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179 (24 cases)

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

*****

**RFA-592-2024 (O&M) &
XOBJR-46-2024**

Date of Decision: 12.05.2026

Greater Mohali Area Development Authority (GMADA), Mohali

…….Appellant

Versus

Swaran Singh Kahlon and anr. ……Respondents

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr.Karan Gupta, Advocate
for the appellant(s).

Mr.Naresh Kaushal, Advocate and
Mr. Nitish Kaushal, Advocate
for the landowners.

Mr. Karunesh Kaushal, AAG, Punjab.

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HARKESH MANUJA, J. (ORAL)

Vide this common order, a bunch of 16 Regular First Appeals and 08 XOBJRs, 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 identical facts and question of law. For the sake of brevity, facts are being taken from **RFA No.592 of 2024 and XOBJR 46-2024.**

2. By way of present appeal(s), challenge has been laid to

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the Award dated 31.01.2024 passed by the learned Addl. District Judge, SAS Nagar, Mohali (hereinafter to be referred as the ***'Reference Court'***).

3. Briefly stating, in the present case(s), certain land situated within the revenue estates of Villages Mullanpur Garibdas, Parol and Hoshiarpur, Tehsil Kharar, District SAS Nagar, Mohali was acquired vide Notifications dated 21.05.2010 and 15.11.2010 issued under Sections 4 & 6 of the Land Acquisition Act, 1894 (for short the '***1894 Act***') respectively for the public purpose, namely, "*for construction/ upgradation of road from Punjab/ UT Border (near Mullanpur) to Siswan T-Junction in Local Planning Area, Mullanpur*". Award under Section 11 of the 1894 Act was passed by the Land Acquisition Collector (for short '***the LAC'***) on 13.05.2011, thereby besides granting all other statutory benefits/interest available to the landowners under the 1894 Act, determined the market value of the acquired land as under:-

"Village(s)	*Compensation*
Mullanpur Garib Dass	*Rs.1,45,00,000/-per acre*
Ferozepur and Parol	*Rs.1,31,00,000/- per acre*
Hoshiarpur	*Rs.1,35,00,000/- per acre"*

4. Dissatisfied with the Award passed by the LAC, appellants/landowners filed objections under Section 18 of the 1894 Act, which was partly allowed by the learned Reference Court vide its decision dated 31.01.2024, while granting enhanced compensation at

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the uniform rate of Rs.2,68,05,280/- per acre besides awarding all other statutory benefits/interest in their favour under the 1894 Act. Aggrieved thereof, the present appeal(s) were preferred at the instance of appellant/GMADA; whereas the respondent(s)/landowner(s) preferred appeal(s) as well as cross-objections.

CONTENTION(S):

ON BEHALF OF THE APPELLANT/GMADA:-

5. Impugning the aforementioned award, learned counsel for the appellants/GMADA submits that the learned Reference Court erred having discarded the sale instances produced by the appellants. He points out that in the wake of several sale deeds been produced on record, the reliance placed by the learned Reference Court upon the previous award dated 22.07.2013 (Ex.P-1) concerning the revenue estates of village Mullanpur Garibdass, Ferozepur, Parol, Hoshiarpur, and Majra, was wholly misplaced and unwarranted.

5.1. He further points out that the sale instances produced by the appellant-GMADA were not to be discarded merely on the ground that the sale consideration reflected therein was lesser than the market value determined by the LAC especially in the wake of law laid down by the Hon'ble Supreme Court in the case of ***Lal Chand v. Union of India*** reported as ***(2009) 15 SCC 769*** and thus, need to be considered for re-assessment of the market value in the case(s) in

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hand. The relevant para-No. 54 to 59 are extracted hereunder:-

> *"54. The High Court also rejected Exts. R-3 to R-7 relied upon by the respondents, solely on the ground that the prices therein were lower than the market value offered by the Land Acquisition Collector and therefore, they had to be excluded under Section 25 of the LA Act. Section 25 provides that the amount of compensation awarded by a Reference Court shall not be less than the amount awarded by the Collector under Section 11.*
>
> *55. We fail to see how the said Section 25 has any relevance in regard to determination of market value as contrasted from award of compensation. If the sale deeds relied on by the respondents showed a particular market value, they cannot be ignored merely because the Collector had awarded compensation at a higher rate in regard to the acquired land.*
>
> *56. All that Section 25 requires is that the courts should not award an amount which is less than what is awarded by the Land Acquisition Collector, even if the evidence may show a lesser market value. So, the bar under Section 25 of the LA Act is not in regard to determination of a market value, which is less than what was awarded by LAO. The bar is only upon the Reference Court (or any higher court) reducing the compensation awarded by the Land Acquisition Collector.*
>
> *57. The fact that the Land Acquisition Collector has awarded compensation at a particular rate does not mean that the sale deeds which are otherwise reliable, cannot be relied upon to find out what was the real market value. Further the very assumption that all awards made by the Collector were at a rate higher*

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> *than what was disclosed by the sale deeds (Exs. R-3 to R-7) is also not correct."*

5.2. Learned counsel alternatively, submits that as per the sale instances produced by the appellant-GMADA, the amount equivalent to the maximum sale consideration reflected therein already stood granted in favour of the respondents/ landowners/ XOBJRs by the LAC itself, and therefore, the enhancement awarded by the learned Reference Court was wholly unwarranted and devoid of any basis. Learned counsel thus submits that the appeal(s) preferred at the instance of appellant/GMADA were to be allowed and cross-objection(s) as well as appeal(s) preferred by the landowners were to be dismissed.

<u>ON BEHALF OF THE RESPONDENTS/LANDOWNERS</u>:-

6. Per contra, learned counsel appearing on behalf of the respondents-landowners submits that the learned Reference Court rightly placed reliance upon the award dated 22.07.2013 (Ex.P1) passed in Land Reference No. RT 87/25.05.2011 titled as ***Baldev Singh and others Vs. GMADA*** vide which the market value with respect to the five revenue estates, namely, Mullanpur Garibdass, Ferozepur, Parol, Hoshiarpur and Majra was determined in relation to the previous acquisition carried out in terms of notification dated 20.02.2009 issued under Section 4 of the 1894 Act, for public purpose, namely, "*for construction of road from Mullanpur Garib Dass*

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to Kurali-Siswan T-Junction".

6.1. Learned counsel also points out that the award dated 22.07.2013 (Ex.P1) was assailed before this Court, at the instance of landowners therein as well as GMADA. In those proceedings, vide decision dated 27.01.2026 passed in ***RFA-7762-2013*** titled as "***The Greater Mohali Area Development Authority, SAS Nagar (Mohali) Vs. Baldev Singh (Deceased) th. his LRs and ors."*** this Court, enhanced the market value of acquired land to the tune of Rs.3,38,40,000/- per acre. Learned counsel thus submits that in the present case(s), the market value was required to be re-assessed in favour of the respondents/landowners/cross-objectors after granting them appreciation @ 15% per annum for the time gap between the two notification i.e. from 20.02.2009 upto 21.05.2010 over and above the market value determined by this Court in ***Baldev Singh's case*** (supra). No other argument has been raised.

DISCUSSION AND REASONING: -

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

8. A perusal of the record shows that land forming part of 05 revenue estates of Villages Mullanpur Garibdass, Ferozepur, Parol, Hoshiarpur and Majra was initially acquired vide notification dated 20.02.2009 issued under Section 4 of the 1894 Act, for public purpose, namely, "*for construction of road from Mullanpur Garib Dass*

to Kurali-Siswan T-Junction" (hereinafter referred to as ***"previous acquisition"***) Subsequently, after a gap of approximately 1 year and 3 months, some additional land forming part of four revenue estates of Villages Mullanpur Garibdass, Ferozepur, Parol and Hoshiarpur was sought to be acquired vide notification dated 21.05.2010 under Section 4 of the 1894 Act for the public purpose, namely, "*for construction/ upgradation of road from Punjab/ UT Border (near Mullanpur) to Siswan T-Junction in Local Planning Area, Mullanpur"* (hereinafter referred to as ***"present acquisition"***) Thus, it is apparent that the present acquisition which commenced vide subsequent notification dated 21.05.2010 was in fact, carried out for upgradation of the road from Punjab/ UT Border to Siswan T-Junction in continuation of the previous acquisition carried out vide previous notification dated 20.02.2009 under Section 4 of the 1894 Act from the same revenue estates. For convenience, a comparative chart of the two acquisitions is extracted hereunder:-

Details	**Previous Acquisition**	**Present Acquisition**
Section 4	20.02.2009	21.05.2010
Section 6	10.08.2009	15.11.2010
Revenue Estate of Village(s) involved	Mullanpur Garibdass, Ferozepur, Parol, Hoshiarpur and Majra	Mullanpur Garibdass, Ferozepur, Parol and Hoshiarpur
Public Purpose	Construction of road from Mullanpur Garib Dass to Kurali-Siswan T-Junction.	Construction/ upgradation of road from Punjab/ UT Border (near Mullanpur) to Siswan T-Junction in Local Planning Area, Mullanpur.

Award passed by the LAC	Dated 31.03.2010 **<u>Mullanpur Garibdass:</u>** Rs. 1,45,00,000/- per acre. **<u>Ferozepur and Parol:</u>** Rs.1,31,00,000/- per acre. **<u>Hoshiarpur:</u>** Rs.1,35,00,000/- per acre **<u>Majra</u>:** Rs.1,29,00,000/- per acre	Dated 13.05.2011 **<u>Mullanpur Garibdass:</u>** Rs. 1,45,00,000/- per acre. **<u>Ferozepur and Parol:</u>** Rs.1,31,00,000/- per acre. **<u>Hoshiarpur:</u>** Rs.1,35,00,000/- per acre
Award passed by the learned Reference Court.	Dated: 22.07.2013 At a uniform rate of Rs.2,32,00,000/-.	Dated: 31.01.2024 At a uniform rate of Rs.2,68,05,280/-.
Determination by this Court	Dated: 27.01.2026 RFA-7762-2013 titled as GMADA vs. Baldev Singh (Deceased) through his LRs and ors. At a uniform rate of Rs.3,38,40,000/-.	------

Having noted the aforesaid factual matrix, this Court shall now proceed to deal with the contentions raised on behalf of the parties.

9. The contention raised on behalf of the appellant-GMADA that the sale instances produced by it ought to be considered for re-assessment of market value cannot be accepted as in the humble opinion of this Court, the Hon'ble Apex Court in case of ***Lal Chand*** (supra) only held that Section 25 of the 1894 Act does not bar the consideration of sale instances reflecting lesser consideration for the purpose of determining market value. The said decision does not, in any manner, mandate that every sale instance produced on record

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must be relied upon regardless of its evidentiary worth. Furthermore, it is now well-settled principle of law that where multiple sale instances are available on record, it is the highest of such sale instances that must be taken as the basis for determination of market value as the landowner is entitled to the best price that his land could have fetched in the open market at the time of acquisition. The rationale underlying this principle is that a willing seller in an open market would naturally seek and obtain the best available price, and the landowner who is compulsorily deprived of his land cannot be placed in a position worse than such a willing seller.

9.1. Moreover, the Hon'ble Apex Court, time and again held that the sale instances reflecting a lesser consideration are required to be scrutinised with greater caution, as such transactions may be the result of distress sales; sales between relatives, or deliberate undervaluation for the purposes of stamp duty, and may not reflect the true market value of the land. In such circumstances, the sale instances produced by the appellant-GMADA cannot be considered to be *bona fide* sale instances and need to be discarded.

10. It may also be noticed here that the contention raised on behalf of learned counsel for the appellant-GMADA that once sale deeds pertaining to the present acquisition are available on record, previous awards or judgments cannot be relied upon, does not merit acceptance with this Court. The Hon’ble Apex Court ***Manoj Kumar***

etc. vs. State of Haryana & Others reported as ***2018 (13) SCC 96*** categorically observed that sale instances and previous awards stand on the same footing insofar as their evidentiary value is concerned. In the considered view of this Court, the previous awards are to be treated as guiding parameters, subject to consideration of similarities and dissimilarities in the nature, potential, and location of the land, akin to sale instances, enabling the Court to apply its judicial mind in assessing the market value in the case(s) at hand.

10.1. As evident from the above chart, since the revenue estates involved in both acquisitions are the same and the public purpose is also identical, there was no illegality or perversity committed by the learned Reference Court in relying upon the determination made by the learned Reference Court in terms of the decision dated 22.07.2013 (Ex.P1) passed in Land Reference No. 87/25.05.2011 which pertained to the previous acquisition carried out vide notification dated 20.02.2009 issued under Section 4 of the 1894 Act. Admittedly, the market value in terms of previous acquisition proceedings which commenced vide notification dated 20.02.2009 has been re-assessed and enhanced to Rs.3,38,40,000/- per acre by this Court in ***Baldev Singh's case*** (supra).

11. Taking into account the fact that both the acquisitions i.e. notification dated 20.02.2009 (previous acquisition) and the present acquisition carried out in terms of notification dated 21.05.2010

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related to the same revenue estates which are in close proximity to UT Chandigarh, an appreciation @ 12% per annum for the time gap between the two notifications i.e. from 20.02.2009 to 21.05.2010 (for a period of 15 months) needs to be granted in favour of the respondents/landowners/ XOBJRs over and above the price assessed by this Court @ Rs.3,38,40,000/- per acre in relation to previous notification dated 20.02.2009. Applying the same, the market value with respect to the acquisition in hand which commenced vide notification dated 21.05.2010 issued under Section 4 of the 1894 Act, comes to Rs.3,89,16,000/- per acre.

12. Accordingly, the market value is assessed at the rate of **Rs.3,89,16,000/-./- per acre** on the date of notification under Section 4 of the 1894 Act in the case(s) in hand. Besides it, the landowners/ respondents/ XOBJRs shall also be entitled for all the statutory benefits and interests under the 1894 Act, especially the solatium @30% and interest thereupon.

13. In view of the aforesaid circumstances, the present appeal(s) preferred at the instance of the State are dismissed and the appeal(s) as well as cross objections by landowners are partly allowed with the aforesaid modification.

14. Wherever the landowner(s) has/have unfortunately expired in the appeal(s)/cross-objection(s) 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.

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

12.05.2026 **(HARKESH MANUJA)**
sanjay **JUDGE**

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

Sr. No.	Case No.
1.	RFA-594-2024(O&M)
2.	RFA-598-2024(O&M) & XOBJR 105-2025
3.	RFA-599-2024(O&M)
4.	RFA-628-2024(O&M)
5.	RFA-631-2024(O&M)
6.	RFA-632-2024(O&M)
7.	RFA-636-2024(O&M)
8.	RFA-641-2024(O&M)
9.	RFA-4456-2016(O&M) & XOBJR 154-2025
10.	RFA-24-2017 (O&M) & XOBJR 7-CI-2017
11.	RFA-43-2017 (O&M) & XOBJR 36-CI-2017
12.	RFA-44-2017 (O&M) & XOBJR 22-CI-2018
13.	RFA-490-2017 (O&M) & XOBJR 67-CI-2017
14.	RFA-3097-2017 (O&M) & XOBJR 139-CI-2019
15.	RFA-883-2022 (O&M)

12.05.2026 **(HARKESH MANUJA)**
sanjay **JUDGE**