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HIGH COURT OF CHHATTISGARH AT BILASPUR

WPS No. 6753 of 2026

Ajay Kumar Dewangan S/o Late Shri Chandra Kumar Dewangan, Aged About 40 Years Occupation Gram Rojgar Sahayak (Under Termination). Gram Panchayat Medha, Janpad Panchayat Dongargarh, R/o Village And Post Medha, Tehsil Dongargarh, District Rannandgaon (C.G.)

Petitioner(s)

versus

1 - State Of Chhattisgarh Through The Secretary, Department Of Panchayat And Rural Development Mahanadi Bhawan, Mantralaya, Nava Raipur, Atal Nagar, District Raipur (C.G.)

2 - The Collector / District Program Coordinator, (M G N R E G A), Rajnandgaon, District Rajnandgaon (C.G.)

3 - Chief Executive Officer, Zila Panchayat , Rajnandgaon, District Rajnandgaon (C.G.)

4 - The Chief Executive Officer Janpad Panchayat , Dongargarh, District Rajnandgaon (C.G.)

5 - Progran Officer, (M G N R E G A), Janpad Panchayat Dongargarh, District Rajnandgaon (C.G.)

6 - Gram Panchayat Medha, Through Its Secretary / Sarpanch, Janpad Panchayat Dongargarh, District Rajnandgaon (C.G.)

Respondent(s)

(Cause-title taken from CIS)

For Petitioner(s)	:	Mr. Alok Nigam, Advocate
For Resp/State	:	Mr. Gary Mukhopadhaya, Addl. Adv. General
For Resp No. 3 to 5	:	Mr. S.S. Baghel, Advocate

(HON'BLE SHRI JUSTICE BIBHU DATTA GURU)

Order on Board

30/10/2026

1. By way of the present writ petition, the petitioner has called in question the legality and validity of the order dated 11.08.2026, whereby his contractual services as Gram Rojgar Sahayak have been discontinued by granting one month's notice, on the allegations of financial irregularities in connection with the implementation of the Pradhan Mantri Awas Yojana (PMAY) and MGNREGA scheme.

2. Learned counsel for the petitioner submits that the petitioner was appointed as Gram Rojgar Sahayak on 28.03.2011 at Gram Panchayat Medha, Janpad Panchayat Dongargarh, District Rajnandgaon, under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA), and his services were extended from time to time. He would submit that a complaint was made on 15.04.2026 alleging financial irregularities concerning the disbursement of instalments under PMAY and false muster-roll attendance under MGNREGA amounting to Rs.24,795/-. On the basis of the said complaint, a show-cause notice dated 21.05.2026 was issued to the petitioner, calling upon him to submit his explanation. The petitioner submitted a detailed reply on 04.06.2026, denying the allegations levelled against him. Learned counsel further submits that although an explanation was sought from the petitioner, the reply submitted by him has not been duly examined and considered by the respondent authorities, which is evident from the impugned order itself. It is further submitted that the statements of the beneficiary

Dharmendra Dewangan and Awas Mitra Raghunath Sinha were recorded behind the back of the petitioner, without affording him an opportunity to controvert the same or to cross-examine them. Learned counsel would submit that the impugned order, having been passed on the basis of allegations of grave financial irregularities and misconduct, is stigmatic in nature and could not have been passed without conducting a proper enquiry and affording due opportunity of hearing to the petitioner.

3. Learned counsel for the State submits that the petitioner was a contractual employee and that sufficient opportunity was afforded to him by issuing a show-cause notice. It is further submitted that the complaint was enquired into by the authorities and, upon finding the allegations to be established, the competent authority proceeded to discontinue the contractual services of the petitioner. Therefore, no interference with the impugned order is warranted.

4. It is pertinent to mention that, on the previous date of hearing, Respondents No. 3 to 5 were directed to explain as to why, despite service of notice, no representation was made on their behalf. In this regard, an explanation has been furnished stating that, owing to non-publication of the name of the counsel appearing for the said respondents in the cause list, they could not enter appearance before this Court. The explanation furnished on behalf of Respondents No. 3 to 5 is accepted.

5. I have heard learned counsel for the parties and perused the material available on record.

6. From a perusal of the impugned order dated 11.08.2026, it appears that the petitioner's contractual services have been discontinued on the basis of

allegations relating to financial irregularities in the implementation of the PMAY and MGNREGA schemes. Though a show-cause notice was issued to the petitioner and he submitted his explanation dated 04.06.2026, the impugned order does not reflect due consideration of the explanation furnished by the petitioner. The order does not disclose any reason as to why the explanation submitted by him was not found satisfactory. Further, the allegations against the petitioner appear to have been considered on the basis of statements recorded during a preliminary enquiry, without affording him an opportunity to controvert the material relied upon against him or to cross-examine the persons whose statements were taken into consideration.

7. It is well settled that even in the case of a contractual employee, where the order of termination is founded upon allegations of misconduct or financial irregularities and carries a stigma, the same cannot be passed merely by issuing a show-cause notice. The nature and foundation of the order, rather than the form in which it is couched, would determine whether the termination is simpliciter or punitive in nature. In such circumstances, the principles of natural justice require the employer to conduct a proper enquiry and afford the employee an adequate opportunity to defend himself.

8. The Supreme Court in the matter of ***Swati Priyadarshini vs. State of Madhya Pradesh and Other***s, reported in ***2024 SCC OnLine SC 2139,*** decided on 22.08.2024, in which the ratio laid down by the Apex Court is to the fact that even if for contractual appointment, if any stigmatic order is to be passed, it is to be passed after holding proper enquiry and after giving due opportunity of hearing to the concerned delinquent/employee. The Co-ordinate Bench of this Court in ***WPS No. 4969/2015*** in the matter of ***Digambar Chandrakar vs.***

State of Chhattisgarh and others, decided on 22.08.2024, and in that case also, this Court also taken the view that in order to pass a stigmatic or punitive order, the concerned authorities are required to hold proper enquiry after giving due opportunity of hearing to the delinquent/employee.

9. Applying the aforesaid principles to the facts of the present case, this Court is of the considered opinion that the impugned order dated 11.08.2026, having been passed on the basis of allegations of financial irregularities, without due consideration of the explanation submitted by the petitioner and without affording him an adequate opportunity to defend himself in a proper enquiry, cannot be sustained in law.

10. Accordingly, the impugned order dated 11.08.2026 is hereby quashed. The petitioner shall be entitled to all the benefits flowing from quashment of the impugned order. However, liberty is reserved to the respondent authorities to hold a proper enquiry, if so advised, in accordance with law and after affording due opportunity of hearing to the petitioner.

11. In the result, the writ petition is allowed to the aforesaid extent.

Sd/-

(BIBHU DATTA GURU)

JUDGE

Rahul