



2026:DHC:6102



* IN THE HIGH COURT OF DELHI AT NEW DELHI

% *Reserved on: 12th May, 2026*
Pronounced on: 30th July, 2026

+ **RFA 53/2025, CM APPL. 3441-3443/2025**

MRS JAISHREE GUPTA

W/o Mr. Arvind Kumar Gupta

R/o C-403 Vikas Puri, New Delhi.

....Appellant

Through: Mr. Sanjay Kumar, Advocate

versus

RELIANCE SECURITIES LIMITED

Office 1001, Faiz ROAD

Karol Bagh, New Delhi.

....Respondent

Through: None.

CORAM:

HON'BLE MS. JUSTICE NEENA BANSAL KRISHNA

J U D G M E N T

NEENA BANSAL KRISHNA, J.

1. The present Regular First Appeal under Section 96 of the Code of Civil Procedure, 1908 has been preferred on behalf of the Appellant/Plaintiff, Mrs. Jaishree Gupta, assailing the Judgment dated 11.10.2023 passed by the learned Additional District Judge, Delhi whereby the *Suit for Mandatory Injunction and Recovery* instituted by the Appellant was decreed in part, *to the extent of directing the Respondent to pay a salary for the period of seven months and fifteen days along with interest at the rate of 7% per annum, while declining the principal relief of reinstatement in service.*

2. The Plaintiff/ Appellant had filed **CS DJ No. 610118/2016** for *Mandatory Injunction seeking reinstatement to her service and for*



Recovery of Rs. 9,42,150/- towards salary from February, 2012 till the actual date of reinstatement, along with interest at the rate of 18% per annum and compensation.

3. ***Briefly stated***, the case of the Appellant/Plaintiff was that she had joined the Respondent Company on 23.09.2010 pursuant to Letter of Appointment of even date, as Regional Head (Grade E-8(a)), Delhi in the Sales and Distribution Department, at a gross annual pay of Rs. 18,00,000/-. She was initially placed on probation, for a period of six months.

4. The Plaintiff claimed that during the course of her employment, she discharged her duties with sincerity and devotion, on account of which she came to be recognised by the Respondent, for her performance. Vide Letter dated 02.06.2011, of the Chief Executive Officer of the Respondent Company, she had been rated as a "*Good Performer*" for the period 2010–2011 and was awarded a *Performance Linked Incentive of Rs. 11,438/-*.

5. The services of the plaintiff were confirmed as Regional Head vide Letter dated 10.06.2011, with effect from 01.04.2011. She continued to be posted at the Karol Bagh office, Delhi of the Respondent.

6. The Respondent vide Letter dated 15.07.2011, communicated to the Appellant that her performance for the period had *again been rated as "Good"*, and her *fixed Cost to Company was revised from Rs. 18,00,000/- per annum to Rs. 18,84,300/- per annum with effect from 01.04.2011.*

7. The Plaintiff through her Letter dated 02.11.2011, sought transfer *and was transferred* from the Sales and Distribution Department to the Corporate Sales Department as Assistant Vice President – Corporate Sales, *with effect from 01.11.2011*, reporting to one Sh. Ashok Chhangani.



8. In the month of November 2011, the Appellant conceived and in the mid of November 2011, she orally intimated her senior officers of the Respondent Company, about her pregnancy. Thereafter, vide e-mail dated 12.12.2011, she informing that her expected date of delivery was in March, 2012 and sought sanction of maternity leave from the Human Resources Department of the Respondent. The Respondent, vide reply e-mail of the same date, asked her to furnish a doctor's Certificate confirming the pregnancy and informing that maternity leave could be availed only three to four weeks, prior to the expected date of delivery.

9. The Appellant averred that from the point of intimation of her pregnancy, the attitude of her senior officers underwent a change, and she was subjected to harassment, on one pretext or the other. She approached her seniors, including Sh. Santosh Unikkat and Sh. Vikrant Gugnani, for sanction of maternity leave, but no approval was forthcoming.

10. The Appellant further averred that on 04.02.2012, one Sh. Sunil Somarajan of the Human Resources Department directed her to complete her exit formalities. Prior thereto, ***vide Letter dated 24.01.2012, the Respondent had terminated the services of the Appellant with effect from 30.01.2012, on the purported ground of non-performance.***

11. It was submitted that at the time of the termination of her services, the Appellant was in an advanced stage of pregnancy, her expected date of delivery being in March, 2012, *and she was thus, deprived of her maternity benefits. A daughter was born to her, on 02.03.2012.*

12. The Appellant asserted that the Letters of appreciation, confirmation and enhancement of Cost to Company issued in her favour by the Respondent, in close proximity to the date of termination, belied any claim



of non-performance, and that the termination was in truth, *a device to disentitle her from the maternity benefits to which she would otherwise, have been entitled.*

13. The Appellant thus, **instituted the Suit on 13.09.2012**, seeking a decree of *Mandatory Injunction* directing the Respondent to reinstate her in service on the same designation and salary, along with *Recovery of Rs. 9,42,150/-* towards salary for the months of February, 2012 to July, 2012 and salary up to the actual date of reinstatement, along with interest at the rate of 18% per annum *and compensation.*

14. The Respondent/Defendant in its **Written Statement** averred that the services of the Appellant were governed by the terms and conditions of the Letter of Appointment dated 23.09.2010; and in view of Clause 9(j) thereof, the *Courts at Mumbai, being the location of the headquarters of the Respondent Company, alone had jurisdiction to entertain the dispute.* It was further contended that the Suit had *not been properly valued for the purposes of Court fees.*

15. **On merits**, the Respondent asserted that the performance of the Appellant in her role as Regional Head at Delhi, had been below expectations from the very inception, and that her confirmation had been withheld beyond the probation period and was ultimately granted with effect from 01.04.2011, only with a view to afford her an opportunity to improve. It was asserted that despite repeated warnings issued through various e-mails between May, 2011 and December, 2011, the performance of the Appellant did not improve; that *she had been placed under a Performance Improvement Plan*; and that *she had been shifted from Sales and*



Distribution to Corporate Sales in November, 2011, as a second opportunity, with reduced targets, which too, she failed to meet.

16. The Respondent denied that the service of the Appellant was terminated on account of her pregnancy or with a view to deny her maternity benefits. It was stated that vide e-mail dated 12.12.2011, the Appellant had been called upon to furnish a doctor's Certificate confirming her pregnancy, which she failed to do. *The termination of her services vide Letter dated 24.01.2012, was solely on the ground of non-performance*, in exercise of the powers reserved under Clause 8(c) of the Letter of Appointment, and had no connection whatsoever with the intimation of her pregnancy.

17. The Appellant/Plaintiff, in her **Replication**, reiterated the averments made in the Plaint and denied the case set up by the Respondent in the Written Statement.

18. From the pleadings of the parties, the **learned Trial Court, vide Order dated 29.01.2013, framed the following Issues:**

- i. *Whether this court has territorial jurisdiction to entertain and try suit? OPP.*
- ii. *Whether the suit has been valued correctly for the purpose of court fee and sufficient court fee is affixed on the plaint? OPP.*
- iii. *Whether the plaintiff was an under performer/ zero performer employee of the defendant leading to her termination from service? OPD.*
- iv. *Whether the plaintiff is entitled to decree of mandatory injunction of reinstatement in service? OPP.*



v. *Whether the plaintiff is entitled to recover the suit amount from the defendant with interest? OPP.*

vi. *Relief."*

19. *Issues no. 1 and 2 were treated as preliminary issues and were decided vide Order dated 17.01.2014 in favour of the Appellant, holding that the Courts at Delhi possessed the requisite territorial jurisdiction to entertain and try the Suit and that the Suit had been correctly valued for the purposes of Court fees. The said findings attained finality and are not in issue in the present Appeal.*

20. The Plaintiff examined herself as **PW-1**, and deposed on similar lines as the assertions made in the plaint. She proved the documents pertaining to her appointment, transfer and termination, as Ex. PW1/2 to Ex.PW1/9

21. **PW-2, Sh. Arvind Kumar Gupta**, the husband of the Appellant, tendered his evidence by way of affidavit

22. **PW-3, Sh. Jatin Sharma, Computer Operator** from the Medical Record Department of Sri Balaji Action Medical Institute, Paschim Vihar, through whom the medical records pertaining to the delivery of the child came to be proved.

23. The Respondent/defendant examined **DW-1, Sh. Atul Kumar Sharma**, its Authorised Representative and Relationship Manager. He proved the series of e-mails purporting to reflect warnings issued to the Appellant regarding her performance, as Ex.DW1/3 to Ex.DW1/13, along with the Certificate under Section 65-B of the Indian Evidence Act, 1872 Ex.DW1/15, and the Termination Letter dated 24.01.2012 Ex.DW1/14.

24. The **learned Trial Court**, upon appreciation of the pleadings and the evidence led by the parties, held that the electronic evidence sought to be



proved by the Respondent through DW-1, could not be read in evidence for want of a valid Certificate under Section 65-B Indian Evidence Act, 1872, and that *the Respondent had thereby failed to establish that the Appellant was an under-performer/zero-performer employee*. It was further held that in the overall facts and circumstances, and having regard to the proximity between the intimation of pregnancy on 12.12.2011 and the Termination Letter dated 24.01.2012, *it was probable that the Respondent had terminated the services of the Appellant in order to avoid the grant of maternity benefits*.

25. The learned Trial Court accordingly, held that the termination of the services of the Appellant was in breach of the contract of employment. However, it was observed that contracts of employment are not liable to be specifically enforced, and that the appropriate remedy for such breach was damages. ***The Respondent was directed to pay to the Appellant salary for a period of seven months and fifteen days, as per her last drawn salary, being 45 days' salary in lieu of notice and six months' salary in lieu of maternity benefits, along with interest at the rate of 7% per annum from the date of accrual till the date of realisation, along with costs.***

26. Aggrieved by the Judgment dated 11.10.2023 as it declined the relief of reinstatement in service and confined the monetary decree to seven months and fifteen days' salary along with interest at the rate of 7% per annum, **the Plaintiff/Appellant has preferred the present Appeal.**

27. The ***grounds of challenge***, are that though the learned Trial Court has returned findings in favour of the Appellant that the Respondent had failed to establish the case of non-performance and the services of the Appellant had been terminated with a view to deny her the maternity



benefits to which she was otherwise entitled, *the relief of reinstatement in service, which was the principal relief prayed for in the Suit, has been erroneously declined.*

28. Further, the learned Trial Court has failed to appreciate that having been arbitrarily dismissed from services on account of her pregnancy, the Appellant was entitled to be reinstated on the same designation and at the same salary along with all consequential benefits, and that the false allegations of poor performance levelled against her, have caused irreparable damage to her career and reputation in the Corporate Sector, for which *no compensation whatsoever has been granted.*

29. Also, the interest awarded at the rate of 7% per annum as against the rate of 18% per annum prayed for, is not commensurate with the wrong committed by the Respondent.

30. The Appellant has thus, sought *reinstatement in service and enhanced interest as well as the Compensation.*

Submissions heard and Record perused.

31. Admittedly, the Appellant/Plaintiff was appointed by the Respondent/Defendant Company as Regional Head in the Sales and Distribution department at Delhi, vide Letter of Appointment dated 23.09.2010, Ex. PW1/2, on a gross annual pay of Rs. 18,00,000/-. Her services were confirmed with effect from 01.04.2011 vide Letter dated 10.06.2011, Ex. PW1/4. Her performance was consistently rated as "Good" in the Letters dated 02.06.2011, Ex. PW1/3, and 15.07.2011, Ex. PW1/5.

32. Upon the Appellant intimating about her pregnancy to the Human Resources Department of the Respondent, on 12.12.2011 and seeking sanction of maternity leave, ***her services were terminated vide Letter dated***



24.01.2012, Ex. PW1/9, on the purported ground of non-performance, with effect from 30.01.2012.

33. The findings given by the learned Trial Court on Issues no. 3, 4 and 5, to hold the termination of the services of the Appellant to be in breach of the contract of employment, have not been assailed by the Respondent by way of any Cross-Objections, and have, accordingly, attained finality inter se the parties.

34. The questions, therefore, which arise are considered as under:

I. Whether the Plaintiff was entitled to reinstatement in service:

35. The nature of the employment between the parties, as disclosed by the Letter of Appointment dated 23.09.2010, Ex. PW1/2, is of relevance. The Letter of Appointment reflects that the Plaintiff was engaged as Regional Head (Grade E-8(a)), in the Sales and Distribution Department of the Respondent Company, on a gross annual pay of Rs. 18,00,000/-. The service conditions of the Appellant were, accordingly, governed exclusively by the terms of the said Letter of Appointment and no statutory framework operated upon her employment.

36. The Appellant was subsequently transferred, vide Letter dated 02.11.2011, Ex. PW1/6, to the Corporate Sales department as Assistant Vice President – Corporate Sales.

37. ***Section 14 of the Specific Relief Act, 1963*** embodies the principle that *a contract which is in its nature determinable, or a contract which is dependent on the personal qualifications of the parties, cannot be specifically enforced. A contract of employment squarely falls within the*



said description, being a contract of personal service, in the classical sense.

38. The Supreme Court in Maharashtra State Cooperative Housing Finance Corporation Ltd. v. Prabhakar Sitaram Bhadange, (2017) 5 SCC 623, has considered this very question and held that the relief of reinstatement amounts, in substance, to the specific enforcement of a contract of personal service, and cannot be granted where the employment is not governed by any statutory framework. It was observed that in such cases, the appropriate remedy for a breach lies in an award of damages, and not in a direction restoring the employer-employee relationship.

39. The rationale underlying the said principle has been articulated by the Supreme Court in State Bank of India v. S.N. Goyal, (2008) 8 SCC 92, wherein it was held that where the relationship of master and servant is purely contractual, *the contract of personal service is not specifically enforceable, having regard to the bar contained in Section 14 of the Specific Relief Act, 1963, and the aggrieved employee must be relegated to a claim for damages.*

40. The three well-recognised exceptions to the said rule, namely, cases involving a public servant governed by Article 311 of the Constitution of India, a workman under the Industrial Disputes Act, 1947, and an employee of a statutory body whose service conditions are governed by statute, are not attracted to the present case.

41. The Appellant, having been employed as Regional Head and thereafter as Assistant Vice President – Corporate Sales at a gross annual pay of Rs. 18,00,000/-, was an officer in a managerial position, and not a



"workman" within the meaning of Section 2(s) of the Industrial Disputes Act, 1947.

42. The Respondent Company, being a private company incorporated under the Companies Act, engaged in the business of financial broking and distribution, *is not a statutory body*. The contract of employment between the parties, *being a contract of personal service in the private domain*, was not amenable to specific enforcement, and *no decree of Mandatory Injunction directing reinstatement could have been granted by the learned Trial Court*.

43. ***The relief of reinstatement in service was, therefore, rightly declined by the learned Trial Court, and no interference is warranted in the said conclusion.***

II. Whether the monetary relief of Compensation is rightly granted:

44. The learned Trial Court, having found that the termination of the services of the Appellant was essentially to avoid payment of Maternity leave Benefits, has directed the Respondent to pay to the Appellant salary for a period of six months, in addition to 45 days salary in lieu of Notice period as per her last drawn salary, ***as damages for the said breach.***

45. ***Clauses 8(c) and 8(d) of the Letter of Appointment dated 23.09.2010, Ex. PW1/2, which governed the termination of the services of the Appellant, are extracted hereunder for ready reference:***

"c. Your services are liable to be terminated without any notice or salary in lieu thereof for misconduct, without being exhaustive and without prejudice to the general meaning of the term "misconduct" in the case of reasonable



suspicion of misconduct, disloyalty, commission of an act involving moral turpitude, any act of indiscipline or inefficiency.

*d. On satisfactory completion of the probation period and after your confirmation in writing except for the reasons mentioned in this appointment letter, **your services can be terminated by giving notice of 45 days in writing or payment of salary, in lieu thereof on either side.***

46. The damages awarded by the learned Trial Court are constituted of two components: **firstly, 45 days' salary**, for the Notice Period under Clause 8(d), and **secondly, a further six months' salary**, having regard to its finding that the termination of the services of the Appellant was effected essentially with a view to deprive her of the maternity benefits, which she would otherwise, have received.

47. It is settled law that upon a breach of a contract of employment by an employer, *the aggrieved employee is entitled to damages under Section 73 of the Indian Contract Act, 1872, the measure whereof is ordinarily the salary payable during the period of notice stipulated in the contract of employment.*

48. The Supreme Court, in S.S. Shetty v. Bharat Nidhi Ltd., AIR 1958 SC 12, has held that where the contract of employment provides for termination by a stipulated period of Notice, *the damages awardable on wrongful termination, are ordinarily confined to the salary that would have been payable during the said notice period, and no more*, on the reasoning that the Notice period represents the reasonable time within which the employee may be expected to secure alternative employment.



49. The Letter of Appointment dated 23.09.2010, Ex. PW1/2, in the present case, contemplated termination on 45 days' prior notice or salary in lieu thereof, under Clause 8(d). The measure of damages ordinarily awardable, on the strict application of the principle in *S.S. Shetty (supra)*, would have been confined to 45 days' salary.

50. The Ld. Trial Court therefore, justly granted 45 days salary, in lieu of the Notice Period.

51. The learned Trial Court, *having returned a finding that the termination of the services of the Appellant was effected to deprive her of the maternity benefits which she would otherwise have received, has, in the exercise of its discretion, awarded a further six months' salary in addition to the Notice component.*

52. The Appellant had projected the emoluments payable to her on the basis of the Cost to Company figure of Rs. 18,84,300/- per annum reflected in the Letter dated 15.07.2011, Ex. PW1/5. The said contention, however, does not commend itself to this Court. *The Cost to Company is a notional aggregate of all direct and indirect components of an employee's remuneration, inclusive of retirement benefits, allowances, perquisites and other components not paid in hand, and is not to be equated with the salary actually drawn by the employee.*

53. The Appellant, in her cross-examination dated 10.02.2016, has herself admitted:

"My salary was Rs.1,57,000/- per month."

54. The learned Trial Court has correctly taken the last drawn salary of the Appellant and not on the notional Cost to Company figure. No infirmity



attaches, in calculating the quantum of compensation/Damages, on the basis of her last drawn salary.

55. So far as the grievance of the Appellant *as to loss of career and reputation* is concerned, it is pertinent to refer to her admissions in the cross-examination dated 01.09.2018, wherein she has herself admitted that she has been working for her livelihood after the termination of her services by the Respondent; she stated thus:

"It is correct that I have been working for my livelihood after the termination of my services by the defendant. (Vol. I am working only part time.) I am an income tax payee."

56. The Appellant has further admitted, in her cross-examination dated 01.09.2018, her association with Globe Capital Markets Ltd., having stated:

"I am the authorized persons of Globe Capital Markets ltd. It is correct that the official address of the authorized person of Globe Capital Markets is C-403, Vikas Puri, New Delhi."

57. Pertinently, the said address, namely, C-403, Vikas Puri, New Delhi, is the residential address of the Appellant as disclosed in the Memo of Parties in the Complaint, and in the Letter of Appointment dated 23.09.2010, Ex. PW1/2. It reflects that either she had opened her own business or was working from home. It is established that she has been working for gain, since her exit from her job.

58. Pertinently, no specific claim on the said head was made in the Complaint, and no evidence was led at the trial in support of the quantum of such loss. Rather, from her own admissions in the cross-examination, it has emerged that soon after her leaving the job, she was working gainfully. It is settled



law that damages *for loss of reputation and career*, are in the *nature of special damages*, and must be specifically pleaded and proved. In the absence of any specific pleading and proof of the quantum of such loss, and her own admissions, no special damages have been rightly granted.

59. The Appellant has further assailed *the rate of interest of 7% per annum awarded by the learned Trial Court, and has sought enhancement thereof to 18% per annum.*

60. The award of interest under Section 34 of the Code of Civil Procedure, 1908 is a matter of judicial discretion, to be exercised having regard to the facts and circumstances of the case. The rate of 18% per annum prayed for by the Appellant has no contractual foundation, the Letter of Appointment dated 23.09.2010, Ex. PW1/2, containing no stipulation as to any such rate of interest.

61. *The interest awarded at the rate of 7% per annum from the date of accrual till the date of realisation, being a discretion exercised on relevant considerations, does not call for any interference in the exercise of the appellate jurisdiction of this Court.*

Conclusion:

62. In view of the foregoing discussion, the learned Trial Court, having found the termination of the services of the Appellant vide Letter dated 24.01.2012, Ex. PW1/9, to be in breach of the contract of employment, has correctly declined the relief of reinstatement in service, and has correctly confined the monetary relief of Damages/Compensation to salary for a period of seven months and fifteen days, as per the last drawn salary of the Appellant, along with interest at the rate of 7% per annum from the date of



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accrual till the date of realisation. The impugned Judgment and Decree dated 11.10.2023, calls for no interference and is accordingly upheld.

63. *The Appeal is, accordingly, dismissed.* No order as to costs.

64. Pending Application(s), if any, are disposed of, accordingly.

**(NEENA BANSAL KRISHNA)
JUDGE**

JULY 30, 2026/RS