

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.15685 of 2022

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Shekh Kalim, Son of Shekh Bounu, Resident of Village- Kunjbanna, P.S.-
Pirpanti, District- Bhagalpur.

... .. Petitioner/s

Versus

1. The State of Bihar through the Principal Secretary, Department of Revenue and Land Reforms, Government of Bihar, Patna.
2. The Collector-cum-District Magistrate, Bhagalpur.
3. The District Land Acquisition Officer, Bhagalpur.
4. The Managing Director, Bihar State Power Generation Company Limited, Vidyut Bhawan, Bailey Road, Patna.
5. The Chief Engineer (P and T), Bihar State Electricity Board, Patna.

... .. Respondent/s

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Appearance :

For the Petitioner/s	:	Ms. Pravina Kumari, Advocate
For the State	:	Mr. Sajid Salim, SC-25
	:	Mr. Atul Shankar, AC to SC-19
For the BSPGCL	:	Ms. Aishwarya Shankar, Advocate

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CORAM: HONOURABLE MR. JUSTICE SOURENDRA PANDEY

C.A.V. JUDGMENT

Date : 07-08-2026

Heard Ms. Pravina Kumari, learned counsel for the petitioner, Ms. Aishwarya Shankar, learned counsel for the BSPGCL and Mr. Sajid Salim, learned SC-25 for the State.

2. The present writ petition has been filed seeking the following reliefs:

“That this is an application for issuance of an appropriate writ(s), order(s), direction(s), directing the Respondents concern to pay compensation with statutory interest for 15 decimals of land of Khata No. 228, Plot No. 1959, Thana No. 81, Mouza-Harinkol Anchal-Pirpanti, District-Bhagalpur in as much as 37 dec. of the said plot



no. 1959 has been acquired for Pirpainti Thermal Power Project vide L.C. Case No. 26 of 2011-12 but compensation has been paid only for 0.22 dec. land and compensation for 0.15 dec. land is still unpaid for which the petitioner is running from pillar to post since last twelve years.

And for any other relief(s) for which the petitioner is found to be entitled in the facts and circumstances of the case.”

3. The case of the petitioner is that the land appertaining to Khata No. 228, Plot No. 1959, Thana No. 81, Mauza Harinkol, District Bhagalpur having an area 45 decimal was recorded in the name of mother of the petitioner namely Bibi Taslima in the revenue record of right and Jamabandi is existing in her name and rent receipt are being issued. Out of the total land, 0.37 decimals of land was acquired for Pirpainti thermal Power Project but L.C. Case No. 26/11-12 was initiated only for 22 decimals of land and notice was issued in the name of the mother of petitioner for the same.

4. It has been submitted that Bibi Taslima is no more and all her legal heirs have authorized the petitioner by swearing an affidavit to make Pairvi in this matter and receive compensation, however, notice was served only for 22 dec. land in place of 37 decimals of land for which the petitioner raised objections. It has next been submitted that the objection of petitioner was not considered and they received compensation



for 22 decimals of land only and thus, aggrieved by the action of Respondent No. 3, representations were filed before him on various occasions but to no avail after which petitioner approached the Collector cum District Magistrate, Bhagalpur *vide* representation dated 03.05.2019, which was forwarded to the District Land Acquisition Officer, Bhagalpur.

5. It has further been submitted that Chief Engineer (Respondent No. 5) was requested to enquire *vide* letter dated 28.09.2019, whereafter when nothing was done the petitioner again made representation before Respondent No. 2 which was forwarded to Land Acquisition Officer, Bhagalpur on 07.03.2020 and on 24.02.2020 the said Land Acquisition Officer issued letter to Managing Director (Respondent No.4) to make an enquiry and submit report.

6. It has further been submitted that even at this stage when compensation was not received as prayed for, the petitioner filed writ bearing CWJC No. 1542 of 2021 before this Hon'ble court and *vide* order dated 23.03.2021, this court granted liberty to petitioner to approach the Land Acquisition Officer, however even then nothing was done. It is next submitted that upon submission of application before the said Land Acquisition Officer for payment of compensation for



remaining 0.15 decimals of land, which was found to be correct, still no payment was made. It is furthermore submitted that the Land Acquisition Officer was asked by Bihar State Power Generation Company vide letter dated 18.08.2021 for payment of compensation with respect to 0.15 decimals of land, however, Land Acquisition Officer has not made any payment while due amount is admitted after which again several representations were made by petitioner. It has also been submitted that petitioner is entitled to get interest on the total amount of compensation of 0.15 decimals of land from the date of notification dated 23.06.2011. It is evident from the records that due to fault of Respondent Authorities, compensation has only been paid for 0.22 decimals of land against the acquisition of 0.37 acres.

7. It has lastly been submitted that through letter dated 28.09.2019 and 24.01.2020 the District Land Acquisition Officer has enquired into the claim of petitioner and concluded that 0.37 decimals of land has been acquired and there is physical possession with concerned department over which they have constructed boundary wall and thus, compensation for remaining 0.15 decimals has to be paid to the petitioner.

Submissions on behalf of Respondents 4 and 5



8. It is submitted on behalf of Respondent Nos. 4 and 5 through Counter Affidavit that total land of 1179.08 acres under Mauza Raipura, Sundarpur and Harinkol-I and Harinkol-II were to be acquired for Pairpanti Thermal Power Project, Bhagalpur which is carried out by Industrial Development Authority (IDA), Government of Bihar under which 988.40 acres was acquired by then. It is next submitted that amount for compensation has been transferred by the said IDA but distribution of compensation to concerned landowners had to be dealt by Officer of District Land Acquisition, Bhagalpur, who vide letter No. 53 dated 24.01.2020 has accepted requisition for 0.43 acres of land for the said project as claimed by petitioner had been received by their office from Bihar State Power Generation Company Ltd. and also accepted that due to measurement mistake, only 0.22 acres of land has been assessed in place of 0.43 acre of land.

9. It is submitted that, after enquiry, it was found that only 0.37 acres of land owned by the petitioner falls under the project. It is also submitted that land acquisition was not done by Bihar State Power Generation Company Limited but is made a party respondent. It is lastly submitted that an officer of this company vide letter No. 02/LAO dated 18.08.2021 also



requested District Land Acquisition Officer, Bhagalpur (DLAO) to verify claim of petitioner from register II of their office and to compensate petitioner as per new Acquisition Act, if it is found that acquired land is more than which is on record.

10. Through supplementary Counter Affidavit of answering respondents, it has been brought to notice that vide letter No. 06/LAO cell dated 27.06.2023 the DLAO, Bhagalpur was reminded to address the grievance of petitioner and pay the due compensation claimed for remaining 0.15 decimals of land and vide letter no. 04/LAO addressed to DLAO, Bhagalpur, it was requested for payment of remaining amount. It is submitted that answering respondents in another letter dated 25.04.2025 categorically stated that IDA transferred Rs.1021 crores to DLAO, Bhagalpur for paying compensation to beneficiaries after which the remaining Rs.150 crores were returned to State Consolidated Fund due to which 100 percent compensation was not paid to some of the raiyats including the petitioner. It is also submitted that District Magistrate, Bhagalpur, requested IDA to provide Rs. 150 crores for compensation and the present respondents requested DLAO, Bhagalpur, to compensate the petitioner for his claim. It is further stated that Bihar Government Energy Department vide letter dated 28.04.2025



requested the Additional Chief Secretary, Industries Department for providing Rs.150 crores, which was returned to State.

Submissions on behalf of Respondent Nos. 2 and 3

11. It is submitted that after receiving petitioner's application and *vide* letters issued to DLAO, Bhagalpur, it took note of the same and got the missing plot measuring 0.15 acre measured by the Amin and that report has been sent to LAO, BSPGCL, Patna for further necessary action vide letter No. 885 dated 19.06.2024. Another Counter Affidavit was filed by these respondents wherein it has been submitted that through oral order of Hon'ble High Court dated 04.07.2025, Rs.20,54,709/- has been directed to be paid to the petitioner. It is stated that the total available amount in the report submitted by IDA is Rs.13,88,74,132 which is automatically deducted as a result of completion of five consecutive financial years under CFMS maintenance system. It is next submitted that for payment of amount that stands due to concerned raiyats to be paid out of Rs. 150 crores, letters have been issued to IDA and in fact, the GM (human resources/administration) BSPGC has also addressed DLAO, Bhagalpur to compensate the petitioner as per rules. Pursuant to order dated 07.04.2025 passed by this court asking the reason, as to why petitioner has not been paid his due



amount and who is responsible for that, the answering Respondents through Supplementary Affidavit submit that a request has been made from LAO, Bhagalpur to BSPGC Ltd. regarding payment of compensation.

12. It has been submitted that Letter No. 1458 dated 27.08.2025 was given to Branch Manager, Tikamanjhi, Bhagalpur, for making payment of Rs. 20,14,200/-. It is submitted that the award under section 23 and 30 of RFCTLARR Act 2013 amounts to Rs. 20,54,709/- which was calculated from Sl. No.20 as Earned Investment whereas Cess, Establishment Expenditure and Contingency Expenditure is Rs. 40,509/-. Thus, excluding this amount (i.e., 20,54,709- 40,509) the payable amount stands at Rs. 20,14,200/-, which has been paid to the petitioner.

13. At this juncture, 4th Supplementary Counter Affidavit was filed on behalf of Respondent Nos. 2 and 3 pursuant to order dated 16.04.2026 of this court. It is submitted that total compensation amount after calculations (Format-VII) stood at Rs. 16,03,800/- and calculation of interest as per stipulations of section 80 of the Act, 2013 stands at Rs. 4,10,400/- (Annexure-R/B to this Supplementary C.A.). It is, thus, submitted that compensation amount of Rs. 20,14,200/- as



assessed also includes interest amount and the same has been paid to petitioner.

14. Through the 5th supplementary counter affidavit filed on behalf of Respondent No. 3 a consolidated reply has been filed. It is submitted that the petitioner received Rs. 20,14,200/- on 27.08.2025 however, the calculated amount is Rs. 14,62,284/- according to rules. It is next submitted that taking into account the Market value as per section 26 of RFCTLARR Act, compensation amount is Rs.14,62,284/- and interest amount as per Section 80 of the Act is Rs. 4,26,914/-. It is next submitted that the total payable amount to the petitioner is Rs. 18,89,198/- (Annexure-R/B to this Supplementary C.A.). It is further submitted that calculation of all acquired lands of Pirpainti Thermal Power project including other state projects have been done accordingly. It is further submitted that the total interest under Section 80 of the Act has been wrongly calculated by the petitioner on total amount, however, according to Section 26 of the Act, the interest is to be calculated based on market value of land which is Rs. 2,85,000/-. Hence, it is submitted that compensation of Rs. 20,14,200/- is already paid to the petitioner as against the calculated amount of Rs.18,89,198/-.

Submissions in Rejoinder filed on behalf of the



petitioner

15. The petitioner through rejoinder has filed a reply to counter affidavit by Respondent Nos. 3 and 4 stating that petitioner received Rs. 20,14,200/- on 27.08.2025 against calculated amount of Rs. 20,54,709/- whereas Rs. 40,509/- has wrongly been deduced. It is submitted that after proper calculation of interest as under Section 80 of the Act, it would entail the total interest amount to be Rs. 2878343/-.

16. Furthermore, the petitioner contended that after calculations, total principal amount stood at Rs. 19,09,482/- and interest calculated as per Section 80 of the Act, 2013 will come to Rs. 2878343/-, making the total payable amount to Rs. 47,87,825/-. It is next submitted that petitioner is further entitled to Rs. 27,33,116/- [Total amount Rs. 47,87,825/- - Paid amount Rs. 20,54,709/-]. It is also submitted that compensation amount is not considered as interest and this is additional compensation considered as a fine or damages penalty or loss under the law for delay which compensates for delay in payment of principal amount. It is lastly submitted that extra 12% p.a. on market value of land for the period of publication of notification to the date of announcement of award must be given.

17. The learned counsel for the petitioner submits



that now the only dispute which remains to be adjudicated is the quantum of the total compensation which is to be paid to the petitioner i.e. Principal plus statutory interest.

18. The learned S.C.-25 submits that the calculation filed by the petitioner through supplementary affidavit is not correct, especially the Principal amount of Rs. 19,09,482/-. It has been submitted that Principal amount of compensation over which interest both under Section 30(3) of the Act, 2013 as well as Section 80 of the Act, 2013 has to be paid are different as interest @ 12% as contemplated under Section 30(3) of the Act, 2013 is to be paid on market value plus assets without adding any solatium.

19. At this juncture, it would be apt to record the calculations of the petitioner as well as the State to verify and assess their respective claims.

20. The Principal amount, as per the petitioner has been calculated as under:-

(a) Cost of 1 Acre land-Rs. 19,00,000.00

(b) Cost of 1 Decimal land- Rs. 19,000.00

*(c) Cost of 15 Decimals land- Rs. 19,000 X 15=
Rs. 2,85,000.00*

*(d) Factor-2 rate of 15 Decimals land – Rs.
2,85,000 X 2= Rs. 5,70,000.00*

(e) Assets – Rs. 1,00,800.00



(f) Total cost of land & Assets – Rs. 5,70,000 +
Rs. 1,00,800 = Rs. 6,70,800.00

2. 100% Solatium = Rs. 670800.00

Factor - 2 applied - Rs. 13,41,600.00 (i)

3. Amount of compensation from the publication of
notification from 27.09.2011 to date of
announcement of Award 07.04.2015 (3 years 6
months 10 days).

For 1 year- Rs. 1341600 X $\frac{12}{100}$ = Rs. 1,60,992.00.

So 3½ years 1,60,992 X 3.5 = 5,63,472.00

10 days $\frac{160992}{365}$ X 10 = 4410/-

Total amount of compensation 563472 + 4410 =
Rs. 5,67,882.00 (ii)

Total principal amount (i)+(ii)
13,41,600 + 5,67,882 = Rs. 19,09,482

21. The Principal amount, as per the District Land

Acquisition Officer has been calculated as under:-

(a) Cost of 1 Acre land-Rs. 19,00,000.00

(b) Cost of 1 Decimal land- Rs. 19,000.00

(c) Cost of 15 Decimals land- Rs. 19,000 X 15 =
Rs. 2,85,000.00

(d) Factor-2 rate of 15 Decimals land – Rs.
2,85,000 X 2 = 5,70,000.00

(e) Assets – Rs. 1,00,800.00

(f) Total cost of land & Assets – Rs. 5,70,000 +
1,00,800 = Rs. 6,70,800.00

3. Amount of compensation from the



*publication of notification from 27.09.2011 to date
of announcement of Award 07.04.2015 (3 years 6
months 10 days i.e. 1288 days – 2,85,000 X 1288 X
12/36500 = Rs.1,20,684.00*

*Hence Total amount Rs. 6,70,800 +
Rs.6,70,800 + Rs.1,20,684.00 = Rs.14,62,284.00*

22. Having heard the learned counsels for the parties and also their respective claims and counter claims, this Court finds that in the calculation furnished by the petitioner, 12% interest as per Section 30(3) of the Act, 2013 has been added on Rs. 13,41,600/- i.e. along with solatium amount. This to the understanding of the Court is against the statutory provision as contained in Sections 26 to 30 of the Act, 2013.

23. Section 27 and 29 of the Act, 2013 are being reproduced hereunder for better understanding -

“27. Determination of amount of compensation -

The Collector having determined the market value of the land to be acquired shall calculate the total amount of compensation to be paid to the land owner (whose land has been acquired) by including all assets attached to the land.

28.....



29. Determination of value of things attached to land or building -

(1). The Collector in determining the market value of the building and other immovable property or assets attached to the land or building which are to be acquire, use the services of a competent engineer or any other specialist in the relevant field, as may be considered necessary by him.

(2). The Collector for the purpose of determining the value of trees and plants attached to the land acquired, use the services of experienced persons in the field of agriculture, forestry, horticulture, sericulture, or any other field, as may be considered necessary by him.

(3). The Collector for the purpose of assessing the value of the standing crops damaged during the process of land acquisition, may use the services of experienced persons in the field of agriculture as may be considered necessary by him.”

24. From the bare perusal of the aforesaid provisions, it is crystal clear that the determination of market value of the land to be acquired shall be done including all assets attached to the land. Section 29 of the Act, 2013 contemplates determination of value of things attached to the land or building.



Thus, it is clear that the total compensation to be paid includes both the market value of land as well as the value of assets. It is only on this amount that the solatium is determined as contained in Section 30(1) of the Act, 2013. In such a view of the matter, the calculations done by both the petitioner and the State are not correct. The petitioner has included the solatium amount for interest as contemplated in Section 30(3) of the Act, 2013. While the State has taken only the market value of the land in doing so.

25. The statute is very clear on this point and as per the provisions, the interest under Section 30(3) of the Act, 2013 has to be calculated as under :-

(a) Cost of 1 Acre land-Rs. 19,00,000.00

(b) Cost of 1 Decimal land- Rs. 19,000.00

*(c) Cost of 15 Decimals land- Rs. 19,000 X 15=
Rs. 2,85,000.00*

*(d) Factor -2 rate of 15 Decimals land – Rs.
2,85,000 X 2= Rs. 5,70,000.00*

(e) Assets – Rs. 1,00,800.00

*(f) Total cost of land & Assets – Rs. 5,70,000 +
1,00,800 = 6,70,800.00*

*Amount of interest from the publication of
notification from 27.09.2011 to date of
announcement of Award 07.04.2015 (3 years 6
months 10 days).*



*For 1 year- Rs. 6,70,800 X $\frac{12}{100}$ =
Rs.80,496/-*

*So for 3½ years - Rs. 80,496 X 3 years and 6
months= Rs.2,81,736/-*

10 days- Rs. $\frac{80,496}{365}$ X 10= Rs.2205/-

*Total amount of interest under Section 30 (3)
of the Act, 2013 = Rs.2,83,941/-*

26. Once the interest on the Principal amount of compensation is decided, then only the solatium is added to the Principal amount (Market value of land+value of assets) only. Thus, the total compensation payable to the petitioner stands as: Rs.6,70,800/- + Rs.6,70,800/- + Rs.2,83,941/- = Rs.16,25,541/-

27. The calculation of interest as per Section 80 of the Act, 2013 as done by the petitioner was also being disputed by the state on the ground that the interest shall be payable only on the initial amount of the Market value of the land i.e. Rs. 2,85,000/-. The State, through its 5th supplementary counter affidavit has given details of the calculation of interest under Section 80 of the Act, 2013 in paragraph-10 and has stated the total interest to be Rs. 4,26,914/-.

28. The aforesaid calculation too is completely against the statutory provision, as Section 80 provides that the interest is to be paid on the amount of compensation which was



not paid or deposited on or before taking possession of the land.

29. Section 80 of the Act, 2013 is reproduced for reference:-

“80. Payment of Interest

When the amount of such compensation is not paid or deposited on or before taking possession of the land, the Collector shall pay the amount awarded with interest thereon at the rate of nine per cent, per annum from the time of so taking possession until it shall have been so paid or deposited:

Provided that if such compensation or any part thereof is not paid or deposited within a period of one year from the date on which possession is taken, interest at the rate of fifteen per cent per annum shall be payable from the date or expiry of the said period of one year on the amount of compensation or part thereof which has not been paid or deposited before the date of such expiry.”

30. Thus, from the above it is evident that the amount which was to be paid to the petitioner at the time of possession was the total amount upon which the interest had to be paid under Section 80 of the Act, 2013, then the calculation has to be done on the total compensation and not as per market value of



the land only.

31. In view of such finding, the petitioner is liable to be paid the following amount –

(i) Compensation + Solatium = Rs.13,41,600/-

(Rs.6,70,800/- + Rs.6,70,800/-)

(ii) Interest under Section 30(3) of the Act

= Rs.2,83,941/-

(iii) Interest under Section 80 of the Act on total

amount payable to the petitioner, i.e., Rs.16,25,541/-

(Rs.6,70,800/- + Rs.6,70,800/- + Rs.2,83,941/- =

Rs.16,25,541/-)

(a) For 1st year @ 9 % from 07.04.2015 to

06.04.2016 = Rs.16,25,541 X $\frac{9}{100}$ = Rs.1,46,299/-

(b) For the period starting from 07.04.2016 to

07.04.2025 @ 15 % = Rs.16,25,541 X $\frac{15}{100}$ X 9 =
Rs.21,94,480/-

(c) For the period starting from 07.04.2025 to

25.08.2025 (141 days) =

Rs.16,25,541 X $\frac{15}{100}$ = Rs. $\frac{243831}{365 \text{ days}}$ = Rs.668/- per day

Thus, for 141 days (Rs. 668 x 141) = Rs.94,188/-



Total, i.e.,(a+b+c) = Rs.1,46,299/- + Rs.21,94,480/-
+ Rs.94,188/- = Rs.24,34,967/-

Grand total payable to the petitioner thus stands as
sum of the above i.e. (i+ii+iii) = Rs.13,41,600/- +
Rs.2,83,941/- + Rs.24,34,967/- = Rs.40,60,508/-

32. The admitted amount already paid to the
petitioner is to the tune of Rs. 20,54,709/- therefore the amount
which the State has to pay the petitioner now is **Rs. 20,05,799/-**
(Rs. 40,60,508 - Rs. 20,54,709)

33. The District Land Acquisition Officer, Bhagalpur,
is directed to pay the aforesaid amount to the tune of
Rs.20,05,799/- (Twenty Lakhs Five Thousand Seven Hundred
Ninety Nine) within a period of two months from the date of
this order.

34. The learned S.C. 25 shall communicate the order
forthwith for compliance by the District Land Acquisition
Officer, Bhagalpur.

35. It is made clear that if the aforesaid amount,
which has been directed to be paid to the petitioner, if not paid
within two months from the date of this judgment, then the State
shall be liable to pay 12% penal interest on the payable amount
from 07.04.2015 till the date of payment.



36. The learned S.C. 25 shall communicate the order forthwith for compliance by the District Land Acquisition Officer, Bhagalpur.

37. The writ application stands allowed with the directions aforesaid.

(Sourendra Pandey, J)

tannu/manoj-

AFR/NAFR	NAFR
CAV DATE	09.07.2026
Uploading Date	07.08.2026
Transmission Date	NA

