

F. No. 15-17/2/2021-H-II
Government of India
Ministry of Power

Shram Shakti Bhawan, New Delhi
Dated the 01st March, 2024

ORDER

1. Whereas Shanan Hydro Power Project (Joginder Nagar Power House) with initial capacity of 48 MW (uprated to 60 MW in 1982 with additional capacity of 50 MW) was executed in terms of an agreement dated 03.03.1925 (hereinafter '*The Agreement*') entered into between erstwhile British Govt. of India and Raja of Mandi (hereinafter Darbar). As per '*The Agreement*', 'Darbar' will retain full jurisdiction and sovereign rights over such land and after expiry of 99 years, the lease will be renewable by Government on such terms as may be agreed upon between the parties, failing which, the matter will be referred to Arbitration. The lease period will expire on 02.03.2024.
2. And whereas in exercise of the powers conferred by Clause(a) of sub-section (4) of Section 67 of the Punjab Re-organization Act 1966 (31 of 1966), the Central Government by Notification Order No. EL-11.3(17)/66(II) dated 01.05.1967 allocated the Shanan Hydro Power Project (Joginder Nagar Hydro Power House) to the new Punjab State Electricity Board constituted by the Government of Punjab.
3. And whereas in pursuance of CWP No. 4177 of 2020 filed by a resident of Himachal Pradesh seeking relief to transfer the project from the Government of Punjab to the Government of Himachal Pradesh, the Hon'ble High Court of Himachal Pradesh, vide Judgment dated 13.09.2023, has directed as under: -
 - i. Till the time, appropriate decision is not taken by the Government of India, the issues of handing over Shanan power project, which was given to state of Punjab, by the way of allocation under Reorganization act, this court cannot proceed to decide the matter.
 - ii. This court hopes and trusts that the Ministry of Power, Government of India, having taken note of the long-standing dispute between Governments of Himachal Pradesh and Punjab, would make an endeavour to settle the dispute expeditiously, preferably within a period of two months;
 - iii. Needless to say, authority concerned, while considering representation as detailed in the affidavit filed by the Government of India, shall afford an opportunity of hearing the parties concerned.
4. And whereas in pursuance of the aforesaid judgment of the Hon'ble High Court, written submissions were obtained from the Government of Himachal Pradesh and the Government of Punjab, which is under examination by this Ministry. The instant case involves the interpretation of law and consultation with other Ministries and Departments as well.
5. And whereas the central government is called upon to engage in the question of examining and if possible, resolving the dispute in question referred to by the High court of Himachal Pradesh. This engagement calls for an examination of the legal or

Handwritten signature and date: 01/3/24

other framework within which the dispute can be resolved, the manner of resolution and the terms of resolution thereof.

6. And whereas having regard to the peculiar and special circumstances of this case and in particular the terms of the Agreement and more particularly the expiry of the Agreement by 02.03.2024 it is felt that there is an urgent need to devise such measure or steps as to facilitate and aid the parties towards the resolution of the dispute.
7. And whereas such a measure or a step by way of removal of difficulties would be the maintenance of the status quo obtaining as of today so as not to disrupt, the functioning of 110 MW Shanan Power House, and whereas maintenance of the status quo is in the public interest.
8. And whereas towards this end, in the exercise of the powers under Sections 67 and 96 of the Punjab Reorganization Act, 1966 read with Section 21 of the General Clause Act, 1887, it is hereby directed that the State Government of Himachal Pradesh and the State Government of Punjab shall maintain status-quo with regard to the functioning of the 110 MW Shanan Power House, after the expiry of the lease period on 02.03.2024 till a final decision is taken by this Ministry.
9. The issuance of this order is entirely in the nature of the interim measure and shall not be treated as a basis of any claim or interest and parties are expected to proceed further on all matters concerning the settlement of the dispute in such manner as they may deem fit and within such legal framework as may be appropriate.
10. The order is issued with the approval of the Hon'ble Union Minister of Power and New & Renewable Energy.


(Mohammad Afzal)

Joint Secretary to the Government of India

To

1. The Principal Secretary (Power), Government of Punjab.
2. The Principal Secretary (Power), Government of Himachal Pradesh.

Copy to

1. PPS to Home Secretary, Ministry of Home Affairs, Govt. of India.
2. PPS to Chief Secretary, Govt. of Punjab.
3. PPS to Chief Secretary, Govt. of Himachal Pradesh.