

Employee Grievances – Trends and Challenges

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The New Employee Relations Landscape



- Employee relations has moved from a labour relations issue to an enterprise risk issue
- Employees are more aware of rights and more willing to raise concerns
- Complaints increasingly involve dignity, culture, inclusion and ethics rather than only wages and benefits
- Social media, whistleblowing channels and ESG expectations have amplified employee voice
- Multinationals must reconcile global standards with local legal requirements
- Inadequate handling of employee grievances come with significant legal and/or reputational risks

"Are we seeing more employee grievances, or are employees simply more willing to report them?"

What's driving greater / more complex complaints?

Legal Factors

- Expanded statutory protections (special laws dealing with disabilities, transgenders, HIV-AIDS, etc.)
- Increased regulatory scrutiny

Workforce Factors

- Multi-generational workforce
- Greater expectations of fairness and transparency

Technology Factors

- Digital evidence
- Workplace monitoring
- AI-tools

Societal Factors

- Mental health awareness
- DEI expectations
- Reduced tolerance for workplace misconduct

What is a grievance?

There is no comprehensive statutory definition of “grievance” under Indian laws.

Grievances increasingly have legal, cultural and reputational dimensions

Traditional	Modern
Wages Overtime Leave Attendance Transfers Shift allocation Ratings/Promotions Appraisals/PIP	Mental health concerns <i>(Burnout, Workload, Psychological safety)</i> Workplace culture / DEI <i>(Lack of respect, leadership behaviour, bias, religious accommodation, disability accommodations, caste-based allegations, discrimination)</i>
Harassment Bullying Victimisation Retaliation	AI-driven performance management Remote work disputes Privacy concerns Workplace surveillance

Statutory Complaint Mechanisms

Issue	Framework
POSH	POSH Act: <i>Internal Committee</i>
Disability related discrimination / accommodations	RPWD Act: <i>GRO in Government Entities; Liaison Officer under EO policy</i>
Transgender related discrimination / grievances	Transgender Persons Protection of Rights Act: <i>Complaints Officer</i>
HIV/AIDS related discrimination / grievances	HIV/IDS Act: <i>Complaints Officer</i>
Other grievances	IR Code: <i>Internal company framework / GRC</i>

Employees often have multiple forums available simultaneously.

Possibility of forum shopping and overlapping investigations, with possibility of inconsistent handling and outcomes.

Grievance Redressal Mechanism (GRC) – IR Code

Required in Establishments employing **20 or more workers**

Composition

- Equal representation of employer and workers
- Maximum 10 members
- Proportionate representation of women
- Rotating chairperson between worker and employer rep

Scope

- Resolution of “disputes” arising out of “individual grievances”
- Distinct from industrial disputes, which are collective grievances/disputes linked with termination, and go directly to the Conciliation Officer

Process

- Individual Grievance to be raised within 1 year of cause of action
- GRC to solve within 30 days
- GRC decision to be supported by at least 50% of worker reps

Appeal

- Worker can appeal GRC decision within 60 days to the Conciliation Officer, but only through Union Espousal.
- Rules state “In case of non-member, a REQUEST to a registered trade union to espouse his dispute is deemed sufficient”

Grievance Redressal Mechanism (GRC) – IR Code

Selection of GRC Members

- Employer reps nominated by employer: *Individuals in direct touch with establishment workings/heads of major depts*
- Worker reps chosen via union/negotiating council (*Where there is Union/Negotiating Council*).
- Worker reps: Under Central Rules, *where there is no union / negotiating council* -

(c) where there is no recognised negotiating union or negotiating council referred to in the clauses (a) and (b), the workers of the industrial establishment shall choose amongst themselves the worker's representatives of the Grievance Committee:

Provided that the employer may, deploy an electronic platform for choosing worker's representatives under this clause, over an information technology application, online platform or such other like platform:

Similar provisions under State Rules. Some however don't refer to provision of an electronic/online voting platform.

Draft Karnataka Rules:

(c) Where there is no registered trade union or negotiating council, the workers may choose amongst themselves representatives for the Grievance Redressal Committee

Grievance Redressal Mechanism (GRC) – IR Code

Policy Goals / Outcomes

Policy Goal

- Resolve disputes at the lowest level possible

Expected Benefits

- Faster resolution
- Reduced litigation
- Better industrial/organizational harmony
- Improved trust

What are the complexities to deal with to achieve this?

Grievance Redressal Mechanism (GRC) – IR Code

Issues to solve for:

- Who has access to GRC – question of “worker” vs. “non-worker”?
- What becomes a “dispute” arising from an individual grievance? How is “cause of action” defined? For e.g., can a worker escalate to GRC mid-disciplinary proceedings, or mid-PIP?
- What kind of “disputes” cannot go to the GRC (due to alternate mechanisms or otherwise)? For e.g., can a worker challenge POSH IC proceedings/recommendations before GRC?
- Is GRC the first port of call for an aggrieved worker, or an appellate mechanism on top of existing grievance framework? Overlap/alignment with existing domestic/global processes.
- How does one prevent the GRC from being overburdened?
- How many GRCs are needed? Per establishment?
- Do worker-termination related grievances go with the GRC or directly to Conciliation (since they are deemed industrial disputes)?
- What powers/authorities does the GRC have?
- Selection of “worker representatives” – call to unionization?

Well-designed GRC policy is crucial which sets out clear process flows and answers/addresses all above questions

Grievance Redressal Mechanisms

Example for discussion

- Remote employee raises concerns with manager about lack of inclusion into projects.
- Manager states employee must visit office more often for better inclusion.
- Employee claims she's following org policy which permits remote work. Plus, she has care-giver responsibilities. Manager doesn't address situation.
- Few weeks later employee complaints to HR of stress emanating from situation, lack of clarity about future in org and depressive tendencies impacting her health. Claims manager is hinting at a poor rating. Mentions there was a call where manager was aggressive, accusatory and disrespectful. Seeks resolution.
- HR reviews concerns and counsel's manager to involve her in projects, doesn't take further action.
- Next month employee gets a poor rating. Along with that, manager calls her and asks her to put in her papers or go through a PIP.
- She raises another concern arguing manager's actions are unfair and retaliatory and aggravating her mental well-being. Asks for intervention.
- HR reviews again and concludes rating was independent of her prior escalation and hence non-retaliatory. Doesn't go into fairness of review/rating, allegations of being asked to resign or address health concerns.
- Employee refuses to resign, manager works with HR and issues a termination notice directly, without initiation of a PIP.

Grievance Redressal Mechanisms

Example for discussion

- Several flaws in the process and steps in the example above. What are key observations?
- What policies would need to work in tandem / be aligned?
- How would you define 'cause of action' and 'dispute' in the above facts, that would warrant going to the GRC?
- How would you define process flow and what stakeholders must be involved at various steps?
- How would you determine GRC members, considering such matters can eventually go to the GRC? How do you ensure independence and lack of bias?

Grievance Management – Best Practices

Rethinking Grievance Management



Traditional Approach

Investigate and close.

Needed Approach

Identify and solve systemic risk.

Helps limit disputes and potential for litigation.

Be truly independent – not enforcers of management decisions.

Key Shift

Complaint management



Workplace trust management

Grievance Management – Best Practices

A. Build a Unified Grievance Architecture

- Map all complaint channels (GRC, POSH, ethics, HR, ombuds, whistleblower).
- Create a single intake or triage mechanism. Define ownership and escalation protocols clearly.
- Clearly define when and whether a matter can be escalated to GRC

B. Strengthen Early Resolution

- Train managers in conflict resolution and empathetic listening.
- Encourage informal resolution where appropriate.
- Set strict timelines for acknowledgement and closure.

C. Ensure Procedural Fairness

- Neutral investigators and documented processes.
- Opportunity for both sides to be heard. *[Note: disciplinary process and investigations are different in Indian law]*
- Consistent application of policies across levels and geographies.

D. Integrate Technology Thoughtfully

- Use case-management systems for tracking and analytics.
- Enable anonymous reporting where appropriate (for e.g. no anonymous reporting permitted for POSH).
- Maintain confidentiality and data protection safeguards.

Grievance Management – Best Practices

E. Build Trust Through Transparency

- Communicate processes clearly to employees.
- Share periodic anonymised trends and learnings.
- Demonstrate non-retaliation commitments visibly.

F. Align Global and Indian Frameworks

- Localise global policies to Indian legal requirements.
- Ensure POSH, IRC, and labour law compliance are embedded in global ER frameworks.
- Train expatriate leaders on Indian workplace sensitivities and laws.

G. Use Data Strategically

- Track complaint categories, hotspots, repeat issues, and closure times.
- Identify systemic issues (manager behaviour, workload, policy gaps).
- Report trends to leadership and the board where appropriate.

Grievance Management – Best Practices

1

Business Managers – first-line resolution and employee engagement

2

HR/ER Function – investigation, mediation, compliance, analytics

3

Legal/Compliance/Audit – oversight, high-risk cases, whistleblower and regulatory matters

“ER Governance Council”

- Review complex cases monthly.
- Monitor trends and systemic risks.
- Ensure consistency across India operations.

Audience Poll/Questions

Q 3 Multiple Choice

Has your org set up a GRC?

Yes

0

No

60% 12

No

In the process/assessing

40% 8

In the process/assessing

20 total responses

Audience Poll/Questions

Q 2 Multiple Choice

If you've set up a GRC, is it per establishment or common for the whole org?

Per Establishment/Office

0

Common for the org

0

Haven't set up yet

100% 26

Haven't set up yet

26 total responses

Audience Poll/Questions

Q 4 Multiple Choice

Have you provided online tools to help workers select reps?

Yes

0

No

75% 18

No

Not clear how to do this

25% 6

Not clear how to do this

24 total responses

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ABOUT ATUL

Atul Gupta is a senior partner in Trilegal's Employment Practice and is one of India's foremost employment law practitioners. Over the years, he has established his credentials as a leading authority and thought leader on Indian labour and employment laws. His views on key developments have regularly featured in national newspapers and are sought by major industry and trade bodies.

Atul's practice covers all aspects of employment law, with extensive capabilities and experience in dealing with high value, complex and sensitive matters. He regularly advises and represents clients on matters of senior executive hiring; bespoke compensation and benefit structuring; large scale M&A, acqui-hire, outsourcing/insourcing deals with significant employment law elements; workplace harassment and misconduct investigations (*Atul is an AWI-CH certified investigator*), including sensitive sexual harassment and corruption matters; large scale employee exits and workforce restructurings and closures; regulatory assessments on social security compliances; complex and sensitive senior employee separations and enforcement of restrictive covenants; strategic union negotiations and bargaining, amongst others.

Atul has created the firm's industrial relations practice and regularly assists clients in complex labour issues involving trade unions.

Atul regularly conducts training sessions for clients on effective management of employment law risks and sexual harassment prevention, including capacity building workshops for Internal Committee members.

Atul is a regular panellist and speaker at various international and national conferences including the American Bar Association's (ABA) Section of Labour and Employment Laws, International Bar Association's (IBA) Employment Committee, the Inter-Pacific Bar Association (IPBA) and ELA. He is also a regular speaker at CII's National Committee on Employment and Industrial Relations, amongst others.

CREDENTIALS

- Education: University of Pune
- Admissions: Bar Council of Karnataka

RECOGNITION

- Ranked in Band 1 for Labour and Employment by Chambers and Partners (Asia Pacific) consistently.
- Leading Partner – Labour and Employment, Legal 500 (2025 and before).
- Lexology Index/Who's Who Legal (WWL) - Global Leader and Thought Leader - Labour & Employment.
- 'Distinguished Practitioner' for Labour and Employment - Asialaw Profiles (2023 - 2025).
- Labour and Employment Lawyer of the Year - Asialaw Awards 2024
- India Business Law Journal's, A-list 2024 of top 100 lawyers in India.
- Standout Lawyer – Thomson Reuters

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SELECT REPRESENTATIVE MATTERS AND CLIENTS

Representative list of a few of Atul's key clients on employment and industrial relations matters include:

- **McKinsey**
- **Micron Technology**
- **Honeywell**
- **Bank of America**
- **Wells Fargo**
- **Eli Lilly**
- **Prosus**
- **Capgemini**
- **Accenture**

Atul has advised Huhtamaki on a complex factory relocation matter, including strategy and approach to achieve the relocation despite opposition from the employee's trade union.

Atul has also advised Bank of Baroda on critical employment and union related matters, in India's first three-way merger of Vijaya and Dena Bank into Bank of Baroda.

RECENT INTERVIEWS

- **ET Now:** [Four Labour Codes Implemented In India: Acts Notified; Rules Will Be Issued In 5-7 Days](#)
- **CNBC TV-18:** [Indianomics | India's Labour Codes: Relief for Small Firms, Rising Gratuity Woes for Big Companies](#)
- **CNBC TV-18:** [New Labour Codes To Free Small Cos From Regulatory Burden But Higher Gratuity Outgo To Hit Big Firms](#)

RECENT ONLINE PUBLICATIONS

- **Moneycontrol:** [OPINION | The Labour Codes: To wait or not is the dilemma](#)
- **Business Today:** [Opinion piece on "New wage code: Why govt's new compensation rules are a hasty composition"](#)
- **Lexology:** [Three new labour codes enacted](#)
- **The Economic Times:** [India Inc to feel weight of bulkier payslips: Rise in cost of bonus, gratuity, overtime benefits to raise cos' salary outgo](#)
- **Times of India:** [New labour codes: Indian companies face higher wage expenses; manpower costs may increase 5-15% across sectors](#)
- **Times Now:** [New Labour Codes 2025: Why Your Boss Can't Reduce Your Salary Anymore?](#)
- **Mint:** [Labour codes: Gratuity, leave encashment get a boost, maternity payout doesn't](#)
- **CNBC TV-18:** [New labour codes streamline regulations, though job gains may take time: Industry observers](#)
- **News18:** [For The First Time, New Labour Codes Bring Gig & Platform Workers Into Social Security Net: What It Means](#)
- **Bloomberg:** [Labor Codes Have Companies Scrambling; India's Growing Spotlight](#)
- **Bloomberg Quint:** [Opinion piece on labour reforms in the age of Covid-19](#)
- **People Matters:** [Major workplace and HR developments in 2020](#)

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RECENT ONLINE PUBLICATIONS

- **Moneycontrol:** Indian companies to experience escalation in compliance costs under the new labour codes
- **CNBC TV-18:** Who gets gratuity after 1 year instead of 5 - An FAQ on the new Labour Code changes
- **PeopleMatters:** Labour codes flip HR priorities - experts map the shifts to watch
- **Business Standard:** Labour codes: Real estate expects up to 10% spike in baseline labour cost
- **New Indian Express:** States mostly aligned with new Labour Codes
- **Fortune India:** Tech sector expects significant benefits from new labour laws
- **Business Today:** New labour codes: Take-home pay may dip as PF and gratuity rise under unified definition of wages
- **The Hindu:** Labour experts welcome labour codes, but urge Govt to address likely teething issues
- **The Hindu Business Line:** Labour codes create a national framework for gig workers' benefits, but more clarity awaited
- **India Today:** From gratuity to gig worker insurance: What new labour laws mean for employees
- **Legal Era:** Trilegal Partner Atul Gupta Says On Launch Of New Labour Codes In India

- **India.com:** ATTENTION employees: From gratuity, national minimum wage to gig worker insurance, check Centre's 4 labour codes
- **The CSR Journal:** New Labour Codes: Four New Codes Redefine Work, Wages and Worker Protections
- **Fortune India:** Govt gives life to Labour Codes, trade unions, experts debate over consequences
- **Economic Times:** India Inc to Feel the Weight of Bulkier Payslips

RECENT PRINT PUBLICATIONS

- **Mint:** How the latest labour codes will benefit most employees [Pg:13]
- **The CSR Journal:** Real estate expects up to 10% spike in baseline labour cost [Pg:04]
- **Fortune India:** New rules formalise framework for gig workers, but more clarity awaited [Pg:03]



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