

Labour Law Compliance Audit Checklist

1. REGISTRATION & LICENSING REQUIREMENTS

Shops and Establishments Act

- ☐ Shop and Establishment License obtained and displayed
- ☐ License renewed within prescribed time limits
- ☐ All prescribed registers maintained (attendance, wages, overtime, etc.)
- ☐ Working hours compliance (daily and weekly limits)
- ☐ Rest intervals and weekly offs provided as per state rules
- ☐ Employment of women during night hours compliance
- ☐ Annual returns filed with authorities

Contract Labour (Regulation and Abolition) Act, 1970

- ☐ Principal employer license obtained (if employing 20+ contract workers)
- ☐ Contractor license verification
- ☐ Contract labour register maintained
- ☐ Muster roll and wage register for contract workers
- ☐ Welfare facilities provided to contract workers
- ☐ Equal wages for similar work compliance
- ☐ Annual returns submitted

Factories Act, 1948

- ☐ Factory license obtained and renewed
- ☐ Manager's certificate of competency verified
- ☐ Statutory registers maintained (employment, accidents, etc.)
- ☐ Working hours compliance (48 hours/week, 9 hours/day max)
- ☐ Overtime payment compliance
- ☐ Health, safety, and welfare provisions implemented
- ☐ Annual returns filed

2. EMPLOYEE PROVIDENT FUND AND SOCIAL SECURITY

Employees' Provident Fund and Miscellaneous Provisions Act, 1952

- ☐ EPF registration obtained (applicable for 20+ employees)
- ☐ Monthly PF contributions deposited within due dates
- ☐ Employee and employer contribution rates compliance (12% each)
- ☐ ECR (Electronic Challan-cum-Return) filed monthly
- ☐ Annual return filed
- ☐ PF account numbers allotted to all eligible employees
- ☐ Nomination forms collected from employees

Employees' State Insurance Act, 1948

- ☐ ESI registration obtained (applicable for 10+ employees)
- ☐ Monthly ESI contributions deposited (employee 0.75%, employer 3.25%)
- ☐ Half-yearly returns filed
- ☐ Medical benefits facilitated for covered employees
- ☐ Accident reporting compliance



3. WAGE-RELATED COMPLIANCE

Payment of Wages Act, 1936

- ☐ Wages paid within prescribed time limits (7th/10th of following month)
- ☐ Wage register maintained with all prescribed details
- ☐ Deductions limited to statutory and authorized amounts
- ☐ Payment mode compliance (cash/bank transfer)
- ☐ Wage slips issued to all employees

Minimum Wages Act, 1948

- ☐ State/central minimum wage rates followed
- ☐ Revised minimum wages implemented timely
- ☐ Minimum wage register maintained
- ☐ Display of minimum wage rates
- ☐ Annual returns filed

Payment of Bonus Act, 1965

- ☐ Annual bonus calculation and payment (minimum 8.33%)
- ☐ Bonus register maintained
- ☐ Set-on and set-off provisions applied correctly
- ☐ Returns filed within prescribed time

Payment of Gratuity Act, 1972

- ☐ Gratuity registration obtained (10+ employees)
- ☐ Gratuity fund maintained or insurance coverage
- ☐ Nomination forms collected
- ☐ Gratuity calculation compliance (15 days salary for each year)
- ☐ Annual returns filed



4. WORKING HOURS AND LEAVE MANAGEMENT

Working Time Compliance

- ☐ Daily working hours within legal limits
- ☐ Weekly working hours compliance
- ☐ Overtime authorization and payment
- ☐ Rest intervals provided
- ☐ Weekly offs granted
- ☐ Night shift compliance (especially for women)

Leave Entitlements

- ☐ Annual leave/earned leave provided as per law
- ☐ Sick leave provisions
- ☐ Maternity leave (26 weeks) compliance
- ☐ Paternity leave provisions
- ☐ Casual leave provisions
- ☐ Leave records maintained

5. HEALTH, SAFETY, AND WELFARE

Occupational Health and Safety

- ☐ Safety committee constituted (if required)
- ☐ Safety policy displayed
- ☐ First aid facilities provided
- ☐ Fire safety arrangements
- ☐ Personal protective equipment provided
- ☐ Accident register maintained
- ☐ Medical examination records
- ☐ Welfare facilities (drinking water, washrooms, canteen)



Building and Other Construction Workers Act

- ☐ Registration with Building Workers Board (if applicable)
- ☐ Cess payment compliance
- ☐ Safety measures for construction workers
- ☐ Welfare fund contributions

6. EMPLOYMENT AND EQUAL OPPORTUNITY

Equal Remuneration Act, 1976

- ☐ Equal pay for equal work policy implementation
- ☐ Gender pay gap analysis
- ☐ No discrimination in wages based on gender

Equal Sexual Harassment Prevention Remuneration Act, 1976

- ☐ Internal Complaints Committee (ICC) constituted
- ☐ Policy against sexual harassment in place
- ☐ Annual report submission to District Officer
- ☐ Awareness programs conducted

Employment of Women

- ☐ Maternity benefit compliance
- ☐ Creche facilities (if 50+ women employees)
- ☐ Night shift permissions and safety measures
- ☐ Prohibition of discrimination

7. INDUSTRIAL RELATIONS

Industrial Disputes Act, 1947

- ☐ Standing orders certification (100+ employees)
- ☐ Grievance redressal mechanism
- ☐ Retrenchment, lay-off procedures compliance
- ☐ Prior approval for closure (if required)

Trade Unions Act, 1926

- ☐ Recognition of trade unions (if any)
- ☐ Collective bargaining agreements
- ☐ Union registration verification

8. SPECIFIC INDUSTRY COMPLIANCE

Information Technology

- ☐ Special Economic Zone regulations
- ☐ Flexible working hours compliance
- ☐ Work from home policy compliance

Manufacturing

- ☐ Environmental clearances
- ☐ Pollution control compliance
- ☐ Hazardous substance handling



9. RECORD KEEPING AND DOCUMENTATION

Statutory Registers

- ☐ Employment register
- ☐ Attendance register
- ☐ Wage register
- ☐ Overtime register
- ☐ Leave register
- ☐ Accident register
- ☐ Medical examination register

Certificates and Licenses

- ☐ All licenses and registrations current
- ☐ Display of required certificates
- ☐ Renewal schedules maintained

10. RETURNS AND FILINGS

Periodic Returns

- ☐ Monthly EPF and ESI returns
- ☐ Annual returns under various acts
- ☐ Half-yearly ESI returns
- ☐ Labour department returns
- ☐ Statistical returns

Payment Compliance

- ☐ All statutory dues paid within due dates
- ☐ Penalty and interest calculations
- ☐ Compliance certificates obtained

11. AUDIT TRAIL AND INTERNAL CONTROLS

Documentation

- ☐ Policy documents updated
- ☐ Standard Operating Procedures (SOPs)
- ☐ Employee handbook distributed
- ☐ Training records maintained

Internal Monitoring

- ☐ Regular compliance reviews
- ☐ Internal audit mechanisms
- ☐ Corrective action plans
- ☐ Management review processes

12. STATE-SPECIFIC COMPLIANCE

Regional Variations

- ☐ State-specific amendments incorporated
- ☐ Local authority requirements
- ☐ Municipal corporation compliance
- ☐ State labour department registrations

COMPLIANCE RATING SCALE

Critical (Immediate Action Required)

- ☐ Non-compliance leading to prosecution
- ☐ Unpaid statutory dues
- ☐ Missing registrations/licenses

High Priority

- ☐ Delayed filings attracting penalties
- ☐ Incomplete documentation
- ☐ Policy gaps

Medium Priority

- ☐ Process improvements needed
- ☐ Training requirements
- ☐ System upgrades

Low Priority

- ☐ Documentation enhancements
- ☐ Best practice implementations

REVIEW AND FOLLOW-UP ACTIONS

Immediate Actions (0-7 days)

- ☐ Address critical non-compliance issues
- ☐ Submit overdue returns
- ☐ Pay outstanding statutory dues

Short-term Actions (1-4 weeks)

- ☐ Implement missing policies
- ☐ Complete required registrations
- ☐ Update documentation

Medium-term Actions (1-3 months)

- ☐ System improvements
- ☐ Training programs
- ☐ Process automation

Long-term Actions (3+ months)

- ☐ Strategic compliance framework
- ☐ Technology upgrades
- ☐ Comprehensive policy review

