



Summer Internship Project Report



Fortune Landmark Ahmedabad (Member ITC's Hotel Group)

Statutory Compliance in Hospitality Industry

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Prepared for: Institute of Management, Nirma University, Ahmedabad.

Submitted to: Prof. Krishna Kanabar, Institute of Management Nirma University, Ahmedabad

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Executive Summary

This report is written to provide the reader the basic knowledge about statutory compliance with regard the human resources and capital employed in any business and what is its importance from a business perspective. The report is specifically based on hospitality industry and what laws are applicable at Fortune Landmark Ahmedabad. The numerous labor welfare and payment regulations that apply in India are referred to as statutory compliance. These rules change on a state and national level, and businesses are required to follow them. Non-compliance with these regulations can result in legal consequences such as penalties, fines, and even jail time. This is why businesses devote significant resources to ensuring statutory compliance. Every business or company has people at its heart of organization. These are company's workers, who operate in various capacities to achieve the company's goals. A firm must be structured and streamlined, with suitable standards and regulations in place, in order to run well. These rules apply to every aspect of the business, including how it interacts with its workers and how it manages its cash.

Word count – 178 words

Introduction

About the organization

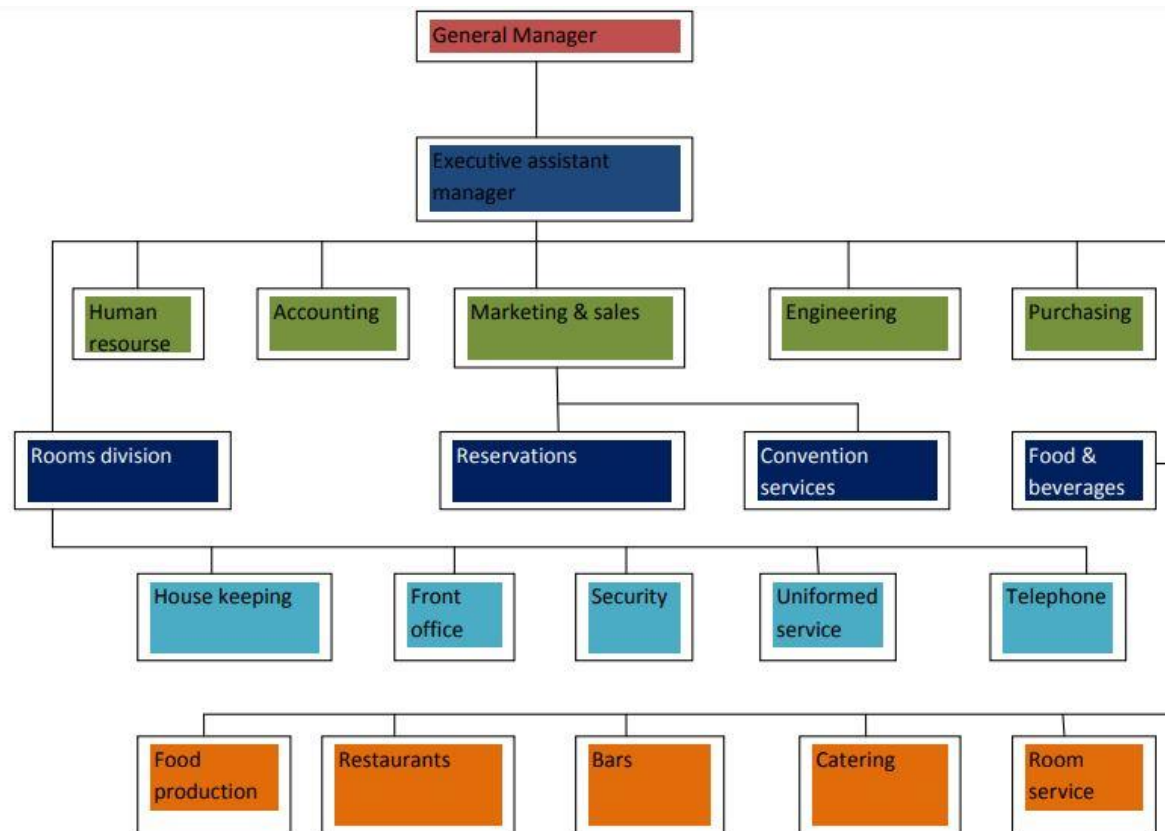
Fortune Landmark is one of the hotels in the entire chain of Fortune Park Hotels. Fortune Park Hotels Ltd. is a wholly owned subsidiary of ITC Ltd. Set up in 1995 to cater to the mid-market to upscale hotel segment in business and leisure destinations, it is a professionally managed Hotel Management Company, with 48 operating hotels and many more coming up soon across the country. Fortune Hotels operates across a wide spectrum of brand extensions, thereby creating specialized products, designed to suit the specific needs of various segments. Fortune Selects, Parks and Inns are business hotels in metros and non-metros, and Fortune Resorts are hotels in popular holiday destinations.

Organizational Design

Organizing is the process of separating tasks into jobs, designating the proper department for each job, determining the optimal number of jobs in each department, and delegating authority within and among departments in order to achieve organizational objectives. One of the most critical challenges facing lodging managers today is the development of a responsive organizational structure that is committed to quality.

1. Any organization's framework of roles and departments must be geared toward attaining the organization's objectives. To put it another way, a hotel company's structure must match its strategy.
2. Job specialization, organization, and the development of patterns of authority and range of control are how managers offer structure to a hotel and accommodation.

Organizational Structure



Departments

At the hotel's traditional and senior management levels, there are more than ten different departments in operation. These departments have a wide range of portfolios and responsibilities, and are led by a person in charge of the entire department's activities. The usual diverse departments in Fortune Landmark Ahmedabad are as follows –

1. Front Office Department
2. Human Resources Department
3. Finance Department
4. Food And Beverages Service Department
5. Sales and Marketing Department
6. Housekeeping Department
7. Security Department

I. Front Office Department

The front office is where reservations are processed, guests are registered, guest accounts are settled, and guests are checked out. The distribution of guestroom keys, mail, messages, and other information is also handled by front desk agents. The front desk is, of course, the most apparent portion of the front office area. The front desk might be a counter or, in some high-end hotels, a separate room. The Front Office is sometimes referred to as the hotel's showroom, and as such, it must be well-designed and kept in a well-organized and tidy way. The front desk is always an important focal point, regardless of how a hotel is organised. The term "front office" refers to all of a hotel's operational units.



II. Human Resources Department

HR department is the hub of the organization serving as liaison between the organization and its employees. Its major goal is to fulfil the firm's organizational demands as well as the needs of the individuals engaged by that company to execute its operations. To carry out day-to-day activities, any organization need a personnel pool. No business can function without engaging in some form of interaction with the general public. Responsibilities carried out by the HR department include-

- Employee recruitment & Selection
- Employee compensation benefits
- Employee relations
- Labour laws compliance
- Employee data reporting
- Employee/staff training and development

With the growth in unethical activities and misbehaviors in today's workplace, such as age, gender, ethnicity, religion discrimination, and sexual harassment, strict adherence to governing laws and regulations is required to guarantee that employees are treated fairly. In short, employees need to know that they have somewhere to turn if their boss abuses his or her power in any manner.

III. Finance Department

The accounting department of a hotel keeps track of all of the hotel's commercial transactions. The accounting department is responsible for more than just keeping the books. Perhaps a better definition of what the accounting department performs is financial management, concerned with cost control guidelines in order to reduce investment, whereas the control department is concerned with cost control guidelines in order to reduce investment, reduction in operating cost, control of food service cost, control of beverage cost, labor cost control etc.

Without a sound financial foundation, no organization can exist. The finance controller is in charge of delivering financial and budgetary programmes that can help management better control hotel operational expenditures and evaluate the property's profitability. Accounting, payroll, budgeting, and cash flow management are all handled by the accounting and finance department. In most hotels, the Information Technology (IT) department is also handled by the Finance department. Common hierarchy of the positions in the finance department is –

- Accounts Payable
- Assistant Controller
- Guest and City ledgers
- Night Auditor
- Banquet Auditor
- Credit Manager

- Food and Beverage controller
- General Cashier
- Payroll manager
- Systems Manager

IV. Food And Beverages Service Department

The food and beverage service department is an important element of any hotel, since it is responsible for the orderly and systematic delivery of food and beverage to the general public or clients at any F&B outlet. This division is critical in providing correct food and beverage service by placing orders from the kitchen's hot and cold plates to the customers table in the proper and the hospitality manner.

The F&B department's personnel structure is separated into two sections. The service and culinary staffs are both involved. Rather than the conventional manner of service, this department in the current idea of catering concentrates on product knowledge, salesmanship, client relations, and expectations. Only once the service is excellent can the guests be satisfied.

V. Sales and Marketing Department

In the hotel sector, a marketing manager is responsible for optimizing revenue by designing programmes to boost occupancy and make profitable use of the hotel's lodging, meeting, and leisure amenities. A hotel marketing manager must be knowledgeable of the variables that impact the hotel business and have a thorough understanding of the hotel's consumers' requirements and attitudes. A hotel marketing manager will be in charge of managing marketing and promotional efforts to fulfil consumer demands, as well as working closely with other hotel employees to ensure that guests are happy with the amenities and their stay. Sales & Marketing Division is composed of four different departments: a) Sales b) Convention Services c) Advertising d) Public Relations

VI. Housekeeping Department

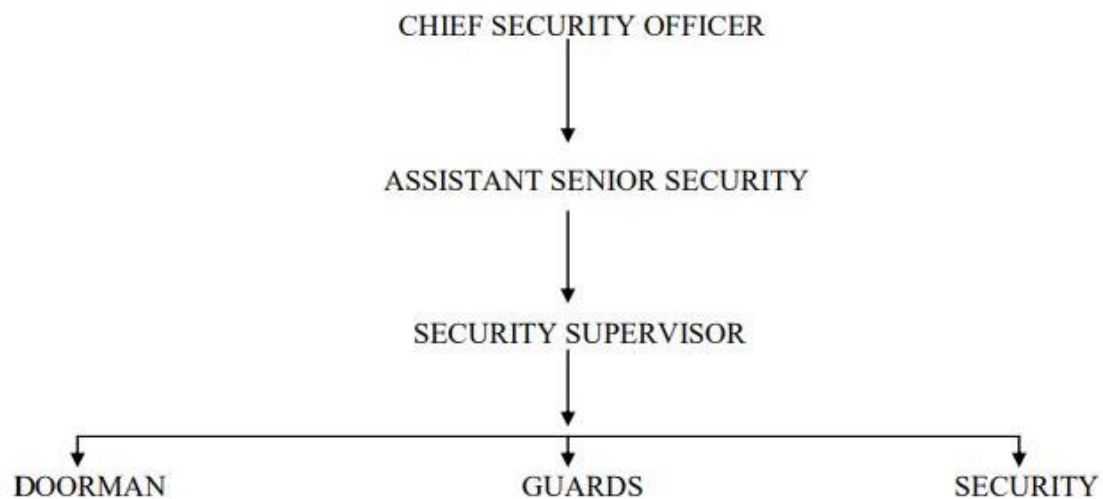
As a hotel depends on the selling of rooms, food and beverage, and other minor running services such as laundry, spa, and clubs, housekeeping need special attention. The selling of rooms accounts for a minimum of 50% of these. In other words, room sales generate the highest profit margin since

rooms may be sold repeatedly after they have been built. A well-run hotel assures maximum room sales to bring in maximum profit.

Apart from numerous other factors, the room's selling is determined by the quality of the room's décor, amenities, cleanliness, and security. The housekeeping department's primary job is to keep the guest rooms and the entire public area of the hotel tidy and clean at all times.

VII. Security Department

Today's hoteliers are focused with the safety of their visitors, staff, personal property, and the hotel itself. In the past, the majority of security procedures were focused on preventing theft from both visitors and the hotel. However, serious crimes such as murder and rape have been an issue for certain hotels in recent years. The Assistant Security Manager is the most important responsibility in the security department. The fire and safety officer, as well as the duty guards, are also members of the department. The security department's major responsibility is to keep an eye on the property and safeguard the guests. For the security department, the latter is more crucial. Two types of security personnel operate round the clock in the hotel.



Methodology

Statutory Compliance in Hospitality Industry

Tasks assigned – To research and understand the statutory compliance in hospitality industry.

Description –

Statutory compliance implies adherence to requisite laws and regulations by an entity and functioning in accordance with prescribed rules and regulations as codified in various statutes. Every country and state has its own existing set of laws and policies and entities must operate within the legal framework set out in applicable state and central laws. It therefore means following of relevant statutory mandates as applicable to the respective business organization.

Scope of study

This report is based on statutory compliance of labour laws at Fortune Landmark Ahmedabad. It aims at understanding the company's establishment, organization structure departments, the labour laws and all the statutory provisions to be followed by any hotel and hospitality industry as a whole.

Objectives of the study

- To get practical exposure with respect to labour laws in the corporate world.
- To have a proper balance between the theory and practical knowledge.
- To study origin, mission vision, and status of the organization.
- To study the functional departments exist in the organization.

Challenges faced during internship

- Fully virtual mode of internship and study
- Time limit due to virtual mode
- Due to company rules not all information was disclosed
- The HR managers was busy in his daily schedule and not available all the time.

Labour Laws and Acts

In this project, the statutory compliance is only limited to the labour laws and employment laws as per the HR practice in the organisation. Following is the list of laws and statutes followed in hospitality industry –

1. Shops and Establishments Act
2. Provident Fund Act
3. Employee State Insurance Corporation Act
4. Minimum Wages Act
5. Sexual Harassment of Women at Workplaces Act
6. Contract Act
7. Maternity Benefits Act
8. Payment of Bonus Act

Benefits of statutory compliance for hotels –

1. Avoiding legal problems and penalties
2. Improved business operations
3. Quality Improvements
4. Boosts employee morale
5. Competitive differentiation
6. High employee retention

Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019

This Act replaces the Gujarat Shops and Establishment Act, 1948 extending to the whole of the State of Gujarat. This Act is enacted on the lines of the Model Shops and Establishments (Regulation of Employment and Conditions of Service) Bill, 2016 circulated by the Central Government, for regulation of conditions of employment and other conditions of service of workers employed in various establishments.

- Applicable to Shops and Establishments employing ten or more workers.
- Establishment having less than ten employees shall give intimation of having commenced the business to the Inspector by submitting online application.
- The significant provisions of the Act include freedom to operate 365 days in a year and opening/closing time of establishment.
- Women to be permitted during night shift subject to certain conditions.

Statutory provisions followed by Fortune Landmark

1. As per the Act, an Establishment can be any shop, residential hotel, restaurant, eating house, theatre or other place of public amusement or entertainment.
2. The establishment has to register itself under the provision on the Act after every 5 years.
3. In Gujarat, hospitality industry do not pay overtime compensation to their workers and employees. In place of overtime compensation, additional leaves are given within the 90 days.
4. Number of medical leaves given to the workers and employees per year is 7.
5. Number of casual leaves given to the workers and employees per year is 7.
6. Number of festival paid leaves given to the workers and employees per year is 12.
7. Privilege leaves are also given after 240 working days of the worker/employee. Such privilege leaves are 21 in a given year.

8. Minimum wages structure –

Type of worker/employee	Minimum wages
Skilled employee (e.g. manager, executive)	Rs. 8853
Semi-skilled employee (e.g. 10 th /12 th pass, who can read and write)	Rs. 8645
Unskilled employee (e.g. dish washer, sweeper etc.)	Rs. 8437

9. As per the provisions of the Act, the workplace or area should have a notice board and the following policies' information should be put up there mandatorily so that all the employees and workers are aware of the various policies in place –

- Working hours policy (maximum 9 hours inclusive of 1 hour lunch)
- Protection from Sexual Harassment policy
- Leave policy
- Maternity leave policy
- Number of paid and medical leaves

10. As per the Act, the establishment also need to maintain following registers –

- Leave register
- Overtime register
- Entry-exit register
- Material register
- Salary advances register
- Minimum wage register

The Employees' Provident Funds and Miscellaneous Provisions Act,

1952

The Employees' Provident Fund is a social welfare legislation intended to protect the interest of the workers employed in factories and other establishments. It is implemented by the Employees' Provident Fund Organization (EPFO) of India. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 aims to provide a kind of social security to the industrial workers. The Act mainly provides retirement or old age benefits, such as Provident Fund, Superannuation Pension, Invalidation Pension, Family Pension and Deposit-Linked Insurance. The Act provides for payment of terminal benefits on the happening of various contingencies such as retirement, closure, retirement on attainment of the age of superannuation, voluntary retirement and retirement due to factors which result in incapacity of the employee to work.

Rules of Contribution to Employee's Provident Fund

- Both employer and employee contribute 12% of an employee's monthly salary (basic wages plus dearness allowance) to the Employees' Provident Fund (EPF) scheme. Of the employer's share of 12%, 8.33% is diverted towards the Employees' Pension Scheme (EPS).
- EPF scheme is mandatory for employees who draw a basic wage of Rs. 15,000 per month. The EPF Act, 1952 provides for the institution of provident funds for employees in factories and other establishments.
- Provident Fund is applicable to the establishments having more than 20 employees and is applicable to employees whose salary is less than or equal to Rs. 15,000.
- Even if Provident Fund is paid by employees having salary exceeding Rs. 15,000, they have to make sure that the contribution is calculated as 12% of 15,000 only and not any amount exceeding Rs. 15,000.
- Provident Fund is calculated at a rate of 12% on the amount of Basic Salary + D.A.
- Both the employer and the employee are supposed to contribute 12% each towards the provident fund.

- In case of the employee, he receives monthly salary after the deduction of the amount to be contributed towards Provident Fund while in case of the employer, he is liable to pay the sum due towards Provident Fund till 15th of the succeeding month. Late payment from the employer can result in penalties.
- The 12% is divided in two funds as follows:
 1. 8.33% - Pension Fund
 2. 3.67% - Employee Provident Fund Account

The screenshot shows an Excel spreadsheet with the following data:

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	Basic + DA	13500	PF	1620										
2	HRA	13500	ESIC	25312.5										
3	Conveyance	6750												
4	CCA													
5	Gross Salary	33750												

PF Share		
Employee	12%	
Employer	12%	1%
	8.33% pension	3.67% PF

The formula bar shows: `=IF(B1<=15000, B1*0.12, 1800)`

Employee State Insurance Act, 1948

ESIC is a sort of social insurance scheme which help cover employees against uncertainties like disability, sickness, maternity benefits, injury, occupational hazard, etc. In case of loss of job the employees are provided cash benefits while in case of an injury, the medical expenses are provided. In case of loss of life of an employee due to injury or work related hazard, the family of the concerned employee receives the benefits. ESIC is applicable to all the units that come under the Factories Act and the Shops and Establishment Acts.

- All employees with salary less than or equal to Rs. 21,000 per month are eligible for contribution towards ESIC.
- Daily wagers having wages of Rs. 176 or less per day are exempted from the contribution to ESIC. In this case the employer is still liable to provide the contribution.
- The salary for ESIC calculation includes, basic salary, D.A., meal allowance, uniform allowance, overtime pay, commission, house rent allowance, city compensatory allowance.
- It does not include retrenchment benefit, gratuity and bonus.
- Employees are required to contribute 0.75% of their monthly salary while employer is asked to contribute 3.25% of the monthly salary towards ESIC.
- Employee's contribution is deducted from their salary.
- Employees cannot get the money contributed towards ESIC back, they can get the required benefits in case of an unforeseen circumstances.
- The State Governments bear one-eighth share of expenditure on Medical Benefit within the per capita ceiling of Rs.900/- per annum and all additional expenditure beyond the ceiling.

Benefits of ESIC to employees

- **Sickness Benefits:** Employees can claim 70% of wages in case of sickness for a period of 91 days.
- **Temporary Disabled Benefit:** It is paid to employees for the period where the employee is disabled. It is paid at a 90% of wages.

- Permanent Disabled Benefit: it is paid to employees as 90% of monthly wages to help the disabled employee and his family.
- Funeral Expense: Rs. 15,000 is provided to employee or his family to perform last rites of the family member.
- Unemployment Allowance worth 50% of the salary is provided to employees in case of the unemployment for a period of 2 months.
- Family pension is also provided to the employee's family in case of his death.
- 100% wages is also provided to the female employees in case of maternity benefits.
- Employees are also entitled to cash benefits in the event of specific contingencies resulting in loss of wages or earning capacity.

Rules of Contribution to ESIC

- The ESI Scheme is financed by contributions from employers and employees.
- Once an employee joins an organization, the employer has to fill the ESIC form for the new employee within 7 days of joining.
- Employee state insurance (ESI) is for employees/workers with salary upto 21000 (gross salary).
- For employees with salary above 21000, then employer needs to take medi-claim insurance policy.
- ESI facilities are provided by designated ESI dispensaries/hospitals.
- ESI benefits are extended to all family members of the employee including children below 18 or 25 years of age.
- 6. ESI is deducted on GROSS SALARY. Employees' share - 0.75% | Employers' contribution - 3.25%
- In June, 2020 the government had reduced the rate of contribution under the ESI Act from 6.5% to 4% (employers' contribution reduced from 4.75% to 3.25% and employees' contribution reduced from 1.75% to 0.75%).

Payment of Gratuity Act 1972

Gratuity is a voluntary payment made by the employer to the employee in recognition of continuous, meritorious services and sincere efforts by the employee towards the organization. It is governed under the Payment of Gratuity Act 1972. It is an act to provide for a scheme for the payment of gratuity to employees engaged in factories, mines, oilfields, plantations, ports, railway companies and shops or other establishments.

For the payment of the gratuity, the eligibility of employees is such that any employee who leaves the organization after 5 years of minimum service. It is calculated as below –

Gratuity amount = [(Basic + DA) / 26] * 15 * Number of years of services
where, DA is Dearness Allowance

Form F is the nominee form to give the gratuity amount in case of death of the employee.

The mode for the payment of gratuity is prescribed under section 9 of the Payment of Gratuity Act. The said section contemplates that gratuity payable under the act should be paid in cash, or if so desired by the payee, by demand draft or bank cheques to the eligible employee, nominee or legal heir, as the case may be.

Form 'F'
[See sub-rule (1) of Rule 6]
Nomination

To
West Inn Limited
Usmanpura Char Rasta,
Ashram Road,
Ahmedabad - 380 013

[Give here name or description of the establishment with full address]

1. Shri / Shrimati / Kumari

whose particulars are given in the statement below, hereby nominate the person(s) mentioned below to receive the gratuity payable after my death as also the gratuity standing to my credit in the event of my death before the amount has become payable, or having become payable has not been paid and direct that the said amount of gratuity shall be paid in the proportion indicated against the name(s) of the nominee(s).

2. I hereby certify that the person(s) mentioned is/are a member(s) of my family within the meaning of clause (h) of section (2) of the Payment of Gratuity Act, 1972.
3. I hereby declare that I have no family within the meaning of clause (h) of section (2) of the said Act.
4. (a) My father/mother/parents is/are not dependent on me.
(b) My husband's father/mother/parents is/are not dependent on my husband.
5. I have excluded my husband from my family by a notice date the to the controlling authority in terms of the proviso to clause (h) of Section 2 of the said Act.
6. Nomination made herein invalidates my previous nomination.

Nominee(s)

Name in full with full address of nominee(s)	Relationship with employee	Age of nominee	Proportion by which the gratuity will be shared
(1)	(2)	(3)	(4)
1.			
2.			
3.			
4.			

Statement

1. Name of employee in full:
2. Sex:
3. Religion
4. Whether unmarried/married/widow/widower
5. Department/Branch/Section where employed.
6. Post held with Ticket or Serial No., if any
7. Date of appointment.
8. Permanent address:

Village: Thana Sub-division P.O.
Dist. State

Place: Ahmedabad
Date:

Signature/Thumb impression
of the employee

List of documents and forms for employees

In matters of compliance with the laws and statutes, there is also the process documentation of work related to the employees which needs to be submitted to the authorities, failure to do so may attract penalties. The following is the list of documents necessary before any new employee gets on boarded in Fortune Landmarks Ahmedabad.

1. Interview assessment form with resume and salary sheet of current organization.
2. Employment application form
3. Offer letter (acknowledged)
4. Salary Fitment – approval
5. Reference checks
6. Pre-employment Medical Report
7. Welcome Note
8. Proof of address (copy of passport / voter ID card / ration card / Aadhar Card / Rental Agreement etc.)
9. Proof of DOB (copy of passport / SSC certificate / voter ID card / Aadhar Card etc.)
10. Proof of qualification (copy of degree / diploma)
11. Any other degrees/diplomas/certificates mentioned in the employment application form
12. Clearance / Service certificate from previous employers
13. Induction Schedule
14. Job Description
15. Appointment letter
16. Gratuity Nomination – Form “F”
17. PF form “2” ESI form if applicable
18. PF Form 11
19. Payment of wages nomination act form.

Payment of Wages (Nomination) Rules, 2009

FORM – I

Nomination and Declaration Form (See Rule 3)

1. Name of Person making nomination _____
(in block letters)
2. Father's/Husband's name _____
3. Date of Birth _____
4. Sex _____
5. Marital Status _____
6. Address
Permanent _____
Temporary _____

I hereby nominate the person(s)/cancel the nomination made by me previously and nominate the person(s) mentioned below to receive any amount due to me from the employer, in the event of my death.

Name of Nominee/ nominees	Address	Nominee's relationship with the member	Date of Birth	Total amount of share of accumulations in credit to be paid to each nominee	If the nominee is a minor, name and address of the guardian who may receive the amount during the minority of the nominee
1	2	3	4	5	6

1. Certified that I have no family and should I acquire a family hereafter, the above nomination shall be deemed as cancelled.
2. *Certified that my father/mother is/are dependent on me.
3. *Strike out whichever is not applicable.

Signature or thumb impression
of the employed person

Labour Welfare Fund Act, Gujarat

Labour welfare fund is a statutory contribution managed by individual state authorities. The state labour welfare board determines the amount and frequency of the contribution. Labour welfare is an aid in the form of money or necessities for those in need. It provides facilities to labourers in order to improve their working conditions, provide social security, and raise their standard of living.

Labour Welfare Fund Contribution

Category	Employee Contribution	Employer Contribution	Total Contribution	Date Of Deduction	Last Date For Submission
All employees except those working in managerial or supervisory capacity and drawing wages exceeding rupees three thousand and five hundred per month	6.00	12.00	18.00	30 th June	15th July
All employees except those working in managerial or supervisory capacity and drawing wages exceeding rupees three thousand and five hundred per month	6.00	12.00	18.00	31st December	15th January

Form A – 1

See Rule 3 – b

Return for employees and employers contribution as on

30th June and 31st December

1. Name & Address of Establishment :

2. Name of Employer : Mr.

3. Type of Establishment : Factory
(i.e. whether factory, motor omnibus service, motor transport undertaking or commercial establishment, a shop, a residential hotel, restaurant, eating house, theatre or other place of amusement or public entertainment).

4. Total number of employees as on 30th June :
And 31st December on companies roll

5. (a) Employees contribution as per sr. no.5 :
Rs. 3/- per Employee
(b) Employers contribution as per sr. no.5 :
Rs. 6/- per employee

Total Employee	Contribution from Employee	Contribution from Employer	Total Amount payable

6. Contribution payable to Welfare :
Commissioner
(a) No. of Employees and Employees :
Contribution
(b) Employers Contribution :
(c) Mode of Payment :
Cheque / Cash / DD

7. Reason for nonpayment of contribution or :
Less payment of contribution

Date:

Employers Signature

Profession Tax

Profession tax often referred to as professional tax is a type of direct tax that is levied on employees and people involved in various professions and trades in India. From the earnings of each employee, the company deducts an amount. Generally, the professional tax is levied by the state government and collected by the respective municipal authority. Since the profession tax is levied by the state government, the amount of tax payable tends to vary from one state to another. However, the maximum amount that can be levied per person is Rs. 2500 in each financial year. Additionally, any profession tax paid is deducted from the total income tax liability of the payee.

Profession Tax Slabs in Gujarat

Depending on the monthly salary, each person registered for profession tax pays a specific amount on a monthly basis. While profession tax is usually payable by the taxpayer themselves, in case of trade and companies, it is done by the employers.

Monthly Earnings	Profession Tax Payable
Below Rs. 5999	Nil
Rs. 6000 to Rs. 8999	Rs. 80/month
Rs. 9000 to Rs. 11999	Rs. 150/month
Rs 12000 and above	Rs. 200/month

Contract Labor (Regulation and Abolition) Act, 1970

The Contract Labor (Regulation and Abolition) Act of 1970 was passed to regulate contract labour employment in specific businesses and to provide for its abolition in certain circumstances. An employed individual recruited to work in a firm through a contractor for a specified task and a certain length of time is referred to as contract labour. Contract laborers are not hired directly by businesses, and they are not paid on a regular basis. Companies engage contractors, who then hire these workers for various jobs. The contract labour regulation and abolition act was enacted in 1970 to prohibit ill-treatment of workers in any company and to provide a healthy working environment for them. Apart from regulating the welfare, health, and remuneration of contract labour, this act also contains specific requirements for the registration of businesses and the granting of licenses to contractors.

The statute applies to all businesses with twenty or more employees, either currently or formerly, on any given day in the previous twelve months. It also applies to any contractor who employed or employed twenty or more people on any one day in the previous year. It does not apply to businesses that do sporadic or irregular employment. This contains sub-sections as well:

1. An establishment cannot be deemed intermittent if it has been in operation for more than 120 days in the previous twelve months.
2. An establishment cannot be termed intermittent if it operates for more than sixty days per year and is seasonal.

Every business that uses contract labour must get a certificate of registration from the competent authorities. The method for registering such businesses is outlined below:

1. The employer shall submit the application for registration in Form No. 1 to the registration office, together with a receipt indicating payment of the specified fee.
2. The registration officer registers the company and issues a copy of the registered certificate in Form-II if the application is complete in all respects.

The employer should ensure that the contractor does the following:-

1. Pays the wages as fixed by the government or
2. Pays the wages as fixed by the commissioner of labour.
3. In their absence, pays fair wages to the labourers.
4. Maintains the various registers and records, notices, etc.
5. Provides the following facilities:
 - Canteen to the labourers (if the employed workmen are 100 or more and the work is performed for six months or more).
 - Issues employment card to the labourers.
 - Restrooms for the workers working at night and where the work is performed for three months or more.
 - Required number of separate urinals for men and women.
 - Drinking water, washing, first aid, crèche, etc. for the labourers.

Violations of the Act –

1. Depending on the severity of the offences, anybody who violates any portion of any clause of the act shall be penalised with imprisonment for more than three months or a fine of Rs 1,000, or both.
2. If a person violates any of the act's regulations for which there is no extra penalties, he or she will be sentenced to three months in jail or a fine of one thousand rupees, or both.

Forms to be filled for employing contract labour as per the Contract Labour Act

**Contract Labour (Regulation & Abolition) Central Rules
FORM XII**

See Rule 74

Register of Contractors

1. Name and address of the Principal Employer _____

2. Name and address of the establishment _____

Sl. No.	Name and address of contractor	Nature of work on contract	Location of contract work	Period of contract		Maximum No. of workmen employed by contractor
				From	To	

Place _____
Date _____

Signature of the Licensing Officer

FORMER-I

Quarterly return to be submitted to the local Employment Exchange for the quarter ended.....

The following information is required under the Employment Exchanges (Compulsory Notification of Vacancies) Rules, 1960 to assist in evaluating trends in employment and for action to correct imbalances between labour supply and demand.

Name and address of the employer

Head Office:-

Whether

Branch Office:-

Nature of business/principal activity

1. (a) Employment

Total number of persons including working proprietors/partners/commission agents/contingent paid and contractual workers on the pay rolls of the establishment excluding part-time workers and apprentices (The figures should include every person whose wage or salary is paid by the establishment).

	On the last working day of the previous quarter	On the last working day of the quarter under report
Men		
Women		
Total		

(c) Please indicate the main reasons for any increase or decrease in employment if the increase or decrease is more than 5 percent during the quarter.

Note:- Establishments are reminded of their obligation under the Employment Exchanges (Compulsory Notification of Vacancies) Act for notifying to Employment Exchanges details of vacancies specified under the Act, before they are filled.

2. Vacancies: Vacancies carrying total emoluments of Rs.60 or over per month and of over 3 month's duration.

2(a) Number of vacancies occurred and notified during the quarter and the number filled during the quarter

Number of vacancies which come within the purview of the Act

Occurred	Notified		Filled	Source (describe the source from which filled)
	Local Employment Exchange	Central Employment Exchange		
1	2	3	4	5

2(b) Reasons for not notifying all vacancies occurred during the quarter under report vide 2(a) above

3. Manpower shortages

Vacancies/posts unfilled because of shortage of suitable applicants.

Name of the occupation or designation of the posts	Number of unfilled vacancies/posts		
	essential qualifications prescribed	essential experience	experience not necessary
1	2	3	4

Please list any other occupations for which this establishment had recently any difficulty in obtaining suitable applicants.

Signature of Employer

To

The Employment Exchange,

Note:-This return shall relate to quarter ending 31st March/30th June/30th September and 31st December and shall be rendered to the local Employment Exchange within 30 days after the end of the quarter concerned.

FORM XXV
[See Rule 82 (2)]

Annual return of Principal Employer to be sent to the Registering Officer

Year ending 31st December, 19.....

1. Full name and address of the Principal Employer.
2. Name of Establishment:
 - (a) District
 - (b) Postal Address
 - (c) Nature of operation/industry/work carried on.
3. Full name of the Manager or person responsible for supervision and control of the Establishment.
4. Number of contractors who worked in the establishment during the year (Give details in Annexure).
5. Nature of work/operations on which contract labour was employed.
6. Total number of days during the year on which contract labour was employed.
7. Total number of man-days worked by contract labour during the year.
8. Maximum number of workmen employed directly on only day during the year.
9. Total number of days during the year on which direct labour was employed.
10. Total number of man-days worked by directly employed workmen.
11. Change, if any, in the management of the establishment, its location, or any other particulars furnished to the Registering Officer in the application for Registration indicating also the dates.

Principal Employer

Place.....

Date.....

Amendments to the Contract Labour Act –

The amendments were related to payment of fees with respect to the number of contract labourers were to be hired. The changes in the fee structure and the relevant details are as follows –

1. The fees to be paid for the grant of certificate of registration under section 7 shall be as specified as below

If the number of workmen proposed to be employed on contract on any day –

50 or more, but not exceeding 100	Rs. 1800/-
Exceeding 100 but does not exceed 200	Rs. 4800/-
Exceeding 200 but does not exceed 400	Rs. 7200/-
Exceeding 400 but does not exceed 800	Rs. 9000/-
Exceeding 800	Rs. 12000/-

(2) The fees to be paid for the grant of a license under section 12 shall be as specified below, namely:-

Sr. no.	If the number of workmen employed by the contractor on any day	Fees to be paid				
		Up to one year (in Rs.)	Up to two years (in Rs.)	Up to three years (in Rs.)	Up to four years (in Rs.)	Up to five years (in Rs.)
(a)	50 or more, but not exceed 100	450	675	900	1125	1350
(b)	exceeds 100 but does not exceed 200	900	1350	1800	2250	2700
(c)	exceeds 200 but does not exceed 400	1800	2700	3600	4500	5400
(d)	exceeds 400 but does not exceed 800	2250	3375	4500	5625	6750
(e)	exceeds 800	3600	5400	7200	9000	10800

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Workplace sexual harassment is a violation of a woman's right to equality, life, and liberty. It fosters an unstable and unpleasant work atmosphere that discourages women from working, therefore jeopardizing their social and economic empowerment as well as the objective of inclusive growth. The Sexual Harassment of Women at Workplace Act was created with this goal in mind.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act 2013 was enacted with the goal of providing protection against sexual harassment of women at work as well as the prevention and redress of sexual harassment complaints, as well as matters related to or incidental to the Act. Sexual harassment is defined as unwelcome physical, verbal, or nonverbal conduct of a sexual nature, including physical contact and advances, a demand or request for sexual favors, making sexually colored remarks, showing pornography, and any other unwelcome physical, verbal, or nonverbal conduct of a sexual nature (whether directly or by implication). Sexual harassment is defined as any conduct that is unwanted and sexual in character.

The Act also specifies the conditions in which an act is considered sexual harassment. These are –

- implied or explicit promise of preferential treatment in her employment; or
- implied or explicit threat of detrimental treatment in her employment ; or
- implied or explicit threat about her present or future employment status; or
- interference with her work or creating an intimidating or offensive or hostile work environment for her; or
- humiliating treatment likely to affect her health or safety

Important Provision of the Act for any establishment –

1. The Act's most notable aspect is that it calls for the establishment of an Internal Allegations Committee at every office of a company or organization with more than 10 workers to hear and resolve sexual harassment complaints. When there are less than ten employees, the Act requires the District Officer to form a Local Committee in each district.

2. An aggrieved woman has three months from the date of the occurrence to submit a written complaint with the ICC/LC, and in the case of a series of similar incidents, three months from the latest such incident. Any delay in registering the complaint, however, might be excused by the committee for up to three months.
3. Before conducting an investigation, the committee may take efforts to resolve the problem between her and the respondent through conciliation, and if a settlement is reached, no further investigation is done. If the conciliation fails or the respondent fails to comply with any provision of the settlement reached, the committee will continue its investigation.
4. The committee must give the employer/District Officer, as well as the other parties involved, with a report of its findings within 10 days of the conclusion of the investigation. When the respondent's accusation is proven, the committee will recommend to the employer/District Officer that sexual harassment be treated as misbehavior.
5. The Act establishes certain responsibilities for the employer and the District Officer under Sections 19 and 20, respectively, such as raising awareness about sexual harassment at work, sensitizing employees, assisting the complaints committee in conducting the investigation, acting on the committee's recommendations, monitoring timely submissions of the committee's reports, and so on.

Payment of Bonus Act, 1965

The Payment of Bonus Act of 1965 gives workers of a business the legal right to share in the earnings of their company. According to this Central Act, every employee with a monthly income or compensation of less than ten thousand rupees was entitled for a bonus. Section 2 (13) of the Act states that, “employee” means any person (other than an apprentice) employed on a salary or wage **not exceeding ten thousand rupees per mensem** in any industry to do any skilled or unskilled manual, supervisory, managerial, administrative, technical or clerical work for hire or reward, whether the terms of employment be express or implied.

Registers –

As per the Act, every employer is required to maintain the following registers in the prescribed form:

- Register showing the computation of allocable surplus (Form A)
- Register showing the set-on and set-off of the allocable surplus (Form B)
- Register showing the details of the amount of bonus payable to each of employees, the amount of deductions if any, and the amount actually paid. (Form C)

Returns –

Within 30 days of the expiration of the time limit established in Section 19 for payment of bonus, the employer must send an annual return to the Inspector designated under the Act. (Form D).

Employees who earn not less than Rs. 21,000 per month and have worked for at least 30 days in a calendar year are eligible for the Bonus. Every employee will be entitled to be given a bonus by his employer in line with the requirements of this Act if he has worked in the establishment for at least 30 working days throughout the year. When an employee is not entitled for a statutory bonus but the firm still wishes to share the incentive, it might be awarded ex-gratia.

Calculation of Bonus as per the provisions of the Act –

If the gross earning of the employees is less than Rs. 21000, then the employer is supposed to pay as per the following –

- If the Basic + DA is below Rs. 7000, then the bonus will be calculated on the actual amount.
- If the Basic + DA is above Rs. 7000, then the bonus will be calculated on Rs. 7000.
- The maximum bonus can be given is 20%
- The minimum bonus can be given is 8.33%

Maternity Benefit Act

The Maternity Benefit Act of 1961 is a piece of legislation that protects women's employment throughout their pregnancy. It provides women employees with a maternity benefit, which entitles them to full pay while they are away from work to care for their children. Establishments with ten or more employees are subject to the Act.

To be eligible for maternity benefits under the Maternity Benefit Act, a woman must have worked as an employee at a business establishment for at least 80 days in the previous 12 months. The amount of maternity leave that a woman worker is entitled to has been increased from 12 to 26 (twenty) weeks. Previously, the Act allowed pregnant women to receive Maternity Benefit for just six months and a half before the estimated delivery date and six months and a half after the delivery date. This time frame has now been extended to eight months. The 26-week maternity benefit can be extended for women who are currently on maternity leave at the time of application of this amendment to the Act. The enhanced Maternity Benefit can be used for the first two children. According to the modification, a woman with at least two lasting children will be eligible for 12 (twelve) weeks of Maternity Benefit, of which no more than 6 weeks would be paid.

Learnings and Observations

Throughout the course of the internship, working on the project of statutory compliance helped me greatly understand the intricacies of the labour laws and all other statutes which significantly affect the functioning of any hotel and hospitality business establishment

The definition of labour compliance does not end with the employer submitting returns and maintaining required deposits and records; it also includes a variety of significant considerations.

Effects of labour law statutory compliance –

- It strengthens the relationship between the employer and the employees, reducing the number of labour conflicts.
- Preventing workers from being exploited by their coworkers and management is in their best interests.
- It aids employees in receiving fair pay.
- Conflicts and strikes are reduced, among other things.
- In the industrial system, it promotes healthy environmental conditions.
- Workers who are injured at work are entitled to compensation.
- Workers/employees social security benefits will be increased.
- It guarantees that the workers' salaries, gratuities, bonuses, overtime, and compensation are paid on time.
- Employee morale is boosted as a result.
- It aids in the improvement of productivity. Profits will rise as productivity rises.
- It also aids in the prevention of employee strikes, lockouts, and other labour disputes.
- Improved employer-employee relations via cooperation and understanding.

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Certificate of Internship



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Date: 06 July 2021

TO WHOMSOEVER IT MAY CONCERN

This is to certify that Mr. Rishabh Jadhev, a student of Institute of Management, Nirma University, Ahmedabad has undergone his Two months internship in Human Resource Department from 06th May 2021 to 06th July 2021.

During this tenure, he was found to be sincere & proficient Student.

We wish him all success in his future endeavor.

Thanking you,

For, Fortune Landmark – Ahmedabad


Bhavin Shroff

Human Resource Manager

Declaration

I, Rhishabh Jadhav, hereby declare that this Summer Internship Report is an authentic work done by me. It is to the best of my knowledge and belief. This is to declare that the entire work involved in the completion of this Summer Internship Report such as research and analysis is a profound and honest work of mine.

A handwritten signature in black ink, appearing to read 'Rhishabh Jadhav', written in a cursive style.

(Signature)

Rhishabh Jadhav

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