

## LEGAL COMPLIANCE AUDIT

# POSH Compliance **Audit** Checklist

## Is Your Organisation Actually Compliant?

*Most Indian companies believe they are POSH-compliant because they ran one training session. The Sexual Harassment of Women at Workplace Act, 2013 requires considerably more than that. Be honest. Partial compliance is non-compliance when a complaint is filed.*

### **⚠ Before You Start**

Here is the uncomfortable truth: most Indian companies believe they are POSH-compliant because they ran one training session. Some add a policy to the employee handbook. A few have an Internal Committee that technically exists.

The Act mandates specific documentation, a constituted and trained Internal Committee, mandatory annual awareness programmes, and annual reports to the district officer. The penalties for non-compliance are real — **up to ₹50,000 for a first offence**, cancellation of business licences for repeat non-compliance, and the reputational damage of a compliance failure becoming public during a complaint.

This checklist maps your current state against the law's actual requirements. Be honest. **Partial compliance is non-compliance when a complaint is filed.**

**SECTION 1 – POLICY & DOCUMENTATION**

#	COMPLIANCE REQUIREMENT	LEGAL REFERENCE	STATUS	RISK IF MISSING
1.1	A written POSH policy exists, defines sexual harassment (including all five forms listed in the Act), states the organisation's commitment to a safe workplace, and outlines the complaint mechanism.	Section 19(a), POSH Act 2013	<input type="checkbox"/> Compliant <input type="checkbox"/> Partial <input type="checkbox"/> Non-Compliant	A complaint without a documented policy exposes the employer to the argument that the employee had no way to know the process — significantly weakening the organisation's defence.
1.2	The POSH policy has been formally communicated to all employees — not merely uploaded to an intranet. There is a record of distribution (email confirmation, signed acknowledgement, or LMS completion).	Section 19(b)	<input type="checkbox"/> Compliant <input type="checkbox"/> Partial <input type="checkbox"/> Non-Compliant	Without proof of communication, courts and tribunals can hold that employees were not adequately informed, regardless of what the policy says.
1.3	The policy is displayed at conspicuous locations in the workplace (physical notice boards and/or digital equivalents for remote workforces). The name and contact details of the Presiding Officer or a Complaints Committee member are included in the display.	Section 19(b)	<input type="checkbox"/> Compliant <input type="checkbox"/> Partial <input type="checkbox"/> Non-Compliant	Display obligation is a distinct legal requirement from distribution — satisfying one does not satisfy the other.

## SECTION 2 – INTERNAL COMMITTEE (IC) SETUP

#	COMPLIANCE REQUIREMENT	LEGAL REFERENCE	STATUS	RISK IF MISSING
2.1	An Internal Committee (IC) has been formally constituted in writing. It includes: a Presiding Officer (senior woman employee), at least two members from among employees (preferably committed to the cause of women or with social work experience), and one external member from an NGO or other body familiar with POSH issues.	Section 4(1) and 4(2), POSH Act 2013	<input checked="" type="checkbox"/> Compliant <input type="checkbox"/> Partial <input type="checkbox"/> Non-Compliant	An IC that does not meet statutory composition requirements can be legally challenged during a complaint inquiry. Decisions made by an improperly constituted IC may be set aside.
2.2	IC members have been appointed by a formal written order. The term of appointment (3 years maximum under the Act), member names, and designations are documented. The IC is reconstituted when membership lapses.	Section 4(3)	<input checked="" type="checkbox"/> Compliant <input type="checkbox"/> Partial <input type="checkbox"/> Non-Compliant	Lapsed IC membership creates a period of technical non-compliance during which no valid inquiry can be conducted. Employers have faced penalties for this gap.
2.3	IC members have received substantive training on: the POSH Act's provisions, inquiry procedures under Section 11, principles of natural justice, trauma-informed interviewing, and principles of confidentiality. Training is documented with dates and attendance records.	Section 19(g)	<input checked="" type="checkbox"/> Compliant <input type="checkbox"/> Partial <input type="checkbox"/> Non-Compliant	An untrained IC conducting an inquiry creates procedural grounds for the inquiry report to be challenged. The employer is also exposed to vicarious liability if the IC's handling of a complaint is demonstrably incompetent.

**SECTION 3 — TRAINING & AWARENESS**

#	COMPLIANCE REQUIREMENT	LEGAL REFERENCE	STATUS	RISK IF MISSING
3.1	Mandatory awareness training has been conducted for all employees (not just management) covering: what constitutes sexual harassment, the complaint process, the role of the IC, and protections against retaliation. This training occurs at minimum annually, not as a one-time onboarding exercise.	Section 19(c) and 19(d)	<input type="checkbox"/> Compliant <input type="checkbox"/> Partial <input type="checkbox"/> Non-Compliant	A single onboarding session does not fulfil the annual awareness requirement. If a complaint is filed and records show no annual training, the employer's duty of care defence is significantly weakened.
3.2	New employees receive POSH training as part of onboarding — not just a policy acknowledgement. There is a record that each new joiner completed training within a defined period (typically within 30 days of joining).	Section 19 (general employer duties)	<input type="checkbox"/> Compliant <input type="checkbox"/> Partial <input type="checkbox"/> Non-Compliant	A harassing act by a new employee who was never trained creates a foreseeable harm argument against the employer.
3.3	Training completion records are maintained by employee name, date, and format. These records are available for at least 3 years and can be produced to the District Officer or a court on request.	Section 21 (annual report obligation implies recordkeeping)	<input type="checkbox"/> Compliant <input type="checkbox"/> Partial <input type="checkbox"/> Non-Compliant	Employers who cannot produce training records are treated — in practice — as if training never occurred. Burden of proof lies with the employer, not the complainant.

## SECTION 4 — REPORTING & RECORDS

#	COMPLIANCE REQUIREMENT	LEGAL REFERENCE	STATUS	RISK IF MISSING
4.1	The IC submits an Annual Report to the employer and to the District Officer every calendar year. The report includes: number of complaints received, disposed of, and pending; findings; and recommendations. The employer has a mechanism to collect this report and file it as required.	Section 21, POSH Act 2013	<input checked="" type="checkbox"/> Compliant <input type="checkbox"/> Partial <input type="checkbox"/> Non-Compliant	Failure to submit the annual report to the District Officer is a direct statutory violation, independently punishable. Many companies compliant on policy and training are non-compliant on this requirement specifically.
4.2	Complete records of all complaints — including inquiry proceedings, evidence reviewed, findings, and action taken — are maintained confidentially for a minimum period. The IC has a designated recordkeeper and a defined document retention process.	Section 16 (confidentiality), Section 21	<input checked="" type="checkbox"/> Compliant <input type="checkbox"/> Partial <input type="checkbox"/> Non-Compliant	Inadequate records can result in inquiry findings being challenged or overturned. Disclosure of complaint records to unauthorised persons is itself a punishable offence under Section 17.
4.3	The IC's inquiry process complies with Section 11 procedural requirements: both parties given opportunity to be heard, 90-day timeline observed, principles of natural justice followed, and findings communicated to the employer in writing within 10 days of inquiry completion.	Section 11 and Section 13	<input checked="" type="checkbox"/> Compliant <input type="checkbox"/> Partial <input type="checkbox"/> Non-Compliant	Procedural violations in the inquiry are the most common ground on which IC findings are challenged at the Labour Court or High Court level. An IC that hasn't been trained on Section 11 almost certainly has procedural gaps.

## Scoring Guide – Count your "Compliant" responses

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### Excellent

Your organisation has a genuine POSH compliance programme — not just a checkbox exercise. Maintain it. The common failure point at this level is letting IC membership lapse or skipping the annual awareness refresh.

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### Partial Compliance

You have the foundations but gaps in implementation. The areas marked "Partial" or "Non-Compliant" represent specific legal exposure. Prioritise IC training and annual reporting — these are the most commonly tested requirements in complaints.

Below 8

### Significant Risk

Significant compliance risk. If a complaint were filed today, your organisation's ability to defend itself procedurally would be limited. The liability is not hypothetical — under Section 26, penalties include fines up to ₹50,000, with escalating consequences for repeat violations and potential cancellation of registration or licence. Address this before it becomes urgent.

### Legal Penalties Under Section 26

Non-compliance with the POSH Act carries real consequences: **up to ₹50,000 fine for a first offence**, with escalating penalties for repeat violations including potential **cancellation of business registration or licence**. In addition to financial penalties, non-compliant employers face reputational damage and weakened legal defences when complaints are filed.

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