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SUPREME COURT ON EMPLOYMENT TERMINATION FOR SUPPRESSION OF FACTS

A. Introduction

Supreme Court (**SC**) in *Satish Chandra Yadav* case¹ held on September 26, 2022 that termination of an employee on grounds of suppression of facts or providing false information on suitability at the time of recruitment is at the discretion of the employer and is a valid ground for termination of services.

B. Facts

- 1. Satish Chandra Yadav ("**Chandra**") was recruited by the Central Reserve Police Force ("**CRPF**") as a constable on a temporary basis in 2014. On recruitment, Chandra had a criminal case pending against him but did not reveal this in the verification form. Upon sending his application for verification, the Deputy Inspector of General (**DIG**) Police was informed of the offences under which he was booked. Chandra was terminated from employment on grounds of concealment of information while filling the verification form.
- 2. Chandra appealed to the IG who dismissed the matter. He filed writ petition ("**WP**") before the Delhi High Court (**HC**) challenging his dismissal from service. It was dismissed with an order to file a representation. The representation was rejected, and a fresh order reiterating Chandra's termination was passed.
- 3. Chandra filed a fresh WP before the HC which was once again rejected on the ground that: "on the date of filling the verification form, a criminal case was pending against Chandra and the fact that he hid this information in the form could not be termed as innocent as Chandra was very much aware of the pendency of case against him."
- 4. Aggrieved by the order affirming dismissal from employment, Chandra moved the SC.
- 5. Along with Chandra's matter, the SC heard another case of Pushpendra Kumar Yadav ("**Pushpendra**") wherein a Special Leave Petition (**SLP**) was filed on the facts and grounds similar to Chandra's case. Hence, the SC jointly heard and passed the judgment.

C. Contentions before the SC

1. Chandra submitted that the criminal case against him was very trivial in nature, did not involve any moral turpitude and its suppression could not be treated as a ground to deny public employment. Also, he was unaware of the existence/pendency of the case, which was filed due to a family dispute and he was acquitted by the trial court.

¹ Satish Chandra Yadav v. Union of India (UOI) and Ors. (26.09.2022 – SC): MANU/SC/1243/2022. © 2022 Counselence 1



- 2. He relied on the Avtar Singh case² where SC held that: "(A)t the time of termination from services on the grounds of furnishing false information, the employer must consider any existing special circumstances."
- 3. He argued on the vagueness of the application form and was not specific on information relating to any criminal antecedents.
- 4. Similar contentions were made by Pushpendra. He showed proof of dispute settlement before the village panchayat and the fact that the verification form was filled nine years post the date of FIR registration. He relied on his excellence in service and sought reinstatement to avoid impact of his termination on finding jobs outside the CRPF.

D. Reasoning & Judgment

SC relied on:

- 1. The *Avtar Singh* case that laid the foundational rule that employers have a right to determine suitability of employees based on the government rules, orders and instructions prevalent at the time of hiring and they are at discretion to terminate an employee from service or condone the omission.
- 2. The *Bunty* case where³ it upheld the screening committee's decision holding a candidate unfit for position in the police force due to pending criminal proceedings against the candidate at the time of verification. Moral turpitude of the candidate was in question and the screening committee's decision cannot be questioned in the absence of *mala fides*.
- 3. The Pawan Kumar case,⁴ where the candidate's records had a criminal case in which he was acquitted. But he did not reveal this information in the relevant form and he was discharged from service. SC observed that: "[T]he effect of suppression of material/false information involving in a criminal case, if any, is left for the employer to consider all the relevant facts and circumstances available as to antecedents and keeping in view the objective criteria and the relevant service rules into consideration, while taking appropriate decision regarding continuance/ suitability of the employee into service."
- 4. In the case of Chandra, the SC opined that the SLP should fail as he could not display substantial and grave injustice meted to him and held that it was not convinced with the argument put forth on not declaring the pendency of a criminal case in the verification form. This was also made applicable in the case of Pushpendra.

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² Avtar Singh v. Union of India (21:07:2016 - SC): MANU/SC/0803/2016.

³ State of Madhya Pradesh and Ors. v. Bunty (14.03.2019 - SC): MANU/SC/0440/2019.

⁴ Pawan Kumar v. Union of India (02.05.2022 - SC): MANU/SC/0567/2022.