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DELHI HC ON DENIAL OF MATERNITY BENEFIT

A. Introduction

The Delhi High Court (HC), in the *Asia-Pacific Institute of Management* case,¹ held that maternity benefits can only be denied to an employee if her dismissal was on account of serious misconduct.

B. Brief Facts

1. Dr. Nidhi Maheshwari (**Maheshwari**) joined Asia-Pacific Institute of Management (**APIM**) as an Assistant Professor in 2011.
2. APIM discontinued Maheshwari's services in 2018, which led to her filing a complaint with the Labour Commissioner (**LC**) under the Maternity Benefit Act, 1961 (**MBA**).
3. APIM contended that they were not aware that Maheshwari was pregnant at the time of issuing the relieving letter. They argued that they were intimated of her pregnancy only after the letter was issued to Maheshwari.
4. Maheshwari, on the other hand, contended that she had sent an email to APIM prior to receipt of the relieving letter (on the same day), informing of her pregnancy and stating that she would have to go on maternity leave on advice of her gynaecologist. Thereafter, Maheshwari was served a relieving letter.
5. The LC held in Maheshwari's favour stating that she cannot be deprived of benefits under the MBA.
6. APIM appealed against this decision before the HC.

C. Order & Analysis

The HC:

1. Observed that it was suspect as to how Maheshwari was terminated having such high qualifications in an abrupt and unreasoned manner. Maheshwari was seven months pregnant on the date when the relieving letter was issued, which shows that the intention behind the letter was to deprive her of maternity benefits.
2. Stated that the relieving letter, which was "*as per the terms of [Maheshwari's] appointment letter*", was contrary to Section 27 (*Effect of laws and agreements inconsistent with this Act*) of the MBA, as it overrides all provisions of any contract of service which exists between an employee and an employer.
3. Held: "*As per the above provision, the benefits under the Act have to be mandatorily extended, irrespective of any contractual conditions. It is only if the conditions in the contract of employment are more favourable to the woman that the same can be given effect to. Thus, no conditions, which are unfavourable or disadvantageous to a woman, in a contract of employment can override or supersede the benefits conferred upon pregnant women under the Act.*"

¹ *Asia-Pacific Institute of Management v. Office of the Joint Labour Commissioner and Another* (MANU/DE/3498/2021).

4. On the issue of Maheshwari not having informed APIM of her pregnancy, it evaluated Section 6(6) of the MBA which clearly states that the failure to give notice of pregnancy will not disentitle a woman to maternity benefits. It also restated the principle it laid down in *Sunita Baliyan v. Director Social Welfare Department*,² that immediate notice of pregnancy by employee is not required. However, notice would be required to be served within a reasonable period, and in any event as soon as possible after delivery.
5. Observed that the relieving letter was a dismissal during pregnancy which is clearly prohibited under Section 12 (*Dismissal during absence or pregnancy*) of the MBA and held: “*The said provision categorically provides that dismissal or discharge of a woman who absents from work during pregnancy is unlawful. In fact, the provision makes it abundantly clear that no notice can be given in a manner so as to vary the conditions of service of the woman in a manner that is disadvantageous to her. Under the proviso to Section 12(2)(a) of the Act, it is only when dismissal is for gross misconduct that the maternity benefits and bonus etc., can be withdrawn.*”
6. Held that Maheshwari’s termination was “*illegal, unlawful as well contrary to provisions of [the MBA]. The relieving letter has no allegation against [Maheshwari]. It is not even [APIM’s] case that there was any misconduct on her part. The motivation behind serving of the relieving letter is thus obviously to deprive her of the maternity benefits, which is contrary to law.*”
7. Held: “*The [MBA] is a beneficial legislation for the purpose of safeguarding the rights of pregnant women. The provisions of the Act have to be given effect to, in letter and spirit. Technical issues would not come in the way of the Court or the authority concerned, in recognizing the said benefits. An organisation is expected to be empathetic to the cause of a pregnant woman rather than making bald allegations against her.*”

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² MANU/DE/8950/2007.