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**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

RFA-1529-1997

Date of Decision: August 19, 2025

BIRBAL

.....Appellant

Versus

STATE OF HARYANA & ANR

.....Respondents

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Ms. Deepali Puri, Advocate for the appellants in
RFA-2175-1997, 362-1998 and 363-1998.

None for the appellants in
RFA-1529-1997 and RFA-1928-1997.

Mr. Abhinash Jain, DAG, Haryana.

HARKESH MANUJA, J. (ORAL)

A batch of 5 connected Regular First Appeals (details whereof are given on the foot of the judgment) shall stand disposed of by this common order, as they involve common question of law and facts.

For convenience, the facts are being taken from RFA-1529-1997.

2. By way of present appeal, challenge has been laid to an award dated 02.05.1997 passed by the learned Reference Court-cum-Additional District Judge, Hisar, whereby, reference petition preferred at the instance of appellant(s)-landowner(s) having invoked Section 18 of the Land Acquisition Act, 1894 (*for brevity, "1894 Act"*), was dismissed.

2. Brief facts of the case are that certain land owned by the appellants-landowners, situated in the revenue estate of Village Uklana, District, Hisar was sought to be acquired vide notification dated

21.02.1989, issued under Section 4 of the 1894 Act, for the public purpose i.e. for construction of building of Sub Tehsil Uklana and the residential Staff quarters. Total land under acquisition was 28 kanals and 11 marlas. Vide award No.1 dated 7.01.1992, the Land Acquisition Collector assessed the value of the land @ Rs.2,00,000/- per acre besides awarding solitum @ 30% of the market value of the land and 12% as compulsory charges from the date of publication of notification to the date of award.

3. Aggrieved of the award passed by the Land Acquisition Collector, appellants-landowners along with others filed reference petition(s) under Section 18 of the 1894 Act, seeking enhancement of compensation. Upon consideration of the material available on record, the learned Reference Court dismissed the petition(s) while holding that the Land Acquisition Collector, rightly assessed the market value of the land at the rate of Rs.2 lacs per acre besides additional amount @ 12% per annum under Section 23(1-A) of 1894 Act from the date of publication of notification under Section 4 of the 1894 Act to the date of award along with solitum @ 30% of the market value of the land, as well as interest @ 9% for the first year from the date of award and 15% per annum for the subsequent period till the date of realization of the amount. Feeling dissatisfied with the aforesaid award passed by the learned Reference Court, the appellant(s) preferred aforementioned appeals.

4. Impugning the aforementioned award, learned counsel for the appellants submits that the reference Court went wrong, having discarded the sale deeds Exs. P-6 and P-7 while determining the market value of the acquired land. Learned counsel points out that

though, the sale deeds Exs. P-6 and P-7 were relating to small parcels of land, however, considering the fact that the acquisition in the present case was also for a small area, measuring 28 kanals and 11 Marlas for the purpose of construction of building of sub-Tehsil at Uklana and as such; the respondents were not going to suffer any loss of land towards infrastructure development; after applying appropriate cut on the said two sale deeds, and thus, the order passed by the learned reference Court was required to be modified accordingly.

5. On the other hand, learned counsel for the respondents submits that the sale deeds Exs. P-6 and P-7 were pertaining to area measuring 5 marlas and 6 marlas respectively, and same thus being of small plots were rightly discarded by learned reference Court. Learned state counsel also points out that as per the sale deed dated 01/12/1988, which was proved on record as Ex R-3, the market price of the land was around ₹1,00,000 per acre and the area sold under the said sale deed even formed a part of the acquired land. He thus, submits that assessment made by the learned reference Court @ Rs.2 lakh per acre for the acquired land was fair and justified, and as such the impugned award calls for no interference.

6. 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.

7. In the present case, reference petition filed at the instance of appellants-landowners, seeking enhancement of compensation has been declined, however, having ignored the sale instances Exs. P-6 and P-7. The two sale deeds Exs. P-6 and P-7 dated 09/06/1988 and 05/01/1989 vide which land measuring 5 Marlas and 6 Marlas

respectively has alienated, related to the same revenue state of village Uklana of which the land under acquisition relates to. In view of the observations made by the learned Reference Court itself, whereby, it noticed that the land under acquisition was abutting the main road leading to Uklana-Narwana and was located at an important place in Uklana Township, both the sale instances should have been taken into account as relevant and bona fide sale exemplars and thus, the market value should have been assessed based on the said two sale exemplars by applying appropriate development cut thereupon. On the other hand, no merit can be found on the submissions made on behalf of learned state Counsel with respect to sale deed Ex.P3 as the same was even discarded by the learned reference court and no appeal or cross objections have been preferred at the hands of respondent-State. Moreover, in view of the settled proposition of law, the sale exemplars of highest price are required to be relied upon for the purposes of making assessment of market value as such the sale exemplars Exs.P-6 and P-7 need to be given preference over the sale deed Ex.P-3. Reliance in this regard can be placed on judgment passed by the Hon'ble Supreme Court in Civil Appeal No.7963/2023 titled as ***“Hormal (deceased) through his LRs and Others vs. State of Haryana and Others”***. Relevant Paragraph Nos. 28 and 29 are extracted hereunder for reference:-

“28. This view has been reiterated in Sh. Himmat Singh v. State of M.P., 13 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.

29. In these extenuating circumstances, there exists significant disparity

among the sale exemplars presently under consideration. Amongst these sale exemplars, being Ex. P2-P8 and Ex. P10, the highest sale instance values the land at Rupees 1,81,33,867 per acre, whereas the lowest values it at Rupees 16,94,000 per acre. Given this wide range and in light of the judicial precedents cited above, we are of the opinion that we should rely upon the highest sale exemplar, which is Ex. P5, rather than solely depending upon an average of the multiple sale deeds produced before us. Despite the Respondents' vehement contention that Ex. P5 should not be relied upon owing to it being a significantly smaller parcel of land— the detailed analysis conducted above indicates no reason why Ex. P5 cannot be utilised to determine the amount of compensation to be awarded to the Appellants for the acquired land.”

8. Accordingly, the details of the sale exemplars Exs. P-6 and P-7 being relevant for the purpose of determination of market value in the case in hand is extracted hereunder:-

| Ex. No. | Date | Area of sale deed | Sale consideration | Price per acre |
|---------|------------|--------------------------------------|--------------------|----------------|
| P-6 | 09.06.1988 | 5 marlas | Rs.16,000/- | Rs.5,12,000/- |
| P-7 | 05.01.1989 | 187 square yards (6 marlas appx.) | Rs.20,000/- | Rs.5,33,333/- |

Considering the fact that the land under acquisition, even as per the findings recorded by the learned Reference Court has locational and potential advantage, besides the acquisition been for the purpose of construction of building of sub-Tehsil and residential quarters at Uklana over relatively small area measuring 28 kanals and 11 Marlas, it would be appropriate to apply development cut of 1/3rd upon the sale price per acre of the sale exemplar Ex.P7 as in view of the purpose of acquisition, the respondents were not losing substantial portion of land or cost towards any separate infrastructural development.

9. As such, in view of the discussions made hereinabove, the market value of the land under acquisition forming part of revenue

estate of Village Uklana on the date of issuance of notification under Section 4 of 1894 act i.e. 21/02/1989 is assessed at ₹5,33,333 - 1,77,777 (1/3 X 5,33,333)=Rs.3,55,556/-.

10. Besides it, the landowners-appellants shall also be entitled for all the statutory purposes/interest provided under provisions of 1894 Act. As no arguments have been raised on behalf of appellants-landowners with respect to grant of compensation/enhanced compensation towards trees/structures, the same calls for no interference.

11. Wherever the landowner has unfortunately expired in the appeal/cross-objections 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 applications before the learned Executing Court.

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

19.08.2025

Tejwinder

(HARKESH MANUJA)
JUDGE

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|----------------------------------|---------------|
| <i>Whether speaking/reasoned</i> | <i>Yes/No</i> |
| <i>Whether Reportable</i> | <i>Yes/No</i> |

| RFA No. | Title |
|---------------|--|
| RFA-1928-1997 | OM PARKASH AND ORS. V/S STATE OF HARYANA & ANR |
| RFA-2175-1997 | BHAN V/S GOVT. OF HARYANA AND ORS. |
| RFA-362-1998 | HARISH CHANDER V/S THE STATE OF HARYANA AND ANR. |
| RFA-363-1998 | SIRI NIWAS GOEL (DECEASED) TH. LRS V/S HARYANA STATE |