

2026.PHHC.015149



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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

RFA-3719-2018 (O&M) and 14 other connected cases

Date of Decision: February 02, 2026

DARSHAN SINGH AND ORS

.....Appellants

Versus

STATE OF PUNJAB

.....Respondent

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. ADS Sukhija, Sr. Advocate with
 Mr. Vikram Rathore, Advocate,
 Mr. Chander Kant Rana, Advocate,
 Mr. Rajkumar Rathore, Advocate,
 Mr. Digvijay Singh, Advocate and
 Mr. Sumit Rana, Advocate for the appellants-landowners.

Mr. Athar Ahmed, DAG, Punjab.

HARKESH MANUJA, J. (ORAL)

Vide this common order, a bunch of 15 Regular First Appeals, details of which are given in the footnote of this judgment are being decided as all the appeals have arisen out of common acquisition/award involving common facts and question of law. For the sake of brevity, facts are being culled out from RFA-3719-2018.

2. By way of present appeal, challenge has been laid to the judgment dated 22.03.2018 passed by the learned Reference Court-cum-Additional District Judge, Rupnagar, whereby the reference petition filed under Section 18 of the Land Acquisition Act, 1894 (hereinafter referred to as 'the Act') by the appellants-landowners, seeking enhancement of compensation was partly allowed.

3. Briefly stating, land measuring 35 kanals 1 marla and 3 sirsai, situated within the revenue estate of Village Bari Railon, District

Rupnagar, was acquired for the public purpose namely, for “*construction of Ropar Bypass*” vide notifications dated 03.03.2010 and 30.07.2010 issued under Sections 4 and 6 respectively of the Act. The Land Acquisition Collector (for short ‘LAC’) passed Award No.12 dated 07.02.2011 assessing the market value at the rate of Rs.40,00,000/- per acre along with other statutory benefits and interest.

4. The appellants-landowners, feeling dissatisfied with the award, sought reference under Section 18 of the Act pleading that the amount of compensation awarded by the LAC was unjust and inadequate as the acquired land was situated near residential Power Colony of PSEB and National Highway leading from Chandigarh to Manali, as such had much higher potential value of not less than Rs.2,50,000/- per marla. It was further pleaded that the LAC while awarding compensation did not take into consideration the value of house/superstructure which already existed over the acquired land.

5. Upon notice, the same was contested by the respondent -State by filing written reply. It was pleaded on behalf of respondent-State that the rate of market value, as awarded by the LAC, was based on recommendations of District Land Price Fixation Committee and thus, the amount awarded was just and fair and no interference was warranted with the same.

6. Pursuant to framing of issues as well as considering the evidence, the learned Reference Court, vide award dated 22.03.2018 enhanced the amount of compensation to Rs.71,16,140/- per acre in LR-17-2016, LR-3193-2013, LR-69-2015 and LR-71-2015 whereas dismissed the remaining 11 Land Reference cases.

7. Aggrieved of the decision dated 22.03.2018 passed by the learned Reference Court, the appellants-landowners filed the present appeal.

8. Impugning the aforementioned award, learned Senior counsel appearing on behalf of the appellants-landowners submits that the learned Reference Court went wrong having discarded the sale deed dated 27.05.2009 (Ex.A-1) vide which 975 square yards (1 Kanal 12 marlas) of land forming part of the same very revenue estate of Village Bari Railon was sold for sum of Rs.20,47,500/- with base price per acre as Rs.1,00,62,799/-. While referring to the records including the sale instance dated 27.05.2009 (Ex.A-1) as well as the notification dated 03.03.2010 issued under Section 4 of the Act, learned Senior counsel points out that the land parcel comprised in rectangle No.4, Killa No.9/2 was not only part of sale deed Ex. A-1 but even formed part of the acquired land. He thus submits that the landowners were at least entitled for award of market value at the same rate i.e. Rs.1,00,62,799/- per acre.

8.1. Learned Senior counsel also contends that there exists a time gap of around 9 months between the date of sale instance Ex.A-1 (27.05.2009) and the date of notification under Section 4 of the Act issued on 03.03.2010 in the present case, as such, an appreciation of 15% was to be awarded over the base price derived from the said sale instance. Learned Senior counsel further points out that it was proved on record from the conjoint reading of deposition of AW-3-Mithlesh Kumar, Halka Patwari and the copy of Aks Shajra/latha produced as Ex.A4 that as an effect of acquisition, the land parcel belonging to the appellants-landowners was bifurcated into 2 pieces. He thus submits that the learned Reference Court erred in awarding severance damages at only

15% of the market value as the same was inadequate and ought to have been assessed no less than 50%.

8.2 Learned Senior counsel also points out that the learned Reference Court failed to take into consideration the Reference Court award Ex.A-3 dated 08.06.2016 vide which the market value for the revenue estate of Village Shanpura relating to the same acquisition proceedings was assessed @ Rs.1.65 crores per acre and also the award dated 07.03.2017, pertaining to the revenue estate of Village Araji Ropar relating to the same very acquisition proceedings, wherein the market value was also assessed @ Rs.1.65 crores per acre. Further, relying upon the statement made by AW3-Mithilesh Kumar, Halqa Patwari, Village Bari Railon, Tehsil and District Ropar, learned Senior counsel also submits that the revenue estate of Village Araji Ropar and Bari Railon were adjoining to each other, as such, the appellants, being landowners of Village Bari Railon were also to be awarded similar benefit @ Rs.1.65 crores per acre. Learned Senior Counsel further points out that from the evidence available on record, it was also established that the distance between the revenue estates of Village Shanpura and Village Bari Railon was less than 1 km and thus even while placing reliance upon the Reference Court award dated 08.06.2016 (Ex.A3), the market value of the acquired land in the present case(s) was to be assessed @ Rs.1.65 crores per acre.

9. On the other hand, learned counsel appearing on behalf of respondent-State submits that the learned Reference Court rightly discarded the sale instance Ex.A-1 which pertained to small parcel of land measuring 975 square yards (1 kanal 12 marlas) whereas, the acquisition in the present case related to a large chunk of 35 kanals 1

marla and 3 sirisai. The State counsel, however, submits that in case this Court was inclined to rely upon the sale instance Ex. A-1, suitable cut was required to be applied towards smallness of area involved therein. He also points out that severance damages @15% of the market value awarded by the learned Reference Court were sufficient and aptly compensated the appellants-landowners as such, no interference was called for with the award passed by the learned Reference Court.

10. 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.

11. From a conjoint reading of the sale deed dated 27.05.2009 (Ex.A-1) as well as the notification issued under Section 4 of the Act pertaining to the present acquisition proceedings, it transpires that portion of Killa No.9/2 forming part of Rectangle No.4 of the revenue estate of Village Bari Railon which is part of the sale deed has also been acquired and thus, the landowners are entitled for award of the same market value especially, when the time gap between the sale deed Ex.A-1 and the date of notification under Section 4 of the Act in the case in hand is merely 9 months. Even no evidence has been led by the respondents to raise any doubt about the genuineness or *bona fide* of this sale transaction or about the sale consideration paid thereunder. Rather, it is evident from the record that even the respondents in their evidence have relied upon the same very sale transaction having proved it on record as Ex.R2. In such circumstances, sale deed (Ex.A1) being a genuine and *bona fide* sale instance, aptly reflects the price at which a willing purchaser would pay to a willing seller and thus would be the appropriate indicator of the market price prevalent at that point of time.

Reliance in this regard can be placed upon decision rendered by the Hon'ble Supreme Court in case titled as "***Dollar Company, Madras. Vs. Collector of Madras*** reported as **1975(2) SCC 730**. Relevant portion from paragraphs No.5 & 7 thereof are extracted hereunder:-

- “5. *It is true that compensation for compulsory acquisition, as governed by s. 23, gives high priority to the market value of the land at the date of the publication of the notification under s. 4, sub-s. (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 bona fide and entered into with due regard to the prevalent market conditions and is proximate in time to the relevant date under S. 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 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 & 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 more recent sales of comparable lands as throwing better light on current land value.....*
7. *Property valuation as a practiced art is greatly influenced by legal and economic constraints. But, in this case, we do not have any complex considerations since helpful indicators are available. Price paid by the owner recently represents an expression of market value, as bona fide evidence of value, subject to such matters as (a) the relationship of the parties; (b) the market conditions and the terms of sale and (c) the date of sale. It may not end the enquiry but goes a long way to solve the problem.....”*

12. Upon further examination of sale instance dated 27.05.2009 (Ex.A-1) it has been found that the kind of land sold therein was recorded as “*Chahi*” and “*Gair Mumkin*”. Furthermore, the sale deed was registered by treating the alienation as that of residential parcel with segment rate of Rs.30,000/- per marla which was admittedly, the Collector rate for registration of sale deed of residential parcel of land. In such circumstances, it becomes evident that the acquired land also had the potential to be developed for residential purpose. Thus, accordingly, an appreciation of 9% needs to be awarded in favour of landowner for the time gap of 9 months from the date of sale instance dated 27.05.2009 (Ex.A-1) till the date of notification under Section 4 of the Act in the case in hand i.e. 03.03.2010.

13. Moreover, in the humble opinion of this Court, no merit can be found in the submission made on behalf of the learned State counsel for applying any deduction towards smallness of area involved in the sale instance Ex.A-1 especially, when the sale instance Ex.A-1 measures 975 square yards (1 kanal 12 marlas) which cannot be regarded as a small area *viz-a-viz* the acquired land which is merely 35 kanals 1 marla and 3 sirisai. Further, since the acquisition in the case(s) in hand has been carried out for the public purpose namely, for construction of Ropar Bypass and as such, the respondents did not suffer any loss towards optimum utilization of the area acquired and also did not incur expenditure towards providing of additional infrastructural amenities like parks, green belts, roads and community buildings etc., no cut towards development costs needs to be imposed. Furthermore, the sale deed dated 27.05.2009 proved on record by the landowners/ appellants as Ex.A-1 itself has even been relied upon by the respondents, having

produced on record the same as Ex.R2. On the other hand, the sale deed dated 18.08.2009 produced on record by the respondents as Ex.R3, though pertained to the same revenue estate of Village Bari Railon with base price per acre of Rs.48,000,00/-, however, the same is not relevant for the purpose of determination of market value of the acquired land in the present case(s) as the comparative location of its land parcel *viz-a-viz* the acquired land has not been established on record.

Accordingly, while relying upon sale instance Ex.A-1 and by applying appreciation of 9% thereupon for the time gap of nine months, the market value for the acquired land as on the date of notification under Section 4 of the Act is thus determined @ Rs.1,09,68,450/- per acre.

14. Insofar as the submission made on behalf of the landowners qua placing reliance upon the Reference Court award dated 08.06.2016 (Ex.A3- pertaining to the revenue estate of Village Shanpura) and the Reference Court award dated 07.03.2017 (which forms part of the record-pertaining to the revenue estate of Village Araji Ropar), to assess the market value in the present case(s), does not find merit with this Court especially, when the market value sought to be determined is relating to the acquired land falling within the revenue estate of a different Village namely, Bari Railon, and the sale instances belonging to the said revenue estate i.e. Bari Railon itself are available on record. Moreover, no evidence has been led by appellants to prove any kind of similarity of location and potential of the land forming part of the three aforementioned revenue estates *vis-à-vis* the acquired land.

15. As regards the award of damages towards severance, it may be noticed here that positive finding of fact based on evidence available

on record in the form of deposition made by Mithlesh Kumar, Halka Patwari (AW-3) and Aks Shajra/Latha (Ex.A-4) has been recorded by the learned Reference Court. Relevant paragraph therefrom is extracted hereunder:-

“17. As regards, the severance allowance, it has come up in the evidence of AW-3 Mithlesh Kumar, Halka Patwari that the acquired land is severed into two pieces as per his official record and also shown in Aks Shijra/Latha. A perusal of Ex.A-4 Aks Shijra/Latha shows that the acquired land of village Bari Railon has been divided into two pieces due to acquisition of land. No witness has been examined by the respondents to deny this severance. The facts of citation titled as Smt. Bindu Garg Vs. State of Haryana RCR(Civil) 261(P&H) are relevant. In that case, the Hon'ble Punjab & Haryana High Court observed in Para Nos.40 and 41 that the total acquired land belonging to the claimant in that case was 54 Bighas, out of which 39 Bighas was acquired leaving 14.17 Bighas as un-acquired which has been rendered inaccessible and in that case RW-5 Jai Pal admitted in his cross-examination that the land of Brij Mohan had access on two sides and after acquisition the land became inaccessible. In said case, the Hon'ble Punjab & Haryana High Court awarded 50% of the market value of the land measuring 14.17 Bighas (i.e. the unacquired land) as severance allowance. There is no such admission in the instant case. However, keeping in view the fact, that when any portion of land is severed into pieces, it certainly diminishes its value, therefore, this Court deems it appropriate to award **severance allowance to claimants to the extent of 15% of the enhanced compensation.** Accordingly, issues No.1 and 2 framed in the instant land reference No.17 dated 22.9.2016 titled as Darshan Singh & ors. Vs. State of Punjab and issue No.1 framed in land reference No.3193 dated 11.11.2013 titled as Paramjit Kaur Vs. State of Punjab, are decided in favour of the claimants and against the respondents.”

The aforesaid finding has not been assailed by the respondent-State at all either by filing any cross-appeal or cross objection(s).

16. As such, considering the fact the land in the present case(s) was acquired for the public purpose namely for construction of Ropar Bye-pass which definitely and conclusively dissected the land, 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 Bye-pass. Moreover, severance also causes reduction in value of remaining land due to alteration in access, usability, 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 @ 25% of the market value as assessed by this Court.

17. Besides it, the landowners-appellants shall also be entitled for all the statutory benefits and interest, especially the interest on solatium.

18. In view of the aforesaid circumstances, the present appeal is partly allowed with the aforesaid modification by re-assessing the market value of the acquired land @ Rs.1,09,68,450/- per acre along with all other statutory benefits and interest thereupon, especially the interest on solatium.

19. Wherever the landowner(s) has/have unfortunately expired during pendency of the appeal(s)/cross-objection(s) and the legal heirs have not been impleaded, they shall be at liberty to seek execution of the present decision by moving appropriate applications before the learned Executing Court.

20. Pending application(s), if any, shall also stand disposed of.

02.02.2026
Tejwinder

(HARKESH MANUJA)
JUDGE

Whether speaking/reasoned	Yes/No
Whether Reportable	Yes/No

OTHER CONNECTED CASES
RFA-3718-2018
RFA-3717-2017
RFA-3716-2018
RFA-3660-2016
RFA-3661-2016
RFA-2172-2016
RFA-2176-2016
RFA-2169-2016
RFA-2171-2016
RFA-2174-2016
RFA-2175-2016
RFA-2177-2016
RFA-2170-2016
RFA-2173-2016