123(22 cases) **IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH**

**RFA-3494-2011 (O&M)**
**Date of decision:-27.03.2026**

Sukhwinder Singh ….Appellant.

vs.

The Punjab State Electricity Board, Patiala
and others ….Respondents.

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

Present: Mr. G.S. Punia, Senior Advocate with
Ms. Harveen Kaur, Advocate and Mr. K.S. Cheema, Advocate
for the appellant (in RFA-4337 to 4341 of 2011, RFA-5893 to 5904 and 7142 of 2011).

Mr. Rohit Sapehiya, Advocate with
Mr. Kripal Singh, Advocate,
for the appellant (in RFA-3494, 6091 and 6922 of 2011).

Mr. Tarun Deora, Advocate for respondent-PSPCL
(in RFA-4341, 6091 and 7142 of 2011).

Mr. Kartik Sharma, Advocate,
for PSPCL (in RFA-4337, 4338, 4339, 4340 of 2011).

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

*****

**HARKESH MANUJA J. (Oral)**

1. Vide this common judgment, batch of total 22 connected Regular First Appeals are being decided as all have arisen out of the same award. The details of the connected cases are given at the bottom of the judgment.

1.2 For convenience, the facts are being taken from **RFA-3494-2011 (O&M).**

2. By way of present appeal, challenge has been laid to an Award dated 25.11.2010 passed by the Court of learned Additional District Judge, Hoshiarpur (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 dismissed.

3. Brief facts of the case are that some land owned by the landowner(s), situated in the two different revenue estates of Villages Sood (293 kanals 19 marlas) and Bararowal (186 kanals 4 marlas), Tehsil Dasuya, District Hoshiarpur, was acquired vide notifications dated 20.09.2000 and 27.07.2001, issued under Sections 4 & 6 respectively of the 1894 Act, for the public purpose, namely, for *"construction of Mukerian Hydel Channel Project, Stage-II, Part-2, Talwara"*. The Land Acquisition Collector (for brevity, ***"LAC"***) vide Award dated 08.08.2003, assessed the market value of the acquired land in the following manner:-

| | |
|---|---|
| Chahi land | Rs.3,60,000/- per acre |
| For all other kinds of land | Rs.1,60,000/- per acre |

4. Dissatisfied with the award passed by the Land Acquisition Collector, the landowners filed reference petition(s) under Section 18 of the 1894 Act, which were dismissed by the learned Reference Court on 25.11.2010.

5. Aggrieved of the aforesaid award passed by the learned Reference Court, the landowners as well as the PSPCL preferred the appeals/cross appeals, details whereof are mentioned in the footnote of this judgment.

6. Impugning the aforementioned award, learned Senior counsel

appearing on behalf of the appellant(s) submits that the learned Reference Court though rightly relied upon the sale instance dated 20.04.1999 (Ex.AW24/1), however, erred by making a deduction of 1/3rd to the base price by recording that it pertained to a small land parcel. Learned Senior counsel points out that the sale exemplar (Ex.AW24/1) pertained to 4 kanals of land, as such, could not be considered as a sale exemplar relating to a small parcel of land.

6.1. Learned Senior counsel further submits that the learned Reference Court also went wrong while declining to award damages on account of severance in favour of the landowners. He points out that there was sufficient material evidence on record to show that the acquisition of land in the case(s) in hand resulted into bifurcation of land holdings, thereby, causing loss to the landowners and thus, they were entitled for grant of damages towards severance. He thus, submits that on the basis of evidence on record, the market value was required to be reassessed and the appeal(s) preferred at the instance of landowners were to be allowed.

7. On the other hand, learned State counsel as well as learned counsel representing the PSPCL submit that the award passed by the learned Reference Court was based on proper appreciation of evidence available on record and thus, called for no interference. He further submits that there being no documentary evidence available on record to establish any kind of severance of land holdings belonging to the appellants-landowners, as such, they were not entitled for award of damages on that account.

7.1. Similarly, learned State counsel submits that taking into consideration the sale instances produced by the parties, it was evident that assessment of market value done by the LAC was fair and justified and thus, was rightly upheld by the learned Reference Court. As such, the appeals preferred at the instance of landowners were liable to be dismissed.

8. I have heard learned counsel for the parties and gone through the paper book.

9. In the present case(s), vide notifications dated 20.09.2000 and 27.07.2001 issued under Sections 4 & 6 respectively of the 1894 Act, the land parcels of five different revenue estates of Villages, namely, Terkiana, Sood, Bararowal, Begowal and Begpur, was acquired for the public purpose, namely, *"for construction of Mukerian Hydel Channel Project, Stage-II, Part-2, Talwara"*. One common award was passed on 08.08.2003 by the LAC. The present appeals relate to the revenue estates of villages Sood and Bararowal. The LAC vide its award dated 08.08.2003 assessed the market value @ Rs.3,60,000/- per acre for *chahi* nature of land and Rs.1,60,000/- for all other remaining kind of land, besides, grant of all other statutory benefits.

10. From the evidence available on record in the form of deposition made by David Masih (AW34), Patwari, Patwar Halka, Himmatpur, Tehsil Dasuya, Hoshiarpur, it has been established on record that the revenue estates of villages Terkiana, Sood and Bararowal, had similar nature and potential. It has also come on record that the revenue estates of Villages Terkiana and Sood are abutting and adjoining each other and that the canal water flows from Village Terkiana to Village Sood and thereafter, to Bararowal. Accordingly, it is evident that the land parcels forming part of villages Terkiana, Sood and Bararowal possessed similar nature and

potential being located in close proximity.

11. Further, in order to decide the issue of re-assessment of market value of the acquired land, details of the sale instances produced by the respective parties are relevant and thus, the same are reproduced hereunder:-

**Sale instances produced by the landowners:-**

| Exhibit | Type of land | Area sold in the sale deed | Village | Date of sale deed | Approximate rate at which land sold (per acre) |
|---|---|---|---|---|---|
| Ex.AW13/1 | Chahi | 00-15 marla | Terkiana | 25.02.2000 | 12 lakh per acre |
| Ex.AW14/A | Chahi | 00-08 marla | Terkiana | 02.05.1997 | 10 lakh per acre |
| Ex.AW24/1 | Chahi | 4k | Terkiana | 20.04.1999 | 4.5 lakh per acre |
| Ex.AW24/2 | Chahi | 00-14 marla | Terkiana | 12.02.2001 | 16 lakh per acre |
| Ex.A73 | Chahi | 00-10 marla | Terkiana | 29.12.1999 | 11 lakh per acre |
| Ex.A74 | Chahi | 4 kanal | Sood | 29.7.2002 | 5 lakh per acre |

**Sale instances produced by the PSPCL/State:-**

| Exhibit | Type of land | Area sold in the sale deed | Village | Date of sale deed | Approximate rate at which land sold (per acre) |
|---|---|---|---|---|---|
| Ex.R3 | Sailab | 09-00 kanal | Sood | 16.05.2000 | 1.68 lakh per acre |
| Ex.R4 | Sailab | 11-08 kanal | Sood | 28.05.1999 | 1.12 lakh per acre |
| Ex.R6 | Sailab | 08-00 kanal | Bararowal | 05.03.1999 | 1 lakh per acre |
| Ex.R7 | Sailab | 8-00 kanal | Bararowal | 05.03.1999 | 1 lakh per acre |
| Ex.R8 | Sailab | 10-00 kanal | Bararowal | 14.05.1999 | 65000/- per acre |
| Ex.R9 | Sailab | 10-00 kanal | Bararowal | 04.05.1999 | 1.25 lakh per acre |

A perusal of the above chart shows that the sale deeds produced by the respondents in the form of Ex.R-3 to Ex.R-9 though relate to the revenue estate of Village Sood and Bararowal, however, the same pertained to '*Sailab'* nature of land and as such, need not to be relied upon for the purpose of assessment of market value of *'chahi'* nature of land in the present case(s).

11.1 With respect to the sale instances produced by the landowners; though the said sale deeds relate to *'chahi'* nature of land, however, Ex.A24/2 (dated 12.02.2001, village Terkiana) and Ex.A74 (dated 29.07.2002, village Sood) pertained to the period post notification under Section 4 of the case(s) in hand, thus, also need to be discarded. The other sale deeds Ex.AW13/1, AW14/1, AW24/1 and Ex.A73 relate to the revenue estate of village Terkiana, however, in view of the findings recorded by this Court in the preceding paragraphs, acknowledging the similarity in nature and potential of land forming part of the revenue estate of villages Terkiana, Sood and Bararowal, the aforementioned four sale instances can be taken into consideration for the purpose of assessing the market value in the case (s) in hand.

11.2 As a settled principle of law, the sale instances fetching the highest sale price need to be taken into account while determining the market value in land acquisition cases and there exists no bar to rely upon the sale instances pertaining to the small parcels of land. Still, in the given facts and circumstances wherein it has come on record that the revenue estate of village Terkiana abuts the National Highway and the comparative location of the land parcel forming part of four sale instances i.e. Ex.AW13/1, AW14/1, AW24/1 and Ex.A73, *viz-a-viz* the acquired land was not proved, it would be just and equitable to disregard those sale instances pertaining to the small land parcels of land. In such circumstances, the sale instance dated 20.04.1999 (Ex.AW24/1) measuring 4 kanals with base price of Rs.4.50 lakh per acre is the most appropriate sale instance to assess the market value in the present case(s).

12. Furthermore, there exists a time gap of 1 year and 5 months between the date of sale exemplar dated 20.04.1999 (Ex.AW24/1) and the date of notification under Section 4 of the 1894 Act in the case(s) in hand issued on 20.09.2000, an appreciation @ 8% needs to be applied over the base price of Rs. 4,50,000/- per acre derived from sale exemplar dated 20.04.1999 (Ex.AW24/1) and accordingly, the market price per acre comes to Rs.5,01,000/- (rounded off).

13. In the humble opinion of this Court, considering the fact that the sale exemplar dated 20.04.1999 (Ex.AW24/1) relates to 4 kanals of land viz-a-viz the acquisition of 59.8 acres, as such, the same cannot be treated as the sale instance pertaining to the small land parcel and thus, no deduction needs to be applied in this regard over the base price of Rs.5,01,000/- per acre as determined herein-above.

14. Furthermore, in view of the fact that the acquisition in the present case related to the public purpose, namely, '*for construction of Mukerian Hydle Channel Project, Stage-II, Part-2, Talwara'*, respondent(s)-State neither suffered any loss towards optimum utilization of land nor did it incur any cost towards providing of additional infrastructural amenities, thus, no development cut was required to be applied.

15. As already discussed above, on the basis of material evidence available on record, it is evident that the revenue estates of Villages Sood and Bararowal are abutting and adjoining and the LAC itself while

considering the nature and potential of land forming part of both the said revenue estates to be similar, awarded the same market value, as such, the appeals preferred at the instance of appellants-landowners are partly allowed by reassessing the market value to the tune of Rs.5,01,000/- per acre for both the revenue estates of villages Sood and Bararowal.

15.1. At this juncture it is also pertinent to take note of the fact that in the present case, the LAC while making valuation of the acquired land and passing the award divided the land into two categories of *chahi* and *sailab.* Admittedly, the said categorization was made by the LAC on the basis of *jamabandies* of the year 1995-1996, however, the learned Reference Court failed to take into account the revenue record produced by the appellants-landowners in the form of *khasra girdwaris* of Sami-1996 to Hadi-2001, wherein, the land has been shown under cultivation and even the kind of crop sown therein has also been mentioned. A perusal of *khasra girdw*aris in the form of Ex.77 And Ex.78 placed on record clearly established that the acquired land remained under cultivation and was yielding more than one crop, thereby, reflecting its productivity and potential. Once it is evident that the land was being put to substantial agricultural use, this Court is of the considered opinion that classification on the basis of nature for purpose of assessment in the market value in the case(s) in hand does not find merit with this Court and thus, the appellants-landowners are held entitled to **uniform rate of Rs.5,01,000/- per acre**.

16. With respect to the contention raised on behalf of the appellants-landowners for award of damages towards severance of their land holdings, it may be noticed here that the evidence in the form of deposition made by

the landowners is available on record to show that as an effect of the acquisition in hand, their land holdings were bifurcated; leaving isolated small portions on the other side of the corner with no *rasta* or irrigation facilities. A perusal of the impugned award shows that the said evidence of the appellants-landowners did not receive the kind consideration of the learned Reference Court and even the statement made by David Masih AW-34, Patwari, Patwar Halka, Himmatpur, Tehsil Dasuya, Hoshiarpur was not taken note of. The relevant portion thereof is extracted hereunder:-

> *"........There is no connectivity of irrigation water from one acquired portion to other unacquired portion on account of construct on of canal. Rainy water accumulates on both the sides left unacquired on account of construction of canal........"*

16.1 In view of the discussion made hereinabove, it is evident that acquisition in the case(s) in hand definitely and conclusively resulted into dissection of the land by bifurcating it into two parts, in such circumstances, the appellants/landowners are bound to suffer loss towards cultivation of land besides causing them inconvenience towards connectivity of the parcels left on either side of the canal. Moreover, severance also causes reduction in value of remaining land due to alteration in access, useability, irregularity of shape and loss of agricultural viability etc., thus, it would be appropriate to award damages against severance of land in favour of the landowners.

16.2 However, at this stage, it may not be reasonable or justified for this Court to remit the matter back to the learned Reference Court for a fresh determination of the issue pertaining to grant of damages against severance in favour of the appellants-landowners. Thus, taking into account the material available on record and also the statement made by David Masih

(AW-34), the appellants-landowners are held entitled to 20% of the market value assessed by this Court as damages against severance. However, the same shall be subject to proof of bifurcation of the land holdings by the appellants-landowners before the learned Executing Court by production of relevant revenue record in the form of *Akshajra* as well as *jamabandis* etc.

17. In addition, the landowners shall also be entitled for all other statutory benefits in terms of Section 23(1)A as well as interest as provided under Section 28/34 of the 1894 Act (amended upto-date), especially interest on solatium.

18. In view of the aforesaid discussion, the appeals filed at the instance of landowners are partly allowed, whereas, the appeals filed at the instance of PSPCL are hereby dismissed.

19. Further, in case of unfortunate demise of any of the respondents-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.

27.03.2026 **(HARKESH MANUJA)**
sonika **JUDGE**

Whether speaking/reasoned: Yes
Whether reportable: Yes

| Sr. No. | Case No. |
|---|---|
| 1. | RFA-7142-2011 (O&M) |
| 2. | RFA-4337-2011 (O&M) |
| 3. | RFA-5901-2011 (O&M) |

| | |
|---|---|
| 4. | RFA-5895-2011 (O&M) |
| 5. | RFA-278-2012 (O&M) |
| 6. | RFA-4340-2011 (O&M) |
| 7. | RFA-5894-2011 (O&M) |
| 8. | RFA-5897-2011 (O&M) |
| 9. | RFA-5896-2011 (O&M) |
| 10. | RFA-5903-2011 (O&M) |
| 11. | RFA-4341-2011 (O&M) |
| 12. | RFA-5898-2011 (O&M) |
| 13. | RFA-5893-2011 (O&M) |
| 14. | RFA-5902-2011 (O&M) |
| 15. | RFA-4339-2011 (O&M) |
| 16. | RFA-5904-2011 (O&M) |
| 17. | RFA-6091-2011 (O&M) |
| 18. | RFA-5900-2011 (O&M) |
| 19. | RFA-5899-2011 (O&M) |
| 20. | RFA-4338-2011 (O&M) |
| 21. | RFA-6922-2011 (O&M) |

27.03.2026 **(HARKESH MANUJA)**
sonika **JUDGE**