

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION
WRIT PETITION NO.15097 OF 2025**

Navnath Jaisingh Jagdale	...	Petitioner
versus		
The Collector, Pune and Ors.	...	Respondents

Mr. Sumit V. Khaire, for Petitioner.
Mrs. D.S.Deshmukh, AGP for Respondent Nos.1 and 2.

CORAM: N.J.JAMADAR, J.

DATE : 3 DECEMBER 2025

ORDER :

1. Heard the learned Counsel for the parties.
2. By this Petition under Article 227 of the Constitution of India, the Petitioner assails the legality, propriety and correctness of an order dated 17 September 2025, passed by the Additional Divisional Commissioner, Nashik, in Village Panchayat Appeal No.61 of 2024, whereby the appeal preferred by the Petitioner against the judgment and order dated 10 September 2024 passed by the District Collector, Pune in Village Panchayat Dispute No.15 of 2022 came to be dismissed by affirming the order of disqualification of the Petitioner under the provisions of Section 14(1)(g) of the Maharashtra Village Panchayat Act, 1959 (the Act, 1959).
3. The background facts leading to this Petition can be stated, in brief, as under :
 - 3.1 The Petitioner was elected as a Member of Village Panchayat Tardoli,

Tal. Baramati, Pune in the year 2021. Respondent No.3 was also elected as a member of the Village Panchayat for the same term. Subsequently, the Petitioner came to be elected as a Sarpanch. Respondent No.3 filed a Dispute before the District Collector against the Petitioner and Smt. Ashwini Gade, another member, with the allegation that the Petitioner and Smt. Gade had incurred disqualification as they had a share or interest in the contract executed by the Village Panchayat.

3.2 Qua the Petitioner, it was alleged that the Petitioner had purchased dress material for the employees of the Village Panchayat from Shubham Sari Depot, Morgaon, which was run by Smt. Manisha Jagdale, wife of the Petitioner. In fact, the said shop was owned by the Petitioner. In any event, the Petitioner and his wife Smt. Manisha Jagdale were cohabitating together. A sum of Rs.11,950/- was paid to Smt. Manisha Jagdale vide cheque No.500540 drawn on 27 July 2021. Thus, the Petitioner had incurred disqualification under Section 14(1)(g) of the Act, 1959.

3.3 The Petitioner contested the claim of Respondent No.3. It was, inter alia, contended on behalf of the Petitioner that the decision to purchase dress material for the employees of the Village Panchayat was taken when the affairs of the Village Panchayat were administered by an Administrator. At the time, the subject was discussed in the meeting of the village panchayat, the members of the Village Panchayat insisted that the dress material be

purchased from M/s. Shubham Sari Depot, as it had quoted the lowest price, lest the Village Panchayat would be required to purchase the dress material at a higher price.

3.4 By an order dated 1 November 2022, the Collector disqualified the Petitioner under Section 14(1)(g) of the Act, 1959. An appeal preferred thereagainst before the Additional Divisional Commissioner by the Petitioner and Smt. Gade, was allowed by the Appellate Authority and the order passed by the District Collector was set aside.

3.5 Respondent No.3 preferred a Writ Petition being No.11041 of 2023 before this Court. By an order dated 15 December 2023, this Court, while setting aside the order dated 11 April 2023 passed by the Additional Divisional Commissioner, restored the Dispute Application No.15 of 2021 to the file of the District Collector, Pune, with a direction to decide the said Dispute Application afresh, by following principle of natural justice and giving full opportunity of hearing to the parties. It was, inter alia, noted that the Collector had not taken into account the explanation offered by the Petitioner.

3.6 Post remand, by an order dated 10 September 2024, the District Collector, Pune returned a finding that the Petitioner had interest in the contract entered into by the Village Panchayat with M/s. Shubham Sari Depot, of which the wife of the Petitioner was the proprietress. Resultantly, the Petitioner was disqualified under Section 14(1)(g) of the Act, 1959.

3.7. The Petitioner preferred an appeal before the Additional Divisional Commissioner. By the impugned order, the Additional Divisional Commissioner dismissed the appeal, concurring with the view of the District Collector.

3.8 Being further aggrieved and dissatisfied, the Petitioner has invoked the writ jurisdiction.

4. I have heard Mr. Khaire, learned Counsel for the Petitioner and Mrs. Deshmukh, learned AGP for Respondent Nos.1 and 2, at some length. With the assistance of the learned Counsel for the parties, I have also perused the material on record.

5. Mr. Khaire, learned Counsel for the Petitioner, submitted that the District Collector and the Additional Divisional Commissioner have again committed the same error i.e. non-consideration of the explanation offered by the Petitioner, which had persuaded this court to remit the matter back to the District Collector. Mr. Khaire laid emphasis on the observations of this court in the order dated 15 December 2023 in WP No.11041 of 2023 to the effect that the order passed by the Collector did not show that the explanation given by the Petitioner, namely, in the Village Panchayat meeting, he had pointed out that Shubham Sari Depot belongs to his wife but the other members of the Village Panchayat insisted that it was in the interest of the Village Panchayat that the cloth material for the village panchayat employees be purchased from

the said shop, and, accordingly, a resolution was passed, was not at all considered by the District Collector.

6. Taking the court through the order passed by the District Collector, post remand, and the impugned order, Mr. Khaire would urge with a degree of vehemence that the orders impugned in this Petition suffer from the same infirmity.

7. As a second limb of the submission, Mr. Khaire would urge, at any rate, the decision to purchase the dress material for the employees of the village panchayat was taken when the village panchayat was being administered by an Administrator. Release of the amount was essentially consequential to the said decision. Therefore, it cannot be said that the Petitioner had incurred disqualification under Section 14(1)(g) of the Act, 1959.

8. In opposition to this, Mrs. Deshmukh, learned AGP, supported the impugned order. It was submitted that, a clear case of conflict of duty and interest was made out. Indisputably, dress material was purchased from Shubham Sari Depot and a sum of Rs.11,950/- was paid by cheque. The explanation sought to be offered by the Petitioner is ex-facie unsustainable, urged Mrs. Deshmukh.

9. Before advertng to note the factual context, it may be opposite to appreciate the nature and object of prescribing the disqualification under Section 14(1)(g) of the Act, 1959. Section 14(1)(g) of the Act, reads as

under :

“14. Disqualifications

[(1) No person shall be a member of a panchayat continue as such, who—

(a)

... ..

(g) has directly or indirectly, by himself or his partner, any share or interest in any work done by order of the Panchayat or in any contract with, by or on behalf of, or employment with or under, the Panchayat; or

... ..

Explanation 1.—

Explanation 1A.— A person shall not be disqualified under clause (g) by reason only of such person,—

(i) having a share or an interest in any newspaper in which any advertisement relating to the affairs of the panchayat is inserted; or

(ii) having a share or a interest in the occasional sale to the panchayat of any article in which he regularly trades, or in the purchase from the panchayat of any article, of a value in either case not exceeding in any financial year two hundred rupees; or

(iii) having a share or interest in the occasional letting out on hire to the panchayat or in the hiring from the panchayat of any article for an amount not exceeding in any financial year twenty-five rupees or such higher amount not exceeding one hundred rupees, as the

panchayat, with the sanction of the Collector may fix in the behalf; or

(iv) having any share or interest in any lease for a period not exceeding ten years, of any immovable property or in agreement for the same, and before such lease or agreement is executed, the Block Development Officer certifies that no other suitable premises were available to the panchayat on lease.”

10. Section 14 of the Act 1959 enumerates various situations, based on the acts or omissions on the part of a member of the Village Panchayat which render his continuation as a member of the Village Panchayat tenuous and, resultantly, he is disqualified to continue to be a member of the Village Panchayat. The object of the various clauses of disqualification of any member, including Clause (g) extracted above, is to ensure transparency, probity and legitimacy in the administration of affairs of the Panchayat. Clause (g) is but a manifestation of the fundamental principle of avoiding a situation of conflict of duty and interest. It is the bounden duty of the elected member of the Village Panchayat to protect and preserve the property and interest of the Village Panchayat. The member of the Village Panchayat is thus not expected to have such personal interest which would jeopardize the interest of the Village Panchayat. The Legislature was alive to the reality that the office of the member of the Village Panchayat provides opportunity which could be abused for advancement of personal interest at the cost of the interest of the

Panchayat, in particular, and public interest, in general. To obviate such situations of conflict of duty and interest and curb the tendency to abuse the official position to advance personal interest, the Legislature has provided the disqualification of the nature covered by Clause (g).

11. The aforesaid backdrop and the legislative object deserves to be kept in view while construing the ambit of the provisions contained in Clause (g) of the sub-section (1) of Section 14. At the same time, the Court ought to be sensitive to the fact that, the disqualification of an elected member of legislative/local-self body is a serious matter. An elected member cannot be unseated on the basis of mere surmises and conjectures. The statutory requirement must be strictly fulfilled. An order of disqualification of an elected member not only has the civil consequences for such member but also ramifications on the electorate/constituency which has elected him, as the latter is deprived of the representation in the legislative/local body by a representative of its choice. The law, therefore, insists that the ground of disqualification must be strictly proved. The procedure prescribed for the determination of the issue as to whether such disqualification has been incurred is scrupulously followed and the decision making process is in conformity with the principle of natural justice and the person affected gets an efficacious opportunity to defend himself.

12. A profitable reference, in this context, can be made to a decision of the Supreme Court in the case of **Nisar Ahmad Ibrahim Khan Vs Deolali Cantonment Board and Ors**¹ wherein the Supreme Court emphasised the imperativeness of adhering to the procedure for removal of an elected member. The observations of the Supreme Court in paras 13 and 14, read as under:

“13. It hardly requires any argument to demonstrate the fallacy implicit in and underlying this process of ratiocination which runs in the teeth of the specific statutory mandate. It is no doubt true that the rule of disqualification is based on a statutory principle that a person who has financial obligations to the 'Board may not be able to discharge his public office objectively and in public interest. But the disqualification itself must be determined in strict compliance with the statute.

14. There is no common law of elections. The proceedings calling in question the validity of an election are purely statutory proceedings. An election contest is not an action at law or a suit in equity, but is purely a statutory proceeding unknown to the common law and that the Court possess no common law power. It is trite proposition that in such proceedings statutory requirements must strictly be established. It is also well settled that the success of a candidate who has won at an election should not be lightly interfered with.

(emphasis supplied)

1 1987 (Supp) SCC 562.

13. In the case of **Ravi Yashwant Bhoir Vs The Collector, District Raigad & Ors,**² the Supreme Court again expounded the necessity of scrupulous compliance with the statutory requirement in the matter of disqualification of an elected member from the point of view of its consequences on the constituency/electorate. The observations in paragraphs 34 and 37 are instructive and hence extracted below.

“34. In a democratic institution, like ours, the incumbent is entitled to hold the office for the term for which he has been elected unless his election is set aside by a prescribed procedure known to law or he is removed by the procedure established under law. The proceedings for removal must satisfy the requirement of natural justice and the decision must show that the authority has applied its mind to the allegations made and the explanation furnished by the elected office bearer sought to be removed.

37. A duly elected person is entitled to hold office for the term for which he has been elected and he can be removed only on a proved misconduct or any other procedure established under law like ‘No Confidence Motion’ etc. The elected official is accountable to its electorate as he has been elected by a large number of voters and it would have serious repercussions when he is removed from the office and further declared disqualified to contest the election for a further stipulated period.”

² (2012) 4 SCC 407.

14. The aforesaid enunciation of law delineates the approach to be adopted by the Tribunal/Courts in determining the issue of disqualification of an elected member. In the first leg, the Tribunal/ Court must satisfy itself that the statutory ground of disqualification is clearly attracted; there is sufficient material to substantiate the said ground; the procedure prescribed by the governing statute is scrupulously followed and the person, who is alleged to have incurred the disqualification, gets a fair opportunity of hearing in adherence to the fundamental principles of judicial process. However, once the Tribunal/Court, on an objective analysis, comes to the conclusion that the ground of disqualification is made out, then the consequences that ensue the declaration of disqualification should not influence the decision making process. In the second leg, the object of the legislature in prescribing the disqualification commands primacy.

15. In fact, it is in the interest of the constituency/electorate that such person, who by his acts or omissions has incurred the disqualification, shall not continue to represent it and further jeopardize the public interest. For instance if a person is found to have abused his position to aggrandize himself at the cost of the Village Panchayat, of whose property and interest he is duty bound to protect, continuation of such a person as the member of the Village Panchayat would be counter productive.

16. On the aforesaid touchstone, reverting to the construction of Clause (g) of Section 14(1) of the Act of 1959, it becomes evident that the disqualification is for having any share or interest in any work done by order of the Village Panchayat or, any contract with, by or on behalf of the Panchayat or employment with or under the Panchayat. The legislature was cautious enough to clarify that such share or interest may be direct or indirect. The word share may have a restrictive meaning. However, the word interest is of wide import.

17. In P Ramanatha Aiyar's Law Lexicon, the term "Interest" is explained as under:

... ..

The word is capable of different meanings, according to the context in which it is used or the subject-matter to which it is applied. It may have even the same meanings as the phrase "right title and interest" but it has been said also to mean any right in the nature of property, but less than title. The word is sometimes employed synonymous with estate, or property.

'Interest means concern, advantage, good: share, portion, part, or participation.'

A person interested is one having an interest; i.e., a right of property, or in the nature of property, less than title.

The word 'interest' is the broadest term applicable to claims in or upon real estate, in its ordinary signification among men of all classes. It is broad enough to include any right, title, or estate in or lien upon real estate. One who holds a mortgage upon a piece of land for half its value is commonly and truly said to be interested in it.

18. In the context of the object of disqualification under clause (g) of Section 14(1) of the Act 1959, the word 'interest' takes pecuniary connotation. The disqualification is for deriving pecuniary interest from the work, contract or employment qua, by or with the Panchayat, by taking undue advantage the office which the member holds.

19. A Constitution Bench of the Supreme Court, considered the nature and import of the such restriction in the case of **Gulam Yasin Khan Vs Sahebrao Yeshwantrao Walaskar & Anr.**³ In the said case, in the context of the provisions contained in Section 15(1) of the Central Provinces and Berar Municipalities Act 1922, the Supreme enunciated that in order to incur disqualification what the clause requires is, "interest or share" in any contract: it may either be a share or an interest; and if it is an interest, the interest may be direct or indirect. But it is plain that the interest to which the clause refers, cannot mean mere sentimental or friendly interest; it must mean interest which

3 AIR 1966 SC 1339.

is pecuniary, or material or of a similar nature. If the interest is of this latter category, it would suffice to incur disqualification even if it is indirect.

20. In the backdrop of the aforesaid legal conspectus, reverting to the facts of the case, it becomes clear that few facts are rather indisputable. One, the dress material was purchased from Shubham Sari Depot. Two, Smt. Manisha Jagdale, wife of the Petitioner was the proprietress thereof. Three, towards the price of the dress material purchased from Shubham Sari Depot, a sum of Rs.11,950/- was paid by cheque. Thus, the primary facts, namely, relationship between the Petitioner and Smt. Manisha Jagdale, proprietress of Shubham Sari Depot, entering into contract by the Village Panchayat with Smt. Manisha, the wife of the Petitioner and release of the payment in favour of Shubham Sari Depot can, thus, be said to have been established beyond the pale of controversy.

21. The authorities below have recorded concurrent findings that, in view of the aforesaid proved facts, the Petitioner had a pecuniary interest in the transactions between the Village Panchayat and Smt. Manisha, proprietress of Shubham Sari Depot, in teeth of the provisions contained in Section 14(1)(g) of the Act, 1959. The question that wrenches to the fore is, whether the aforesaid interest of the Petitioner was sufficient to incur the disqualification ?

22. Mr. Khaire attempted to wriggle out of the situation by canvassing a two-pronged submission. First, the decision to purchase the cloth material

was taken before the Petitioner came to be elected as a Member of the village Panchayat and during the period the Village Panchayat was under the control of an Administrator. Second, the explanation offered by the Petitioner was not considered, despite specific directions by this Court.

23. The first submission does not merit acceptance. The order of the Administrator dated 10 November 2020 simply indicates that the Administrator had ordered that, as there was a precedent to give dress material to the employees of the Village Panchayat, on the occasion of Dipwali, for that year a sum of Rs.3,000/- be paid to each of the employees and after the Village Panchayat is constituted, dress material be purchased from the shops wherefrom they were purchased regularly. The said order does not record that it was decided that the dress material be purchased from the shop of the wife of the Petitioner.

24. In the totality of the circumstances, even the second submission of Mr. Khaire that, the impugned order deserves to be quashed and set aside for non-compliance with the express directions by this Court to consider the explanation offered by the Petitioner, does not seem to carry much conviction. The court cannot loose sight of the avowed object of prescribing the disqualification i.e. maintain purity in the administration of local self-government bodies. In the case of **Gulam Yasin Khan (supra)**, the Constitution Bench of the Supreme Court has enunciated that, keeping in view

the object of the provisions, it should not receive unduly narrow or restricted construction. Thus, a bald explanation that in the meeting of the village panchayat, the Petitioner had disclosed that Shubham Sari Depot was run by his wife, and, yet, the members insisted that the dress material be purchased from the said shop as it was in the interest of the village panchayat, cannot be acceded to, readily.

25. It is imperative to note that, Mr. Khaire was called upon to place on record a copy of the resolution in which a decision was taken by the village panchayat to purchase the dress material from Shubham Sari Depot, in relation to which the aforesaid explanation was offered. Though, Mr. Khaire placed on record a copy of the resolution dated 12 August 2021, yet, it nowhere records that there was any such discussion in the meeting dated 21 July 2021. In the absence of the resolution of the village Panchayat on the lines, as was sought to be putforth by the Petitioner, the explanation offered by the Petitioner was simply specious.

26. A clear case of conflict of duty and interest was made out. It was, in a sense, purchase of the dress material at the behest of the Petitioner – Sarpanch of the Village Panchayat, from the shop of the Petitioner himself. A better case of conflict of duty and interest could hardly be conceived.

27. In the aforesaid view of the matter, an inference becomes inescapable that the Petitioner did incur disqualification under Section 14(1)(g) of the Act,

1959. Both the authorities below were, thus, within their rights in disqualifying the Petitioner on the said count.

28. Hence, the Petition fails.

29. The Writ Petition, thus, stands dismissed.

(N.J.JAMADAR, J.)