



127 (09 cases)

**IN THE HIGH COURT OF PUNJAB AND HARYANA  
AT CHANDIGARH****RFA No. 4654 of 2006 (O&M)  
and “08” connected cases  
Date of Decision: 16.01.2026**

Sewa Singh and another

...Appellants

**Versus**

State of Haryana and others

...Respondents

**CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA**Present: Ms. Anamika Sheoran, Advocate  
for the appellant(s)-landowner(s).Mr. Abhinash Jain, Deputy Advocate General, Haryana  
for the respondents / State of Haryana.

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**HARKESH MANUJA, J. (ORAL)**

This order shall dispose off the present nine appeals bearing RFA Nos. 4654, 4655, 4656, 4657, 4658, 4659, 4660, 4661 & 4662 of 2006, as the same arise out of common acquisition / award.

**[2]** All these appeals have been filed by the landowners, whereby they are seeking further enhancement of compensation for the acquired land. Since the common question of law and facts are involved in these appeals, therefore, for the sake of convenience, facts are being culled out from RFA No. 4654 of 2006.

**[3]** The appellants-landowners, by instituting the appeal bearing RFA-4654-2006, preferred under Section 54 of the Land Acquisition Act, 1894 (**for short “1894 Act”**), seek modification of the award dated 29.07.2006 passed by the learned Additional District

Judge, Kaithal (**hereinafter to be referred as "Reference Court"**), for enhancement of compensation amount.

**FACTS**

[4] Briefly stating, certain land owned by the appellants situated within the revenue estate of Village Beopar, Tehsil Guhla, District Kaithal, came to be acquired vide notifications dated 03.07.2004 and 21.07.2004 issued under Sections 4 and 6 of the 1894 Act respectively, for the public purpose namely "for the construction of Constg. Road from Dhandota to Beopar Road Passing over H.L. Bridge on river Ghaggar". Vide Award No. 2, dated 16.12.2004, the Land Acquisition Collector, Kaithal (**for short "LAC"**) determined the value of the acquired land at the rate of Rs. 2 lakhs per acre.

[5] Aggrieved of the aforesaid Award dated 16.12.2004, landowners / interested persons filed reference under Section 18 of the 1894 Act, which were accepted vide decision dated 29.07.2006 by the learned Reference Court, whereby the market value of the entire land was assessed at the rate of Rs. 2,50,000/- 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)**

[6] Impugning the aforesaid Reference Court's award dated 29.07.2006, learned counsel(s) for the appellant(s)-landowner(s) submits that the learned Reference Court wrongly failed to take into account the sale deed dated 26.03.2004 (Exhibit P-3) which pertains

to one kanal forming part of the same revenue estate of Village Baupur and the sale price was Rs. 1,10,000/- with base price per acre of Rs. 8,80,000/-. Learned counsel thus submits that the amount of compensation was required to be re-assessed and enhanced accordingly.

**ON BEHALF OF RESPONDENT(S)-STATE OF HARYANA**

[7] On the other hand, learned counsel representing the respondents-State of Haryana submits that in terms of the sale instances Exhibits R-4 to R-8, the average sale price of the land within the revenue estate of Village Baupur was around Rs. 2 lakhs which was already awarded by the LAC, whereas even more than the said amount was granted by the learned Reference Court vide impugned award and thus, no interference is called for in the impugned award.

**DISCUSSION AND REASONING**

[8] 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).

[9] It may be noticed here that vide impugned award, the learned Reference Court awarded market value at the rate of Rs.2,50,000/- per acre in favour of the appellants-landowners, however, no appeal against the same came to be preferred at the instance of respondents, which means that the respondents, at least, admitted the market value of the land under acquisition at the time of issuance of notification under Section 4 of the 1894 Act, i.e. Rs.2,50,000/- per acre to be correct, as such, the sale instances

produced by them in the form of Exhibits R-4 to R-8 carrying the average sale price of Rs. 2 lakhs per acre were not to be relied upon.

[10] Furthermore, as per the reasoning recorded by the learned Reference Court to discard the sale instance dated 26.03.2004 (Exhibit P-3) being for a small parcel of one kanal land cannot be sustained in the wake of latest 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*

*fetches 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."

[11] In the present case(s), no such evidence has been led by the respondents so as to raise any kind of doubt about the genuineness and validity of the sale consideration mentioned in the sale instance dated 26.03.2004 (Exhibit P-3) vide which parcel of one

kanal of land was sold for a sum of Rs. 1,10,000/- with a base price of Rs. 8,80,000/- per acre for the very same revenue estate of Village Baupur. Even further, no evidence has been led to establish any difference of location or potential of these two parcels. In such circumstances, the sale instance dated 26.03.2004 (Exhibit P-3) needs to be relied upon as the best sale exemplar for the purpose of determination of market value in the case at hand. However, taking into account the fact that the acquisition in the present case relates to an area measuring 4.38 acres, whereas the sale instance dated 26.03.2004 (Exhibit P-3) pertains to an area of one kanal only, a suitable cut of 40% needs to be applied towards smallness of area involved in the sale exemplar-Exhibit P-3.

**[12]** 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 construction of Constg. Road from Dhandota to Beopar Road Passing over H.L. Bridge on river Ghaggar and the respondents-State did not suffer any loss of land nor did incur any cost towards providing of additional infrastructural amenities.

**[13]** Accordingly, the market value of the land under present acquisition is re-assessed at the rate of **Rs.5,28,000/- per acre**, as per calculation below:-

| Description                                                       | Amount per acre<br>(in Rs.) |
|-------------------------------------------------------------------|-----------------------------|
| Base price of the land<br>(as per sale deed Exhibit P-3)          | 8,80,000.00                 |
| Less: 40% cut towards smallness of area<br>(Rs.8,80,000 x 40/100) | 3,52,000.00                 |
| <b>Re-assessed Market value</b>                                   | <b>5,28,000.00</b>          |

**DECISION**

**[14]** In view of the aforesaid discussion, impugned award dated 29.07.2006 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. 5,28,000/- 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.

**[15]** 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.

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

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

**January 16, 2026**

*‘dk kamra’*

**( HARKESH MANUJA )  
JUDGE**

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