2025:PHHC:111230

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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

RFA-4392-2006 (O&M)
Date of Decision: August 22, 2025

PRAVEEN GUPTA AND ANR. ....Appellants

Versus

STATE OF HARYANA AND ORS. ......Respondents

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. Tarun Yadav, Advocate for the appellants in RFA-5406-2008, RFA-5407-2008, RFA Nos.292-298 of 2008 and RFA-2644-2009.

Mr. M.S. Randhawa, Advocate for the appellants in RFA-5691-2008 and RFA-2856-2007.

Mr. Abhinash Jain, DAG, Haryana.

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HARKESH MANUJA, J. (ORAL)

A batch of 22 connected Regular First Appeals (details whereof are given on the foot of the judgment) shall stand disposed of by this common order, as they involve common question of law and facts.

For convenience, the facts are being taken from RFA-4392-2006.

[2] Briefly stating, the landowners, by instituting the present appeal preferred under Section 54 of the Land Acquisition Act, 1894 (for short “the Act”), are seeking modification of the award dated 12.09.2006 passed by learned Additional District Judge, Narnaul (hereinafter to be referred as “Reference Court”) for enhancement of compensation amount.

[3] In pursuance to Haryana Govt. Notification under Section 4 of the Act issued on 21.07.1998, followed by Notification dated 16.07.1999 under Section 6 thereof, the land measuring 46.56 acres, including the land of appellant(s), situated in the revenue estate of Village Narnual H.B. No. 159 Tehsil Narnaul, Distrct Mahendergarh, was acquired. The public purpose for acquisition of the land was stated to be Development & Utilization of land as Section-I part Narnaul H.B. No.159 Tehsil Narnaul, District Mahendergarh. The Land Acquisition Collector, Urban Estate, Faridabad, Haryana (for short "LAC"), vide Award dated 13.07.2001, assessed the market value of acquired land @ Rs. 2,00,000/- per acre.

[4] Dissatisfied with the aforesaid Award, landowners/interested persons filed reference petition under Section 18 of the Act, which was decided vide award dated 12.09.2006 by learned Reference Court, whereby the market value of the acquired land was assessed @ Rs. 300/- per square for the land upto the depth of 200 yards abutting the land of Sector-I Part-I and Rs. 190 per sq. yard for the remaining land.

5. Impugning the aforementioned award, learned counsel for the landowners submits that the reference Court having recorded that the land under acquisition was having locational and potential advantage yet, assessed the market value while taking average of the sale deeds (two from the side of the landowners i.e. Exs.P-7 and P-8, two from the side of the State i.e. Ex. R-5 to R-6). Learned counsel further submits that in the facts and circumstances of the present case, the sale deed dated 11/12/1996 registered at Vasika number 1782, which was proved on record as Exhibit P8 being the highest sale was

instance required to be considered after applying appropriate cut thereupon towards development cost and thus, market value was liable to be enhanced. Learned counsel also submits that the belting system adopted by the learned Reference court while granting market value @ Rs. 300/- per square for the land upto the depth of 200 yards abutting the land of Sector-I Part-I and Rs. 190 per sq. yard for rest of the acquired land was totally unjustified in the given facts and the same should have been assessed at uniform rate for the entire acquired land. No other argument has been addressed by learned counsel for the appellants.

6. On the other hand, learned State counsel submits that though the reference Court could not have relied upon the sale deeds, Exs. R-5 and R-6 for the purposes of assessment of market value; the same being post notification under Section 4 of the 1894 act however, the sale deed could have been referred to or relied upon for the purpose that there was no much appreciation towards land price in the area in question even post acquisition. Learned counsel further submits that the learned reference Court while granting enhancement in favour of appellants-landowners failed to appreciate that in terms of the sale deeds, Exs. R1-R6, which were proved on record from the side of respondents, fair and just compensation was awarded by the Land Acquisition Collector and the said award called for no interference. Learned State counsel also points out that in the given facts learned Reference Court was fully justified in applying the belting system for the purpose of award of compensation and the same thus, calls for no interference.

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

8. From the evidence available on record, it has been established that the land under acquisition is abutting Sector 1, Narnaul and various Government and semi-Government offices such as hospitals, educational institutions, Jawaharlal Nehru Canal colony, Mini Secretariat, DC office, as well as DC and SP residences are also existing in the same vicinity. Towards the eastern side of the acquired land there exists, Narnaul-Chandigarh Road, whereas from the Southern side, it is abutting Delhi-Jhunjhunu Road. The fact of locational potential as well as geographical advantage attached to the land under acquisition has also been noticed by the learned Reference Court in its award at para 50. The relevant extract therefrom is reproduced hereunder:

> *"............As such, admittedly the acquired land is potential for residential and commercial use. 60 and 100 feet wide road of Section 1 touches the boundaries of the acquired land which connect the acquired land with two highways namely Narnaul-Mahendergarh Road and Narnaul-Singhana Road."*

In view of the aforesaid, once the factum of locational and potential value attached to the land in question was established on record and it was recorded that the same was touching Narnaul-Chandigarh Road (Eastern side) and Delhi-Jhunjhunu Road(Southern side) on two sides besides, the same, even abutting and adjoining the already existing sector-1, Narnaul, it was wholly unjustified on the part of the learned Reference Court having applied belting system for the purposes of awarding market values. As such, the learned reference Court was required to award uniform market price with respect to the entire chunk of land under acquisition, especially in the circumstances wherein, neither any reason was recorded by the learned reference Court for applying the belting system, nor any evidence in support was discussed or deliberated upon while doing the same.

9. With respect to the assessment of the market value, the learned Reference Court went wrong while adopting the procedure of taking average of the sale deeds, Exhibits P7 and P8 produced from the side of appellants-land owners and Exhibits R-5 and R-6 which were produced from the side of respondent-state. In view 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 INSC 797*** in the given fact when the sale price of all sale instances was not somewhat similar with little bit difference in it, for the purpose of making assessment of market value, the reference Court was required to take into consideration the highest of the sale examplar which in the present case was Ex.P-8 i.e. the sale deed dated 11/12/1996, registered at Vasika No.1782 pertaining to 2 Biswas of land sold at ₹1,51,000/- against which the price per acre comes to ₹24,16,000/-. In support, relevant paragraph Nos. 28 and 29 of judgment passed in ***Horrmal's case*** (Supra) is reproduced hereunder for reference:

> *"28. This view has been reiterated in Sh. Himmat Singh v. State of M.P., 13 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.*
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> *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."

10. Once the sale deed Exhibit P8 pertained to the same revenue estate and there was no evidence available on record questioning the genuineness or bona fide of the said sale instance, the same being the highest sale examplar was required to be relied upon by the learned reference Court. Equally important, the land comprised of the sale exemplar Exhibit P8 admittedly formed part of the acquired land and thus, even in terms of geographical proximity as well as from the locational angle, the same being the best examplar was to be applied. Further, the sale examplar Exhibit P-8 is dated 11/12/1996, whereas, the notification under Section 4 in the present case is pf 21/07/1998, and there is difference of around 19 months, thus in terms of proximity of time also the same is the best piece of evidence to be relied upon.

11. Though, there is one another sale exemplar dated 01/10/1997, registered vide Vasika No.1406 for an area measuring 15 square yards against sale consideration of Rs.50,000 and the market value per acre comes to Rs.32,00,000/-, however, the same pertaining to an area too small in comparison of the present acquisition which relates to around 40 acres cannot be considered as a comparable sale

exemplar. Furthermore, as per the records, the sale instance Exhibit P5 was even situated at a distance of more than 2 km of the acquired land.

12. Thus, considering the locational advantage attached to the land under acquisition and its proximity with already existing Sector,1 Narnaul, it would be appropriate to apply 12% appreciation per annum for the period of difference between sale instance Exhibit P8 (11/12/1996) to the date of notification under Section 4 in the present case(21/07/1998). However, taking into account the fact that the sale exemplar Exhibit P8 pertains to 2 biswa i.e. 10 marlas of land an appropriate cut of 35% needs to be applied towards the infrastructural development cost. Here it is necessary to keep in mind that development cut to the extent of 35% is applied while considering that the sale exemplar forms part of the acquired land which is abutting and adjoining the already existing sector-1 Narnaul and is even touching two highways towards eastern and Southern side of the same; besides number of other residential and commercial establishments, including government offices are existing in the same vicinity and are having all kind of basic necessary amenities available on the site with further scope of extension thereof.

13. As such, in view of the discussion made hereinabove, the market value of the acquired land, is thus assessed at Rs.18,68,776 per acre (24,16,000 + 24,16,000 X 19% = Rs.28,75,040/- and after applying development cut of 35%) (i.e.Rs.386/- per square yard). Accordingly, the present appeals filed at the instance of landowners are partly allowed thereby assessing market value at the rate of Rs.386/- per square yard at the uniform rate, along with all other statutory benefits and interest provided under the provisions of Land Acquisition Act

1894(as amended up to date). It may further be noted here that in case any of the landowners/appellants having expired during the pendency of the present appeal and his/her/their legal representatives or legal heirs have not been impleaded, in view of the State amendment carried out under Order 22, Rule (3)(2) of CPC 1908, the legal heirs of the deceased shall be entitled to draw benefit of the present judgment qua its enforcement directly by preferring executions through filing of appropriate applications in this regard.

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

22.08.2025 **(HARKESH MANUJA)**
Tejwinder **JUDGE**

Whether speaking/reasoned	*Yes/No*
Whether Reportable	*Yes/No*

Sr No.	**Case No.**	**Title**
1.	RFA-4012-2008 (O&M)	**SARLA DEVI AND ORS. V/S STATE OF HARYANA AND ORS.**
2.	RFA-2953-2011 (O&M)	**RAM CHANDER SAINI & ORS. V/S STATE OF HARYANA & ORS.**
3.	RFA-64-2007 (O&M)	**ARUNA KUMARI AND ORS. V/S STATE OF HRY. AND ORS.**
4.	RFA-1175-2007(O&M)	**RAM SINGH AND ORS. V/S STATE OFHRY. AND ORS**
5.	RFA-4395-2006(O&M)	**CHANDAN KUMAR AND ANR. V/S STATE OF HARYANA AND ORS.**
6.	RFA-2856-2007(O&M)	**TARA SINGH V/S GOVERNMENT OF HARYANA AND ORS.**
7.	RFA-4393-2006(O&M)	**UDAI SINGH YADAV V/S STATE OF HARYANA AND ORS**
8.	RFA-4394-2006(O&M)	**HUKAM SINGH AND ANR. V/S STATE OF HARYANA AND ORS.**
9.	RFA-765-2007(O&M)	**STATE OF HARYANA V/S TARA SINGH**
10.	RFA-766-2007(O&M)	**STATE OF HARYANA V/S TEJ RAM AND ORS.**
11.	RFA-768-2007 (O&M)	**STATE OF HARYANA V/S KAMLA DEVI AND ORS.**

12.	RFA-769-2007 (O&M)	**STATE OF HARYANA V/S MOHAN LAL**
13.	RFA-771-2007(O&M)	**STATE OF HARYANA V/S SUMER SINGH AND ORS.**
14.	RFA-772-2007(O&M)	**STATE OF HARYANA V/S UDAI SINGH YADAV**
15.	RFA-773-2007(O&M)	**STATE OF HARYANA V/S BHATERI DEVI AND ORS.**
16.	RFA-774-2007(O&M)	**STATE OF HARYANA V/S RAM SINGH AND ORS.**
17.	RFA-775-2007(O&M)	**STATE OF HARYANA V/S HUKAM SINGH AND ORS.**
18.	RFA-767-2007(O&M)	**STATE OF HARYANA V/S JAGDISH RAHEJA AND ORS.**
19.	RFA-770-2007(O&M)	**STATE OF HARYANA V/S SAJJAN SINGH AND ORS.**
20.	RFA-80-2007(O&M)	**TEJ RAM AND ORS. V/S STATE OF HARYANA AND OTHERS**
21.	RFA-81-2007(O&M)	**KAMLA DEVI AND OTHERS V/S STATE OF HARYANA AND OTHERS**