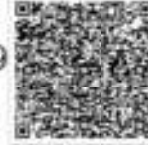


2026:PHHC:052759



123(19 cases) **IN THE HIGH COURT OF PUNJAB AND HARYANA AT  
CHANDIGARH**

**RFA-2391-2006 (O&M)**  
**Date of decision:-06.04.2026**

Ramesh Kumar and others .....Appellants.

vs.

State of Punjab and others ....Respondents.

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

Present: Mr. Amit Aggarwal, Advocate,  
for the landowner(s).

Mr. Athar Ahmed, DAG, Punjab with  
Mr. Sukhdeep Singh, Senior Assistant O/o  
Collector Land Acquisition.

Mr. Sameer Sachdeva, Advocate,  
for the Punjab State Agriculture Marketing Board.

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**HARKESH MANUJA J. (Oral)**

1. Vide this common judgment, batch of total 19 connected Regular First Appeals are being decided as all have arisen out of the same award. The details of the connected cases are mentioned in the footnote of this judgment.

Since, Mr. Sameer Sachdeva, Advocate had already submitted his power of attorney-vakalatnama on behalf of the Punjab State Agriculture Marketing Board, he is requested to appear on its behalf.

1.2 For convenience, the facts are being taken from **RFA-2391-2006 (O&M).**

2. By way of present appeal, challenge has been laid to an Award dated 21.04.2005 passed by the Court of learned Additional District Judge, Bathinda (for short, ***“the Reference Court”***), whereby, reference petition(s) preferred at the instance of landowner(s) invoking Section 18 of the Land Acquisition Act, 1894 (for brevity, ***“1894 Act”***), were partly allowed.

3. Brief facts of the case are that some land owned by the appellant(s)-landowner(s), situated in the revenue estate of Village Maur Kalan, Tehsil Talwandi Sabo, District Bathinda, was acquired vide notifications dated 11.01.1999 and 12.08.1999, issued under Sections 4 & 6 respectively of the 1894 Act, for the public purpose, namely, *“for establishment of New Mandi Township”*. The Land Acquisition Collector (for short, ***“the LAC”***) vide its Award dated 09.08.2001, awarded market value @ Rs.5 lakhs per acre for land upto the depth of 36 karams and @ Rs.3.85 lakhs per acre for the remaining land beyond 36 karams besides granting the benefits of other statutory benefits.

4. Feeling dissatisfied with the award passed by the LAC, the landowners preferred reference petition under Section 18 of the 1894 Act, seeking enhancement of compensation. Upon consideration of the material available on record, the learned Reference Court vide its decision dated 21.04.2005, partly allowed the reference petition(s) while re-assessing the market value of the land falling within a depth of 36 karams @ Rs.450/- per square yard while upholding the assessment of the market value made beyond 36 karams for the remaining land by the LAC alongwith other statutory benefits under the 1894 Act. Two landowners, namely, Ramesh Kumar and Balbir Singh were also awarded an additional amount of

Rs.6,38,000/- and Rs.4,39,700/- respectively on account of construction over the acquired land.

5. Feeling dissatisfied with the aforesaid award passed by the learned Reference Court, the landowners as well as the Punjab State Agriculture Marketing Board preferred the appeals, details whereof are mentioned in the footnote of this judgment.

6. Impugning the aforementioned award, learned counsel for the appellants-landowners submits that the learned Reference Court erred having discarded the sale instances beyond Ex.A-1 and Ex.A-13. He points out that the sale instances Ex.A-4, Ex.A-9, Ex.A-10, which pertained to the same revenue estate of Maur Kalan and fetched higher sale price were required to be taken into account for assessing the market value. Learned counsel also contends that if at all, only the sale instance Ex.A-1 was to be relied upon by the learned Reference Court, an appreciation @ 15% (compound) was required to be granted for the time gap between the said sale instance upto the date of notification issued under Section 4 of the 1894 Act in the case(s) in hand.

6.1. He also points out that taking into account the fact that the acquired land was located on the main road leading from Rampura to Rama and even formed part of municipal limits of Maur Mandi, as such, the market value at the uniform rate was required to be granted for the entire chunk of acquired land rather than applying the belting system. He thus, prays that on the basis of evidence on record, the market value was required to be re-assessed and the appeal(s) preferred at the instance of landowners were to be allowed.

7. Per contra, learned counsel appearing on behalf of the respondent(s)-Punjab State Agriculture Marketing Board while opposing the prayer made on behalf of the appellants-landowners submits that the learned Reference Court erred having ignored the sale instances Ex.R-3 to Ex.R-11 produced by the respondents, as per which the maximum sale price per acre was Rs.3,73,280/-. He further points out that the appellants-landowners were sufficiently compensated by granting @ Rs.5 lakhs per acre for the land upto the depth of 36 karams and @ Rs.3.85 lakhs per acre for the remaining land beyond 36 karams, by the LAC and thus, no further enhancement was required to be granted in their favour by the learned Reference Court.

7.1. Learned counsel also contends that even if the sale instances Ex.A-1 and Ex.A-13 produced by the appellants-landowners were to be taken into account, a suitable deduction was required to be applied towards smallness of the area involved therein. He thus prays that taking into account the evidence led by the respondents, the award passed by the learned Reference Court was liable to be set aside and that of the LAC was to be restored.

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. In order to decide the issue of re-assessment of market value of the acquired land, details of the sale instances produced by the appellants-landowners as well as respondent(s) in furtherance of their claims are relevant and thus, the same are reproduced hereunder:-

**Sale deeds relied upon by the landowner(s) are as under:-**

| <u>Exhibit</u> | <u>Sale deed No./date</u> | <u>Area<br/>Kanal-Marla</u> | <u>Sale<br/>consideration</u> | <u>Base price per<br/>sq. yard</u> |
|----------------|---------------------------|-----------------------------|-------------------------------|------------------------------------|
| Ex.A1          | 842 dated 04.11.1996      | 0-14 ½                      | Rs.1,85,000/-                 | Rs.422/-                           |
| Ex.A2          | 162/04.05.1993            | 0-2 ½                       | Rs.30,000/-                   | Rs.400/-                           |
| Ex.A3          | 1412 dated 31.12.1998     | 0-3 2/3                     | Rs.40,000/-                   | Rs.400/-                           |
| Ex.A4          | 1393 dated 29.12.1998     | 0-1 ½                       | Rs.35,000/-                   | Rs.777/-                           |
| Ex.A5          | 1407 dated 29.12.1998     | 0-8 ½                       | Rs.80,000/-                   | Rs.313/-                           |
| Ex.A6          | 1256 dated 03.12.1998     | 0-9                         | Rs.80,000/-                   | Rs.296/-                           |
| Ex.A7          | 1237 dated 01.12.1998     | 0-8 ½                       | Rs.85,000/-                   | Rs.333/-                           |
| Ex.A8          | 1236 dated 01.12.1998     | 0-3                         | Rs.35,000/-                   | Rs.388/-                           |
| Ex.A9          | 91 dated 20.04.1998       | 0-2                         | Rs.52,000/-                   | Rs.866/-                           |
| Ex.A10         | 92 dated 20.04.1998       | 0-2                         | Rs.52,000/-                   | Rs.866/-                           |
| Ex.A11         | 1076 dated 13.10.1998     | 1-8                         | Rs.2,00,000/-                 | Rs.238/-                           |
| Ex.A13         | 841 dated 04.11.1996      | 0-12 ½                      | Rs.1,00,000/-                 | Rs.265/-                           |

**Sale deeds relied upon by the State are as under:-**

| <u>Exhibit</u> | <u>Sale deed No./date</u> | <u>Area<br/>Kanal-Marla</u> | <u>Sale<br/>consideration</u> | <u>Base price per<br/>acre</u> |
|----------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|
| Ex.R3          | 1652 dated 09.03.1998     | 0-15                        | Rs.20,000/-                   | Rs.2,13,280/-                  |
| Ex.R4          | 1653 dated 09.03.1998     | 0-15                        | Rs.35,000/-                   | Rs.3,73,280/-                  |
| Ex.R5          | 1654 dated 09.03.1998     | 0-16                        | Rs.22,000/-                   | Rs.2,20,000/-                  |
| Ex.R6          | 1826 dated 27.03.1998     | 0-19                        | Rs.25,000/-                   | Rs.2,10,400/-                  |
| Ex.R7          | 1849 dated 30.03.1998     | 1-3                         | Rs.28,000/-                   | Rs.1,94,880/-                  |
| Ex.R8          | 1850 dated 03.03.1998     | 0-11 ½                      | Rs.14,000/-                   | Rs.1,76,000/-                  |
| Ex.R9          | 1851 dated 03.03.1998     | 0-11 ½                      | Rs.14,000/-                   | Rs.1,76,000/-                  |
| Ex.R10         | 97 dated 02.04.1998       | 1-3                         | Rs.28,000/-                   | Rs.1,94,880/-                  |
| Ex.R11         | 852 dated 06.08.1998      | 1-15 ½                      | Rs.40,000/-                   | Rs.1,77,760/-                  |

10. A perusal of the sale instances produced by the respondent(s) in the form of Ex.R-3 to Ex.R-11 shows that the sale price per acre therein varied between Rs.1,76,000/- to Rs.3,73,280/- (approximately). However, the respondents failed to produce on record any document in the form of site plan or *akshjara* to establish the comparative location of the land forming part of sale instances Ex.R-3 to Ex.R-11 *viz-a-viz* the acquired land. In such circumstances, the above sale instances produced by respondent(s) were rightly ignored for the purpose of assessing the market value.

11. On the other hand, though the appellants-landowners have produced the sale deeds Ex.A-1 to Ex.A-11 and Ex.A-13, they also have failed to establish the comparative location of the land parcels therein *viz-a-viz* the acquired land. However, from the record and the findings recorded based thereupon by the learned Reference Court, it can be discerned that the land parcels forming part of the two sale instances Ex.A-1 and Ex.A-13 pertained to the acquired land itself. In such circumstances, in view of the law laid down by the Hon'ble Apex Court in ***"The Dollar Company, Madras vs. Collector of Madras"***, reported as ***AIR 1975 SUPREME COURT 1670***, whereby it was held that the best piece of evidence while assessing compensation in cases of compulsory acquisition, would be the sale instance of the very property to which the claimant is a party as it fairly reflects the estimate of the price a willing buyer is ready to give to a willing seller in the market; the learned Reference Court rightly considered Ex.A-1 and Ex.A-13 as the best available evidence for the purpose of determination of market value of the acquired land in the case(s) in hand. The relevant paragraph of ***Dollar Company's case (supra)*** is extracted hereunder:-

*"5. It is true that compensation for compulsory acquisition, as governed by Section 23, gives high priority to the market value of the land at the date of the publication of the notification under Section 4, sub-section (1). But what is market value? It is a common place of this branch of jurisprudence that the main criterion is what a willing purchaser would pay a willing vendor. Ordinarily a party will be entitled to get the amount that he actually and willingly paid for a particular property, provided the transaction be bond fide and entered into with due regard to the prevalent market conditions and is proximate in time to the relevant date under Section 23. We may even say that the best evidence of the value of property is the sale of the very property to which the claimant is a party. If the sale is of recent date,*

*then all that need normally be proved is that the sale was between a willing purchaser and a willing seller, that there has not been any appreciable rise or fall since and that nothing has been done on the land during the short interval to raise its value (See Parks 'Principles and Practice of Valuations' P. 29 - Eastern Law House, Calcutta - IV Edition, 1970). But if the sale was long ago, may be the court would examine male recent sales of comparable lands as throwing better light on current land value..... ”*

12. From the record, it is also apparent that the sale deeds adduced by both parties pertained to small parcels of land which, in itself, indicates that the area around the acquired land carried commercial potential. Moreover, it has also been established on record that the acquired land is located on the road leading from Rampura to Rama and also forms part of the municipal limits of Maur Mandi. In such circumstances, the sale instance dated 04.11.1996 (Ex.A-1) pertaining to 14½ marla with base price of Rs.422/- per square yard reflecting higher price in comparison to the sale instance dated 04.11.1996 (Ex.A-13) with base price of Rs.265/- per square yard, needs to be relied upon for assessing the market value in the present case(s).

13. Furthermore, taking into consideration the location of the acquired land as well as its commercial potential, an appreciation @ 15% (compound) needs to be applied over the base price derived from the sale instance dated 04.11.1996 (Ex.A-1) for the time gap between the said sale instance upto the date of notification (i.e. 11.01.1999) under Section 4 of the 1894 in the case (s) in hand, which thus, comes to Rs.572/- per square yard.

14. However, considering the fact that the sale instance dated 04.11.1996 (Ex.A-1) pertains to small parcel of land measuring 14½ marla viz-a-viz the total land acquired measuring 19 acres 1 kanals 2 marlas,



of uniform market value @ Rs.460/- per square yard. In addition, the landowners shall also be entitled for all other statutory benefits and interest, especially interest on solatium.

18. In view of the aforesaid discussion, the present appeals filed at the instance of landowner(s) are partly allowed, whereas the appeals filed by the Punjab Agricultural Marketing Board are thus, dismissed.

19. Further, in case of unfortunate demise of any of the landowners, if the legal heir(s)-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 of course to any testamentary document created by the deceased.

20. Pending application, if any, also stands disposed of.

06.04.2026  
sonika

(HARKESH MANUJA)  
JUDGE

Whether speaking/reasoned:  
Whether reportable:

Yes  
Yes

| Sr. No. | Case No.           |
|---------|--------------------|
| 1.      | RFA-177-2015 (O&M) |
| 2.      | RFA-2328-2006(O&M) |
| 3.      | RFA-2329-2006(O&M) |
| 4.      | RFA-2392-2006(O&M) |
| 5.      | RFA-2393-2006(O&M) |
| 6.      | RFA-2784-2005(O&M) |
| 7.      | RFA-4002-2006(O&M) |
| 8.      | RFA-4523-2006(O&M) |
| 9.      | RFA-4524-2006(O&M) |
| 10.     | RFA-4525-2006(O&M) |
| 11.     | RFA-4526-2006(O&M) |

RFA-2391-2006 (O&M) and  
other connected cases

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|     |                    |
|-----|--------------------|
| 12. | RFA-4527-2006(O&M) |
| 13. | RFA-4528-2006(O&M) |
| 14. | RFA-4529-2006(O&M) |
| 15. | RFA-4530-2006(O&M) |
| 16. | RFA-4531-2006(O&M) |
| 17. | RFA-5333-2014(O&M) |
| 18. | RFA-5334-2014(O&M) |

06.04.2026  
sonika

**(HARKESH MANUJA)**  
**JUDGE**