ Rs. 1,50,000/- per acre as determined by the respective LAC.

CONTENTIONS:

ON BEHALF OF APPELLANTS-LANDOWNERS

[8] Impugning the aforementioned award dated 05.04.2001, passed in relation to Village **Nand Singh Wala**, Tehsil & District Kaithal, learned counsel for the appellant(s) submits that the Reference Court failed to take into consideration the sale instance dated 20.05.1999 (Ex. P-1) which related to the same revenue estate i.e. Village Nand Singh Wala and thus, the market value was required to be assessed while taking into account the said sale exemplar.

ON BEHALF OF RESPONDENT-STATE OF HARYANA

[9] On the other hand, learned State Counsel points out that the sale deed (Ex. P-1) is dated 20.05.1999 i.e. post notification under Section 4 of the Act of 1894, which was issued on 06.07.1998 and as such, the same was rightly discarded by the Reference Court, particularly when the same was relating to a small parcel of land measuring 13.22 malras and was even situated at a distance of around 30 killas from the acquired land. He further submits that no interference was called for in the Award passed by the Reference Court, as the the market value was rightly assessed by the LAC and the same was even reflected from the sale consideration of Ex. R-1, which was proved on record by the respondents.

DISCUSSION

[10] After hearing learned counsel for the parties and gone through the paper-book / records, I find substance in the submission(s) made on behalf of the appellant(s)-landowner(s).

[11] Considering the fact that the total land under acquisition, which pertains to **Village Nand Singh Wala**, H.B. No. 8, Tehsil & District Kaithal, is 3.12 acres of land; thus, the sale deed dated 20.05.1999 (Ex.P-1) which pertains to around 14 marlas of land relating to the same revenue estate, can very well said to be a comparable sale exemplar in view of the fact that no other evidence besides sale deed (Ex. P-1) is available on record, especially when no evidence at all has been produced on behalf of respondents, doubting about the *bona fide* or genuineness of the above-noted sale instance. Burden to prove the same was upon the respondents, however, it has nowhere been established on record that there was any collusion between the vendor or the vendee of the said sale exemplar or any of the landowners related to the present acquisition was indirectly instrumental or associated with its execution being the ultimate beneficiary.

[12] On the other hand, no merits can be found in the submissions of learned State Counsel for placing reliance upon sale instance (Ex. R-1), as the same pertains to Village Sangatpura, Tehsil & District Kaithal, besides the legal aspect that highest of the sale exemplar has to be relied upon.

[13] Further, Hon'ble the Supreme Court in case of **Ram Kishan (since deceased) through his LRs etc. Versus State of Haryana & Ors.**, reported as **2025 INSC 441**, has been pleased to discuss and deliberate upon the principle of de-escalation and escalation as regards the sale exemplar for re-determination of market value of the acquired land. Relevant para-25 thereof is extracted hereunder:-

RELEVANT LEGAL PRINCIPLES

(i) PRINCIPLE OF DE-ESCALATION AND ESCALATION

25. In *Peerappa Hanmantha Harijan (Dead) by Legal Representatives and Others vs. State of Karnataka and Another*, (2015) 10 SCC 469, finding that lands which were acquired by a later notification in 1988 were adjacent to the lands acquired in the case in question in 1981, this Court applied the principle of de-escalation. The relevant parts of the judgment are set out hereunder:

77. Further, the land which has been covered under notification in 1988 is also adjacent to the residential sites which were formed. The landowners in that case produced the sale deeds of the years 1986 and 1988 respectively, which was 2 years and 2 months earlier respectively to the notification issued in the year 1988 and some of which were two to three years earlier. Taking the said relevant facts into consideration, the High Court of Karnataka redetermined the compensation at Rs 7.5 per square feet of land bearing Survey No. 389 covered in award passed in MFA No. 3796 of 2005 and Cross-Objection No. 213 of 2005 after giving deduction towards the developmental charges, de-escalation and conversion charges. The same method should be applied in the case on hand.

78. Further, the High Court ought to have taken into consideration the relevant fact that though the final notification for the land covered in MFA No. 3796 of 2005 and Cross-Objection No. 213 of 2005 was in the year 1988, it was for industrial development and the said land was also leased in favour of the allottee Company by KIADB to be used for the industrial development. The land along with the other lands covered in the 1981 notification was also acquired by the State Government for the purpose of the industrial development and allotted to the Company for the development of the industrial estate. Therefore, apart from the fact that there was a gap of 7 years in which the lands of the appellants were notified for acquisition to the land covered in MFA No. 3796 of 2005 and Cross-Objection No. 213 of 2005, it is an admitted fact that there is similarity in the nature

of the land and the purpose for which they were acquired.

80. As per the survey conducted by the State Government, it is an undisputed fact that mineral is available in the land and the Company is extracting the same to be used as raw material for the manufacture of cement in its factory. Therefore, though the land in the present case is a short distance away from the lands covered in MFA No. 3796 of 2005 and Cross-Objection No. 213 of 2005, both have been acquired for the purpose of industrial development and sought to be used for the same purpose by the Company. The land of the appellants herein along with other lands that was acquired vide notification in 1981 has been allotted in favour of the Company for the purpose of extracting the mineral of limestone which is the raw material used for the purpose of manufacturing the cement used for the commercial purpose. Therefore, the land of the appellants is acquired for the non-agricultural potentiality and the same is used for commercial purpose. Therefore, determining deductions towards de-escalation at 5% per year for 7 years and 10% towards waiting and other incidental charges would justify the redetermination of the market value of the land of the appellants.”

[14] In the facts and circumstances of the present case, wherein the acquisition proceedings commenced vide Notification dated 06.07.1998 issued under Section 4 of the Act of 1894, whereas the sale deed (Ex. P-1) is dated 20.05.1999; applying the ratio of law laid down in case of **Ram Kishan (supra)**, it would be appropriate to apply a deduction of 10% for the period of difference of 10 months towards the sale price per acre in relation to the sale consideration mentioned in sale deed (Ex. P-1).

[15] Further, considering the fact that the total area pertaining to the acquisition in case of Village **Nand Singh Wala** is relatively

small i.e. 3.12 acre and the sale exemplar (Ex. P-1) relates to an area measuring 14 marlas (around) and also the fact that the distance between the sale exemplar (Ex. P-1) and the land under acquisition is merely 30 acres while considering the geographical and locational similarity, it would be appropriate not to apply cut of more than one-third ($1/3^{\text{rd}}$) towards development costs.

[16] Moreover, in the humble opinion of this Court, in the given facts and circumstances, wherein the acquisition proceedings was carried out for the purpose of extension of Manjhala Sub Minor from RD 7300 to 22000, there was no loss of land / cost to the respondents, towards any additional infrastructural development, as such, one-third cut was appropriate and reasonable for the purposes of determination of fair and just compensation to the landowners.

[17] Thus, in view of the aforementioned discussion, the market value of the acquired land pertaining to the revenue estate of **Village Nand Singh Wala**, Hadbast No. 8, Tehsil and District Kaithal, as on the date of notification under Section 4 of the Act in the present case would come to around **Rs.2,36,720/- per acre** alongwith other statutory benefits / interest as provided in the Act of 1894, as per the calculation below:-

		Amount per acre (in Rs.)
Market Value of the acquired land (as per exemplar sale deed dated 20.05.1999 (Ex. P-1) qua 13.22 marlas land		3,87,360.00
Less: 10% De-escalation charges	Rs.3,87,360 x 10/100 x 10/12	32,280.00
Total		3,55,080.00
Less: $1/3^{\text{rd}}$ Development Cut	Rs. 3,55,080 x $1/3 = 1,18,360/-$	1,18,360.00
Final Compensation		2,36,720.00

VILLAGES SANGATPURA & BUDHA KHERA

[18] At this stage, learned counsel for the appellant(s)-landowner(s) points out that since, no sale instance pertaining to the revenue estate of **Village Sangatpura** is available on record, as such the Reference Court was required to rely upon the sale deed dated 20.05.1999 (Ex. P-1) which pertained to abutting / adjoining the revenue estate of Village Nand Singh Wala and the compensation should have been assessed accordingly.

[19] Further, **Village Budha Khera** is also stated to be abutting / adjoining the revenue estate of Village Nand Singh Wala.

[20] No one appears on behalf of the appellant(s)-landowner(s) in RFAs, representing the Village Budha Khera.

[21] On the other hand, learned State Counsel opposes the appeals as well as the prayer for enhancement of market value while reiterating the submissions made earlier in relation to the revenue estate of Village Nand Singh Wala.

[22] With respect to the land under acquisition which pertains to the revenue estate of Villages **Sangatpura and Budha Khera**, it may be relevant to note here that in these villages, the land was acquired in terms of the very same notification dated 06.07.1998 issued under Section 4 of the Act of 1894 for the same public purpose and relating to 9.69 acres of land of **Village Sangatpura**, H.B. No. 87, Tehsil & District Kaithal; and 5.50 acres of land of **Village Budha Khera**, Tehsil & District Kaithal. Since, both the said villages are admittedly and undisputably **adjoining and abutting** the revenue estate of Village Nand Singh Wala in terms of geography and location; in such circumstances, it would be appropriate to award

market value to the landowners of Villages Sangatpura and Budha Khera, while applying development cut @ 40% and 50% for the two respective Villages upon the sale exemplar (Ex. P-1) which pertains to the revenue estate of Village Nand Singh Wala. For determining market value on the basis of sale exemplar(s) pertaining to the adjoining revenue estate-village, reliance can be placed upon a decision dated **05.12.2001** passed in **Civil Appeal No. 4668 of 1998**, titled **“M/s. Delhi Colonizers Versus Union of India”** as well as the latest decision in case **Ram Kishan (supra)**, wherein the Hon’ble Apex Court has been pleased to record that the sale deeds or awards relating to adjoining villages can be relied upon as relevant piece of evidence for the purpose of determination of market value in case the sale exemplar of the concerned village are not available. The fact that the three villages forming part of the present acquisition are abutting and adjoining further stands corroborated even from the public purpose itself which is for extension of Sub Minor and the land has been acquired in straight-horizontal line and also in continuity; the appellants-landowners of Villages Sangatpura and Budha Khera are also, therefore, entitled for market value @ **Rs. 2,13,048/-** and **Rs.1,77,540/-** respectively, as per calculation given below:-

		Village(s)	
		Sangatpura	Budha Khera
		Amount per acre (in Rs.)	
Market Value of the acquired land (as per exemplar sale deed dated 20.05.1999 (Ex. P-1) qua 13.22 marlas land		3,87,360.00	3,87,360.00
Less: 10% De-escalation charges	Rs.3,87,360 x 10/100 x 10/12	32,280.00	32,280.00

Total		3,55,080.00	3,55,080.00
Less: 40% Development Cut of Village Sangatpura	Rs. 3,55,080 x 40/100 = 1,42,032/-	1,18,360.00	
Less: 50% Development Cut of Village Budha Khera	Rs. 3,55,080 x 50/100 = 1,77,540/-		1,77,540.00
Final Compensation		2,13,048.00	1,77,540.00

DECISION

[23] In the light of above, Award(s) dated 05.04.2001 & 27.03.2001 passed by the Reference Court are hereby set aside. The appellant(s)-landowner(s) are held entitled to the enhanced / modified compensation as assessed above qua the respective villages alongwith consequential / statutory benefits and interest as provided in the Act of 1894.

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

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

August 19, 2025

‘dk kamra’

(HARKESH MANUJA)
JUDGE

Whether Speaking / Reasoned :	Yes	No
Whether Reportable :	Yes	No

Sr. No.	Case No.	Case Title
*1.	RFA-3279-2001 (Main Case)	BELU RAM <u>VERSUS</u> STATE OF HARYANA AND ANOTHER
2.	RFA-3280-2001	DEI RAM AND ANOTHER <u>VERSUS</u> STATE OF HARYANA AND ANOTHER
3.	RFA-3281-2001	BALWANT SINGH AND OTHERS <u>VERSUS</u> STATE OF HARYANA AND ANOTHER
4.	RFA-3282-2001	BALDEV SINGH AND OTHERS <u>VERSUS</u> STATE OF HARYANA AND ANOTHER
5.	RFA-3283-2001	LAKHBIR SINGH AND OTHERS <u>VERSUS</u> STATE OF HARYANA AND ANOTHER
6.	RFA-4427-2001	SHRI GULJAR SINGH AND OTHERS <u>VERSUS</u> STATE OF HARYANA AND OTHERS
7.	RFA-4428-2001	LAKHBIR SINGH AND OTHERS <u>VERSUS</u> STATE OF HARYANA AND OTHERS

8.	RFA-5154-2001	GAJA AND OTHERS <u>VERSUS</u> STATE OF HARYANA
9.	RFA-621-2002	JAGVINDER SINGH AND OTHERS <u>VERSUS</u> STATE OF HARYANA
10.	RFA-622-2002	POHLU AND ANOTHER <u>VERSUS</u> STATE OF HARYANA AND OTHERS
11.	RFA-130-2002	SIRI CHAND <u>VERSUS</u> STATE OF HARYANA AND OTHERS
12.	RFA-131-2002	SMT. NANO DEVI THROUGH SH. GURBACHAN SINGH, SPECIAL POWER OF ATTORNEY <u>VERSUS</u> STATE OF HARYANA AND OTHERS

August 19, 2025
'dk kamra'

(HARKESH MANUJA)
JUDGE