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Nifty 50 Companies Report Higher POSH Complaints in FY26, Highlighting Workplace Safety and Implementation Gaps

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Recent Developments:

- Nifty 50 companies reported 1,327 complaints under the **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013** during FY26, compared with 1,269 complaints in FY25, representing a **4.6% increase**.
- The increase in reported complaints **does not by itself establish an increase in the incidence of sexual harassment**, as higher reporting can also reflect greater awareness, improved sensitisation and increased confidence in formal redressal mechanisms.
- Excluding two companies for which comparable data was unavailable, reported complaints increased by **6.3% in FY25** and **5.2% in FY26**, indicating a continued rise in formal reporting.
- Recent reporting also highlights the growing relevance of **digital harassment through messaging platforms, email and social media**, along with complaints involving colleagues at the same organisational level.
- The trend is more visible among large listed companies because **SEBI's Business Responsibility and Sustainability Reporting framework** requires disclosure of POSH-related complaint information.

About the POSH Act, 2013:

Legal Background:

- The **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013** provides statutory protection to women against workplace sexual harassment and establishes mechanisms for its **prevention, prohibition and redressal**.
- The Act was enacted following the Supreme Court's **Vishaka v. State of Rajasthan (1997)** judgment, in which the Court laid down the **Vishaka Guidelines** in the absence of a dedicated statutory framework. The Supreme Court continues to list *Vishaka v. State of Rajasthan* among its landmark cases.
- The Act came into force on **9 December 2013** and is administered under the **Ministry of Women and Child Development**.

Constitutional and International Basis:

- The framework advances the constitutional guarantees of **equality before law under Article 14, non-discrimination under Article 15, freedom to practise any profession under Article 19(1)(g), and life and personal liberty with dignity under Article 21**.
- The Act also reflects India's international commitment under **CEDAW**, which seeks elimination of discrimination against women and protection of women from discrimination in employment.

Key Provisions of the Act:

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Definition and Scope of Workplace:

- The Act provides a broad conception of the **workplace**, covering government and private organisations, institutions, hospitals, educational institutions, sports institutions and other workplaces, as well as places visited during employment.
- The framework therefore extends beyond the conventional office environment and can encompass work-related travel and other locations connected with employment.
- The changing nature of work has also made **virtual and hybrid work environments** increasingly relevant to the application of workplace-harassment principles.

Internal Committee:

- Every workplace employing **10 or more workers** is required to constitute an **Internal Committee** to receive and inquire into complaints of sexual harassment.
- The committee must include a **woman Presiding Officer, at least two employee members and one external member** familiar with issues relating to sexual harassment, with **at least half of the members being women**.
- The composition requirement is intended to provide institutional independence, gender representation and relevant expertise in the redressal process.

Local Committee:

- A **Local Committee** is constituted at the district level by the District Officer to receive complaints from establishments where an Internal Committee cannot be constituted, including establishments employing **fewer than 10 workers**, and from certain other situations specified under the Act.
- The Local Committee is therefore particularly important for extending legal protection beyond large formal workplaces to **small establishments and parts of the unorganised sector**.

Complaint and Inquiry Timeline:

- An aggrieved woman may ordinarily submit a written complaint within **3 months** from the date of the incident or, in case of a series of incidents, within 3 months from the date of the last incident; the committee may extend this period by another **3 months** for recorded reasons.
- The inquiry must be completed within **90 days**.
- After completion of the inquiry, the Internal Committee or Local Committee must submit its findings to the employer or District Officer within **10 days**, and the findings must be made available to the concerned parties.
- The recommendations are required to be acted upon within **60 days**, making the redressal framework time-bound rather than open-ended.

Why was the POSH Act Needed?

Legal Vacuum and Judicial Intervention:

- Before 2013, India lacked a dedicated legislation dealing comprehensively with sexual harassment at the workplace, making the **Vishaka Guidelines** the principal judicial framework for prevention and redressal.
- The POSH Act converted these judicial principles into a **statutory compliance framework** applicable across relevant public and private workplaces.

Women's Workforce Participation:

- A safe workplace is important for **women's labour-force participation, retention and career progression**, particularly when concerns about harassment can influence women's decisions to enter or remain in paid employment.

- Effective grievance redressal can therefore contribute to the broader objective of converting India's demographic potential into productive economic participation.

International Commitments:

- The Act is consistent with India's obligations under **CEDAW**, strengthening the legal framework against discrimination and unsafe working conditions for women.

Significance of the POSH Framework:

Institutional Trust and Reporting:

- Functional complaint mechanisms can reduce the dependence on informal resolution and provide women with an institutional avenue for reporting workplace harassment.
- The FY26 increase in complaints among Nifty 50 companies may partly indicate **greater awareness and willingness to use formal mechanisms**, although complaint numbers alone cannot measure the actual prevalence of harassment.

Corporate Governance and ESG:

- POSH compliance has become relevant to **corporate governance and sustainability reporting**, as SEBI's BRSR framework requires disclosure of complaints under the POSH Act, including complaints as a proportion of female employees or workers and complaints upheld.
- This creates greater transparency for investors and other stakeholders regarding workplace practices.

Gender Equality and Demographic Dividend:

- Safe and inclusive workplaces can support **Female Labour Force Participation Rate**, women's economic independence and more effective utilisation of human capital.
- Effective implementation therefore connects workplace regulation with broader objectives of **gender equality, inclusive growth and demographic dividend realisation**.

Implementation Challenges:

Informal Sector and Local Committee Gaps:

- Protection remains uneven because small establishments and informal workplaces depend significantly on functional **Local Committees**, district-level capacity and awareness of available redressal mechanisms.
- Recent reporting indicates that smaller companies and the informal economy continue to face substantial compliance and access gaps.

Awareness and Compliance Deficit:

- Some employers and employees may lack adequate awareness of statutory obligations, complaint procedures and committee responsibilities.
- Merely constituting a committee without adequate training, independence and resources can result in **procedural compliance without substantive protection**.

Digital and Hybrid Workplace Harassment:

- Increased use of messaging platforms, email and social media has expanded the forms through which inappropriate conduct can occur.

- Digital evidence can involve **messages, emails, screenshots, social-media interactions and electronic records**, requiring committees to develop appropriate evidence-handling capabilities.

Fear of Retaliation and Underreporting:

- Fear of professional repercussions, reputational consequences, social stigma and workplace isolation can discourage reporting.
- Therefore, the number of complaints should not be interpreted as a complete measure of the prevalence of workplace sexual harassment.

Committee Effectiveness:

- Improper constitution, inadequate training, conflicts of interest or inactive committees can undermine confidence in the redressal mechanism.
- Confidentiality, procedural fairness and protection against adverse consequences for complainants are essential for institutional credibility.

Government and Institutional Measures:

Digital Governance and SHe-Box:

- The Ministry of Women and Child Development launched the **Sexual Harassment electronic Box (SHe-Box) Portal** as a digital governance initiative to facilitate reporting and monitoring of workplace sexual-harassment complaints.
- The initiative seeks to strengthen access to complaint mechanisms and improve institutional monitoring across workplaces.

Training and Capacity Building:

- Government institutions have continued to constitute or reconstitute Internal Committees and provide **POSH-related training**, including through the **iGOT Karmayogi** platform.
- Capacity building should cover legal procedure, evidence assessment, confidentiality, digital harassment and unconscious bias.

Way Forward:

Strengthen Implementation:

- Ensure that every eligible workplace has a **properly constituted and functional Internal Committee**, while district administrations strengthen Local Committees for smaller establishments and the informal sector.
- Establish regular **training, audits and compliance monitoring** rather than treating committee formation as a one-time requirement.

Address Emerging Forms of Harassment:

- Develop clearer institutional protocols for **digital, remote and hybrid workplace harassment**, including preservation and assessment of electronic evidence.
- Update training programmes to reflect changing workplace relationships and communication technologies.

Improve Access and Accountability:

- Strengthen awareness among women workers, employers and employees regarding complaint procedures, confidentiality and available remedies.
- Improve monitoring through **SHe-Box, BRSR disclosures and institutional reporting mechanisms**, while protecting complainant confidentiality.

Integrate with Broader Labour Governance:

- POSH compliance should be aligned with broader labour-governance reforms and workplace-safety mechanisms without weakening the specific protections and institutional responsibilities created by the POSH framework.

Value Addition for UPSC:

GS-I — Society:

- **Themes:** Women empowerment, gender equality, women's workforce participation, changing workplace relations and social attitudes towards consent.

GS-II — Polity and Governance:

- **Constitutional provisions:** Articles **14, 15, 19(1)(g) and 21**.
- **Governance themes:** Judicial activism, statutory institutionalisation, accountability, grievance redressal and protection of vulnerable groups.
- **Landmark case:** **Vishaka v. State of Rajasthan, 1997**.

GS-III — Economy:

- **Themes:** Female Labour Force Participation Rate, human-capital utilisation, demographic dividend, corporate governance and ESG reporting.
- **Regulatory linkage:** **SEBI's BRSR framework** incorporates workplace sexual-harassment disclosures.

Essay / Interview Keywords:

- **Safe and inclusive workplaces**
- **Gender-responsive governance**
- **Institutional accountability**
- **Access to justice**
- **Workplace dignity**
- **Digital workplace**
- **Female Labour Force Participation**
- **Corporate governance**
- **Social sustainability**
- **Substantive compliance over symbolic compliance**

Prelims Facts to Remember:

- **Act:** Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- **Origin:** **Vishaka Guidelines, 1997**.
- **Constitutional linkage:** Articles **14, 15, 19(1)(g) and 21**.
- **Internal Committee:** Required at workplaces with **10 or more workers**.
- **Local Committee:** District-level mechanism for establishments where an Internal Committee cannot be constituted, including establishments with fewer than **10 workers**.
- **Complaint period:** **3 months**, extendable by another **3 months** for recorded reasons.
- **Inquiry period:** **90 days**

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- **Inquiry report:** Within **10 days** of completion of inquiry.
- **Action on recommendations:** Within **60 days**.
- **Reporting framework:** SEBI's **BRSR** includes POSH-related disclosures.
- **Digital grievance mechanism:** **SHe-Box Portal**.