IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

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1. RFA No.526 of 2000 (O&M)
Date of Decision: 06.03.2026

GURDEV SINGH (SINCE DECEASED) THROUGH HIS LRS.....Appellant(s)
Vs
THE LAND ACQUISITION COLLECTOR, PAYAL ...Respondent(s)

2. RFA No.527 of 2000 (O&M)

DALIP SINGH (SINCE DECEASED) THROUGH HIS LR.....Appellant
Vs
THE LAND ACQUISITION COLLECTOR, PAYAL ...Respondent(s)

3. RFA No.528 of 2000 (O&M)

MAJOR SINGH (SINCE DECEASED) TH. LRS. AND ORS. .Appellants
Vs
THE LAND ACQUISITION COLLECTOR, PAYAL & ANR. ...Respondent(s)

4. RFA No.529 of 2000 (O&M)
SATINDER SINGH ….Appellant
Vs
THE LAND ACQUISITION COLLECTOR, PAYAL ...Respondent(s)

5. RFA No.593 of 2000 (O&M)
BANT SINGH AND ORS. ….Appellants
Vs
THE LAND ACQUISITION COLLECTOR, PAYAL ...Respondent(s)

6. RFA No.832 of 2020 (O&M)

GURDIAL KAUR (SINCE DECEASED) THROUGH HER LR….Appellant(s)
Vs
THE LAND ACQUISITION COLLECTOR, PAYAL ...Respondent(s)

7. RFA No.834 of 2020 (O&M)

GOPAL SINGH (SINCE DECEASED) TH. HIS LRS & ORS. ….Appellant(s)
Vs
THE LAND ACQUISITION COLLECTOR, PAYAL AND ORS...Respondent(s)

8. RFA No.592 of 2000 (O&M)

MOHINDER SINGH (SINCE DECEASED) TH. HIS LRS & ORS…Appellant(s)

Vs
THE LAND ACQUISITION COLLECTOR, PAYAL ...Respondent(s)

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

Present: Mr. Ram Bilas Gupta, Advocate (through V.C.)
Mr. Hardeep Singh, Advocate
for the appellant(s)/landowner(s).

Mr. Gunjan Mehta, Addl. A.G., Punjab.

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HARKESH MANUJA, J. (Oral)

[1]. Vide this common order, the aforementioned Regular First Appeals, are being decided as all the appeals have arisen out of common acquisition/Award involving identical facts and question of law. For the sake of brevity, facts are being taken from RFA No.526 of 2000 (O&M).

[2]. By way of present appeal(s), challenge has been laid to the Award dated 04.06.1999 passed by the learned Addl. District Judge, Ludhiana (hereinafter to be referred as the 'Reference Court').

[3]. Briefly stating, in the present case(s), land measuring 255 *Bighas* and 35 *Biswas* situated within the revenue estate of village Arraichan, Tehsil Payal, District Ludhiana, came to be acquired vide Notifications dated 24.03.1994 and 29.03.1994 issued under Sections 4 & 6 of the Land Acquisition Act, 1894 (for short the '1894 Act') respectively, for the public purpose, namely for "*setting up an Advance Training Institute and for construction of its buildings.*" Award under Section 11 of the 1894 Act was passed by the Land Acquisition Collector (for short 'the LAC') on 17.04.1995, whereby market value of the acquired land was assessed @ Rs.2,13,053/- per acre for Chahi land and Rs.6,39,899/- per acre for

Gair Mumkin land along with all other statutory benefits and interests provided under the 1894 Act.

[4]. Dissatisfied with the Award passed by the LAC, the appellant(s)-landowner(s) invoked Reference under Section 18 of the 1894 Act, which came to be partly allowed by the learned Reference Court vide its award dated 04.06.1999, while granting enhanced compensation @ Rs.240/- per sq. yard for the *Gair Mumkin* land and regarding agricultural land, the Award passed by the LAC was confirmed, besides awarding all other statutory benefits/interest under the 1894 Act. Aggrieved thereof, the present appeals were preferred at the instance of landowners.

[5]. Impugning the aforesaid Award, learned counsel for the appellant(s)/landowner(s) submits that the learned Reference Court erred having discarded the sale instances produced by the appellant(s)/landowner(s) merely for the reason that the same pertained to small parcels of land. Learned counsel relies upon the decision made by the Hon'ble Apex Court in case of ***Horrmal Vs. State of Haryana***, reported as ***'2024(4) R.C.R. (Civil) 758'*** to contend that the sale instances pertaining to the small parcels of land were not to be outrightly discarded and could be taken into account for the purpose of determination of market value after applying appropriate deduction towards smallness of area.

[5.1]. Learned counsel further points out that the sale deed dated 14.02.1994 (Ex.P-1) pertaining to 16 *Biswansi* of land sold @ Rs.50,000/- per *Biswa*, was required to be taken into consideration being the one fetching the highest sale price in the area. Learned counsel also submits that by applying suitable deduction for the smallness of area involved in the sale deed dated 14.02.1994 (Ex.P-1), the market value needs to be re-assessed and enhanced in favour of the landowners.

[5.2]. Learned counsel for the appellant(s)/landowner(s) also points out that taking into account the commercial and potential worth attached to the acquired land, the appellant(s)/landowner(s) were entitled for award of uniform rate of market value instead of distinction been drawn on the basis of its nature and source of irrigation.

[6]. On the other hand, learned State counsel submits that the learned Reference Court rightly relied upon the sale instance dated 03.03.1994 (Ex.D-3) vide which 05 *Biswa* of land was sold for a sum of Rs.60,000/ (@ Rs.12,000/- per Biswa) particularly when the land parcel belonging to the sale instance dated 03.03.1994 (Ex.D-3) comprised of *Khasra* Nos.615, 617, 618 and 619 out of which *Khasra* No.615 even formed part of the acquired land in the case(s) in hand. He thus, submits that the Award passed by the learned Reference Court was based on proper appreciation of material available on record and the same, thus calls for no interference.

[7]. I have heard learned counsel for the parties and gone through the paper book as well as records of the case(s). I find substance in the submissions made on behalf of the appellant(s)/landowner(s).

[8]. In the present case(s), admittedly, the acquired land forms part of municipal limits of Municipal Committee, Doraha. All the sale instances produced by both the parties pertain to small parcels of land measuring between 01 *Biswansi* to 01 *Biswa* only. The respondent/State even has not been able to produce on record a single sale deed pertaining to relatively large chunk of land. It may be

relevant to take note of the sale instances produced by the respective parties. The details thereof in the tabulated form is extracted hereunder:-

Sale deeds produced by the appellant(s)/landowner(s)

Document	Proved as Exhibit	Seller	Buyer	Area B-B	Revenue Estate	Sale Consideration /Per Biswa
Sale deed dt. 14.02.1994	Ex.P-1	Major Singh	Manjit Kaur w/o Kulwant Singh	0-0-16	Arraichian	Rs.40,000/-
Sale deed dt. 14.10.1991	Ex.P-2	Puran Chand s/o Sant Ram	Balbir Chand s/o Amar Nath	0-3	-do-	Rs.1,20,000 /- Rs.40,000/-
Sale deed dt. 29.12.1992	Ex.P-3	Prem Singh etc.	Nazar Singh s/o Sampuran Singh	0-1	-do-	Rs.18,000/- Rs.28,000/-
Sale deed dt. 9.12.1993	Ex.P-4	Hamir Kaur	Baljinder Kaur w/o Shamsher Singh	0-1	-do-	Rs.30,000/- Rs.28,000/-
Sale deed dt. 28.5.1991	Ex.P-5	Hans Raj s/o Sardari Lal	Surinder Pal & ors.	0-3	-do-	Rs.80,000/- Rs.26,666/-
Sale deed dt. 12.9.1991	Ex.P-6	Simbal Ram s/o Lalla Ram	Hans Raj s/o Simbal Ram	0-0-1	-do-	Rs.20,000/- Rs.40,000/-
Sale deed dt. 25.10.1990	Ex.P-7	Baldev Singh etc.	Mohinder Singh s/o Hakim Singh	0-2	-do-	Rs.60,000/- Rs.30,000/-
Sale deed dt. 10.8.1992	Ex.P-8	Surinder Pal etc.	Smt. Baljit Kaur widow	0-3	-do-	Rs.90,000/- Rs.20,000/-

Sale deeds produced by the respondent(s)

Document	Proved as Exhibit	Seller	Buyer	Area B-B	Revenue Estate	Sale Consideration /Per Biswa
Sale deed dt. 29.12.1992	Ex.D-1	Gurmail Singh	Kulwant Kaur	0-5	Arraichian	Rs.18,000/- Rs.3,600/-
Sale deed dt. 16.06.1994	Ex.D-2	Bhagwan Singh	Hardev Kaur	0-5	-do-	Rs.30,000/-
Sale deed dt. 03.03.1994	Ex.D-3	Gurmit Singh	Jhalmal Singh	0-5	-do-	Rs.60,000/- Rs.12000/-
Sale deed dt. 24.09.1993	Ex.D-4	Avtar Singh	Ram Piari	0-6	-do-	Rs.30,000/- Rs.5,000/-

Sale deed dt. 18.08.1994	Ex.D-5	Dalip Singh	Jodh Singh	1-0	-do-	Rs.50,000/- Rs.2,500/-
Sale deed dt. 25.04.1995	Ex.D-6	Ved Parkash	Nisha Rani Vashist	0-2	-do-	Rs.15,500/- Rs.7,500/-
Sale deed dt. 01.06.1995	Ex.D-7	Ved Parkash	Satwant Kaur	0-4 ¼	-do-	Rs.20,000/- Rs.4,444/-

[9]. From the above table, it can be discerned that the sale instances Ex.D-2, Ex.D-5 to Ex.D-7 produced by the respondents pertain to the period post notification issued under Section 4 of the 1894 Act and thus, need not to be relied upon. As such, the sale instances Ex.D-1, Ex.D-3 and Ex.D-4 produced by the respondents, which are prior to the notification issued under Section 4 of the 1894 Act, can at best be taken into consideration. As per sale instances Ex.D-1, Ex.D-3 and Ex.D-4, the maximum price per biswa comes to around Rs.12,000/- per biswa as reflected from the sale deed dated Ex.03.03.1994 (Ex.D-3).

[10]. On the other hand, as per sale instances produced on record by the appellant(s)/landowner(s), sale deed dated 14.02.1994 (Ex.P-1) relating to 16 *Biswansis* of land fetched the highest consideration of Rs.50,000/- per biswa. The mere fact that the sale instances produced on record by the appellant(s)/landowner(s), pertain to small parcels of land cannot be a ground to discard those, especially in view of the fact that the respondent(s)/State themselves have not been able to produce any sale instance pertaining to large parcel of land. Rather, the fact that all the sale instances produced by both the parties relate to small parcels of land clearly establishes that the acquired land and its vicinity which forms part of the municipal limits of Municipal Committee, Doraha carried locational and potential advantage to be used for commercial purpose.

[10.1]. Moreover, the Hon'ble Apex Court in case of ***Horrmal Vs. State of Haryana*** (supra) held that in case wherein similarity of nature and potential of land forming part of sale exemplars in comparison to the acquired land was established on record, there was no bar qua placing reliance upon such sale exemplars despite pertaining to smaller parcels of land after applying suitable deduction towards smallness of the area under such sale deed. Relevant paragraph Nos.27 and 28 thereof 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:*
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> > *"....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."*
>
> *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."*

From the records, it can be also be traced out that 16 *Biswansis* of land which was alienated vide sale instance dated 14.02.1994 (Ex.P-1) formed part of *Khasra* No.614 which admittedly is one of the *khasra* number from the acquired land as clearly depicted in the Award dated 17.04.1995 passed by the LAC in the case(s) in hand.

[11]. Further, the mere fact that the vendor and vendee of the sale instance dated 14.02.1994 (Ex.P-1) did not appear as witness to prove the sale transaction cannot be a ground to discard the same, especially when the similarity between nature and potential of the land forming part of sale instance dated 14.02.1994 (Ex.P-1) with the acquired land was duly established on record. Moreover, the respondents in their evidence, did not raise any doubt in relation to the genuineness of the said sale transaction or even the sale consideration carried under sale deed dated 14.02.1994 (Ex.P-1). Therefore, there was no reason for the learned Reference Court to have discarded the sale instance (Ex.P-1) by recording that its genuineness was doubtful for the reason of its close proximity in terms of time period with the date of notification under Section 4 of the 1894 Act in the case(s) in hand. In the absence of any evidence been led by the respondents so as to raise any kind of doubt about the sale consideration mentioned in the sale deed (Ex.P-1), no such findings ought to have been recorded by the learned Reference Court so as to question the genuineness of the sale price.

[12]. Accordingly, in view of the discussion made hereinabove, the sale instance dated 14.02.1994 (Ex.P-1) wherein 16 *Biswansis* of land was sold @ Rs.50,000/- per biswa, needs to be relied upon for the following reasons:-

(i) The sale transaction (Ex.P-1) pertains to Khasra No.614 which even formed part of the acquired land;

(ii) The sale instance dated 14.02.1994 (Ex.P-1) is in close proximity to the date of notification under Section 4 of the 1894 Act in the case(s) in hand, which was issued on 24.03.1994;

(iii) The sale instance dated 14.02.1994 (Ex.P-1) relates to the same revenue estate of village Arraichian; and

(iv) The above sale instance (Ex.P-1) fetched the highest sale price.

[13]. As such in view of the aforesaid discussion, sale instance dated 14.02.1994 (Ex.P-1) being the sale exemplar fetching the highest sale consideration vide which 16 *Biswansis* of land was sold @ Rs.50,000/- per Biswa, needs to be relied upon for the purpose of determination of market value of the acquired land in the case(s) in hand.

[14]. However, considering the fact that total acquired land is measuring 255 *Bighas* and 35 *Biswas,* whereas the land parcels forming part of the sale instance dated 14.02.1994 (Ex.P-1) is merely 16 Biswansis, a suitable cut needs to be applied on account of smallness of area involved therein. Taking into account the fact that the acquired land forms part of the municipal limits of Doraha, District Ludhiana and possesses locational and potential advantage for being used towards commercial purpose a cut of 60% is held to be appropriate towards smallness of area. Accordingly, the appellant(s)/landowner(s) shall be entitled for market value @ Rs.20,000/- per biswa (Rs.50,000 x 60/100).

[15]. However, in the given facts since the acquisition in the case(s) in hand has been carried out for the public purpose, namely, for setting up of an Advance

Training Institute, as such, the respondents neither suffered any loss towards optimum utilization of the area acquired nor incurred expenditure towards providing of additional infrastructural amenities, as such, no cut towards development costs needs to be imposed.

[16]. Accordingly, taking into account the fact that the acquired land forms part of the municipal limits of Doraha, District Ludhiana and possesses uniform locational and potential advantage for being used towards commercial purpose, the appellant(s)/landowner(s) shall be entitled for uniform market value @ Rs.20,000/- per biswa as on the date of notification under Section 4 of the 1894 Act. In addition, the landowners shall also be entitled for award of all statutory benefits and interest as provided under the provisions of the 1894 Act (amended upto date). The landowners shall also be entitled for solatium @ 30% besides award of interest thereupon.

[17]. Consequently, in view of the discussion made herein above, all the appeals preferred at the instance of appellant(s)/landowner(s) are hereby partly allowed in the aforesaid terms.

[18]. Wherever the landowner(s) has/have unfortunately expired in the appeal(s)/cross-objection(s) after filing thereof and the legal heirs 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.

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

(HARKESH MANUJA)
JUDGE

March 06, 2026
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Whether speaking/reasoned Yes/No
Whether reportable Yes/No