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

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1. **RFA No.3591 of 2008 (O&M)**
Date of Decision: 10.09.2025

LAL CHAND AND ORS. ......Appellants
Vs
STATE OF HARYANA THROUGH COLLECTOR, SIRSA...Respondent(s)

2. **RFA No.3592 of 2008 (O&M)**

KANSHI RAM (DECEASED) THROUGH LRS AND ORS .....Appellants
Vs
STATE OF HARYANATHROUGH COLLECTOR, SIRSA ...Respondent(s)

3. **RFA No.588 of 2009 (O&M)**

STATE OF HARYANATHROUGH COLLECTOR, SIRSA......Appellant
Vs
LAL CHAND AND ORS. ...Respondent(s)

4. **RFA No.589 of 2009 (O&M)**

STATE OF HARYANATHROUGH COLLECTOR, SIRSA......Appellant
Vs
KANSHI RAM AND ORS. ...Respondent(s)

5. **RFA No.590 of 2009 (O&M)**

STATE OF HARYANATHROUGH COLLECTOR, SIRSA......Appellant
Vs
RAM KISHAN AND ORS. ...Respondent(s)

6. **RFA No.813 of 2009 (O&M)**

RAM KISHAN (DECEASED)THROUGH HIS LRS AND ORS......Appellants
Vs
STATE OF HARYANA THROUGH COLLECTOR & ANR. SIRSA
Respondent(s)

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

Present: Mr.Ajay Jain, Advocate
for the appellants/landowners.

Mr. Abhinash Jain, D.A.G., Haryana.

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RFA Nos.3591 of 2008 with other connected cases

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

[1]. Vide this common order, RFA Nos.3591 & 3592 of 2008 and 588, 589, 590 & 813 of 2009 are being decided as all the appeals have arisen out of common acquisition/Award involving common facts and question of law. For the sake of brevity, facts are being taken from RFA No.3591 of 2008.

[2]. By way of present appeal(s), challenge has been laid to the Award dated 14.02.2008 passed by the learned Addl. District Judge, Sirsa (hereinafter to be referred as the 'Reference Court'), whereby Reference Petition filed under Section 18 of the Land Acquisition Act, 1894 (for short 'the 1894 Act') at the instance of the landowners was partly allowed while granting them the benefit of enhanced market value @ Rs.5,00,000/- per acre *qua* the acquired land besides awarding other statutory benefits/interest in their favour under the 1894 Act.

[3]. Briefly stating, in the present case(s), land measuring 2.22 acres situated within the revenue estate of village Khari Surera, Tehsil Ellenabad, District Sirsa, came to be acquired vide Notifications dated 11.02.2004 and 16.06.2004 issued under Sections 4 & 6 of the 1894 Act respectively for the public purpose namely for construction of Mithanpura Minor from RD 17500 to 19700 tail off taking from RD 81470 left Sheranwali Parallal channel, followed by an Award passed by the Land Acquisition Collector (for short 'the LAC') on 10.05.2005 considering the market value recommended by the Divisional Level Price Fixation Committee headed by the Divisional Commissioner, Hisar, thereby determining the market value of the acquired land as under:-

"1.	***Compensation for land***	***Rs.1,32,375.00***
2.	***Compulsory Acquisition Charges***	***Rs.39,712.00***

3.	*Add. amount @ 12% per annum from 11-02-2004 to 09.05.2005*	*Rs.19,711.00*
	Total	***Rs.1,91,798.00”***

(The Award covered an area of 2.21 acres of land).

[4]. Aggrieved thereof, the appellant(s)-landowners invoked Reference under Section 18 of the 1894 Act, which came to be partly allowed by the learned Reference Court vide its award dated 14.02.2008, while granting them enhanced compensation @ Rs.5,00,000/- per acre *qua* the acquired land besides awarding all other statutory benefits/interest in their favour under the 1894 Act.

[5]. Impugning the aforesaid Award passed by the learned Reference Court, learned counsel for the appellant/landowners submits that though the learned Reference Court rightly relied upon letter dated 28.04.2005 (Ex.PX) issued by the Financial Commissioner and Principal Secretary to Govt. of Haryana, Revenue Department regarding fixation of floor price for acquisition of land and awarded Rs.5 lakhs per acre as market value; but it failed to appreciate the fact that the land under acquisition got bifurcated thereby causing loss of irrigation facility as well as inconvenience to the appellants/landowners. In this regard, learned counsel relies upon copy of extract from the *Ak-shijra* proved on record as Ex.P-2 and prays for grant of damages towards severance of land.

[6]. On the other hand, learned State counsel submits that the learned Reference Court went wrong while placing reliance upon letter dated 28.04.2005 (Ex.PX) as the notification in the present case was issued on 11.02.2004, whereas the fixation of floor rate for acquisition of land in the State of Haryana vide Ex.PX on 28.04.2005 was issued post notification of acquisition. Learned State counsel,

thus submits that the letter dated 28.04.2005 (Ex.PX) was prospective in nature and could not be applied to the previous acquisitions. He also points out that as per sale deed dated 05.06.2003 proved on record as Ex.R-1 for land measuring 13 Kanals 07 Marlas situated within the same revenue estate of village Khari Surera, the sale price per acre was Rs.73,000/- which was even more than the market value awarded by the LAC and, therefore, the enhancement awarded by the learned Reference Court was uncalled for.

[7]. With respect to the damages towards severance as claimed by the appellants/landowners, learned State counsel submits that there was no evidence available on record so as to establish any bifurcation of land owned by the appellants/landowners or even damages suffered by them towards source of irrigation etc., thus no compensation on this count was payable.

[8]. I have heard learned counsel for the parties and gone through the paper book. I find substance in the submissions made on behalf of the appellants/landowners.

[9]. The Notification under Section 4 of the 1894 Act in the present case(s) was issued on 11.02.2004 and the Award in pursuance thereof was passed on 10.05.2005 by the LAC, Sirsa. Perusal of the said Award dated 10.05.2005 shows that the market value was assessed in terms of the market rate fixed by the "Divisional Price Fixation Committee" headed by the Divisional Commissioner. However, the Financial Commissioner and Principal Secretary to Government of Haryana, Revenue Department had already fixed the floor price for the acquisition of land with respect to the entire State of Haryana with a specific direction that the "Divisional Price Fixation Committee" headed by the Divisional Commissioner

shall fix the rate of compensation for various categories of land under acquisition while relying upon the floor rates fixed vide letter dated 28.04.2005 (Ex.PX). The relevant paragraph Nos.4, 5 and 6 thereof are extracted hereunder:-

> *"4. It has been decided by the Government that the State be divided into following three Zones for the purpose of fixing floor rates of land acquisition:-*
>
> *i) The urbanisable area as shown in the Gurgaon Development Plan.*
>
> *ii) Rest of he NCR sub-region of Haryana including Panchkula and periphery of Chandigarh forming part of Haryana State.*
>
> *iii) Rest of the State outside Haryana sub-region of NCR.*
>
> *5. After due consideration, it has further been decided to fix the following floor rates for the above three Zones for acquisition of land for public purpose:-*
>
> *i) The urbanisable area of Gurgaon will have a minimum floor rate of Rs.15.00 lacs per acre.*
>
> *ii) Rest of the Haryana Sub-region of NCR including Panchkula and area of Chandigarh periphery in the Haryana State will have a minimum floor rate of Rs.12.50 lacs per acre.*
>
> *iii) Fior the rest of the State minimum floor rate will be Rs.5.00 lacs per acre.*
>
> *iv) These rates do not include the solatium and interest payable under the provisions of the Land Acquisition Act.*
>
> *6. The Committee headed by the Divisional Commissioner will contribute to perform its duties while fixing the rate of compensation for various categories of land under acquisition based on these floor rates. It will continue to take into account all those parameters for working out the land acquisition rates being followed at preset while communicating the rates to the Acquiring Departments/Agencies in the State."*

[10]. It may also be noticed here that the letter dated 28.04.2005 (Ex.PX) even takes note of the fact that the agricultural land all over the State has become valuable whereas the rates of compensation fixed for acquisition were quite low as compared to the market rates and resultantly, the landowners were suffering due to the prolonged litigation. It was only with an idea to do justice with the landowners, fixation of floor price for acquisition of land was carried out. In such circumstances, once the fixation of floor rates was done by the State of Haryana before announcement of Award under Section 11 of the 1894 Act in relation to the present acquisition, the "Divisional Price Fixation Committee" headed by the Divisional Commissioner itself was required to consider the terms of letter dated 28.04.2005 (Ex.PX) while making recommendations to the Land Acquisition Collector. Accordingly no interference is called for qua the assessment of market value @ Rs.5 lakhs per acre as made by the learned Reference Court while relying upon the letter dated 28.04.2025 (Ex.PX).

[10.1]. Further, once the Government of Haryana has itself fixed the floor rates in the entire State of Haryana, having caved out the same into three Zones and as per which the price per acre for the land within District Sirsa comes to Rs.5, lakhs, it would not be justified in any manner to rely upon the sale deed dated 05.06.2003 (Ex.R-1) being for a lesser value.

[11]. On the issue of award of damages towards severance in favour of the appellants/landowners, it may be noticed that upon perusal of copy of extract from the *Ak-shijra* of village Khari Surera which has been proved on record as Ex.P-2, it is evident that the construction of Minor has bifurcated the remaining land exactly from the middle of khasra numbers acquired for the said purpose. In such

circumstances, the appellants/landowners are bound to suffer loss towards source of irrigation and cultivation of land besides causing them inconvenience towards connectivity of the two parcels been left on either side of the Minor. Moreover, severance also causes reduction in value of remaining land due to alteration in access, useability, irregularity of shape and loss of agricultural viability etc. As such, it would be appropriate to award damages against severance in favour of the landowners @ Rs.25% of the market value of the land as assessed by the learned Reference Court. In addition, the landowners are also held entitled for award of all other statutory benefits and interests payable under the provisions of the 1894 Act.

[12]. Accordingly, in view of the discussion made herein above, the appeal preferred at the instance of appellants-landowners is hereby partly allowed to the aforesaid extent only and the appeals filed by the State of Haryana are, thus dismissed.

[13]. Further, in case of unfortunate demise of any of the appellants/landowners, if the legal heirs-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 to of course any testamentary document created by the deceased.

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

(HARKESH MANUJA)
JUDGE

September 10, 2025
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Whether speaking/reasoned Yes/No
Whether reportable Yes/No