

# Audit Report for Audit ID - AU00545-1

## VA-Statutory

Audit Score

85/100

### Details

Audit	AU00545
Scheduled Audit	AU00545-1
Location	Visakhapatnam
Hotel	GreenPark Hotel- GPV
Department	Human Resources
Checklist	VA-Statutory
Audit Type	External
Auditor	Saritha C
Start Date	26-06-2019
End Date	01-07-2019
Submitted Date	26-06-2019
Status	Completed
Assigned By	Administrator Account
Non-Compliance	16
Chronic Issues	0

## Comparison

GREENPARK HOTEL- GPV VA-STATUTORY				
VA-STATUTORY		Jun 2019	VARIANCE	% of Increase / Decrease (-/ +)
S.No	Sections	SCORE OBTAINED		
1	Statutory and Insurance	85	-	-
Audit Score		● 85	-	-

	80-100 = Green	Good / Excellent
	61-79 = Yellow	Average
	60 below is Red	Poor / Fair

## Non-Compliance

### Section: Statutory and Insurance

#### Subsection: License

- 1: Laundry Licence **NC**

☒ No

Observation Text :

Not available

- 2: Fire and Rescue Licence **NC**

☒ No

- 3: Pollution control license **NC**

☒ No

- 4: SIHRA - Association **NC**

☒ No

- 5: FHRAI (Federation of Hotel and Restaurant Association of India) **NC**

☒ No

Observation Text :

Not made available for verification

### Section: Statutory and Insurance

#### Subsection: Minimum Wages Act 1948

- 1: Form IV- Overtime Register **NC**

☒ No

Observation Text :

No register available. No OT is paid to anyone. Response : We are giving compensation off Employees who worked on PH & Woff's

- 2: Register of Loss **NC**

☒ No

Observation Text :

No such register available. Response: There is no loss of damages. Audit Rejoinder: A register shall be maintained despite of no loss as per the norms.

- 3: Name and Address of the Inspector **NC**

☒ No

Observation Text :

Not displayed. Response : Will be displayed on or before 31.06.2019

- 4: Are the aggregate of undisbursed wages deposited with prescribed authority ? **NC**

☒ No

Attachments :

18-

UNCLAIMEDWAGESCREDITEDTOEXPENSELEDGER\_20190626\_134723.xls

x

Observation Text :

Unpaid wages credit to the expense account instead of moving into welfare fund after 3 years amounting to Rs.5.09 Lakhs from Apr'18 to Mar'19. Response : Management call

**Section:** Statutory and Insurance**Subsection:** Maternity Benefit ACT 1961

1: Form J-An abstract of Act and the provisions prominently displayed in the local language. **NC**

☒ No

Observation Text :

Displayed Form-K In English Only. No local language available. Response : Will be displayed on or before 31.06.2019

**Section:** Statutory and Insurance**Subsection:** Bonus Act

1: Form A-Computation of Allocable Surplus Register **NC**

☒ No

Observation Text :

Not available Response: Maintained at Corporate

2: Form B-Set On Set Off Register **NC**

☒ No

Observation Text :

Not available Response: Maintained at Corporate

**Section:** Statutory and Insurance**Subsection:** Contract Labour Act

1: Form XIV-Employment Card (Sec.76) **NC**

☒ No

Observation Text :

No such cards available. Response : we distribute payslips

**Section:** Statutory and Insurance**Subsection:** AP or TS Shops and Establishment Act 1988

1: Employees worked for more than 8 Hrs in a day ? **NC**

☒ No

Attachments :

130-

EMPLOYEESEWORKEDFORMORETHAN9HRSADAY\_20190626\_140527.xlsx

Observation Text :

Employees worked for more than 9 Hrs in a day( incl. Breaks). (Sample Size- Mar'19)

Response : We are giving compensation off Employees who do double duty. Audit

Rejoinder: The response provided is not in line with the labour laws.

- 2: Did the Employees work without weekly off in a week ? **NC**

☒ No

Attachments :

132-EMPLOYEESWORKEDWITHOUTAWEEKLYOFF\_20190626\_140626.xlsx

Observation Text :

Employees worked without weekly off in a few instances. (Sample Size- Mar'19)

Response : We are monitoring closely and clearing pending weekly off;s

- 3: Did the Female employees worked before 6 AM and after 8:30PM ? **NC**

☒ No

Attachments :

133-FEMALEEMPLOYEEINTIMEWASBEFORE6AM\_20190626\_140713.xlsx

133-

FEMALEEMPLOYEEOUTTIMEWASBEYOND830PM\_20190626\_140717.xlsx

Observation Text :

7 female employees worked beyond 8:30 PM and one female employee in time was prior to 6AM. (Sample Size- Mar'19) Response : in case any female is working

beyond 8.30 pm, we are giving drop facility and we are doing that religiously Audit

Rejoinder: The response provided is not in line with the labour laws.

## Chronic

No chronic issues found

# Audit Questionnaire

## Section: Statutory and Insurance

### Subsection: License

1: Bar Licence For 24 Hrs / 12 hours

☒ Yes

2: Restaurant Licences

☒ Yes

3: Contract Labour license

☒ Yes

4: Laundry Licence **NC**

☒ No

Observation Text :

Not available

5: Hair cutting Saloon with AC Licence ☒ Not Applicable

6: Boarding & Lodging Licence

☒ Yes

7: Fire and Rescue Licence **NC**

☒ No

8: Licence to Work Lift

☒ Yes

9: Registration under the Weights & Measures Act

☒ Yes

10: Pollution control license **NC**

☒ No

11: Building Completion Certificate / Structural stability certificate

☒ Yes

12: Approval from the Department of Tourism, Government of India.

☒ Yes

13: TN Catering and establishment Act ☒ Not Applicable

14: Petroleum & Explosives safety organisation (PESO)

☒ Yes

15: FSSAI

☒ Yes

16: Sanitary certificate for swimming facilities ☒ Not Applicable

17: Public resort license ☒ Not Applicable

18: SIHRA - Association **NC**

☒ No

19: FHRAI (Federation of Hotel and Restaurant Association of India) **NC**

☒ No

Observation Text :

Not made available for verification

20: Indian Performing Right Society Ltd. ☒ Not Applicable

**Section:** Statutory and Insurance

**Subsection:** Minimum Wages Act 1948

1: Form XVI-(1) Mode of payment shall be in cash or in kind (either wholly or partly) where it has been the custom.

☒ Yes

Observation Text :

online transfer (through bank)

2: Form XVI-(2) Wages shall be paid on a working day on the following days: On seventh of each month in which less than 1000 persons are employed.

☒ Yes

Observation Text :

Last day of every month

3: Form XVI- Before expiry of 10th day of wage period in case of other establishments

☒ Not Applicable

4: Form XVI-(3) Only deductions prescribed under the Act shall be recovered also subject to provision that the aggregate of deductions shall not exceed 75% of wages where the deductions include payments to cooperative society and 50% in any other case. ☒ Not Applicable

5: Form X-Wage register

☒ Yes

Observation Text :

Soft copy available

6: Form XI- Wage slips

☒ Yes

Observation Text :



Automated generated

7: Form IV- Overtime Register **NC**

☒ No

Observation Text :

No register available. No OT is paid to anyone. Response : We are giving compensation off Employees who worked on PH & Woff's

8: Form V- Muster roll

☒ Yes

9: Form I and II- Register of fines and deductions

☒ Yes

10: Form III- Annual return to the Inspector

☒ Yes

11: Form III-Register of Advance

☒ Yes

Observation Text :

Soft copy available

12: Register of Loss **NC**

☒ No

Observation Text :

No such register available. Response: There is no loss of damages. Audit Rejoinder: A register shall be maintained despite of no loss as per the norms.

13: Are all the registers preserved for a period of 3 years from the date of last entry?-

☒ Yes

Observation Text :

Soft copy available

14: Form VI- Notices containing Minimum rate of wages

☒ Yes

15: Form IX- Extract of the Act

☒ Yes

16: Name and Address of the Inspector **NC**

☒ No

Observation Text :

Not displayed. Response : Will be displayed on or before 31.06.2019

17: Are the notices written in English and in Local language ?

☒ Yes

18: Are the aggregate of undisbursed wages deposited with prescribed authority ? **NC**

☒ No

Attachments :

18-

UNCLAIMEDWAGESCREDITEDTOEXPENSELEDGER\_20190626\_134723.xls

x

Observation Text :

Unpaid wages credit to the expense account instead of moving into welfare fund after 3 years amounting to Rs.5.09 Lakhs from Apr'18 to Mar'19. Response : Management call

**Section:** Statutory and Insurance

**Subsection:** ESI ACT 1948, Central 1950 & General Regulation 1950

1: Form O & 1-Whether an application to the Regional Office for registration within 15 days from the date of applicability has been made and the Employer's Code Number has been obtained?

☒ Yes

Observation Text :

7000033300001101 is the employee code.

2: Form 1A-Whether the employees, family details are obtained in order to complete Form 1A?

☒ Yes

Observation Text :

At the time of joining Form 1A collected for all employees

3: Form 6-Register of employees insurance numbers

☒ Yes

Observation Text :

Soft copy Available

4: Form 12-Accident Report

☒ Yes

5: Form 11-Accident book

☒ Yes

6: Form 26-Whether the employer furnishes the details of the insured person who have abstained from work and claims benefit under ESI?

☒ Yes

7: Report-In case of any serious accidents, whether a report is sent immediately to the nearest insurance medical officer and local office, and in other cases within 24 hours of accident?

☒ Yes

8: Form 7-Register of Employees

☒ Yes

Observation Text :

Soft copy available

9: Monthly contributions-Are the contributions made within 21days of calendar month in which the contributions fall due?

☒ Yes

10: Monthly contributions-Has the employer paid an interest of 12% in the event of default in payment of contribution within the due date? ☒ Not Applicable

11: "Monthly contributions-In the event of delay in payment of contribution by the employer, the following damages for Period of delay - Maximum rate of damages in % per annum of the amount due may be recovered: Monthly contributions-(i) less than 2 months 5% Monthly contributions-(ii) 2 months and above but less than 4 months 10% Monthly contributions-(iii) 4 months and above but less than 6 months 15% Monthly contributions-(iv) 6 months and above 25%" ☒ Not Applicable

12: Inspection Book-Whether an inspection book which has to be produced during inspection to the Inspector of the ESI Corporation been maintained?

☒ Yes

13: 'Does the employer receives the various details from employees as prescribed under Form 1 and enters it in the Declaration form? Are these forms submitted to the ESI office within 10 days from the receipt of information?

☒ Yes

Observation Text :

IP (Insured Person) has been generated by HR for all employees , Uploaded online

**Section:** Statutory and Insurance

**Subsection:** EPF Scheme 1952

1: Form 3A- Contribution Card to be prepared by the Employer

☒ Yes

Observation Text :

UAN has been generated by HR for all employees , Uploaded online

2: Form 5- Monthly Return on new members

☒ Yes

3: Form 10- Monthly Return on left members

☒ Yes

4: Inspection Report Note Book-

☒ Yes

5: Whether both the Employees and Employer make contributions within 15 days of the close of every month by Bank Drafts?-

☒ Yes

**Section:** Statutory and Insurance

**Subsection:** Payment of Gratuity Act 1972

- 1: Form A-Within 30 days from the date of applicability of Act ☒ Not Applicable
- 2: Form B-Change of Name, address or nature of business, within 30 days of change.  
☒ Not Applicable
- 3: Form C-Proposal to close business, within 60 days before intended closure. ☒ Not Applicable
- 4: Form D-Notice for excluding husband from family ☒ Not Applicable
- 5: Form E-Notice of withdrawal of notice for excluding husband from family ☒ Not Applicable
- 6: Form F-Nomination  
☒ Yes

Observation Text :

Taken at the time of joining

- 7: Form U-Display of the abstract of the act and rules  
☒ Yes
- 8: Whether the payment is made only by Cash or Demand draft as per the requirement of employee/ nominee/ legal heirs? -  
☒ Yes
- 9: Whether a display of the Act and rules both in English and local language understood by majority of employees has been made at prominent places? -  
☒ Yes

**Section:** Statutory and Insurance**Subsection:** Payment of Wages ACT 1936

- 1: Form XVI-(1) If the factory employs less than one thousand people, are the wages being paid before the expiry of the seventh day after the last day of the wage period?  
☒ Yes
- 2: Form I- Register for Fines ☒ Not Applicable
- 3: Form II- Register for deductions for Damage to loss of goods. ☒ Not Applicable
- 4: Form III- Register of Advances  
☒ Yes
- Observation Text :  
Soft copy available
- 5: Form IV- Annual Return to the Inspector  
☒ Yes

Observation Text :

Done in May

6: Form VI- Register of Wages

☒ Yes

7: Form VII- Notice to Inspector ☒ Not Applicable

8: Form V- Abstract of the Act

☒ Yes

**Section:** Statutory and Insurance

**Subsection:** Employment Exchanges ACT 1959

1: Rule 3-Notification to the prescribed Employment Exchanges of vacancies in the establishment shall be made by the Company from such dates as may be

☒ Yes

Observation Text :

Filing done on quarterly basis

2: Form ER-1 - unit 1-The Employer shall furnish to local employment exchange quarterly returns and biennial return within 30 days of due dates, namely 31st March, 30th June, 30th September and 31st December and biennial returns shall be furnished within 30 days of due date as notified in the Official Gazette.

☒ Yes

Observation Text :

Filing done on quarterly basis

3: Form ER-II - unit 1-Occupational return to be submitted to the Local Employment Exchanges once in two years.

☒ Yes

Observation Text :

Filing done on quarterly basis

**Section:** Statutory and Insurance

**Subsection:** Maternity Benefit ACT 1961

1: Cross verify with Form A, & Attendance Register & Payroll-(1) Whether any woman was employed in the establishment during the six weeks immediately following the day of her delivery or her miscarriage? ☒ Not Applicable

2: Form J-An abstract of Act and the provisions prominently displayed in the local language. **NC**

☒ No

Observation Text :

Displayed Form-K In English Only. No local language available. Response : Will be displayed on or before 31.06.2019

3: Form A-The particulars of all women workers from whom notice of confinement was

received. ☒ Not Applicable

4: Form K, L, M & N-The particulars in respect of the preceding year before 31st January in every year. ☒ Not Applicable

5: The records kept under the provisions of the Act shall be preserved for a period of two years from the date of last entry.-

☒ Yes

**Section:** Statutory and Insurance

**Subsection:** Profession Tax

1: Receipt-Whether receipts are all filed properly and within due date

☒ Yes

2: Form I - Certificate of registration

☒ Yes

**Section:** Statutory and Insurance

**Subsection:** Bonus Act

1: Form A-Computation of Allocable Surplus Register **NC**

☒ No

Observation Text :

Not available Response: Maintained at Corporate

2: Form B-Set On Set Off Register **NC**

☒ No

Observation Text :

Not available Response: Maintained at Corporate

3: Form C-Details of Bonus Payments Register

☒ Yes

Observation Text :

Soft copy available

4: Form D-Annual Return to be filed within 30 days after the expiry of time limit specified in Sec 19.

☒ Yes

5: Is the Bonus paid within 8 months from the close of accounting year ?

☒ Yes

6: Is there any agreement or settlement entered into between the employer and employees to pay annual Bonus linked with production or productivity in lieu of bonus based on profits payable under this Act? If 'Yes' such bonus shall not exceed 20% of the salary or wage earned by the employee during the relevant accounting year. ☒ Not Applicable

7: Is the minimum Bonus paid at 8.33% of salary or wage earned by employee or minimum wage as per Minimum wages act whichever is higher?

☒ Yes

8: Where an employee has not completed 15 years of age, is the minimum Bonus paid at 8.33% of salary or wage earned by the employee or Rs.60 whichever is higher? ☒ Not Applicable

**Section:** Statutory and Insurance

**Subsection:** Contract Labour Act

1: Form VI -License

☒ Yes

Observation Text :

Valid till 2020

2: Form IV

☒ Yes

3: Form XIII-Register of Persons employed (Sec.75)

☒ Yes

4: Form XIV-Employment Card (Sec.76) **NC**

☒ No

Observation Text :

No such cards available. Response : we distribute payslips

5: Form XVI -Register of wages (Sec.78)

☒ Yes

6: Form XX -Register of Deductions for damage or loss (Sec.78) ☒ Not Applicable

7: Form XXI -Register of Fines (Sec.78) ☒ Not Applicable

8: Form XXII -Register of Advances (Sec.78)

☒ Yes

9: Form XIX -Wage Slips ( Sec.78)

☒ Yes

10: Form VII

☒ Yes

11: Form XXIV-Half yearly Return

☒ Yes

12: Form XXVI / Form XVI-Muster Roll

☒ Yes

13: Form XXVII-Wages

☒ Yes

14: Form XXVIII-Wage Slip

☒ Yes

15: Display of the extract of the Act

☒ Yes

16: Form XXIX ☒ Not Applicable

17: Form VI- Holiday Register

☒ Yes

18: Form XV-Service Certificate

☒ Yes

**Section:** Statutory and Insurance

**Subsection:** Child Labour ACT 1986

1: Display of notice containing abstract of sections 3 and 14 Sec.3 PROHIBITION OF EMPLOYMENT OF CHILDREN Sec.14 Penalties.-(1) Whoever employs any child or permits any child to work in contravention of the provisions of section 3 shall be punishable with imprisonment for a term which shall not be less than three months but which may extend to one year or with fine which shall not be less than ten thousand rupees but which may extend to twenty thousand rupees or with both.

☒ Yes

**Section:** Statutory and Insurance

**Subsection:** Equal Remuneration ACT 1976

1: (1) Whether the remuneration are paid to the workers without any gender bias for the same work or work of a similar nature?-

☒ Yes

Observation Text :

Satisfactory

2: For the purpose of complying with the provisions of sub-section (1), was there any reduction in the rate of remuneration of any worker?- ☒ Not Applicable

3: Does the employer follow indiscrimination against women while recruiting for same work or work of similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer etc.?- ☒ Not Applicable

4: Form D-Is the register of workers employed maintained?

☒ Yes

Observation Text :

Soft copy available

**Section:** Statutory and Insurance



**Subsection:** Inter-State Migrant Workmen ACT 1979

- 1: Form I-Application for registration of establishments employing migrant workmen ☒ Not Applicable
- 2: Form II-Certificate of registration ☒ Not Applicable
- 3: Form III-Register of Establishments ☒ Not Applicable
- 4: Form IV-Application for Licence for Recruitment ☒ Not Applicable
- 5: Form V-Application for license of employment ☒ Not Applicable
- 6: Form VI-Form of certificate by principal employer ☒ Not Applicable
- 7: Form VII-Application for adjustment of Security Deposit ☒ Not Applicable
- 8: Form VIII-Office of Licensing Officer / Grant of license ☒ Not Applicable
- 9: Form IX-Application for Renewal of Licence ☒ Not Applicable
- 10: Form X - to be submitted by the-Name and address of the contractor, name and address of the sub-contractor, name and address of the establishment,name and address of the principal employer, name and address of the state in which the place of work is located, name of the state in which the recruitment is made ☒ Not Applicable
- 11: Form XI - Return to be sent by the contractor to the authorities -Name and address of the contractor, name and address of the sub-contractor, name and address of the establishment,name and address of the principal employer, name and address of the state in which the place of work is located, name of the state in which the recruitment is made ☒ Not Applicable
- 12: Form XXIII-Half yearly return - to be filed not later than 30 days from the close of the year ☒ Not Applicable
- 13: Form XII-Register of Contractors ☒ Not Applicable
- 14: Form XIII-Register of workmen employed by Contractor ☒ Not Applicable
- 15: Form XIV-Service Certificate ☒ Not Applicable
- 16: Form XV-Displacement and outward journey allowance sheet ☒ Not Applicable
- 17: Form XVI-Return Journey Allowance Register ☒ Not Applicable
- 18: Form XVII-Muster roll ☒ Not Applicable
- 19: Form XVIII-Register of wages ☒ Not Applicable
- 20: Form XIX-Register of deduction for damage or loss ☒ Not Applicable

- 21: Form XX-Register of Fines ☒ Not Applicable
- 22: Form XXI-Register of Advances ☒ Not Applicable
- 23: Form XXII-Register of Overtime ☒ Not Applicable
- 24: Form XXIII-Return 10 be sent by the Contractor to the Licensing Officer ☒ Not Applicable
- 25: Form XXIV-Annual return of Principal Employer to be sent to the Registering Officer.  
☒ Not Applicable

**Section:** Statutory and Insurance**Subsection:** AP or TS Labour Welfare Board

- 1: Whether receipts are all filed properly and within due date  
☒ Yes
- 2: Form D - Register of Wages  
☒ Yes
- 3: Form E - Register of unpaid accumulations and fines ☒ Not Applicable
- 4: Form F - ( See Rule 6) Statement regarding contribution.  
☒ Yes

**Section:** Statutory and Insurance**Subsection:** AP or TS Shops and Establishment Act 1988

- 1: Display of Notice -Company Name Board both English-40% and Vernacular languages-60%, to be displayed in the entrance of the Premises.  
☒ Yes
- 2: Form II - Copy of Registration  
☒ Yes
- 3: Form XIII - Register Of Wages  
☒ Yes
- 4: Form XXVII - Return for the month of March/June/September/December  
☒ Yes
- 5: Form XXVI - Letter Of Appointment  
☒ Yes

Observation Text :

Hard copy given to employees

- 6: Form XXIV - Notice Of Weekly Holiday  
☒ Yes

7: Form XII - Register Of Advance

☒ Yes

8: Form XI - Register Of Deductions ☒ Not Applicable

9: Form XXII - Register Of Employment

☒ Yes

10: Form X - Register Of Fines ☒ Not Applicable

11: Form XXV - Register Of Leave

☒ Yes

Observation Text :

Maintained in HRMS

12: Food served after restaurant closing time ? (15 Mins grace time considered as per Shops and Establishments Act)

☒ Yes

13: Employees worked for more than 8 Hrs in a day ? **NC**

☒ No

Attachments :

130-

EMPLOYEESWORKEDFORMORETHAN9HRSADAY\_20190626\_140527.xlsx

Observation Text :

Employees worked for more than 9 Hrs in a day( incl. Breaks). (Sample Size- Mar'19)

Response : We are giving compensation off Employees who do double duty. Audit

Rejoinder: The response provided is not in line with the labour laws.

14: Did the Employees work overtime for more than 6 hrs in a week as per the over time rules in shops and establishment ? ☒ Not Applicable

15: Did the Employees work without weekly off in a week ? **NC**

☒ No

Attachments :

132-EMPLOYEESWORKEDWITHOUTAWEEKLYOFF\_20190626\_140626.xlsx

Observation Text :

Employees worked without weekly off in a few instances. (Sample Size- Mar'19)

Response : We are monitoring closely and clearing pending weekly off;s

16: Did the Female employees worked before 6 AM and after 8:30PM ? **NC**

☒ No

Attachments :

133-FEMALEEMPLOYEEINTIMEWASBEFORE6AM\_20190626\_140713.xlsx

133-

FEMALEEMPLOYEEOUTTIMEWASBEYOND830PM\_20190626\_140717.xlsx

Observation Text :

7 female employees worked beyond 8:30 PM and one female employee in time was prior to 6AM. (Sample Size- Mar'19) Response : in case any female is working beyond 8.30 pm, we are giving drop facility and we are doing that religiously Audit Rejoinder: The response provided is not in line with the labour laws.

17: Is overtime payed to the employees at a double rate ? ☒ Not Applicable

18: Is the abstract displayed ?

☒ Yes