



107 (02 cases)

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

(1)

**RFA No. 92 of 1996 (O&M)
Date of Decision: 20.01.2026**

Sh. R.N. Gupta and another

...Appellants

Versus

The State of Haryana and others

...Respondents

AND

(2)

RFA No. 93 of 1996 (O&M)

Som Parkash and others

...Appellants

Versus

The State of Haryana and others

...Respondents

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJAPresent: Mr. Deepak Singh Saini, Advocate
for the appellant(s)-landowner(s).Mr. Abhinash Jain, Deputy Advocate General, Haryana
for the respondent Nos. 1 & 3 / State of Haryana.Mr. Nischal Manchanda, Advocate and
Mr. Akash Choudhary, Advocate
for respondent Nos. 2 & 4.

HARKESH MANUJA, J. (ORAL)

This order shall dispose off the present two appeals bearing RFA Nos. 92 & 93 of 1996, as the same arise out of common acquisition / award.

[2] The appellants-landowners, by instituting the present appeals, preferred under Section 54 of the Land Acquisition Act, 1894 (**for short "1894 Act"**), seek modification of the award dated 04.09.1995 passed by the learned Additional District Judge, Kaithal

(hereinafter to be referred as “Reference Court”), for enhancement of compensation amount.

FACTS

[3] Briefly stating, certain land owned by the appellants situated within the revenue estate of Village Fatehpur (Pundri), Hadbast No. 8, Tehsil Kaithal, District Kurukshetra (now District Kaithal), came to be acquired vide notifications dated 14.07.1976 and 05.01.1977 issued under Sections 4 and 6 of the 1894 Act respectively, for the public purpose namely “for the establishment of vegetable market at Fatehpur, Tehsil Kaithal, District Kurukshetra”. Vide Award No. 10-A, dated 06.06.1986, the Land Acquisition Collector, Directorate of Agriculture, Haryana, Panchkula (**for short “LAC”**) determined the value of the acquired land at the rate of Rs.9,440/- per acre alongwith other statutory benefits.

[4] Aggrieved of the aforesaid Award dated 06.06.1986, landowners / interested persons filed reference under Section 18 of the 1894 Act, which were disposed off vide decision dated 04.09.1995 by the learned Reference Court, whereby the market value of the entire land was assessed at the rate of Rs. 30,967/- per acre alongwith other statutory benefits. Dissatisfied with the aforesaid decision of the learned Reference Court, the present appeal(s) have been preferred at the instance of appellant(s)-landowner(s).

CONTENTION(S):

ON BEHALF OF THE APPELLANT(S)-LANDOWNER(S)

[5] Impugning the aforesaid Reference Court’s award dated 04.09.1995, learned counsel(s) for the appellant(s)-landowner(s) submits that the learned Reference Court while passing the award

failed to take into account the sale deeds produced by the landowners, especially the sale transaction dated 11.10.1974 (Exhibit P-3) which pertains to the same revenue estate of Village Fatehpur Pundri, vide which 500 square of land was sold for Rs. 15,000/- i.e. Rs. 1,45,200/- per acre. Learned counsel submits that for the smallness of area involved in sale transaction Exhibit P-3, the learned Reference Court could have applied suitable deduction and as such, the market value was required to be re-assessed and enhanced accordingly.

ON BEHALF OF RESPONDENT(S)-STATE OF HARYANA

[6] On the other hand, learned counsel(s) representing the respondents-State of Haryana and Marketing Board submit(s) that no interference is called for in the well-reasoned judgment/award passed by the learned Reference Court, which was based on proper appreciation of evidence and the material available on record and therefore, it is prayed that the present appeals are liable to be dismissed.

DISCUSSION AND REASONING

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

[8] Upon perusal of record, it has been found that based on the material available, a positive finding of fact has been recorded by the learned Reference Court to the effect that the land under acquisition carried higher potential value for commercial and residential purpose being located on Pundri Road and in close proximity to the Sabzi Mandi, Bus Stand and other commercial

establishments. Relevant finding/portion in para-12 of the impugned award to the aforesaid effect is extracted hereunder:-

“ 12. Admittedly, the land in question is of high potential value for commercial and residential purpose. P.W. 1 Sh. Bal Kishan Dhiman proved on record site plan Ex. P.1. P.W. 2 Som Parkash stated that the suit land is situated on Pundri pucca road leading from Pundri town to Karnal-Kaithal road. Close to the suit land and is Subzi Mandi, Bank, school, College and commercial shops. In front of it, is the grain market and HUDA colony. It is of commercial nature, Cinema Hall and bus-stand are at a distance of 250 sq. yards from the site in dispute.”

[9] Further, the relevant chart of the sale deeds produced by the appellants-landowners as well as by the respondents in the tabulated form are extracted hereunder:-

(i) Sale deeds produced by the appellants-landowners:-

Exhibit	Date of Sale Deed	Area Sold	Sale Price (Rs.)	Amount Per Acre (Rs.)
P-3	11.10.1974	500 sq. yard	15,000/-	1,45,200.00
P-4	23.11.1971	180 sq. yard	3,000/-	80,666.66
P-5	18.06.1981	300 sq. yard	18,000/-	2,90,400.00

(ii) Sale deeds produced by the respondents:-

Exhibit	Date of Sale Deed	Area Sold	Sale Price (Rs.)	Amount per acre (Rs.)
R-1	03.06.1976	40 Kanals 14 Marla	30,000/-	5,896.80
R-2	01.06.1976	31 Kanals 05 Marla	30,500/-	7,808.10
R-3	22.06.1976	38 Kanals 04 Marla	28,000/-	5,863.87
R-4	28.12.1976	11 Kanals 03 Marla	11,000/-	7,892.37

[9.1] It may be relevant to take note of the fact that all the aforementioned sale instances pertain to the same revenue estate of

Village Fatehpur. The sale instances Exhibits R-1 to R-4 produced by the respondents were discarded by the learned Reference Court on the ground that the location of the land parcels forming part of the said sale transactions could not be traced out from the evidence available on record in the form of Aksajra (Exhibit P-A) in comparison to the land under acquisition. Aggrieved thereof, neither any cross-appeal has been filed by the respondents nor any cross-objections have been preferred against such findings and thus, the same needs to be treated as final and conclusive between the parties and as such, calls for no interference.

[10] Moreover, from the sale-deeds produced by the appellants-landowners, Exhibit P-5 dated 18.06.1981 being post notification need not be relied upon. Out of the sale instances Exhibits P-3 & P-4 dated 11.10.1974 & 23.11.1971 respectively, the location of land forming part of Exhibit P-4 could not be traced / out in the Aksajra available on record. However, from the evidence, it can be discerned that the land parcel forming part of sale-deed Exhibit P-3 dated 11.10.1974 comprises of Killa No. 233/3/1 Village Fatehapur, District Kaithal and the land under acquisition forms part of Killa No. 233/12, 13, 18, 19, 22, 23 and thus, apparently the land parcel forming part of the sale transaction dated 11.10.1974 (Exhibit P-3) as well as the land under acquisition both were located in close proximity; hence, those presumably carried the same locational and potential advantage.

[11] In view of the aforesaid discussion, the sale-deed dated 11.10.1974 (Exhibit P-3), vide which 500 square yards of land was sold for Rs. 15,000/- with base price per acre of Rs. 1,45,200/-, needs to be relied upon as best sale exemplar even though the same relates

to small parcel of 500 square yards of land, especially in terms of the exposition of law by the Hon'ble Apex Court in case of "***Hormal (Deceased) through his LRs and others Versus State of Haryana and others***", reported as 2024 (4) RCR (Civil) 758, wherein it has been held that the highest of the sale instance pertaining to the similar nature and location of land needs to be taken into account for the purpose of determination of market value even though it pertains to small plot. Relevant para Nos. 27 to 29 from the decision passed in case of ***Hormal (supra)***, are extracted hereunder:-

"27. In the instant case, there are multiple sale deeds of smaller plots, and these represent the best available evidence for estimating compensation. Since there is no legal impediment to considering such sale deeds, the logical progression in the compensation estimation process would be to identify the most suitable sale deed(s) for determining the market value and subsequently, to apply adequate deductions on the same. The solution to this state of flux may thus be found in the case of ***Mehrawal Khewaji Trust v. State of Punjab, (2012) 5 SCC 432*** where this Court laid down as follows:

"....It is clear that when there are several exemplars with reference to similar lands, it is the general rule that the highest of the exemplars, if it is satisfied that it is a bona fide transaction, has to be considered and accepted. When the land is being compulsorily taken away from a person, he is entitled to the highest value which similar land in the locality is shown to have fetched in a bona fide transaction entered into between a willing purchaser and a willing seller near about the time of the acquisition."

[Emphasis supplied]

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."

[12] Moreover, taking into account the findings recorded by the learned Reference Court with respect to the location and potential of the acquired land, the appellants-landowners need to be awarded an appreciation at the rate of 6% per annum for the time gap between the date of sale-exemplar dated 11.10.1974 (Exhibit P-3) till the date of notification under Section 4 of the 1894 Act i.e. 14.07.1976.

[13] However, taking into account the fact that the acquisition in the present case relates to an area measuring 36 Kanals 05 Marlas, whereas the sale instance dated 11.10.1974 (Exhibit P-3) pertains to an area of 500 square yards only, a suitable cut of 60%

needs to be applied towards smallness of area involved in the sale exemplar-Exhibit P-3.

[14] Furthermore, in the given facts and circumstances, no deduction towards the development cost needs to be applied as the acquisition proceedings were carried out for the public purpose of establishment of vegetable market at Fatehpur and the respondents-State did not suffer any loss of land nor did incur any cost towards providing of additional infrastructural amenities.

[15] Accordingly, the market value of the land under present acquisition is re-assessed at the rate of **Rs.64,178/- per acre**, as per calculation below:-

Description	Amount per acre (in Rs.)
Base price of the land (as per sale deed Exhibit P-3)	1,45,200.00
Add: Appreciation 6% per annum (Rs.1,45,200 x 6/100 x 21/12) (from 11.10.1974 to 14.07.1976 = 21 months)	15,246.00
	1,60,446.00
Less: 60% cut towards smallness of area (Rs.1,60,446 x 60/100)	96,267.60
	64,178.40
Net Compensation	64,178.00 (Round Off)

DECISION

[16] In view of the aforesaid discussion, impugned award dated 04.09.1995 passed by the learned Reference Court is modified and the appellants-landowners are held entitled for award of market value at the **rate of Rs. 64,178/- per acre**. The appellant(s)-landowner(s) are also awarded consequential / statutory benefits and interest as provided in the 1894 Act (as amended up-to-date), especially the interest on solatium as well.

[17] Also, wherever the landowner(s) has/have unfortunately died in the appeal(s) / cross-objection(s) after filing thereof and the legal representatives have not been impleaded, they shall be at liberty to seek execution of the present decision by moving appropriate application(s) before the learned Executing Court.

[18] Both the appeals are **disposed off** accordingly.

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

January 20, 2026
'dk kamra'

(HARKESH MANUJA)
JUDGE

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