April 2026

This edition of the JSA Employment Newsletter discusses nuances around the binding nature of internal committee ("**IC**") recommendations on management, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder ("**PoSH Act**"). The Newsletter also provides a brief roundup of some key regulatory and legislative developments in the Indian employment law space for the month of April 2026, released through amendments, notifications and orders. It also discusses some recent judicial precedents across employment legislations.

From report to resolution—management's duty after the IC report

India's PoSH Act sets out a comprehensive compliance framework for workplaces, applicable across relevant stakeholders including the management, the IC as well as members. However, it could be argued that the legislation falls short of clear delineation of the respective roles of the IC and the employer. In particular, it leaves unresolved the critical question of the extent to which an employer is bound by the IC's recommendations. This assumes significance given that such recommendations are statutorily required to be acted upon and often have far-reaching implications for employment and service conditions. At the same time, they intersect with the employer's existing disciplinary framework, making clarity on the employer's role essential to ensure lawful compliance and procedural fairness under the PoSH Act.

For context, Section 13(4) of the PoSH Act provides that an employer 'shall' act upon the IC's recommendations within 60 (sixty) days of receipt of such recommendations. Ordinarily, the use of 'shall' indicates a mandatory obligation. However, Indian courts have taken differing views on what this means in practice, particularly on how far an employer is expected to go in implementing these recommendations. This variance has important practical implications for stakeholders, as it shapes how statutory obligations under the PoSH Act align with existing workplace processes and decision-making frameworks.

In *Pradip Mandal vs. Union of India and Ors.*[1] and *The Management of Christian Medical College and Hospital vs. Mr. S.G. Dhamodharan*[2], single-judge benches of the Calcutta High Court and Madras High Court respectively, adopted a stricter stance on the binding nature of IC findings. Both courts held that employers are bound by the IC's conclusions and lack the latitude to interfere with or revisit them. The employer's role, at best, is limited to determining the quantum of punishment. Such jurisprudence reflects a rather stringent approach, affording minimal flexibility to employers to deviate from IC findings.

Departing from the stricter view that treats IC recommendations as binding, a Division Bench of the Calcutta High Court in *Institute of Hotel Management and Ors. vs. Suddhasil Dey and Anr.*[3] clarified that the statutory requirement to

[1] 2016(4) CHN (CAL) 118 (June 9, 2016)
[2] W.P. No. 29012 of 2018 (March 15, 2019)
[3] WP.CT/137/2019 (March 13, 2020)

'act upon' such recommendation does not mandate automatic implementation. Instead, employers may accept or reject them, provided reasons are recorded, otherwise, a 'recommendation' would effectively become a command, contrary to legislative intent. The Kerala High Court has gone a step further in *Kerala State Electricity Board Limited vs. Vinukumar S.*[4], holding that a disciplinary authority may even impose a punishment higher than that recommended, subject to an independent inquiry limited to punishment. These competing judicial strands underscore that the binding nature of IC recommendations, especially on penalty, could await concrete authoritative resolution(s) by the Supreme Court of India ("**Supreme Court**").

While Indian courts have taken different views on whether an employer must accept or reject an IC's recommendations, an equally consequential issue is whether management can start its own disciplinary inquiry based on those recommendations. This raises practical questions about roles and limits. While the IC is meant to independently examine complaints, employers are still responsible for maintaining discipline at workplace. The challenge lies in balancing these 2 (two) functions, ensuring respect for the IC's findings, while allowing management to fulfill its duty without duplicating processes or weakening the IC's authority.

The Supreme Court in the case of *Dr. Vijayakumaran C.P.V. vs. Central University of Kerala and Ors.*[5], albeit dealing with a separate issue concerning petitioner's dismissal, observed that regular inquiry is mandatory prior to imposing dismissal penalty based on IC report. This principle was further applied and relied upon by the Karnataka High Court ("**Karnataka HC**") in case of *Dr. Arabi U. vs. Registrar Mangalore University and Anr.*[6]. In this case, a sexual harassment complaint had been filed against the petitioner and consequently IC found him guilty. Thereafter, a show-cause notice was issued proposing petitioner's dismissal from service and placing him under suspension. The Karnataka HC, while analysing interplay between PoSH Act and service rules, upheld that an order of dismissal based solely on IC report without following service rules inquiry procedure is illegal. In other words, the Karnataka HC emphasised on the principle that inquiry as per service rules is indispensable *vis-à-vis* termination of employment, despite IC providing its recommendations on similar grounds. Similar stance was taken by the Bombay High Court in the case of *Laxman B. Panmad vs. Nuclear Power Corporation of India Limited through the Company Secretary and Ors.*[7], where the Bombay High Court held that an IC report is a fact-finding report but does not replace a departmental inquiry.

These pronouncements appear to consistently affirm that an IC report, while significant, is only fact-finding in nature and cannot substitute a disciplinary inquiry mandated under applicable service rules, especially where termination or dismissal is contemplated. Hence, employers could be well advised to adopt a cautious and principled approach—treating IC recommendations as ordinarily binding and departing from them only in rare circumstances supported by clear, well-documented reasons applied consistently. A transparent and uniform framework, closely aligned with objectives of the PoSH Act, could offer the most legally sound and balanced way to navigate this evolving legal landscape.

Labour Codes updates

Government of Maharashtra notifies and authorises officers under the Code on Security Code, 2020

On April 9, 2026, the Industries, Energy, Labour and Mining Department of the Government of Maharashtra issued a set of notifications under the Code on Social Security, 2020 ("**Security Code**"), operationalising key enforcement and adjudicatory mechanisms across the State. District Collectors in all districts have been authorised to act as recovery officers for their respective jurisdictions to recover dues, including arrears of contributions or cess, under the Security Code. The Additional Commissioner of Labour and Deputy Commissioner of Labour have been designated as appellate authorities for appeals against orders passed in disputes concerning the payment of gratuity or the veracity of employees' gratuity claims. The Government labour officers have been appointed as inspector-cum-facilitators,

[4] WA No. 1145 of 2023 (October 3, 2023)
[5] Civil Appeal No. 777 of 2020 (January 28, 2020)
[6] 2021 KCCR 3 2266 (July 20, 2021)
[7] 2022 LLJ 3 17 (April 21, 2022)

empowered to conduct inspections of establishment premises and requisition labour-related registers, record of wages, notices and other related documents. Further, the Additional Commissioners of Labour and Deputy Commissioners of Labour have been vested with the powers to compound first-time offences committed under the Security Code that are punishable with fine or imprisonment up to 1 (one) year.

Other regulatory and legislative updates

Ministry of Women and Child Development accelerates digital enforcement of SHe-Box Portal

On April 1, 2026, the Ministry of Women and Child Development, Government of India issued a press release outlining the Government's accelerated implementation of the SHe-Box portal, strengthening the digital enforcement framework under the PoSH Act. The SHe-Box portal was launched as an initiative for effective implementation of the PoSH Act and ensure compliance with directives from the Supreme Court in the matter of *Aureliano Fernandes vs. State of Goa and Ors*.[8]. With mandatory onboarding of workplaces on the SHe-Box portal and operationalisation of concerned authorities, employers, across both public and private sectors, may face heightened regulatory compliance scrutiny and monitoring, as mandatory registration on SHe-Box Portal, disclosure of IC details, and linkage with district-level local committees will become part of a centralised compliance check. The Supreme Court has directed State authorities to conduct district-level and State-level surveys with assistance from labour commissioners to verify IC constitution and upload compliance data onto the SHe-Box Portal.

Government of Madhya Pradesh amends the Madhya Pradesh Factories Rules, 1962

On April 2, 2026, the Labour Department of the Government of Madhya Pradesh notified amendments to the Madhya Pradesh Factories Rules, 1962 through a notification under the Factories Act, 1948, significantly strengthening protections for pregnant and lactating women, and young persons. The amendments revise multiple schedules to expressly prohibit the employment or engagement of pregnant or lactating women, adolescents, and children in specified hazardous processes and workplaces, including lead and manganese processes, solvent extraction plants, petrol gas generation units, benzene-exposed workrooms, pesticide storage areas, stone-cutting machinery, and other notified hazardous operations. The amendments also clarify that no woman may be employed in contravention of applicable maternity benefit provisions and that employment conditions must not deprive women of work during pregnancy and for 6 (six) months post-delivery or lactation.

Case law ratios

Supreme Court rules that oral enquiry is mandatory when employee refutes charges

In ***Jai Prakash Saini vs. Managing Director, U. P. Cooperative Federation Limited and Ors.***[9], the Supreme Court examined the legality of disciplinary proceedings initiated by the U. P. Cooperative Federation ("**Federation**") against an employee who was serving as the in-charge of a paddy procurement centre. The employee was accused of failing to deliver a substantial quantity of procured paddy for de-husking and of embezzling funds by falsely showing storage of de-husked paddy. A charge-sheet and a supplementary charge-sheet were issued, both of which were denied by the employee. Following an internal enquiry, the employee was dismissed from service and directed to repay a sum of INR 9,53,433 (Indian Rupees nine lakh fifty-three thousand four hundred and thirty-three). The Allahabad High Court had earlier upheld the dismissal.

[8] Miscellaneous Application Diary No(s). 22553/2023 (October 22, 2024)
[9] 2026 INSC 305 (April 1, 2026)

The Supreme Court, however, found significant procedural infirmities in the conduct of the disciplinary enquiry. It was undisputed that no witness was examined on behalf of the employer during the enquiry, even though the charges were expressly denied by the employee. The Supreme Court noted that the applicable service rules and regulations governing employees of the Federation mandate adherence to principles of natural justice, including the holding of an oral enquiry, examination of witnesses, and provision of an opportunity to cross-examine them where charges are contested.

Rejecting the employer's argument that employee's reply amounted to an implied admission, the Supreme Court clarified that a departmental charge-sheet is not equivalent to pleadings in civil litigation and that an evasive or inadequate reply cannot be treated as an admission of guilt. For a detailed analysis, please refer to the JSA Prism of April 22, 2026.

Madhya Pradesh High Court rules that the 80-day eligibility criteria for maternity leave not strictly applicable to government establishments

In ***Dr. Priti Saket vs. State of Madhya Pradesh and Ors***[10], the Madhya Pradesh High Court ("**MP HC**") held that a guest faculty member engaged by a government college is entitled to paid maternity leave under the Maternity Benefit Act, 1961 ("**MB Act**"), notwithstanding her contractual and temporary nature of employment or non-fulfilment of the statutory requirement of having worked for at least 80 (eighty) days in the preceding 12 (twelve) months. The case arose from the State Government's decision to amend an earlier order granting the petitioner 6 (six) months' maternity leave with honorarium and instead sanction maternity leave without payment. The petitioner, a guest faculty member at a government postgraduate college, challenged the amended order as being contrary to the MB Act and the constitutional mandate protecting maternity benefits.

Crucially, the MP HC held that the statutory condition of having worked for 80 (eighty) days in the preceding 12 (twelve) months cannot be rigidly enforced against State Government establishments, given the State's constitutional obligation to promote social welfare and protect the health and dignity of women workers. The MP HC further emphasised that maternity benefits are a welfare measure rooted in social justice and cannot be denied by adopting a narrow or technical interpretation of eligibility criteria. For a detailed analysis, please refer to the JSA Prism of April 15, 2026

Karnataka HC orders strict implementation of menstrual leave policy

In ***Chandravva Hanamant Gokavi vs. State of Karnataka and Ors.***[11], the Karnataka HC directed strict and faithful implementation of the 'Menstrual Leave Policy, 2025' ("**Policy**"), published by the Karnataka State Government on November 12, 2025 and notified in the Karnataka Gazette on November 20, 2025 to be effective from November 12, 2025. The Karnataka HC held that the Policy is constitutionally grounded and intrinsically linked to the right to life and dignity under Article 21 of the Constitution of India ("**Constitution**") and linked to Articles 15(3), 39(e), and 42 of the Constitution, which empower the State to frame provisions to protection of health and safety of women.

The Policy grants 1 (one) day of paid menstrual leave per month (i.e., up to 12 (twelve) days annually) to women aged 18 (eighteen) to 52 (fifty-two) employed in industries and establishments registered under specified labour legislations. For a detailed analysis, please refer to the JSA Prism of April 17, 2026.

[10] W.P. 9877/2026 (March 24, 2026)
[11] W.P. 109734/2025 (April 15, 2026)

Key note

Ministry of Labour and Employment notifies the final Central rules under the labour codes

On May 8, 2026, the Ministry of Labour and Employment notified the final Central Rules under all labour codes i.e. the Code on Wages (Central) Rules, 2026[12], Industrial Relations (Central) Rules, 2026[13], Social Security (Central) Rules, 2026[14], and Occupational Safety, Health and Working Conditions (Central) Rules, 2026[15] (together, the "**Final Central Rules**"), along with the Model Standing Orders, 2026 which supersedes the earlier Industrial Employment (Standing Orders) Central Rules, 1946. The Final Central Rules apply primarily to establishments where the Central Government qualifies as the 'appropriate Government', however for other establishments, the 'appropriate government' continues to be the State Government, and compliance will ultimately need to be undertaken once notifications under the respective State rules are released and notified. Interesting to point that under the Security Code, the Central Government would be the 'appropriate Government' for establishments having operations in more than one State, making the notified Social Security (Central) Rules, 2026 applicable to such establishments.

Employers falling within the scope of Final Central Rules are required to commence compliance immediately, notwithstanding the absence of State rules, marking a clear shift from phased implementation to immediate enforceability for covered establishments. It is expected that notification of corresponding State rules will further define and operationalise several aspects of compliance at the State level.

For a detailed analysis, please refer to JSA Blog of May 13, 2026.

[12] G.S.R. 343(E) (May 8, 2026)
[13] G.S.R. 342(E) (May 8, 2026)
[14] G.S.R. 344(E) (May 8, 2026)
[15] G.S.R. 345(E) (May 8, 2026)

Employment Practice

JSA has a team of experienced employment law specialists who work with clients from a wide range of sectors, to tackle local and cross-border, contentious and non-contentious employment law issues. Our key areas of advice include (a) advising on boardroom disputes including issues with directors, both executive and non-executive; (b) providing support for business restructuring and turnaround transactions, addressing employment and labour aspects of a deal, to minimize associated risks and ensure legal compliance; (c) providing transaction support with reference to employment law aspects of all corporate finance transactions, including the transfer of undertakings, transfer of accumulated employee benefits of outgoing employees to a new employer, redundancies, and dismissals; (d) advising on compliance and investigations, including creating compliance programs and policy, compliance evaluation assessment, procedure development and providing support for conducting internal investigations into alleged wrongful conduct; (e) designing, documenting, reviewing, and operating all types of employee benefit plans and arrangements, including incentive, bonus and severance programs; and (f) advising on international employment issues, including immigration, residency, social security benefits, taxation issues, Indian laws applicable to spouses and children of expatriates, and other legal requirements that arise when sending employees to India and recruiting from India, including body shopping situations. JSA also has significant experience in assisting employers to ensure that they provide focused and proactive counselling to comply with the obligations placed on employees under the prevention of sexual harassment regime in India. We advise and assist clients in cases involving sexual harassment at the workplace, intra-office consensual relationships, including drafting of prevention of sexual harassment (POSH) policies, participating in POSH proceedings, conducting training for employees as well as Internal Complaints Committee members, and acting as external members of POSH Committees.

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