142 (22 appeals + 2 cross objections)

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

RFA No. 530 of 2017 (O&M)
and connected 21 appeals
with 02 cross objections
Date of Decision: 19.02.2026

Haryana State Industrial Development Corporation (now Haryana State Industrial and Infrastructure Development Corporation Limited), Panchkula

...Appellant

Versus

Gian Chand and others

...Respondents

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. Pritam Singh Saini, Advocate
for the appellant(s)-HSIIDC.

Mr. Sumeet Jain, Advocate
for the respondent(s)-landowner(s)
(in RFA-484-2017)

Mr. Vishal, Advocate for
Mr. Sanjeev Sharma, Advocate, for the landowner(s)
(in RFA Nos. 3851 of 2016; & 483 of 2017)

Mr. Atul Yadav, Advocate, for the landowner(s).

Mr. Abhinash Jain, Deputy Advocate General, Haryana
for the pro forma respondent(s).

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HARKESH MANUJA, J. (ORAL)

This order shall dispose off the present 22 appeals and two cross objections bearing RFA Nos. 2942, 2943, 2944, 2945, 3737, 3738, 3739, 3740, 3851 of 2016; 479, 480, 481, 482, 483, 484, 486, 487, **530 (lead case)**, 555, 1528, 2498 of 2017; 8439 of 2018; Cross Objection No. 18-CI of 2018 in RFA No. 1528 of 2017; and Cross Objection No. 22 of 2019 in RFA

No. 8439 of 2018, as the same arise out of common acquisition / award.

[2] In the appeals/cross-objections filed by the landowners, they are seeking further enhancement of compensation for the acquired land, whereas in the appeals/cross-objections filed by the Haryana State Industrial and Infrastructure Development Corporation Limited **(for short "HSIIDC")**, the prayer is for reduction thereof. 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. 530 of 2017, the appeal filed by the HSIIDC.

[3] The appellant-HSIIDC, by instituting the aforesaid appeal, preferred under Section 54 of the Land Acquisition Act, 1894 **(for short "1894 Act")**, sought modification of the award dated 05.03.2016 passed by the learned Additional District Judge, Gurgaon **(hereinafter to be referred as "Reference Court")**, for reduction of compensation amount.

FACTS

[4] Briefly stating, certain land owned by the respondent(s)-landowner(s) situated within the revenue estate of **Village Bhangrola, Tehsil & District Gurgaon**, came to be acquired vide notifications dated 20.10.2010 and 27.01.2011 issued under Sections 4 and 6 of the 1894 Act respectively, for the public purpose namely *"for the smooth movement of traffic on National Highway No. 8, near the entry point to industrial* *model township, Manesar for construction of road link from IMT Manesar to Gurgaon Pataudi road*". Vide Award No. 2, dated 09.01.2012, the Land Acquisition Collector, Gurgaon **(for short "LAC')** determined the market value of the acquired land at the rate of Rs.75 lakhs per acre for all types of land alongwith other statutory benefits.

[5] Aggrieved of the aforesaid Award dated 09.01.2012, landowners / interested persons filed reference under Section 18 of the 1894 Act, which were partly allowed vide decision dated 05.03.2016 by the learned Reference Court, whereby the market value of the entire land was assessed/enhanced at the rate of Rs.93,77,500/- per acre alongwith other statutory benefits. Dissatisfied with the aforesaid decision, the present appeal(s) was preferred at the instance of appellant(s)-HSIIDC whereas cross-objections were filed by the respondent(s)-landowner(s).

CONTENTION(S):

ON BEHALF OF APPELLANT(S)-HSIIDC

[6] Learned counsel appearing on behalf of the appellant(s)-HSIIDC submits that the learned Reference Court went wrong having discarded the sale deeds produced by the appellant(s), as per which the sale price between June 2007 to October 2010 for the land forming part of revenue estate of Village Bhangrola was ranging between Rs.12,80,000/- per acre to Rs. 67,00,000/- per acre. Learned counsel thus submits that once, the market value @ Rs. 75,00,000/- per acre was awarded in favour of the landowners by the LAC, there was no further scope for enhancement by the learned Reference Court and, therefore, the impugned award was liable to be set aside.

[6.1] Learned counsel for HSIIDC also points out that since, there was no material available on record indicating the appreciation of price between the date of sale deed dated 30.05.2008 (Exhibit P-11) and the date of notification under Section 4 of the 1894 Act in the case at hand; as such, no increase was required to be awarded in favour of the respondent(s)-landowners for the time gap between the date of sale exemplar (Exhibit P-11) upto the date of notification under Section 4 of the 1894 Act in the present case.

ON BEHALF OF THE RESPONDENT(S)-LANDOWNER(S)

[7] Impugning the aforesaid Reference Court's award dated 05.03.2016, learned counsel(s) for the landowner(s) submit that though the learned Reference Court rightly relied upon the sale instance dated 30.05.2008 (Exhibit P-11) vide which 26 kanals 16 marlas of land pertaining to the same revenue estate of Village Bhangrola was sold against total sale consideration of Rs.4,65,00,000/- with base price per acre of Rs. 1,50,00,000/-, however, the appreciation for the time gap between the date of said sale instance upto the date of notification under Section 4 of the 1894 Act was required to be granted @ 15% on cumulative basis by taking into account the development activities around the acquired land.

[7.1] Learned counsel also points out that once the sale exemplar dated 30.05.2008 (Exhibit P-11) was for an area measuring 26 kanals 16 marlas, the deduction made @ 50% was highly excessive.

[7.2] No other point has been raised and it is prayed that the award passed by the learned Reference Court was liable to be modified by granting further enhancement to the landowners.

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 respondent(s)-landowner(s).

[9] Before proceeding in the matter, it may be relevant to take note of the sale exemplars produced by the parties in order to support their respective claim:-

(i) Sale-deeds produced by the respondent(s)-landowner(s):-

Sr. No.	Exhibits on sale deeds	Date of execution of sale deed	Land Area	Sale Consideration (in Rs.)	Rate Per Acre (in Rs.)	Revenue Estate
1	P-11	30.05.2008	26K-16M	4,65,00,000.00	1,50,00,000.00	**Bhangrola**
2	P-12	12.01.2011	17K-15.5M	4,44,37,500.00	2,00,00,000.00	**Bhangrola**
3	P-13	12.01.2011	27K-11M	6,88,75,000.00	2,00,00,000.00	**Bhangrola**
4	P-15	24.06.2008	13K-10.5M	3,58,41,250.00	2,12,39,259.00	Mewka
5	P-16	01.10.2007	16K-08M	3,48,50,000.00	1,70,00,000.00	Mewka

6	P-17	21.02.2007	8K-0M	1,69,00,000.00	1,69,00,000.00	Mewka
7	P-18	28.12.2009	2K-0M	68,75,000.00	2,75,00,000.00	Mewka

(ii) Sale-deeds produced by the appellant(s)-HSIIDC:-

Sr. No.	Exhibits on sale deeds	Date of sale deed	Land Area	Total Sale Consideration (Amount in Rs.)	Price Per Acre (in Rs.)	Revenue Estate
1	R-1	20.01.2011	8K-0M	70,00,000.00	70,00,000.00	Bhangrola
2	R-2	01.03.2011	4K-0M	35,00,000.00	70,00,000.00	Bhangrola
3	R-3	23.10.2009	8K-18M	16,50,000.00	14,83,146.00	Bhangrola
4	R-4	27.07.2010	9K-12M	20,00,000.00	16,66,666.00	Bhangrola
5	R-5	19.11.2010	4K-0M	35,00,000.00	70,00,000.00	Bhangrola
6	R-6	31.05.2010	6K-0M	50,25,000.00	67,00,000.00	Bhangrola
7	R-7	24.02.2010	11K-13M	95,00,000.00	65,23,605.00	Bhangrola
8	R-8	11.08.2010	19K-12M	1,64,15,000.00	67,00,000.00	Bhangrola
9	R-9	02.12.2009	11K-13.3M	90,00,000.00	61,80,257.00	Bhangrola
10	R-10	16.07.2010	3K-13M	30,56,800.00	66,99,835.00	Bhangrola
11	R-11	02.09.2008	8K-0M	50,00,000.00	50,00,000.00	Bhangrola
12	R-12	01.12.2010	11K-13M	65,00,000.00	44,63,519.00	Bhangrola
13	R-13	07.06.2007	10K-0M	16,00,000.00	12,80,000.00	Bhangrola

[9.1] Upon perusal of the above, it can be discerned that the sale instances produced by the appellant(s)-HSIIDC in form of Exhibits R-1, R-2, R-5 & R-12 pertain to the period post notification under Section 4 of the Act, thus, the same need not be relied upon.

[9.2] From the remaining sale instances, i.e. Exhibits R-3, R-4, R-6, R-7, R-8, R-9, R-10, R-11 & R-13, the sale price per acre for the land forming part of the revenue estate of Village Bhangrola ranges between Rs.12,80,000/- per acre to Rs. 67,00,000/- per acre. Perusal of Award No.2 dated 09.01.2012 passed by the LAC shows that the market value of the land under acquisition was assessed @ Rs. 75 lakhs per acre on the basis of rates supplied by the Collector, Gurgaon vide its letter No.2780-82/DRA dated 03.08.2011. The relevant extract in this regard from the award passed by the LAC is re-produced hereunder:-

> " ***4. MARKET VALUE***
>
> *The land owners and interested persons demand/claim more than @ Rs. 2 Crore to 3 Crore per acre as compensation but they have not produced any documentary proof in support of their claim. As per provisions made in section 23 of the Land Acquisition Act, 1894 the market value of the land at the time of Notification u/s 4 of the Act is to be taken into consideration. In this award, the such Notification u/s 4 was published on 20-10-2010. Hence that market value of the land describe above is to be determined on that date.* ***The Collector, Gurgaon vide his letter No. 2780-82/DRA dated 03-08-2011 has supplied the rates of land Rs. 75,00,000/- (Seventy Five lacs) per acre for all kinds of land****.*
>
> *Keeping in view the location, potentiality of land, I accept that rates supplied by the District Collector, Gurgaon dated 03-08-2011 and award accordingly."*

Therefore, once, even as per the Collector, Gurgaon, price of the subject land at the time of acquisition was Rs.75 lakhs per acre, the sale instances produced by the appellant(s)-HSIIDC in the form of Exhibits R-3, R-4, R-6, R-7, R-8, R-9, R-10, R-11 & R-13, reflecting the market price ranging from Rs. 12.80 lakhs per acre to Rs.67 lakhs per acre was significantly lesser and did not depict the correct position, *vis-à-vis* the market prices and, therefore, need to be discarded being not *bona fide* sale transactions indicating the true value of the land.

[10] Further, the sale instances produced by the respondent(s)-landowners in the form of Exhibits P-12 & P-13 are each dated 12.01.2011, which pertain to the period post notification under Section 4 of the 1894 Act in the present case(s) and thus, are not to be taken into account for determination of market value of the acquired land. Similarly, sale deeds Exhibits P-15 to P-18 are related to different revenue estate of Village Mewka and therefore, not relevant.

[11] However, as per sale deed dated 30.05.2008 (Exhibit P-11) produced by the respondent(s)-landowner(s), the land parcel therein pertains to the same revenue estate of Village Bhangrola and an area measuring 26 kanals 16 marlas was sold for a sum of Rs. 4,65,00,000/- with base price per acre of Rs. 1,50,00,000/-. Moreover, perusal of the site plan produced on record by the appellant(s)-HSIIDC as Exhibit R-15 reflects that the acquired land formed part of Rectangle Nos. 8, 6, 14, 29, 37 and 52; whereas the land parcel alienated vide sale instance dated 30.05.2008 (Exhibit P-11), was part of nearby Rectangle No.59 of the same revenue estate of Village Bhangrola.

[11.1] From the above, it was established on record that the land parcel forming part of the sale instance/Exhibit P-11 was in close vicinity of the acquired land and, therefore, the said sale instance was required to be relied upon for the purpose of determination of its market value; the same being of similar nature and potential value.

[12] In the present case, though, in the wake of the sale deed dated 30.05.2008 (Exhibit P-11), which relates to the date prior to notification under Section 4 of the 1894 Act in the case(s) at hand, it may not be appropriate to rely upon the other two sale instances which are post notification under Section 4 of the 1894 Act and have been produced by the respondent(s)-landowners in the form of Exhibits P-12 & P-13, both dated 12.01.2011, pertaining to the same revenue estate of Village Bhangrola. However, such sale deeds can always be taken into account for the purpose of assessment of annual appreciation of land price in the same vicinity between 30.05.2008 to 12.01.2011**.**

[12.1] A perusal of the sale instances Exhibits P-11 to P-13 shows that the prices of land per acre between May 2008 to January 2011 (32 months) increased from Rs. 1,50,00,000/- per acre to Rs.2,00,00,000/- per acre which comes to around Rs.1,56,250/- per month (Rs. 50,00,000/32 = Rs. 1,56,250/-), i.e.

@ 12.50% per annum [Rs. 50,00,000 / 1,50,00,000 x 100 = 33.33% for 32 months; 33.33 / 32 = 1.04% per month; 1.04 x 12 = 12.50 % per annum]. However, in order to balance the equities, instead of appreciation @ 10% compound as awarded by the learned Reference Court, the respondent(s)-landowner(s) are granted the benefit of appreciation @ 12% simple for the time gap between 30.05.2008, i.e. the date of execution of sale deed (Exhibit P-11) upto the notification under Section 4 of the 1894 Act in the case at hand, i.e. 20.10.2010.

[13] Furthermore, in the given facts and circumstances, in the humble opinion of this Court, once the total acquired land was 29.5 acres and the sale exemplar dated 30.05.2008 (Exhibit P-11) was pertaining to 26 kanals 16 marlas of land i.e. more than 4 acres, no deduction was required to be applied towards smallness of the area involved therein. Besides it, on account of development cut, it may be noticed here that the acquisition in the present case was carried out for the public purpose, namely, *"for the smooth movement of traffic on National Highway No. 8, near the entry point to industrial model township Manesar for construction of road link from IMT Manesar to Gurgaon Pataudi road in Village Bhangrola, District Gurgaon"*; as such, the HSIIDC/State of Haryana neither suffered any loss towards optimum utilization of land nor incurred costs to provide any additional infrastructural civil amenities for the area acquired, however, taking into account that the appellant(s) while laying down of the link road were required to provide green cover etc. to it, a reasonable deduction of 10% is applied towards the development cost.

[14] Accordingly, the market value of the land under present acquisition is re-assessed at the rate of **Rs.1,73,74,685.00 per acre**, as per calculation below:-

Description	Amount per acre (in Rs.)
Base price of the land (as per sale deed Exhibit P-11)	1,50,00,000.00
Add: Appreciation 12% per annum (Rs. 1,50,00,000 x 12/100 x 873/365) [from 30.05.2008 to 20.10.2010 = 873 days (excluding the end date)]	43,05,205.48
	1,93,05,205.48
Less: 10% development cut (Rs. 1,93,05,205.48 x 10/100)	19,30,520.55
	1,73,74,684.93
Net Compensation	**1,73,74,685.00 (Round Off)**

DECISION

[15] In view of the aforesaid discussion, impugned award dated 05.03.2016 passed by the learned Reference Court is modified and the respondent(s)-landowners are held entitled for award of market value at the rate of **Rs. 1,73,74,685/- per acre**. The respondent(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.

[16] Consequently, all the appeals filed by the **HSIIDC** are **dismissed**, whereas the appeals filed by the **landowner(s)** are **allowed**.

[17] 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.

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

February 19, 2026 **(HARKESH MANUJA)**
'dk kamra' **JUDGE**

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