



Asmita Bandyopadhyay
Associate

ENQUIRY INVALID IN THE ABSENCE OF DUE PROCESS

The Supreme Court (SC), in *Jai Prakash Saini* case¹ held on April 1, 2026, that an employer is required to follow due process i.e., the principles of natural justice in conducting an enquiry. It held that termination order of the employer based on such erroneous enquiry will be invalid and such employee must be reinstated with applicable monetary benefits.

Brief Facts

Jai Prakash Saini (**Saini**) was an employee of the Uttar Pradesh Cooperative Federation Limited (UPCFL) and was responsible for activities of the paddy procurement centre. During his service he was issued a chargesheet alleging embezzlement of over Rs. 2 lac. The charges were proved in the enquiry and Saini was terminated from the service with a direction to recover the amount. Saini challenged this before the Allahabad High Court (HC) on grounds that the enquiry did not follow the principles of natural justice, as there was no oral enquiry was held, no date or time was fixed for the same and no witnesses were examined to prove the charges.

The HC, however, dismissed Saini's writ petition (WP) on the grounds that he had not requested for any witness examination and that Saini was given sufficient opportunity of hearing, which he did not avail. Aggrieved by the HC's dismissal of the WP, Saini appealed before the SC.

Saini's Contentions

- He denied the charges levelled in the chargesheet on grounds that not a single witness was examined in support of the charges.
- No oral enquiry was held as is required per Employees Service Rules, 1980 of UPCFL (**Service Rules**).²
- Termination order and recovery of the money is in violation of the principles of natural justice.

¹ *Jai Prakash Saini v. Managing Director U.P. Cooperative Federation Ltd. & Ors.*, 2026 LiveLaw (SC) 315.

² Rule 84 of the Service Rules require employers conducting disciplinary proceedings are required to provide the employee with an opportunity to produce their own cross-examine witnesses and given an opportunity to be heard in person if the employee desires so.

UPCFL's Contentions

- Saini had not specifically denied any of the allegations levelled against him, and therefore the same did not warrant any examination of witnesses.
- Enquiry report was based on available materials and was well reasoned. The HC had, therefore, correctly dismissed Saini's WP.
- There was no violation of natural justice.

SC's Judgement & Reasoning

The SC:

- Held that there was no substance in UPCFL's contentions as Saini had not admitted to any of the charges made against him in Saini's reply to the charge-sheet.³
- Held that that in a departmental enquiry, the burden to prove the charges lies on the employer unless the charge is admitted by the employee.⁴
- Stated that Saini had not admitted to any guilt, which was even upheld by the HC. Therefore, UPCFL's contentions were incorrect.⁵
- Reiterated that as per Rule 84 of the Service Rules, UPCFL failed to produce witnesses during the enquiry even though Saini had denied the allegations. Therefore, the enquiry stood vitiated, and the consequential order of termination and recovery were invalid.⁶
- Allowed Saini's appeal, set aside the order of the HC, the UPCFL's order of termination and recovery.⁷
- Permitted UPCFL to conduct a fresh enquiry at its discretion and reinstate Saini by placing him under suspension till enquiry is completed and pay appropriate suspension allowance during such enquiry. In the event UPCFL does not conduct any enquiry, Saini shall be reinstated with back wages.⁸

This *Counselence Connect* contains information in a nutshell on a recent change in law.

This is not legal advice and must not be treated so. For any clarifications, please contact us at: info@counselence.com. Past issues of *Counselence Connect* are available at the 'Newsletters' page of our website (www.counselence.com)

³ Paragraph 14 of the Judgement.

⁴ *Ibid.*

⁵ *Ibid.*

⁶ Paragraphs 15 and 18 of the Judgement.

⁷ Paragraph 18 of the Judgement.

⁸ *Ibid.*