IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

CWP Nos.8882, 6859, 9047 & 9048 of 2025 and 15444 of 2026

Date of Decision: 28.10.2026

1.CWP No.8882 of 2025
Jangvir Singh Dulta

.....Petitioner

Versus

State of Himachal Pradesh and Ors.

.....Respondents

---

2. CWP No.6859 of 2025
Vijay Pal Dulta

.....Petitioner

Versus

State of Himachal Pradesh and Ors.

.....Respondents

3.CWP No.9047 of 2025
Krishan Pal Dulta and Ors.

.....Petitioners

Versus

State of Himachal Pradesh and Ors.

.....Respondents

4.CWP No.9048 of 2025
Satpal Singh Dulta and Ors.

.....Petitioners

Versus

State of Himachal Pradesh and Ors.

.....Respondents

5.CWP No.15444 of 2026
Man Singh and Anr.

.....Petitioners

Versus

State of Himachal Pradesh and Ors.

.....Respondents

Coram
Hon'ble Mr. Justice Sandeep Sharma, Judge.

Whether approved for reporting? Yes.

For the Petitioners: Mr. Shashi Kumar Shirshoo & Mr. Abhishek Dulta and Ms. Shashi Kiran & Ms. Bhavya Sharma, Advocates.

For the Respondents: Mr. Rajan Kahol, Additional Advocate General and Mr. Ravi Chauhan & Mr. Anish Banshtu, Deputy Advocates General, for the respondent-State.

Mr. Hamender Singh Chandel, Advocate, for the private respondents.

Sandeep Sharma, J. *(Oral)*

Since common questions of facts and law are involved in the above captioned petitions, this Court, after having clubbed all cases, heard them together and same are now being disposed of by a common judgment.

2. Quintessential facts, which are common in all petitions are that on 27.08.2005, Government of Himachal Pradesh issued a notification under Section 4 of the Land Acquisition Act, 1894 notifying the acquisition of the land for Sawra-Kuddu Hydro-Electric Project. Vide awards dated 18.07.2007, 25.09.2007 and 25.05.2008, Collector Land Acquisition awarded compensation for uncultivated land in revenue villages Hatkoti, Bharot and Ghunsa through awards No. 585, 589 and 593, respectively.

3. Admittedly, land of the petitioners in all the cases at first instance was not acquired through land acquisition proceedings, rather same was subsequently taken by respondents No. 2 and 3 on the basis of

negotiated rates. Vide order dated 16.07.2008, Government of Himachal Pradesh constituted a committee through notification No. Vidyut-Chha(10)-2/2005 to negotiate rates for acquiring private land.

4. Land belonging to the petitioners, detail whereof has been given in the body of the petitions, was acquired by respondent No. 2 for construction of hydro-electric project named hereinabove in the years 2008 and 2009, respectively. Sale deeds were executed in favour of respondent-HPPCL for the acquired land and mutation/inteqal No. 141 was entered (Annexure P-2).

5. At this stage, it is important to take note of the fact that at the time of taking decision with regard to acquisition through private negotiations, memorandum for consideration of Board of Directors of respondent No. 2 was prepared (Annexure P-9 Colly.), wherein committee offered the rate of Rs. 161/- per centiare for bani land, which was accepted by Board of Directors as ad hoc price with the further undertaking that project authorities will pay the difference, if any enhancement is made by learned District Judge in reference cases of each revenue estate pending in the learned Court along with interest at the rate of 9% per annum from the date on which possession of land is tendered to the project authorities till

the date of payment i.e. enhancement will be applicable only in those revenue estates in which the land is being purchased through negotiation.

6. Possession of the land of the petitioners was taken in the years 2008 and 2009, but mutation was attested in the year 2011 (Annexure P-2) i.e. from the date of execution of the sale deeds. Since after taking of possession, award amount awarded by learned Land Acquisition Collector vide awards No. 585, 589 and 593 dated 18.07.2007, 25.09.2007 and 25.05.2008 with regard to revenue villages Hatkoti, Bharot and Ghunsa, subsequently came to be enhanced by learned District Judge, Shimla, in reference petitions, respondent No.2-HPPCL filed regular first appeals, including RFA No. 368 of 2014 titled *The Himachal Power Corporation Ltd. & Anr. versus Narayan Singh & Ors*, wherein amount enhanced by learned District Judge came to be reduced and modified, but still same was much more than the amount awarded by Land Acquisition Collector in awards No. 585, 589 and 593, respectively.

7. Since at the time of execution of sale deeds as detailed above, respondent HPPCL had agreed through memorandum of understanding that in the event of enhancement, if any, ordered by learned District Judge in reference petitions, petitioners and other similarly situate persons, whose land was purchased through private negotiations shall be entitled to

enhanced rate as awarded by the reference Court, petitioners herein issued legal notices to respondents in the year 2024, seeking therein enhanced compensation with statutory benefits (Annexure P-8 Colly.).

8. Respondents while submitting reply to the legal notices though did not refute the claim of the petitioners raised through legal notices, but asked the petitioners to approach Land Acquisition Officer. Though petitioners also served notice upon Land Acquisition Collector, but since needful was not done, they are compelled to approach this Court in the instant proceedings under Article 226 of the Constitution of India praying therein for following reliefs:

> "**A.** Issue directions to the respondents to pay the petitioners enhanced compensation for their share of the land acquired vide Mutation/Intekall No. 141, registered on 25th November 2009 (Annexure-P/2) and Jamabandi records for the year 2018-2019 (Annexure-P/3), in accordance with the provisions of the Land Acquisition Act, 1894, from the date of Notification/Acquisition, along with all statutory benefits, including up-to-date interest as prescribed under the Act in the light of the judgment rendered by this Hon'ble High Court in RFA No. 368 of 2014, titled *"The Himachal Power Corporation Ltd. & Anr versus Narayan Singh & Ors,"* decided on 12.10.2018.
>
> **B.** Issue directions to the respondents to grant the petitioners all statutory benefits, including solatium, with up-to-date interest, and other entitlements, as per the provisions of the Land Acquisition Act,

1894, in line with the verdict of the Hon'ble Supreme Court in *"Sunder Singh Versus Union of India"* (Annexure-P/11)."

9. Precisely, case of the petitioners as has been highlighted in the grounds of petitions and further canvassed by Mr. Abhishek Dulta, learned counsel representing the petitioners is that once it was agreed *inter se* the petitioners and respondent No. 2 that in the event of enhancement of award amount by reference Court, petitioners and other similarly situate persons, whose land was purchased through private negotiations shall be entitled to enhanced rate, petitioners herein are entitled to enhanced rate from the date such enhancement was ordered along with up-to-date interest.

10. To substantiate his aforesaid submissions, Mr. Dulta invited attention of this Court to judgment dated 30.07.2019 passed by Coordinate Bench of this Court in case titled *Sat Dev Singh versus State of H.P. and others*, CWP No. 2646 of 2015 (Annexure P-10), wherein, in similar facts and circumstances, directions came to be issued to respondent-HPPCL to give enhanced rate of compensation to the petitioner in that case, who is claimed to be similarly situate to the petitioners in the cases at hand.

11. While fairly admitting factum with regard to recording of memorandum of understanding (Annexure P-9 Colly.), Mr. Hamender Singh Chandel, learned counsel representing respondent No. 2 states that present

petitions are barred by delay and laches and as such, cannot be entertained. Mr. Chandel states that cause of action, if any, to claim enhanced compensation had accrued to the petitioners in the year 2015 when learned District Judge in one of the reference petitions ordered enhancement. He states that petitioners and their predecessors-in-interest were party in reference petition and as such, cannot be permitted to claim that they had no knowledge of passing of order of enhancement in reference petition.

12. He further contends that judgment in *Sat Dev* (supra), attempted to be relied upon by the petitioners, is not applicable in the facts and circumstances of the cases for the reason that in *Sat Dev's* case, petitioner had approached this Court well within time, whereas in the instant cases, there is an inordinate delay of more than ten years and no plausible explanation has been rendered for the same, as such, present petitions deserve dismissal on this sole ground.

13. Mr. Chandel further states that otherwise also, in subsequent case filed by Sat Dev, his statutory benefits were restricted to the date of decision of award passed by reference Court on the ground of delay and laches, as such, claim, if any, of the petitioners can be considered only

from the date of passing of award by the reference Court and not from the date of execution of sale deeds as is being claimed by the petitioners.

14. Having heard learned counsel representing the parties and perused material on record, this Court finds that there is no dispute *inter se* parties that land of the petitioners in all the above captioned petitions was not acquired through acquisition proceedings, rather same was acquired through private negotiations on the basis of rates recommended by committee constituted by State of Himachal Pradesh. It is also not in dispute that though committee had recommended Rs. 161/- per centiare, but petitioners and other similarly situate persons were given rate as was awarded by Land Acquisition Collector vide awards dated 585, 589 and 593 made with regard to villages Hatkoti, Bharot and Ghunsa.

15. It is also not in dispute that before execution of sale deeds, memorandum of understanding was recorded *inter se* parties, wherein Board of Directors of respondent No. 2 categorically agreed that in the event of enhancement, if any, in award amounts awarded vide awards No. 585, 589 and 593, petitioners herein shall also be entitled to enhanced rate of compensation, meaning thereby, petitioners are very much entitled to enhanced rate of compensation, which fact has otherwise not been disputed by respondent HPPCL.

16. Claim as put forth through instant petitions has been attempted to be refuted by respondent No. 2 on the ground of delay and laches. During proceedings, Mr. Hemender Singh Chandel, learned counsel representing respondent No. 2 also argued that even for enhancement, if any, under Section 18 of the Land Acquisition Act, there is a limitation of 30 days and as such, applying same analogy, petitioners cannot be permitted to revive their stale claim.

17. Precise question which needs to be determined in the cases at hand is "*whether in terms of specific undertaking given by respondent No. 2 that in the event of enhancement, if any, ordered by reference Court, petitioners and other similarly situate persons shall be entitled to enhanced rate of compensation, petitioners herein were under obligation to approach or send notice to respondent No. 2 after passing of order of enhancement in reference petition by learned District Judge or it was the duty of respondent No. 2 to call upon the petitioners to come forward to take enhanced amount of compensation?*"

18. Though Mr. Hemender Singh Chandel, learned counsel representing respondent No. 2 strenuously argued that petitioners themselves, were under obligation to approach respondent No. 2 for enhancement immediately after passing of order in reference petition by

learned District Judge, especially when they were in know of the fact that such enhancement has been ordered, however, this Court is not persuaded to agree with Mr. Chandel for the reason that once respondent No. 2 while recording memorandum of understanding had agreed to pay enhanced rate of compensation from the date of passing of order of enhancement in reference petition, there was no requirement, if any, for the petitioners or other similarly situate persons to either approach respondent No. 2 or make an application before reference Court seeking enhancement. Even if it is presumed that petitioners had knowledge with regard to passing of order of enhancement by learned District Judge in reference petition, they cannot be debarred from claiming enhanced amount of compensation on the ground of delay and laches, especially when there is no specific provision contained in memorandum of understanding that in the event of enhancement, if any, ordered by reference Court, petitioners or other similarly situate persons shall have to make fresh request to the respondents for release of enhanced amount of compensation.

19. At this stage, it would be apt to take note of relevant paras of memorandum for consideration of Board of Directors, which subsequently came to be approved vide order dated 21.01.2009 (Annexure-C, at page No. 68, 69 and 70):

"**MEMORANDUM FOR CONSIDERATION OF BOARD OF DIRECTORS**

Subject: Rates recommended by the Negotiation Committee constituted for acquisition of private land measuring 0-48-67Hect. classified as "Bani" in Village Hatkoti, Ghunsa and Bharot, Tehsil Jubbal, District Shimla for Sawra Kuddu Hydro-Electric Project.

Background: The private land measuring 0-48-67Hect. classified as "Bani" in Village Hatkoti, Ghunsa and Bharot, Tehsil Jubbal, District Shimla is required to be acquired for Sawra Kuddu Hydro-Electric Project, through negotiation. The village wise and Kh. No. wise detail of land is as under:

Name of Tehsil	**Name of Village**	**Kh. No.**	**Area**	**Classification of land**
Jubbal	Ghunsa	8	0-00-35	Bani
		39/2	0-03-60	
		41/2	0-03-77	
		458/2	0-04-71	
		468/2	0-05-25	
		469/2	0-04-68	
		477/2	0-04-95	
	Kitta	7	0-25-29	
-Do-	Bharot	3	0-23-14	Bani
-do-	Hatkoti	198	0-00-24	Bani

Grant Total	Kitta	9	0-48067	

Proposal: For speedier acquisition, a committee has been constituted by the Government vide notification no. Vidyut-Chh(10)-2/2005 dated 16th July, 2008 to negotiate rates for private acquisition of land.

The committee offered the rate of Rs. 161 per centiare for Bani land keeping in view the compensation already awarded for uncultivated land in these villages. But the land owners declined this offer and demanded the rates as per land acquired for Durga Mata Temple Hatkoti. **After negotiation with the land owners the committee has accepted the offer that rates proposed by negotiation committee will be an adhoc price and the project authorities will pay the difference if any enhancement is made by the Ld. District Judge in reference cases of each revenue estate pending in the Ld. Court alongwith interest @ 9% per annum from the date on which the possession of land is tendered to the project authorities till the date of payment viz.** enhancement will be applicable only in those revenue estates in which the land is being purchased through negotiation.

When the proposal is approved by the BoD, the owners will execute sale-deeds in the name of the HPPCL. The stamp duty will be paid by the HPPCL.

It has further been agreed that the trees standing over the land will be counted and their value will be got assessed through the Forest Deptt. and price as per schedule rates will be given. The payment of trees will be made accordingly.

Points for Consideration:

1. That the HPPCL may execute sale-deeds with the land owners as per proposal made by the negotiation Committee.
2. That the enhancement of rates will be allowed/applicable only in those revenue estates in which revision of rates would be ordered by the Ld. District Judge.
3. That the General Manager, Sawra-Kuddu may be directed to take possession of the proposed land.

The BoD may approve the above proposal/points."

20. Pursuant to the aforesaid proposal, the Board of Directors accorded approval, which was conveyed vide order dated 21.01.2009 (Annexure-C, page 74) as under:

> "Senior Manager, Sawra-Kuddu Construction Division, Sawra-Kuddu HEP is hereby authorised to execute the sale deeds of private land measuring 0-48-67 hectare in village Hatkoti, Ghunsa and Bharot, Tehsil Jubbal, District Shimla @ Rs 161/- Per centare plus statutory benefits allowed by the Collector, Land Acquisition vide award Nos. 585 dated 18.7.2007, 589 dated 25.9.2007 and 593 dated 31.5.2008 in respect of revenue village Hatkoti, Bharot and Ghunsa respectively."

21. Careful perusal of aforesaid memorandum for consideration clearly reveals that after negotiation with land owners, project authorities are under obligation to pay the difference if any enhancement is made by learned District Judge in reference cases of each revenue estate pending in

the learned Court along with interest at the rate of 9% per annum from the date on which possession of land is tendered to the project authorities till the date of payment.

22. Though it is claimed at the behest of the petitioners that possession of the land was taken/delivered in the years 2008 and 2009, but even if it is presumed that same was taken at the time of execution of sale deeds in the year 2011, petitioners can be said to be entitled to enhanced rate of compensation from the year 2011 in terms of categorical undertaking recorded in the memorandum of consideration as reproduced hereinabove.

23. At this stage, this Court also finds it necessary to refer to judgment passed by Coordinate Bench of this Court in *Sat Dev Singh's* (supra) (Annexure P-10). Paras No. 40 to 49 of the aforesaid judgment read as under:

> "40. Respondent No. 2 being a creation of statute, is admittedly a State within the meaning of Article 12 of the Constitution of India and cannot, therefore, act like a private individual, who is free to act in a manner whatsoever he likes, unless it is interdicted or prohibited by law. It is settled that the State and its instrumentalities have to act strictly within the four corners of law and all its activities are governed by Rules, regulations and instructions.

41.In *Secretary, Jaipur Development Authority, Jaipur vs. Daulat Mal Jain & Ors. (1997) Vol. 1 SCC 35*, the Hon'ble Supreme Court observed as under:-

"13. All purposes or actions for which moral responsibility can be attached are actions performed by individual persons composing the Department. All Government actions, therefore, means actions performed by individual person to further the objectives set down in the Constitution, the laws and the administrative policies to develop democratic traditions. Social and economic democracy are set down in the Preamble, Part III of H.P. 9 and Part IV of the Constitution. The intention behind the Government actions and purposes is to further the public welfare and the national interest. Public good is synonymous to protection of the interests of the citizens as a territorial unit or nation as a whole."

42.The respondents have grossly misused and abused the process of the Court by adopting litigious attitude. The respondents have wasted the precious time of this Court.

43.It is shocking that respondent No. 2, which is a public sector undertaking and a State within the meaning of the Article 12 of the Constitution has tried to illegally appropriate an amount of nearly a half crore rupees i.e. more than Rs. Forty seven lacs due and payable to the petitioner.

44.It is the bounden duty of the Court to ensure that dishonesty and any attempt to surpass the legal process must be effectively curbed and the Court must ensure that there is no wrongful, unauthorised or unjust gain to anyone as a result of abuse of the process of the Court.

45.Faith of the people in judiciary can only be sustained if the persons on the right side of the law do not feel that even if they keep fighting for justice in the Court and ultimately win they would turn out to be a fool as the wrongdoer is the real gainer. Thus, it becomes the duty of the Court to see that such wrongdoer are discouraged at every step and one such way to curb this is by imposing real and punitive costs.

46.As noticed above, the respondents have indulged in vexatious, frivolous and speculative litigation and has thereby driven the petitioner to unnecessary and otherwise avoidable litigation. Moreover, even the precious time of the Court has been wasted, therefore, this is a fit case where the petition deserves to be allowed with heavy and special cost.

47.In view of the aforesaid discussion, the petition is allowed by directing the respondents to pay the enhanced amount of compensation alongwith upto date interest as per the Award No. 658, dated 23.08.2012 and Supplementary Award dated 06.03.2013.

48.In addition thereto, the respondents are directed to pay the statutory benefits in terms of the Constitutional Bench judgment of the Hon'ble Supreme Court in *Sunder vs. Union of India 2001 (7) SCC 211*.

49.Accordingly, the present petition is allowed in the aforesaid terms with costs of Rs. 1,00,000/-, out of which Rs. 50,000/- shall be paid to the petitioner and remaining Rs. 50,000/- shall be paid to the President, Red Cross Society, Account No. 790210100010759, Bank of India, The Mall, Shimla on or before 31.08.2019. The cost at the first instance will be paid by respondent No. 2 from its own coffers

> and thereafter shall be recovered from the erring officials irrespective of whether they are still serving or not. The inquiry against the erring officials shall be personally conducted by the Chief Secretary-cum-Chairman, HPPCL. Compliance report, thereof be submitted to this Court on or before 31.10.2019.
>
> List for compliance on 31.10.2019."

24. Having perused the aforesaid judgment in its entirety, this Court finds that land of the petitioner Sat Dev in similar circumstances, was also acquired through private negotiations and it was also promised to him that in case Land Acquisition Collector in similarly situated cases awards the amount higher than negotiated rates, he shall be allowed to enhanced rate. Since Land Acquisition Collector proceeded to award amount which was more than negotiated rates, petitioner Sat Dev approached respondent No. 2 for enhanced rate of compensation, but when such plea was not considered, he approached this Court in aforesaid proceedings, wherein directions came to be issued to respondents to pay the enhanced amount of compensation along with all statutory benefits as per award No. 658 dated 23.08.2012 and supplementary award dated 06.03.2013. Most importantly, in the aforesaid case, Coordinate Bench of this Court directed respondents to pay statutory benefits in terms of Constitution Bench judgment of Hon'ble Apex Court in ***Sunder versus***

***Union of India*, (2001) 7 SCC** 211 (Annexure-P/11), wherein it specifically came to be ruled that project proponent is under obligation to pay interest on solatium also.

25. It also emerges from the record that after grant of benefits in terms of judgment rendered by this Court in *Sat Dev* (supra), *Sat Dev* again filed CWP No. 704 of 2025, claiming therein the enhancement on the basis of reference petition and judgment passed in RFAs filed by respondents in similar cases, but the Court restricted the statutory benefits from the date of passing of award passed by learned District Judge.

26. Though, while placing heavy reliance upon aforesaid judgment, Mr. Hamender Singh Chandel, learned counsel representing respondent No.2, attempted to argue that claim, if any, of the petitioners can be allowed only with effect from the date of passing of order of enhancement by learned District Judge in the year 2015, but this Court is not persuaded to agree with Mr. Chandel for the reason that once it had arrived at a specific conclusion that it was the bounden duty of respondent No. 2 to pay the enhanced amount of compensation after passing of order of enhancement by learned District Judge, which in the cases at hand came to be modified in terms of judgment passed by this Court in RFAs detailed above, claim of the petitioners cannot be restricted, rather, they are entitled

to enhanced amount of compensation from the date such enhancement was ordered by learned District Judge and further modified by this Court in RFAs detailed above.

27. Consequently, in view of the above, this Court finds merit in all the above-captioned petitions and the same are allowed with direction to respondent No. 2 to pay the enhanced amount of compensation to the petitioners as ordered by learned District Judge in reference petition from the date of execution of sale deeds along with all statutory benefits. In the aforesaid terms, present petition is disposed of along with pending applications, if any.

October 28, 2026 **(Sandeep Sharma),**
(manjit) **Judge**