

DendaGuard

AI-Powered Labour Law Chatbot, Contract Validator,
Termination Checker & Compensation Calculator

Presented By:

BalikPenang

Team Members:

Chua Pei Ying

Jasmine Chin

Josephine Ding

Low Guan Hoong

Ng Shao Ern

Problem Statement & Motivation

PEOPLE | SUCCESS | LIFESTYLE
BUSINESS TODAY

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NEWS SME

When SMEs Rise, Malaysia Rises, Minister Says

By Adrian Phung · October 9, 2025

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ASEAN MALAYSIA 2025

YB Senator Tengku Datuk Seri Utama Zafrul Tengku Abdul Aziz Minister of Investment Trade

Allianz Records 28% Jump In Q3 Profit To RM234 Million From Higher Policy Uptake November 25, 2025

WCT's 3Q PAT Sinks 94% To RM10 Million November 25, 2025

Prime Minister's Political Secretary Tenders Resignation November 25, 2025

Penang's Public Toilets



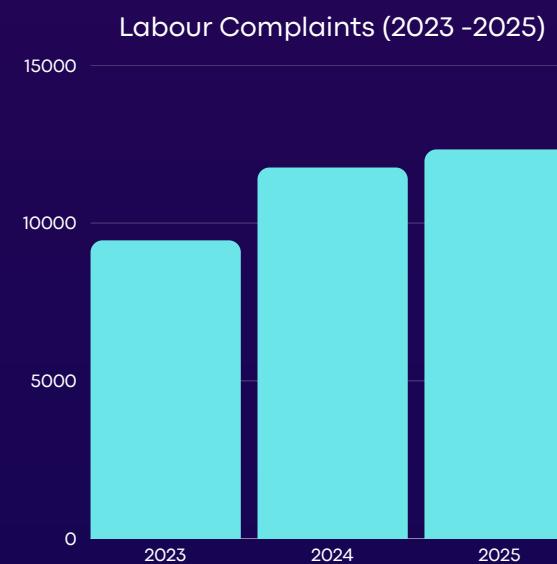
RinggitPlus • May 21

Despite Malaysia's economic recovery, many SMEs are still struggling with slower payments and tighter cash flow, according to Experian Malaysia's State of Credit 2025 report.

RINGGITPLUS.COM

Payment Gap Widens Between SMEs And Corporates, Experian Warns

Problem Statement & Motivation



- Can't afford hiring a professional legal consultant
- Unable to rely on online templates because they are not tailored to Malaysian law or bilingual requirements

Result: Employers are legally defenseless against claims

- SMEs have no idea about workforce costs
- Their financial statements do not clearly show unpaid wages, overdue OT payments, compensation owed for terminations and etc.

Result: Hidden Liability + One Audit = Instant Cash Flow Death





Target User

Small and Medium Enterprises
(SMEs)



Our Problem

**How can we help SMEs stay legally compliant
while saving time and avoiding unnecessary
costs?**



Our Solutions

Bilingual Labour Law Chatbot

An always-on AI legal consultant trained on Malaysian Labour Law.

Contract Validator & Generator

Scans PDFs for non-compliant clauses, regenerates a corrected contract instantly, and delivers AI risk insights, including estimated legal penalties and statutory obligations.

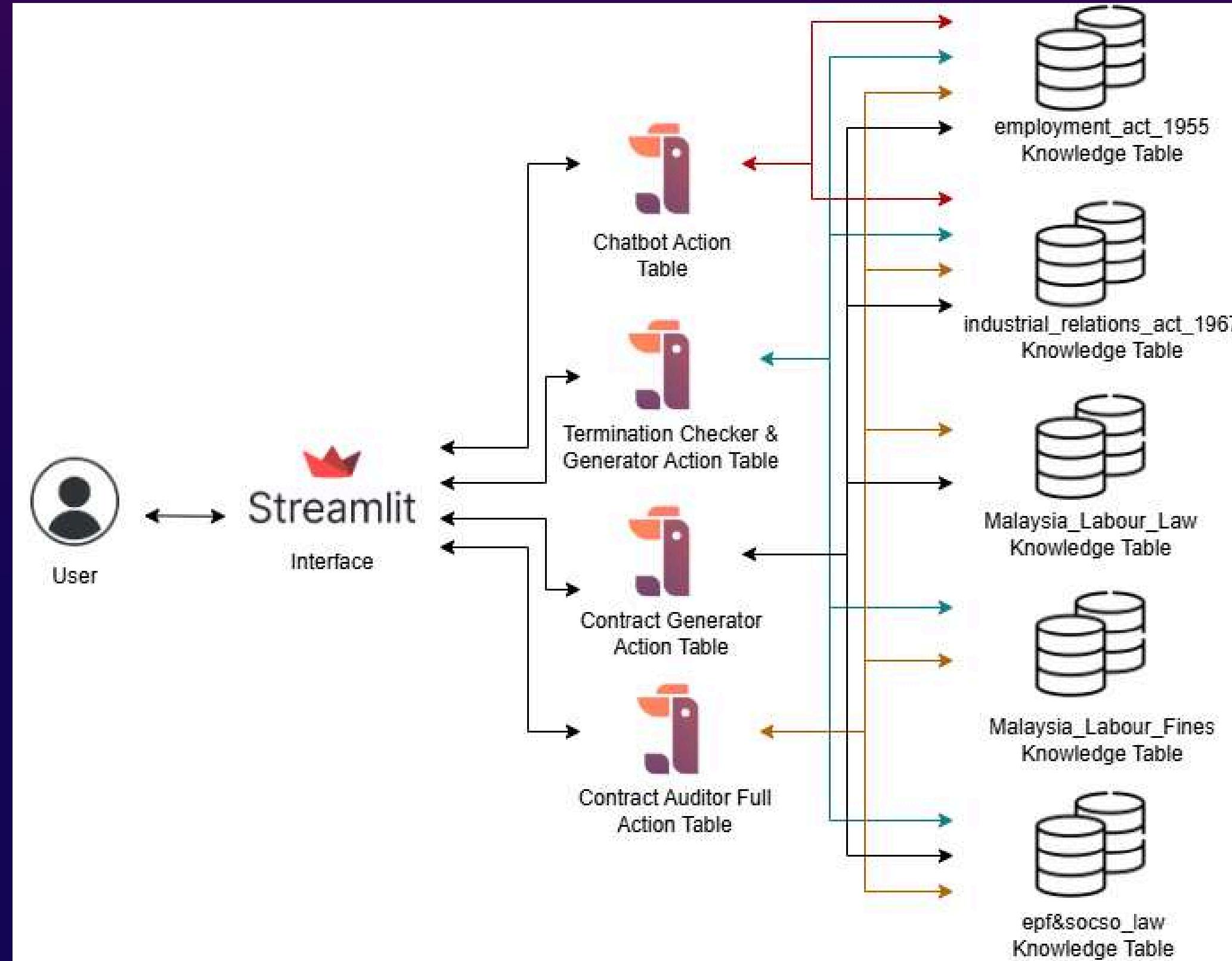
AI Termination Checker & Compensation Calculator

It computes the exact Notice Pay + Termination Benefits to fire someone legally, preventing "Wrongful Dismissal" lawsuits.

Tech Stack



System Architecture





Key Features - AI Chatbot

⌚ how much i will be paid if i work overtime

⌚ For overtime work, you shall be paid at a rate not less than one and a half times your hourly rate of pay (Section 60A(3)(a)). If you work on a paid public holiday, overtime pay shall be at least three times your hourly rate (Section 60D(3)(aa)).

⌚ what are the consequences of not complying with labour law

⌚ Failure to comply with labour law may result in criminal offences, fines, and imprisonment. Specific penalties include: - Fines up to RM50,000 under Section 99A for offences not otherwise specified. - For failure to pay wages on rest days or at incorrect rates, employers face fines and court orders to pay the owed wages (Section 100). - Employers who obstruct the Director General's access to premises, provide false information, or conceal documents commit offences under Section 98. - Employers who prevent employees from appearing before the Director General commit an offence under Section 99. - In severe cases, employers may be detained in custody for up to three months under Section 91(2), subject to security or payment of claims.

⌚ apakan kiraan kadar OT untuk 2 jam

⌚ Kadar OT untuk 2 jam ialah 2 kali kadar gaji sejam (2 x hourly rate of pay), seperti yang dinyatakan dalam Seksyen 60(3)(c) dan Seksyen 60I(1B).

Legally-Grounded Answers

- Generates concise responses based on the current related law
- Uses Retrieval-Augmented Generation (RAG) to fetch and apply relevant legal sections before answering

Multilingual Support

- Support conversation in both Malay and English

Contract Validator

Validate employment contracts against Employment Act 1955 & Industrial Relations Act 1967

Upload Employment Contract (PDF)

Drag and drop file here
Limit 200MB per file • PDF

mock_contract2.pdf 33.5KB

File uploaded: mock_contract2.pdf

Validate Contract

Generate Corrected Contract

Analyzing contract clauses...

Detected Language: MY Bahasa Melayu

Not only tell you what is wrong, but ...

- Automatically identifies illegal clauses and explain why they violate legal requirements
- Generates a corrected version of contract and ready to be downloaded

auto detect contract's language --> instantly change the interface to the detected language!

Contract Validator

Not only tell you what is wrong, but ...

💰 Financial Liability Analysis

👤 Extracted Employee Profile

Name	Position	Base Salary	Start Date
[Employee Name]	General Worker	RM 900.00	-

📅 Likely Liability (Compound)
RM 125,715.46
↑ Settlement Risk

⭐ Worst Case (Court Max)
RM 463,215.46
↑ Max Penalty

[View Liability Breakdown](#)

⚠ Failure to pay Minimum Wage: RM 12,500 (Fine) + RM 7,200.00 (Arrears) (Top-up to RM1,500 for 1 year)

⚠ Exceeding 45-hour work week limit: RM 12,500 (Fine) + RM 1,687.50 (Arrears) (Est. 5hrs OT/week x 1 year)

⚠ Failure to pay Overtime: RM 12,500 (Fine) + RM 1,687.50 (Arrears) (Est. 5hrs OT/week x 1 year)

⚠ Denial of Sick Leave and Public Holidays: RM 12,500 (Fine) + RM 138.46 (Arrears) (Compensation for approx 4 days leave)

- Explains the potential legal risks and penalties businesses may face if the contract is left uncorrected.

Termination Manager

The screenshot shows the 'Employee Termination & Compensation Generator' section of the application. It includes a file upload area for CSV or Excel files, a preview of uploaded data (mock_employees.csv), and a table of employee details (name, role, start date, salary, unused leave). Below this, there's a 'Select Employee to Terminate' dropdown containing 'Ahmad Bin Ali'. A 'Termination Reason' dropdown shows 'Poor Performance'. A checked checkbox says 'Check Termination & Generate Letter(s)'. A green button indicates 'Termination allowed for Ahmad Bin Ali'. At the bottom, a section titled '\$ Compensation for Ahmad Bin Ali' lists compensation details: Notice Pay: RM 5000, Severance: RM 5000.0, Unused Leave: RM 1037.74, and Total Compensation: RM 11037.74. A 'Download Termination Letter - Ahmad Bin Ali' button is at the bottom right.

Personalised Termination Checker

- Employers are able to upload their own employee database
- Termination letter auto-generated based on name, roles and compensation

User Journey & Flow



The screenshot shows the 'Malaysian Labour Law Assistant' interface. On the left sidebar, there are links for 'Labour Law Q&A', 'Contract Checker', and 'Termination & Compensation Generator'. A yellow disclaimer box states: 'DISCLAIMER: This tool is for informational purposes only and does not constitute legal advice. Always consult with a qualified legal professional for advice regarding specific legal issues.' The main content area displays a question: 'What is the OT rate for 2 hours'. Below the question, there are two sections: 'Overtime Pay Rate' and 'For monthly or weekly rate employees'. A purple arrow points from the question in the first screenshot to the 'Overtime Pay Rate' section in the second screenshot.

What is the OT rate for 2 hours

Overtime Pay Rate

- For hourly, daily, or piece-rate employees
 - Overtime pay is calculated at twice the hourly rate of pay.
 - Reference: Section 60(1) of the Employment Act 1955
- For monthly or weekly rate employees
 - Overtime pay is equivalent to twice the ordinary rate of pay for the hours worked.
 - Reference: Section 60(1) of the Employment Act 1955
 - The Industrial Relations Act 1967 does not specify overtime rates for working 2 hours. Therefore, no OT rate can be determined from that Act alone.
 - Overtime provisions are governed by the Employment Act 1955, not the Industrial Relations Act 1967.

The screenshot shows the 'Labour Law Q&A Chatbot' interface. It displays a question: 'Bolehkah saya simpan passport pekerja saya'. Below the question, there is a section titled 'Pemilikan Pasport Pekerja oleh Majikan' with three numbered points: 1. Pengecualian terhadap penyimpanan pasport, 2. Akibat pelanggaran, and 3. Prinsip hak pekerja. A purple arrow points from the question in the first screenshot to the 'Pemilikan Pasport Pekerja oleh Majikan' section in the second screenshot.

Bolehkah saya simpan passport pekerja saya

Pemilikan Pasport Pekerja oleh Majikan

- Pengecualian terhadap penyimpanan pasport
 - Majikan dilarang menyimpan pasport atau dokumen perjalanan pekerja, sama ada pekerja asing atau tempatan.
 - Pekerja harus memegang dokumen perjalanan mereka sendiri secara langsung.
 - Rujukan: Seksyen 60K(1) dan (2), Akta Pekerjaan 1955
- Akibat pelanggaran
 - Penyimpanan pasport pekerja oleh majikan merupakan pelanggaran undang-undang.
 - Majikan boleh dikenakan tindakan undang-undang termasuk denda atau tindakan saman.
- Prinsip hak pekerja
 - Pemilikan dokumen perjalanan oleh majikan melanggar hak asasi pekerja dan prinsip kebebasan individu.
 - Ini dianggap sebagai bentuk penyalahgunaan kuasa dan pengawasan berlebihan.

User Journey & Flow

The screenshot displays the user interface of the Malaysian Labour Law Assistant. At the top, there is a logo of a building with blue windows and the text "Malaysian Labour Law Assistant". Below the logo, a subtitle reads "Validate employment contracts against Employment Act 1955 & Industrial Relations Act 1967". A "Upload Employment Contract (PDF)" button is present, along with a "Drag and drop file here" input field with a 200MB limit. A "Browse files" button is located to the right of the input field. A file named "mock_contract1.pdf" (72.8KB) is listed with an "X" icon to its right. A green success message indicates "File uploaded: mock_contract1.pdf". Below this, a message shows "Detected Language: GB English". At the bottom, two buttons are visible: a red "Validate Contract" button and a white "Generate Corrected Contract" button.

Malaysian Labour Law Assistant

Validate employment contracts against Employment Act 1955 & Industrial Relations Act 1967

Upload Employment Contract (PDF)

Drag and drop file here
Limit 200MB per file • PDF

Browse files

mock_contract1.pdf 72.8KB

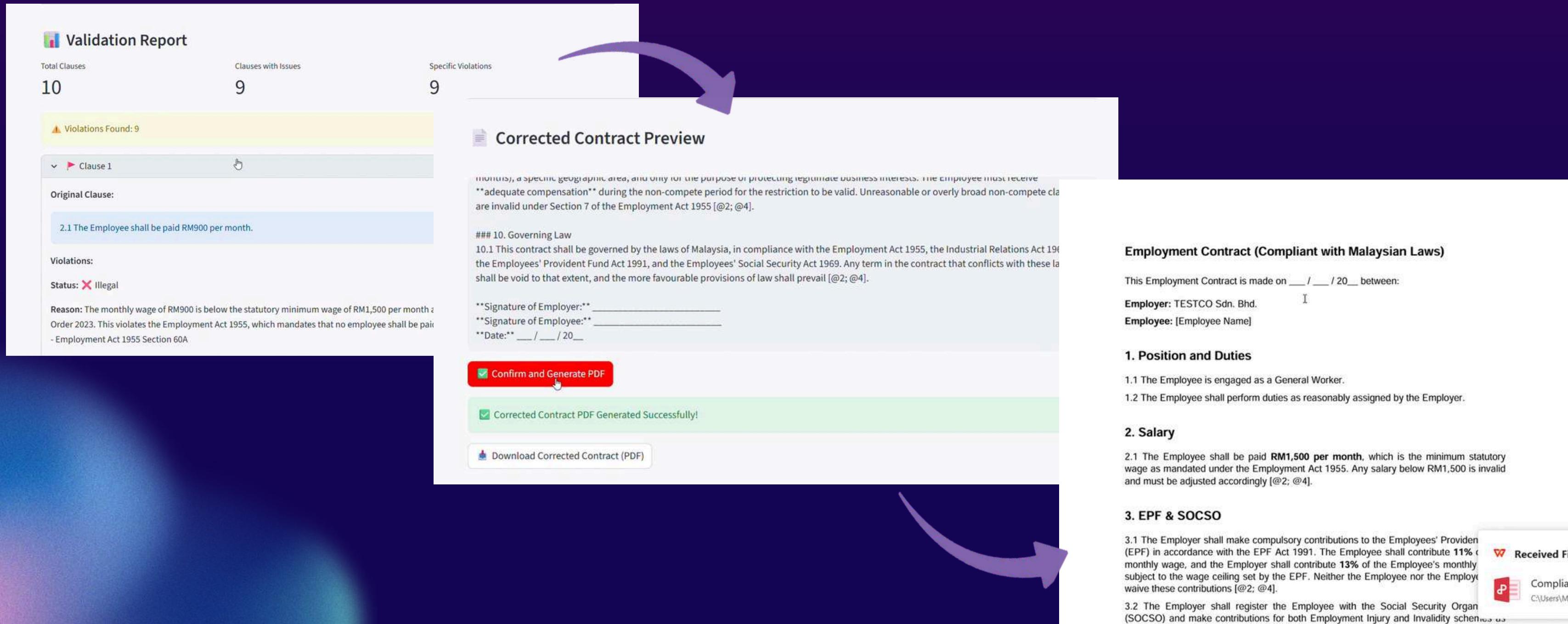
File uploaded: mock_contract1.pdf

Detected Language: GB English

Validate Contract

Generate Corrected Contract

User Journey & Flow



User Journey & Flow

Employee Termination & Compensation Generator

Upload Employee CSV/Excel

Drag and drop file here
Limit 200MB per file • CSV, XLSX

mock_employees.csv 210.0B

Preview Employee Data

	name	role	start_date	salary	unused:
0	Ahmad Bin Ali	Software Engineer	1/01/2022	5000	
1	Siti Binti Omar	HR Executive	15/03/2023	4000	

Select Employee(s) to Terminate

Ahmad Bin Ali x

Termination Reason

Misconduct

Check Termination & Generate Letter(s)

Termination allowed for Ahmad Bin Ali

Compensation for Ahmad Bin Ali

Notice Pay: RM 5000

Severance: RM 0.0

Unused Leave: RM 1041.67

Total Compensation: RM 6041.67

[Download Termination Letter - Ahmad Bin Ali](#)

Termination Letter

Date: 27/11/2025
To: Ahmad Bin Ali
Role: Software Engineer

Dear Ahmad Bin Ali,
We regret to inform you that your employment is terminated effective immediately.
Reason: Misconduct
Compensation to be paid: RM 6041.67
(Notice Pay: RM 5000, Severance: RM 0.0, Unused Leave: RM 1041.67)

Sincerely,
HR Department

Innovation & Differentiation

All In One

A platform for everyday law-related questions, drafting contracts, and understanding the legal risks

Awareness

Not just answering, but understanding — able to explain reasons and clarify risks to user behind every decision.



Future Improvement



Multi-Document Compliance Analyser

Check more than one document at the same time

Expanded Legal Coverage

Include more relevant laws beyond what we have now

Industry-Specific Law Packs

Refer to different specific law for different industry

Thank You

