IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

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1. RFA No.2244 of 2008 (O&M)
Date of Decision: 09.03.2026

KRISHAN LAL AND ORS. .....Appellants

Vs

STATE OF HARYANA THROUGH ITS COLLECTOR, DISTRICT PANIPAT AND ANR. ...Respondent(s)

2. RFA No.4434 of 2007 (O&M)

STATE OF HARYANA THROUGH ITS COLLECTOR, DISTRICT PANIPAT AND ORS. .....Appellants

Vs

KRISHAN LAL AND ORS. ...Respondent(s)

3. RFA No.4435 of 2007 (O&M)

STATE OF HARYANA THROUGH ITS COLLECTOR, DISTRICT PANIPAT AND ANR. .....Appellants

Vs

BALJIT SINGH AND ANR. ...Respondent(s)

4. RFA No.4436 of 2007 (O&M)

STATE OF HARYANA THROUGH ITS COLLECTOR, DISTRICT PANIPAT AND ANR. .....Appellants

Vs

JAGE AND ANR. ...Respondent(s)

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

Present: Mr. Bijender Dhankar, Advocate and
Mr. Atul Dhankar, Advocate
for the appellants/landowners.

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

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HARKESH MANUJA, J. (Oral)

[1]. Vide this common order, the aforementioned Regular First Appeals, are being decided as the same 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.2244 of 2008.

[2]. By way of present appeal(s), challenge has been laid to the Award dated 29.08.2007 passed by the learned Addl. District Judge, Panipat (hereinafter to be referred as the 'Reference Court').

[3]. Briefly stating, in the present case(s), certain land owned by the appellants-landowners, situated within the revenue estate of village Naultha, Tehsil Israna, District Panipat came to be acquired vide Notifications dated 04.05.2001 and 22.01.2002 issued under Sections 4 & 6 of the Land Acquisition Act, 1894 (for short the '1894 Act') respectively for the public purpose, namely, *"for the construction of New Balana Minor from RD.0 to 17200 tail off-taking at RD 15350-L, Israna Disty. by Irrigation Department'.* Award under Section 11 of the 1894 Act was passed by the Land Acquisition Collector (for short 'the LAC') on 15.01.2003, whereby market value of the acquired land was assessed @ Rs.2,40,000/- per acre along with all other statutory benefits and interests provided under the 1894 Act.

[4]. Dissatisfied with the Award passed by the LAC, the appellants/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 29.08.2007, while granting them enhanced compensation @ Rs.3,00,000/- per acre besides awarding all other statutory benefits/interest in their favour under the 1894 Act. Aggrieved thereof, the present appeals were preferred at the instance of landowners as well as respondent/State.

[5]. Impugning the aforesaid Award, learned counsel for the appellants/landowners submits that the learned Reference Court erred having not taken into account the sale instances produced by the appellants. Learned counsel further submits that that the sale deed dated 19.05.2000 (Ex.P-4) which fetched the highest sale price was required to be taken into account while assessing the market value in the case(s) in hand.

[5.1]. Learned counsel also points out that an appreciation @ 15% was to be applied over the base price of the sale deed dated 19.05.2000 (Ex.P-4) for the time gap between the date of aforementioned sale deed and the date of notification issued under Section 4 of the 1894 Act, in the present case(s) i.e. 04.05.2001. Accordingly, the market value was required to be re-assessed and enhanced in favour of the appellants/landowners.

[6]. On the other hand, learned State counsel submits that the learned Reference Court went wrong in appreciating the pleas and evidence adduced by the appellants/landowners, especially when no justification was given on the part of the learned Reference Court qua enhancing the market value of the acquired land from Rs.2,40,000/-per acre to Rs.3,00,000/- per acre and as such, the impugned judgment was liable to be set aside and the Award passed by the LAC was to be restored.

[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 appellants/landowners.

[8]. Before proceeding further, a gist of sale instances produced by both the sides in support of their claim is extracted hereunder:-

RFA Nos.2244 of 2008 (O&M) with connected cases

Sale deeds produced by the appellants/landowners

Village	Exhibit	Sale deed & Date	Name of Owner	Name of Purchaser	Land purchased	Total amount	Rate per acre
Naultha	Ex.P-1	Vasika No.206 dated 12.06.2001	Sh. Ram Singh S/o Sh. Chandi S/o Sh. Juglal	Sh. Krishan-Satpal S/o Sh. Ram Jawari etc.	23//5/2 (1K 12M) share 13/32 = 0K-13 M	Rs.5,90,000/-	Rs.7,26,154/-
Naultha	Ex.P-2	Vasika No.714 dated 07.01.1999 Mutation No.6194	Smt. Amarjit Kaur W/o Sh. Vidya Sagar S/o Sh. Gainda Ram	MRS. G.R.M. Overseas through Rohit Garg S/o Sh. Hukam Chand	111/19/2 (4K-6M) + 25K 12M =31K-6M	Rs.17,60,925/-	Rs.4,42,924/-
Naultha	Ex.P-3	Vasika No.713 dated 07.01.1999 Mutation No.6193	Smt. Gayatri Devi etc. Khewat No.375	MRS. G.R.M. Overseas through Rohit Garg S/o Sh. Hukam Chand	111/16 (6K-4M) + (9K 8M) = 13K-14M	Rs.7,58,637.50	Rs.4,43,000/-
Naultha	Ex.P-4	Vasika No.136 dated 19.05.2000 Mutation No.6273	Sh. Ratan Singh S/o Peeru S/o Sh. Gujjari 50/299	Sh. Suresh Kumar etc. S/o Sh. Dhanpat 50/299	47//18 (7K-5M) 22 (7K-14M) = 14K-19M share 50/299 = 2K-10M	Rs.2,30,000/-	Rs.7,36,000/-
Naultha	Ex.P-5	Vasika No.789 dated 01.02.2000 Mutation No.6327	Sh. Subhash Chand S/o Sh. Ram Singh S/o Sh. Chandan Lal 10/828 share	Sh. Subhash Chand S/o Sh. Sube Chand S/o Sh. Parlad 10/828/ share	134//19 (4K-12M) Share 10/828 = 0K-1M = 30 Sq. Yrd.	Rs.24,000/-	Rs.38,17,000/-

Sale deed/document produced by the respondents

Village	Exhibit	Sale deed & Date	Name of Owner	Name of Purchaser	Land purchased	Total amount	Rate per acre
Naultha	Ex.R1/B	Vasika No.51 dated 01.05.2002	Smt. Kamla Devi Widow etc.	Pardeep S/o Sh. Ram Ratan	51K-08M Share 188/1025 =9K-8M	Rs.1,64,500/-	Rs.1,40,000/-
Naultha	Ex.RW1/B	Vasika No.771 dated 21.12.2020	Sh. Randhir S/o Sh. Chandgi S/o Sh. Jugal	Sh. Rajbir Singh S/o Sh. Chatar Singh S/o Sh. Kanshi Ram	105//20 (7K-7M) 1/2 share =3K-13.5M 105//19/2 (1K-9M) 22 (8K-0M) = 9K-9M Share 1/2 share = 4K-14.5M =8K-8M	Rs.1,60,000/-	Rs.1,52,381/-

[9]. From the above table, it can be noticed that the sale instances produced by the respondent(s)-State pertained to the period post notification under Section 4 of the 1894 Act in the case(s) in hand, thus need not to be relied upon. On the other hand, the sale instance dated 01.02.2000 (Ex.P-5) produced on record by the appellants/landowners pertained to an area measuring 30 sq. yard sold for Rs.24,000/- with base price of Rs.38,17,000/- per acre was also to be ignored as the same was for an extremely small parcel of land i.e. 01 Marla, whereas the acquired land in the present case was 84 Kanals 3 Marlas. In such circumstances, the remaining sale instances Ex.P-1 to Ex.P-4 are to be taken into account.

[9.1]. In view of the aforesaid, the sale instance dated 19.05.2000 (Ex.P-4) relating to the same revenue estate of village Naultha, vide which 02 Kanals 10 Marlas of land was sold @ Rs.2,30,000/- with base price of Rs.7,36,000/- per acre fetching the highest sale price per acre needs to be relied upon for the purpose of determination of market value in the case(s) in hand, especially, in the wake of law laid down by the Hon'ble Apex Court in case of the case of ***Horrmal Vs. State of Haryana, reported as '2024(4) R.C.R. (Civil) 758'***, as per which the highest valued sale exemplar was to be relied upon while assessing the market value in compulsory land acquisition cases. Relevant paragraph Nos.27 and 28 from ***Horrmal's*** case (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."*

*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."*

[10]. Taking into account the fact that the sale deed (Ex.P-4) is dated 19.05.2000, whereas the acquisition in the present case(s) commenced vide notification dated 04.05.2001; for the time gap of around 01 year, between the date of sale deed (Ex.P-4) and the date of issuance of notification under Section 4 of the 1894 Act in the case(s) in hand, suitable appreciation needs to be awarded in favour of the appellants/landowners. In the present case(s), a positive finding of fact has been recorded by the learned Reference Court qua the locational and potential advantage attached to the land under acquisition. The relevant portion thereof is reproduced hereunder:-

"14. However, it is not disputed that village Naultha is situated in the vicinity of Panipat upon Panipat-Rohtak Road. Admittedly, Naultha is situated adjacent to village Dahar where Land Acquisition Collector has awarded compensation at the rate of Rs.3,50,000/- per acre. Admittedly,

acquired land was highly fertile yielding several crops every year. Evidence on record brings out that acquired land had high potential for use and commercial and industrial purposes. Accordingly, petitioners are justified in claiming that they were not awarded sufficient compensation for acquired land."

In such circumstances, while taking into account that the acquired land had significant locational and potential value attached to it, an appreciation @ 12% per annum needs to be awarded over the base price of Rs.7,36,000/- per acre derived from sale instance dated 19.05.2000 (Ex.P-4) which comes to Rs.8,24,320/- per acre.

[11]. However, as informed by the learned State counsel on the basis of instructions from the revenue officials that the land forming part of the sale deed dated 19.05.2000 (Ex.P-4) was located at a distance of approximately 30 acres from the nearest point to the acquired land, a deduction @ 25% for the distance between the two land parcels needs to be applied especially when no evidence was led by the appellants/landowners to prove the comparative location of the two land parcels i.e. the one forming part of the sale instance dated 19.05.2000 (Ex.P-4) and the other one being the part of acquired land. Accordingly, by applying a cut @ 25% over the market value of Rs.8,24,320/- per acre, the market value of the acquired land is re-assessed @ Rs.6,18,240/- per acre.

[12]. Further, in the given facts since the acquisition in the case(s) in hand was carried out for the public purpose, namely, *"for the construction of New Balana Minor from RD.0 to 17200 tail off-taking at RD 15350-L, Israna Disty. by Irrigation Department"* as such, the respondents neither suffered any loss towards

optimum utilization of the area acquired nor did incur expenditure towards providing of additional infrastructural amenities, no cut towards development costs needs to be imposed.

[13]. Accordingly, the market value for the land under acquisition is assessed @ Rs.6,18,240/- per acre 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.

[14]. Consequently, in view of the discussion made herein above, the appeal preferred at the instance of appellants/landowners is hereby partly allowed in the aforesaid terms and the appeals filed by the State of Haryana are, thus dismissed.

[15]. 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.

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

(HARKESH MANUJA)
JUDGE

March 09, 2026
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Whether speaking/reasoned Yes/No
Whether reportable Yes/No