2026:PHHC:062042

118(38 cases) **IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH**

RFA-2900-2013 (O&M)
Date of decision:-22.04.2026

Ram Rati ….Appellant.

vs.

State of Haryana and others ….Respondents.

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. R.A. Sheoran, Advocate,
for the appellant(s) (in RFA-2900-2013 and RFA-18-2016)

Mr. Mani Ram Verma, Advocate and
Mr. Nipun Verma, Advocate for the appellant(s)-landowner(s)
(in RFA-4129, 6387,6388, 4130, 4131 and 4132 of 2013).

Mr. Vikrant Rana, Advocate for the appellant (in RFA-3974, 3975, 3976, 4255, 4256,4257, 4258,4259, 4260 and 4261 of 2013).

Ms. Preeti Singh, Advocate and Ms. Vani Singh, Advocate, for the appellant(s) (in RFA-10480, 10481, 10482, 10483 and 10484 of 2014).

Ms. Shivaly Singla, Advocate for Mr. Arihant Jain, Advocate, for respondent No.3 (in RFA-6387-2013).

Mr.Man Mohan, Advocate
for respondent No.10 (in RFA-6387-2013).

Mr. Abhinash Jain, DAG, Haryana.
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<u>HARKESH MANUJA J. (Oral)</u>

1. Vide this common judgment, a batch of total 38 connected Regular First Appeals are being decided as all have arisen out of the same award. The details of the connected cases are mentioned in the footnote of

this judgment.

1.2 For convenience, the facts are being taken from **RFA-2900-2013 (O&M).**

2. By way of present appeal(s), challenge has been laid to an Award dated 14.01.2013 passed by the learned Additional District Judge, Bhiwani (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 partly allowed.

3. Brief facts of the case are that some land owned by the appellant(s)-landowner(s), situated in the revenue estate of Village Bhiwani Lohar, Tehsil and District Bhiwani, was acquired vide notifications dated 21.03.2006 and 20.03.2007, issued under Sections 4 & 6 respectively of the 1894 Act, for the public purpose, namely, *"for the development and utilization for residential and commercial Sector 23 part, Bhiwani"*. The total land under acquisition was 18.46 acres. The Land Acquisition Collector (for short, ***"the LAC"***) vide its award dated 18.08.2008, assessed the market value of the acquired land @ Rs.12 lakhs per acre.

4. Feeling dissatisfied with the award passed by the LAC, the appellant(s)-landowner(s) preferred separate 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 vide its award dated 14.01.2013, partly allowed the reference petition(s) while re-assessing the market value @ Rs.13,15,000/- per acre along with granting other statutory benefits under the 1894 Act.

5. Still feeling dissatisfied with the aforesaid award passed by the

learned Reference Court, the appellant(s)-landowners preferred the appeals, details whereof are mentioned in the footnote of this judgment.

CONTENTION(S):

ON BEHALF OF THE APPELLANT(S)-LANDOWNER(S):-

6. Impugning the aforementioned award, learned counsel appearing on behalf of the appellant(s)–landowner(s) submits that the acquisition in the present case was carried out in the revenue estate of Village Bhiwani Lohar for a public purpose, namely, *"the development and utilization of land for residential and commercial Sector 23 part, Bhiwani."* He points out that prior thereto, for development and utilisation of land for residential and commercial purposes in Sector 23, Bhiwani, the land was notified on 04.06.1986 under Section 4 of the 1894 Act from the revenue estates of villages Bhiwani Lohar and Palwas, for which the market value was finally determined @ Rs.79.98 paise per square yard by this Court in ***LPA No.1089 of 2000*** titled ***Om Parkash vs. State of Haryana*** and as such, since the land under present acquisition was acquired for expansion of already existing and developed Sector 23, Bhiwani; being located in close proximity adjacent to it, an appreciation @ 24% was required to be granted for the time gap between the previous notification dated 04.06.1986 up to the date of notification issued under Section 4 of the 1894 Act (i.e. 21.03.2006) in the case in hand. He thus, submits that the market value was required to be enhanced accordingly.

6.1 In addition, learned counsel also points out that the land forming part of the same revenue estate of village Bhiwani Lohar was also notified on 26.04.2007 in terms of Section 4 of the 1894 Act, for public purpose namely, *"residential-cum-commercial plots/land for Sector 31, Bhiwani",* wherein, the market value was re-assessed by the learned Reference Court at the rate of Rs.40 lakhs per acre for *Nehri/Chahi* land; Rs.50 lakhs per acre for land upto the depth of 2 acres from Rohtak-Bhiwani road and *gair mumkin* land besides upto the depth of 6 acres from the side of Bhiwani town towards Rohtak and Rs.30 lakhs per acre for *Taal* land, which was upheld by this Court vide decision dated 15.05.2012 passed in ***RFA-5571-2011*** titled ***State of Haryana vs. Shashi Prabha***. He thus, submits that even if the doctrine of de-escalation was made applicable for the time gap between the notification dated 26.04.2007 upto the date of notification issued under Section 4 of the 1894 Act in the case in hand, applying de-escalation @ 24% on the minimum rate assessed with respect to the notification dated 26.04.2007, still the appellants-landowners are entitled for grant of further enhancement, which comes to Rs.22,20,000/- per acre. Thus, the appeal(s) preferred at the instance of appellant(s)-landowner(s) were to be allowed.

ON BEHALF OF RESPONDENT(S)-STATE

7. Per contra, learned counsel for the respondents submits that the sale deed dated 11.02.2000 (Ex.P-2) produced by the appellant(s)-landowner(s), besides the sale deeds Exs. R-12 to R-17 produced by the respondents were part of the acquired land and as per those sale deeds, the maximum value per acre was around Rs.12 lakhs; whereas the learned Reference Court had already granted the benefit of market value @ Rs.13,15,000/- per acre in favour of the appellant(s)-landowner(s) and as such, there is no further scope of enhancement. He points out that once the

sale instances relating to the acquired land itself were available on record, the same were to be treated as the best available sale exemplars and were thus required to be relied upon for the purpose of assessment of market value.

7.1 Learned State counsel also submits that the reliance placed upon by the appellant(s)-landowner(s) upon the determination made by this Court vide decision dated 15.05.2012 passed in ***Shashi Prabha's case*** (supra), with respect to the land forming part of Village Bhiwani Lohar, in relation to notification dated 26.04.2007, was wholly misplaced as the land parcel forming part of the said acquisition was at a distance of around 5 kms from the land parcel forming part of the present acquisition. He also points out that in the absence of there being any positive evidence led from the side of the appellant(s)-landowner(s) with respect to the development in the close vicinity of the acquired land, the claim made by them with respect to appreciation of 24% per annum over the previous acquisition relating to Sector 23 HUDA, Bhiwani carried out in terms of notification dated 04.06.1986 was wholly misplaced and thus, required to be rejected. He thus submits that the appeals preferred at the instance of appellant(s)-landowner(s) were liable to be dismissed.

DISCUSSION AND REASONING:-

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

9. In order to decide the issue of re-assessment of market value of the acquired land, details of the sale instances relied upon by the appellant(s)landowner(s) as well as respondent(s)-State, are relevant and thus, the same are reproduced hereunder:-

Sale deeds relied upon by the appellant(s)-landowner(s) are as under:-

Exhibit	**Sale deed date**	**Area**	**Village**	**Sale consideration**	**Base price per acre**
Ex.P2	11.02.2000	8 marlas	Palwas	Rs.36,000/-	Rs.7,20,000/-
Ex.PC	03.03.2006	8 marlas	Bhiwani Lohar	Rs.71,000/-	Rs.14,20,000/-
Ex. P13	03.06.2005	10 marlas	Bhiwani Lohar	Rs. 90,000/-	Rs.14,40,000/-

Sale deeds relied upon by the respondent-State are as under:-

Exhibit	**Sale deed date**	**Area**	**Village**	**Sale consideration**	**Base price per acre**
Ex.R-12	19.05.2005	11 marlas	Bhiwani Lohar	Rs.82,500/-	Rs.12,00,000/-
Ex.R-13	22.09.2005	3 ¼ marlas	Bhiwani Lohar	Rs.10,000/-	Rs.4,92,307/-
Ex.R-14	22.09.2005	3 ¼ marlas	Bhiwani Lohar	Rs.10,000/-	Rs.4,92,307/-
Ex.R-15	22.09.2005	4 ¼ marlas	Bhiwani Lohar	Rs.10,000/-	Rs.3,76,470/-
Ex.R-16	11.08.2005	1 kanal	Bhiwani Lohar	Rs.70,000/-	Rs.5,60,000/-
Ex.R-17	02.05.2005	10 marlas	Bhiwani Lohar	Rs.40,000/-	Rs.6,40,000/-

9.1 In the given facts and circumstance, wherein the acquisition in hand was carried out for the purpose of expansion of already developed Sector 23 part HUDA, Bhiwani and the acquired land parcel was located just adjacent to the developed estate, keeping in mind the locational and potential advantage attached to the acquired land as well as the law laid down by the Hon'ble Supreme Court in "***Haryana State Industrial Development Corp. v. Pran Sukh"*** reported as ***2010 (11) SCC 175***, it may not be safe to place reliance upon the sale instances produced by the parties, out of which, few though pertain to the acquired land, however, majorly reflected market price lesser than the market value assessed by the LAC which was evidently based on the District Collector Rates. This Court is mindful of the fact that as a matter of common practice, the sale deeds are often executed at a value below the prevailing market rate to avoid the payment of stamp duty, thus, the aforementioned sale deeds cannot be considered as reliable piece of evidence reflecting the correct prevailing market value at relevant point of time in the humble opinion of this Court. Relevant para of ***Pran Sukh's case (supra)*** is reproduced hereunder:-

> *"22. **In our view, the learned** Single Judge did not commit any error by relying upon sale transaction Exhibit P1 for the purpose of fixing market value of the acquired land. Undisputedly, that sale transaction was between two corporate entities and the entire sale price was paid through bank drafts. It is also not in dispute that the land which was subject-matter of Exhibit P1 is situated at village Naharpur Kasan and is adjacent to the acquired land. The Corporation and the State Government did not adduce any evidence to prove that the land sold vide Exhibit P1 was over-valued with an oblique motive of helping the land owners to claim higher compensation. Therefore, **we do not find any** justification to discard or ignore sate deed Exhibit P1. **The refusal of the learned Single Judge to rely upon other sale transactions in which sale price of the land was shown as Rs. 7 lakhs per acre also does not suffer from any legal infirmity because its well-known that transactions involving transfer of properties are usually undervalued with a view to avoid payment of the requisite stamp duty and registration chars**.*

10. Furthermore, as per the material evidence available on record, previously the land forming part of the revenue estates of Village Bhiwani Lohar and Palwas, District Bhiwani was acquired vide notification dated **04.06.1986** for the public purpose, namely, *"for setting up of Sector 23, HUDA, Bhiwani" (hereinafter referred to as the '**previous acquisition**')*. Thereafter, vide notification dated **21.03.2006** issued under Section 4 of the 1894 Act, the land forming part of the same revenue estate of Village Bhiwani Lohar which was owned by the appellant(s)-landowner(s) was acquired for the public purpose, namely *"for the development and utilization for residential and commercial Sector 23 part, Bhiwani"* (hereinafter

referred to as the '***present acquisition***'). Later, vide notification dated **26.04.2007**, the land from Village Bhiwani Lohar, Palwas and Ninan was again acquired for the public purpose, namely, "*for Residential cum commercial plots/land for Sector 31, Bhiwani*" (hereinafter referred to as the '***subsequent acquisition***'). For ready reference, a comparative chart of all the three aforementioned acquisitions which took place pertaining to the revenue estate of Village Bhiwani Lohar is extracted hereunder:-

	Previous Acquisition	**Present Acquisition**	**Subsequent Acquisition**
Notification under Section 4	04.06.1986	21.03.2006	26.04.2007
Notification under Section 6	15.04.1987	20.03.2007	26.05.2008
Village	Bhiwani Lohar and Palwas	Bhiwani Lohar	Bhiwani Lohar, Palwas and Ninan
Public Purpose	Setting up of Sector 23, HUDA, Bhiwani.	Development and utilization for residential and commercial Sector 23 part, Bhiwani.	Residential cum commercial plots/land for Sector 31, Bhiwani.
LAC Award Date / Amount	10.11.1987/ Market Value assessed Rs.57,500/- per acre for Nehri land Rs.55,200/- per acre for remaining all kind of land like Taal, Gairmumkin and banjar.	18.08.2008/ uniform market value of Rs.12,00,000/- per acre.	23.04.2010 / Rs. 20 lakhs per acre for Nehri/Chahi land, Rs. 25 lakhs per acres for the land upto depth of 2 acres from Rohtak-Bhiwani road and Gair Mumkin land and Rs. 30,00,000/- per acre for taal land.
Reference Court Award Date / Amount	Vide different awards, market value assessed @ Rs.125/- per square yards.	14.01.2013/ market value assessed @ Rs.13,15,000/- per acre.	Rs.40 lakhs per acre for *Nehri/Chahi* land; Rs.50 lakhs per acre for land upto the depth of 2 acres from Rohtak-Bhiwani road and *gair mumkin* land besides upto the depth of 6 acres from the side of Bhiwani town towards Rohtak and Rs.30 lakhs per acre for *Taal* land.
Amount decided by this Court	RFA-947-1994 decided on 18.02.1999 titled Shanti Devi vs. State	-----	RFA-5571-2011 decided on 15.05.2012 titled State of Haryana vs. Shashi Prabha,

	of Haryana assessed market value @ Rs.79.98 paise per square yard.		upheld the market value assessed by the Reference Court.
LPA/SLP	LPA No.1089-2000, decided on 15.12.2000 titled Om Parkash vs. State of Haryana, upheld the market value assessed in RFA i.e. @Rs.79.98 paise per square yard	-----	SLP No. 17071-17072 dated 03.12.2012 titled Santra & etc. vs. Land Acquisition Collector dismissed the appeals upholding the value assessed by this Court.

10.1 From the above details, it is evident that vide previous acquisition carried out in terms of notification dated 04.06.1986, the land situated in Village Bhiwani Lohar was acquired for public purpose, namely, *"for setting up of Sector 23, HUDA, Bhiwani"* and pertaining to the said acquisition, the market value was finally assessed by this Court vide decision dated 15.12.2000 passed in ***LPA No. 1089-2000*** in ***Om Parkash's case*** (supra) at the rate of Rs.79.98 paise per sq. yards. Thereafter, approximately a gap of around 20 years, on 21.03.2006, the present acquisition came to be carried out for expansion of already existing developed Sector 23 Part, HUDA, Bhiwani. The abovementioned facts were duly proved on record and even noticed by the learned Reference Court in para 25 of its award and relevant portion therefrom is extracted hereunder:-

> *"......though they pointed out the cross examination of RW1 during which he deposed that Sector 23 was acquired in the year 1988 which is fully developed now and it is correct deposed that awards No. 3 and 4 were announced for the extension of Sector 23. It is true that land had been acquired by the Government for extension of Sector 23 HUDA for which notification under Section 4 of the Act had been published on 21.03.2006 whereas Sector 23 already had itself in 1988 and been acquired thereafter,*

> *residential colony was set up therein after making developments of all kinds of facilities for its of inhabitants but the rate prevailing in developed Sector 23 cannot be taken into account for fixation of market value of its the purpose extended part acquired by the respondents in view of the notification published under section 4 of the Act 21.03.2006 being barred by clauses fifthly and sixthly of section 24 of the Act….."*

10.2 However, it is pertinent to mention here that the learned Reference Court erred while discarding the award pertaining to the previous acquisition being barred by the clauses fifthly and sixthly of Section 24 of the 1894 Act as the exclusion therein applies only to such increase in value as is directly attributable to the very scheme or purpose of the present acquisition. In the present case(s), however, the escalation in land prices had already taken place on account of the earlier acquisition and the consequential development of Sector 23, which was completed long prior to the issuance of the notification dated 21.03.2006 relating to the acquisition in hand.

10.3. It is an admitted and established fact that Sector 23, Bhiwani had already evolved into a well-developed residential and commercial area with all requisite infrastructure and civic amenities, and its developed status had an independent and pre-existing influence on the market value of the surrounding lands. The acquired land, being in close proximity to a fully developed sector, derived significant locational and potential advantages therefrom, which naturally contributed to the rise in its market value. Therefore, the rise in prices cannot be said to have accrued "*from the use to which it will be put when acquired*" under the present acquisition. Rather, it was a consequence of past developments that had already taken place in the market. Consequently, reliance on clauses fifthly and sixthly to discard the award pertaining to the previous acquisition was misplaced as the said provisions do not bar consideration of value increases arising from prior, completed development, but only those increases which are speculative or directly linked to the proposed use of the land under the current acquisition.

11. Moreover, Collector rate for the year 1986-87; and 2006-2007 as provided by the learned State Counsel are extracted hereunder:-

Year	**Collector Rates for Village Bhiwani Lohar (per acre)**	
1986-1987	Nehri	Rs.50,000/-
	Gair Mumkin	Rs.48,000/-
2006-2007	Nehri/Chahi	Rs. 8,80,000/-
	Gair Mumkin	Rs.11,00,000/-

A perusal of above chart clearly shows that there was approximately 18 to 23 folds increase in the prices of land for *nehri/chahi* and *gair mumkin* for the area of Village Bhiwani Lohar which corresponds to a cumulative annual increase of about 16% to 18% per annum. In such circumstances, where according to the Collector rates fixed by the State officials for the stamp duty purpose itself shows exponential increase in prices in the area coupled with the fact of close proximity of the acquired land parcel with already existing Sector 23, HUDA, Bhiwani significantly contributing to the potential and locational advantage of the acquired land as well as the prices therein, minimum escalation of 18% (simple) per annum needs to be applied on the determination made by this Court vide judgment dated 15.12.2000 passed in ***Om Parkash's case*** (supra) with respect to the valuation of the land forming part of the same revenue estate of Village Bhiwani Lohar i.e. @ Rs.79.98 paise per square yard regarding notification dated 04.06.1986, the valuation thus comes to Rs.17,61,491/- per acre.

12. Simultaneously, with respect to the notification dated 26.04.2007 issued under Section 4 of the 1894 Act pertaining to land forming part of Village Bhiwani Lohar, which was acquired *"for residential-cum-commercial plots/land for Sector 31, Bhiwani"*, the learned Reference Court assessed the market value at the rate of Rs.40 lakhs per acre for *Nehri/Chahi* land; Rs.50 lakhs per acre for land upto the depth of 2 acres from Rohtak-Bhiwani road and *gair mumkin* land besides upto the depth of 6 acres from the side of Bhiwani town towards Rohtak and Rs.30 lakhs per acre for *Taal* land, which was upheld by this Court vide decision dated 15.05.2012 passed in ***Shashi Prabha's case*** (supra). The acquisition in the present case(s) also pertain to the same revenue estate of Village Bhiwani Lohar, however, the notification under Section 4 of the 1894 Act was issued on 21.03.2006 i.e. almost a year prior thereto. Thus, by applying the doctrine of de-escalation, if deduction of 24% for the time gap of 13 months between the two notification i.e. from 26.04.2007 to 21.03.2006 upon the minimum rate of Rs.30 lakhs per acre assessed vide decision dated 15.05.2012, in ***Shashi Prabha's case*** (supra), the determination comes to Rs.22,20,000/- per acre.

13. Considering the peculiar facts and circumstances of the case(s) in hand, to balance the equities and take a just view, in the humble opinion of this Court, the average of the value attained after applying principles of escalation and de-escalation upon the acquisitions pertaining to the previous

acquisition commenced vide notification dated 04.06.1986 and the subsequent acquisition carried out vide notification dated 26.04.2007, respectively, would reflect a fair market value of the acquired land as both methods are grounded in judicially recognized principles of valuation and are derived from comparable data within the same revenue estate, thus, neither can be said to be wholly preferable over the other in isolation.

14. Accordingly, the market value of the acquired land is assessed @ **Rs. 19,90,745 /- per acre**. In addition, the landowners shall also be entitled for all other statutory benefits and interest, especially interest on solatium under the 1894 Act.

15. In view of the aforesaid discussion, the appeals filed at the instance of landowners are partly allowed.

16. Further, in case of unfortunate demise of any of the appellants-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.

17. Pending application, if any, also stands disposed of.

22.04.2026 **(HARKESH MANUJA)**
sonika **JUDGE**

Whether speaking/reasoned: Yes
Whether reportable: Yes

Sr. No.	Case No.		Sr. No.	Case No.
1.	RFA-10480-2014		20.	RFA-4257-2013
2.	RFA-10481-2014		21.	RFA-4258-2013
3.	RFA-10482-2014		22.	RFA-4259-2013

4.	RFA-10483-2014		23.	RFA-4260-2013
5.	RFA-10484-2014		24.	RFA-4261-2013
6.	RFA-3024-2013		25.	RFA-4851-2013
7.	RFA-3025-2013		26.	RFA-4852-2013
8.	RFA-3026-2013		27.	RFA-4853-2013
9.	RFA-3027-2013		28.	RFA-4854-2013
10.	RFA-3028-2013		29.	RFA-4855-2013
11.	RFA-3974-2013		30.	RFA-5204-2013
12.	RFA-3975-2013		31.	RFA-5205-2013
13.	RFA-3976-2013		32.	RFA-5429-2013
14.	RFA-4129-2013		33.	RFA-6387-2013
15.	RFA-4130-2013		34.	RFA-6388-2013
16.	RFA-4131-2013		35.	RFA-9738-2014
17.	RFA-4132-2013		36.	RFA-3686-2014
18.	RFA-4255-2013		37.	RFA-18-2016
19.	RFA-4256-2013			

22.04.2026 **(HARKESH MANUJA)**
sonika **JUDGE**