



IN THE HIGH COURT OF MADHYA PRADESH
AT INDORE

BEFORE

HON'BLE SHRI JUSTICE VIJAY KUMAR SHUKLA

&

HON'BLE SHRI JUSTICE ALOK AWASTHI

ON THE 15th OF JANUARY, 2026

WRIT APPEAL No. 237 of 2022

THE STATE OF MADHYA PRADESH AND OTHERS

Versus

MURLIDHAR SHARMA AND OTHERS

.....
Appearance:

Shri Sudeep Bhargava - Dy.A.G for the appellants/State.

Shri Prasanna R. Bhatnagar - Advocate for the respondents.
.....

ORDER

Per. Justice Vijay Kumar Shukla

The present appeal has being filed under Section 2(1) of Madhya Pradesh Uchha Nyayalaya (Khand Nyaypith ko Appeal) Adhiniyam 2005 being aggrieved by the order dated 12/9/2019 passed by the Writ Court in W.P No.7834/2011, whereby the writ petition preferred by the present respondents was allowed.

2. Facts of the case draped in brevity are that the respondents are the employees of Zila Panchayat, District Indore and they were working in the appellant(s) department i.e Panchayat avam Gramin Vikas Vibhag. Appellant(s) had issued the circular dated 21-07-2010 regarding grant of 5th Pay Commission as per recommendation of Pay Commission, benefits have been given to the petitioners w.e.f. 01-01-2006 in revised pay scale of



Rs.5200-20,200 by the appellant(s). A meeting was held on 29-07-2009 by the appellant no.2 for grant of benefit of 6th Pay Commissions to the respondents w.e.f. 01-04-2006 and benefit has been given to the respondents by the appellant(s). Thereafter appellant(s) passed an order dated 02-03-2010 and 18-04-2011 regarding grant of 6th Pay Commission in District and Janpad Panchayat Employees and also directed to concerning Chief Executive Officer for recovery of the amount of 6th Pay Scale and according to instructions given by the appellant no.1, the respondent no.2 passed an order dated 09-09-2011 for recovery of the amount of 6th Pay Scale from the respondents without giving any opportunity of hearing and without giving any show cause notice to the respondents. The respondents had made a Representation to the respondent No.2, for grant of benefit of 6th Pay Commission along with dearness allowance. But no action was taken. The respondents filed a writ petition vide W.P No.7834/2011. The said petition was allowed and the impugned orders were quashed.

3. Counsel for the appellant(s) submits that the Appellants are bound to comply with the circulars of the State Government, especially the policy with regard to payment of salary. Thus, the Appellants had no other option then to deduct the amount. It would be not out of context to mention here that Panchayats are entirely independent on the funds provided by the State Government as they do not have their own source of income. Thus, they are bound to comply the circulars. It is contended that the employees of the Panchayat are not at par with the Government employees as the Panchayats are independent bodies and thus, the employees cannot be treated as



Government servants. The Panchayats fall in the category of the semi Govt. Organization and thus, the panchayats are not bound to extend the same benefits as are extended to the Government servant. It is argued that the appellants have rightly denied the benefit of 6th pay commission to the writ petitioners who are employees of Jila Panchayat and Janpad Panchayat. They were extending the benefit of 6th pay commission but since they were not entitled, therefore, the same was withdrawn.

4. The core issue which require consideration by this Court is that “whether employees of Gram Panchayat, Janpad Panchayat and Jila Panchayat are to be treated at par with State Government employees in respect of date of implementation of recommendation of the 6th pay commission?”

5. Chapter 9 of the Constitution of India mandates the establishment of the Gram Panchayat, Janpad Panchayat and Jila Panchayat in each State. As per definition Article 243 (d) “Panchayat” means an institution by whatever name called of self-government constituted under Article 243B, for the rural areas. Art. 243B says that "there shall be constituted in every State, Panchayats at the village, intermediate and district levels in accordance with the provisions of this Part". Art. 243C provides the composition of Panchayat for which "the legislature of a State may, by law, make provisions with respect to the composition of Panchayats". Art. 243 C (2) says that "all the seats in a Panchayat shall be filled by persons chosen by direct election from territorial constituencies in the Panchayat area". As per Art. 243E, "every Panchayat, unless sooner dissolved under any law for the time being



in force, shall continue for five years from the date appointed for its first meeting and no longer". Art. 243G defines the power, authority and responsibility of Panchayat and says that "subject to the provisions of this Constitution, the Legislature of a State may, by law, endow the Panchayats with such powers and authority as may be necessary to enable them to function as institutions of self-government". Article 243 I provides that the Legislature of a State may, by law, authorise a Panchayat to levy, collect and appropriate such taxes, duties, tolls and fees in accordance with such procedure and further provides for making such grants-in-aid to the Panchayats from the Consolidated Fund of the State. Art. 243(J) provides an audit of accounts of Panchayat that too by making the law by legislature. Art. 243(K) deals with the election.

6. It is clear from above that each and every Panchayat is an independent self Government, enabled to take its own decision in respect of the law made by the legislature of the State. Article 309 of the Constitution of India says that subject to the provisions of this Constitution, the act of the appropriate Legislature may regulate the recruitment, and conditions of service of persons appointed, to public services and posts in connection with the affairs of the Union or of any State, therefore the State Legislature may regulate the recruitment and conditions of service of persons appointed to public services and posts in connection with the affair of State meaning thereby the State Government is not competent to decide the recruitment conditions of the employees of Panchayat. The Government of M.P. in exercise of power conferred under Article 309 of the Constitution of India



framed the Madhya Pradesh Vetan Punrikshan Niyam, 2009 and made it applicable w.e.f. 01.01.2006 for its government employee but in an order dated 08.08.2013, the Panchayat and Rural Department of State Government has not disclosed any power by which the date of grant of benefit of 6th Pay Commission has been fixed from 01.04.2013 after approval of the Finance Department.

7. Learned counsel for the appellant argued that the State Government had taken a consensus decision on account of financial condition to grant the benefit of 6th pay to the employees of the Janpad Panchayat and Gram Panchayat w.e.f 2013 and not from 1/1/2006. and, therefore, the learned Single Judge erred while allowing the writ petition.

8. Per contra, counsel for the respondents submitted that the learned Single Judge after taking into consideration the submission of both the parties held that the decision of the appellant to recover the amount was arbitrary, discriminatory and unreasonable. It was further argued that the respondents are the employees of the Panchayat and Panchayat is an autonomous body and once the employer had taken a decision to grant the benefit of the 6th pay commission at par with the State Government employees then the State Government could not have taken an arbitrary decision to not to grant the same and issue an order of recovery.

9. It is relevant to mention here that today the connected writ appeal No.2182/2023 filed by the State has been decided in which question was that "whether the employees of Gram Panchayat/Janpad Panchayat and Jila Panchayat are to be treated at par with State Government employees in



respect of date of implementation of recommendation of the 6th pay commission?"

10. The other issue was that under which authority the State Government is competent to fix the date of implementation for the members of the Panchayat services.

11. In the said writ petition, the State Government had came out with an order of the State Government dated 6/8/2013 wherein it was decided that employees of the Jila Panchayat and Gram Panchayat are to be granted the benefit of the 6th pay commission. However, in the said case, the date for grant of benefit of 6th pay commission was fixed from 1/4/2013 instead of 1/1/2006. Thus, the stand of the Government, on the basis of the said order, was that employees of the Jila Panchayat and Gram Panchayat are not entitled for the benefit of the pay revision. The said decision is arbitrary and discriminatory and also violative of the doctrine of "Equal Pay for Equal Work". In the case of *Surinder Singh and Anr. vs. Engineer-in-chief CPWD and Ors.* reported in (1986) 1 SCC 639, the Court held that the daily wage worker of CPWD are entitled to the wages equal to regular and permanent employees as they are discharging identical duties. In the case of *Randhir Singh vs. Union of India and Ors.* reported in (1982) SCC 618, the Court held that the grant of lower scale pay to the Delhi Police Force then those in Delhi administration is unreasonable classification and not in consonance with the principle of "Equal Pay for Equal Work". The similar view was reiterated by the Apex Court in the case of *State of Punjab & Ors. vs. Jagjit Singh and Ors.* reported in (2017) 1 SCC 148 that the principle of "Equal Pay



for Equal Work" applies to the temporary employees and they cannot be discriminated in respect of the entitlement to minimum regular pay as they are discharging the same duties as discharged by regular employees against sanctioned post. In the connected Writ Appeal, this Court has further held that the decision of the Government to fix the different date for grant of the benefit of the said payscale from a different date is arbitrary, discriminatory, unreasonable and contrary to the principle of "Equal Pay for Equal Work".

12. In view of the aforesaid, it is held that the benefit granted to the respondent/writ petitioners of revision of pay scale was legal and valid. The denial to grant the benefit of the revision of pay on the basis of the recommendations of the pay commission is arbitrary, discriminatory and contrary to the principle of "Equal Pay for Equal Work".

13. If any recovery is made, the said amount shall be refunded to the writ petitioners with 6% interest from the date it is recovered till the same is paid on the ground that there was no fault, misrepresentation or cheating on the part of the employees.

14. Accordingly, present Writ Appeal stands dismissed.

No order as to cost.

(VIJAY KUMAR SHUKLA)
JUDGE

(ALOK AWASTHI)
JUDGE