

**CUPS, ROOMS & LAWS**

# **NAVIGATING THE LEGAL LANDSCAPE OF HOSPITALITY**

**2025**

**Course Report**

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# About the Organisers

## **CUTS Institute for Regulation & Competition (CIRC)**

CIRC is a leading not-for-profit research and capacity-building organisation dedicated to competition, regulation, and sustainable development. Established by CUTS International in 2008, CIRC collaborates with global institutions like UNCTAD, UNICEF, and ADB to drive policy impact through research and knowledge creation. In the digital age, emerging technologies like AI, IoT, and big data are reshaping markets and challenging traditional competition laws. CIRC is at the forefront, delivering cutting-edge research, publications, and expert-led training programs to address these evolving issues.

With a strong network of specialists and global recognition, CIRC continues to influence policy, foster innovation, and build expertise for a dynamic and competitive future.

## **The Federation of Hotel & Restaurant Associations of India (FHRAI)**

Since its establishment in 1955, FHRAI has been the pre-eminent voice of India's tourism and hospitality sector, representing over 1 lakh hotels and 500,000 restaurants nationwide. Through active engagement with government bodies, industry stakeholders, and international associations, FHRAI plays a pivotal role in shaping the growth of Indian tourism and hospitality through policy advocacy, education, research, and industry dialogue.

Its dedicated research wing, the Centre of Excellence for Research in Tourism and Hospitality (CERTH), is committed to advancing knowledge, innovation, and excellence in the Indian tourism and hospitality sector. As a strategic think tank, CERTH conducts cutting-edge research, disseminates insights, and drives transformative changes within the industry.

## **About CUTS International**

Established in 1983, Consumer Unity & Trust Society (CUTS) is a registered, recognised, non-profit, non-partisan, non-government organisation (NGO) pursuing social justice and economic equity both within and across borders. Today, it operates out of programme centres in India located in Jaipur, Chittorgarh and Calcutta, India. The advocacy centre is located in New Delhi, India, and resource centres at Hanoi, Vietnam; Lusaka, Zambia; Nairobi, Kenya; Accra, Ghana; Geneva, Switzerland & Washington DC, USA, with a focus on research, advocacy and networking.

# Message from our leaders



*"It is important to bridge the gaps between hospitality law and practice, as regulatory uncertainty and overlaps create hurdles for the industry.*

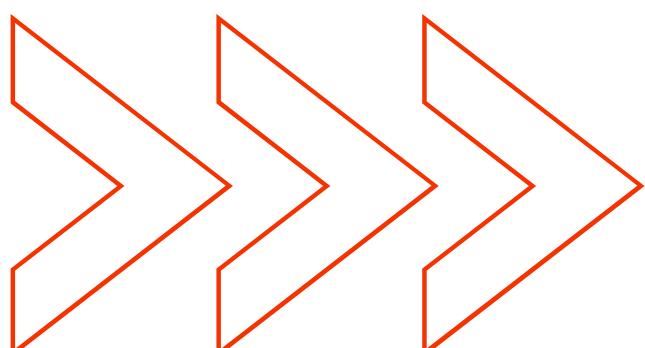
*Today, understanding of the law is not just an advantage—it is a necessity in the hospitality industry. With laws constantly evolving, compliance demands growing, and customers expecting more, it's crucial for hospitality professionals to understand the legal systems.*

*that impact their day-to-day work. Therefore, the FHRAI is proud to collaborate with CIRC on the 'Navigating the Legal Landscape of Hospitality' course. It is a timely and much-needed initiative that will help professionals gain the legal know-how to run their businesses more responsibly and efficiently."*

**Mr. Surendra Kumar Jaiswal, President, FHRAI**

*"With years of experience in public policy, I have seen a critical gap in legal knowledge within the hospitality industry. This shortfall often leads to unintentional consumer rights violations and regulatory missteps. Strengthening legal awareness among hospitality professionals is essential to uphold consumer protection, ensure compliance, and foster trust in an increasingly regulated service landscape. A comprehensive capacity-building programme will help individuals and the industry navigate these challenges more effectively."*

**Pradeep S Mehta, Chairman,  
CUTS Institute for Regulation  
& Competition (CIRC)**



# About the Course

The hospitality industry plays a major role in economic growth and employment. Being service-driven, it is governed by a wide legal framework to ensure safety, fair practices, and sustainable operations. Key regulations span labour laws, health and safety rules, environmental norms, taxation, licensing, and consumer protection.

Major legal areas include contract law, consumer rights under the Consumer Protection Act, food safety standards (FSSAI), labour laws, and data protection under the Digital Personal Data Protection Act. Hospitality businesses must also comply with building and fire safety codes, obtain multiple operational licenses, and meet tax requirements while adapting to evolving trends like sustainability and technology.

To address these complexities, FHRAI-CERTH and CIRC jointly organised an 8-week online course, Navigating the Legal Landscape of Hospitality. The programme covered essential legal and regulatory aspects such as licensing, labour laws, contracts, food safety, IP rights, copyright, and taxation. Delivered through weekend live sessions by industry and legal experts, it featured case studies and interactive exercises.

The course offered a comprehensive overview of hospitality law in India, tailored for students, professionals, and entrepreneurs. It provided clear insights into licensing, compliance, contract law, labour laws, food safety, taxation, and intellectual property protection.

## Objectives

### 01. Establish Core Legal Understanding

Grasp fundamental hospitality laws and regulatory frameworks in the Indian context.

### 02. Strengthen Compliance & Operational Knowledge

Learn key requirements in licensing, labour laws, food safety, and taxation.

### 03. Enhance Contract & IP Skills

Build capability in drafting, interpreting, and protecting contracts and intellectual property.

### 04. Improve Dispute Resolution Competence

Understand legal remedies, litigation, and ADR methods for effective conflict handling.

### 05. Apply Legal Concepts Practically

Use legal knowledge to address real-world challenges in hospitality operations.

# Course Schedule

Week	Theme	Session Name
1	Introduction to Hospitality Laws	Overview of the Hospitality Industry and Legal Framework
		Introduction to Legal Terminology and Fundamentals of Dispute Resolution
2	Licensing and Regulatory Compliance in Hospitality	Hospitality-Specific Licensing and Permits
		Navigating State vs. National Regulations
3	Consumer Protection & Contracts	Consumer Protection Laws in Hospitality
		Understanding Hospitality Contracts and Agreements – Legal Remedies for Breach
4	Labour Laws and Employee Compliance in Hospitality	Key Labour Laws Affecting Hospitality Workers
		Employee Welfare and Rights in the Hospitality Sector
5	Overview of Food Safety Laws & Implementation of Science	Overview of Food Safety and Hygiene Laws
		FSSAI Compliance in Hospitality, Enforcement and Adjudication
6	Taxation and Financial Regulations in Hospitality	Understanding Hospitality Taxation and GST
		Financial Transparency & Regulatory Requirements (AML, Financial Compliance)
7	Intellectual Property and Brand Protection	Copyrights, Licensing, and Legal Agreements
		Trademark and Brand Protection in Hospitality
8	Legal Challenges and Other Compliance Requirements	Risk Management and Environmental Sustainability
		Important ESG Regulations for Hospitality Industry

# EXPERTS' COHORT

Alphabetically



**Abhinav Rastogi**  
Partner, Khaitan & Co.



**Dheeraj Nair**  
Partner, JSA



**Dr. Divya Swami**  
Partner, D&Y Law  
Chambers



**Ganesh Bhat**  
Technical Officer, FSSAI



**Ganesh Chandra  
Kandwal**  
Deputy Commissioner, Food & Drug  
Dept., Uttarakhand



**Gyan Prakash**  
Executive Founding Member,  
Federation of Hospitality and Tourism  
of Rajasthan (FHTR)



**Kumar Kislay**  
Partner  
JSA Advocates & Solicitors



**Lalit Bhasin**  
President, Society of Indian  
Law Firms (SILF)



**Michael Dias**  
Managing Partner, Michael  
Dias & Associates

# EXPERTS' COHORT



**Pallavi Singh**

Risk, Compliance and ESG Professional (Maharashtra)



**Pradeep Shetty**

Vice President, Federation of Hotel & Restaurant Associations of India (FHRAI)



**R N Jindal**

Former Director, MoEFCC



**Sameer Parekh**

Managing Partner, Parekh & Co.



**Sangram Patnaik**

Managing Partner, Patnaik & Associates



**Shirish Deshpande**

Chairman, Mumbai Grahak Panchayat (MGP)



**Somath De**

Advocate and Senior Associate, United & United.



**Sonal Gupta**

Managing Associate, Parekh & Co



**Sujjain Talwar**

Partner, Economic Laws Practice

# EXPERTS' COHORT



**Swayamsidha Patnaik**  
Advocate, Patnaik &  
Associates



**Sweta Rajan**  
Partner, Economic Laws  
Practice



**Teesta Banerjee**  
Principal Associate,  
Economic Laws Practice



**V Pasupathy**  
National Advisor, FHRAI &  
National Resource Person, FSSAI



**Vijay Pal Dalmia**  
Senior Partner, Vaish  
Associates

## SESSION 1: OVERVIEW OF THE HOSPITALITY INDUSTRY AND LEGAL FRAMEWORK

Date: May 23, 2025 (Friday)

Time: 5:00 PM – 6:00 PM IST

### Speakers:

- Mr Pradeep Shetty, Vice President, FHRAI
- Dr Lalit Bhasin,  
President, Society of Indian Law Firms (SILF)

“A well-structured force majeure clause should expressly cover pandemics and government restrictions, tie the event to real business disruption, and allow hotel owners to exit agreements after extended periods of non-operation—ensuring they are not burdened with ongoing losses during prolonged crises.”

### Broad Topics:

- Regulatory Compliance Framework in the Hospitality Industry
- Critical Legal Issues: Copyright, GST, Food Safety, and Liquor Licensing
- Constitutional and Judicial Perspectives on Hospitality Transactions

### Introduction:

India's rapidly expanding hospitality sector, a major contributor to GDP and employment, was introduced through an eight-week course aimed at strengthening professionals' legal understanding. Mr Pradeep Shetty highlighted the industry's exposure to multiple regulatory regimes, warning that ignorance of the law invites compliance risks. He underscored the sector's obligations across taxation, licensing, labour, food safety, intellectual property, and environmental norms. Dr Lalit Bhasin described hospitality as a service industry exempt from MRP rules, noted challenges such as service-charge disputes and property tax uniformity, and called for a dedicated labour code. He also pointed to increasing tensions between hotel owners and operators and the need for registered copyright societies.

### Topics at a glance:

**Copyright and Music Licensing:** Mr Shetty underscored that music licensing represents one of the most significant and long-standing issues in the sector. Hotels are legally responsible for securing copyright licenses for all music played, whether background music, live performances, or wedding events, even though music is used by guests. Recent legal developments have clarified that copyright charges do not apply to wedding-related events. However, the industry faces challenges, including exorbitant licensing fees, monopolistic pricing by certain copyright agencies, a lack of unified registration standards, and widespread confusion among establishments regarding payment obligations across different music categories (live bands, DJs, background music, televised content).

**Goods and Services Tax (GST):** While restaurant GST is largely settled at 5%, significant confusion persists regarding restaurants within hotels. Restaurants in hotels with room tariffs exceeding ₹7,500 per day face 18% GST, creating ongoing compliance challenges and widespread prosecution across the country. Mr Shetty emphasised the need for clarity on when the 18% threshold applies, particularly for OTA bookings and ancillary services.

**Food Safety and FSSAI Licensing:** Hotels must navigate complex FSSAI regulations governing food business operations. License types depend on establishment categories, turnover, and outlet numbers. Mr Shetty highlighted that FSSAI officers cannot prosecute on day one of inspection; they must issue improvement notices, allowing businesses the opportunity to remedy violations. Emerging issues include the labelling of analogue paneer and cheese products.

**Liquor Licensing:** As a state subject, liquor licensing involves multiple license categories (on-premises, off-premises, special events, bring-your-own-bottle, tavern). Compliance requires rigorous stock maintenance, proper service segregation, and adherence to state-specific regulations. Enforcement agencies possess the authority to suspend or cancel licenses with penal consequences.

**Additional Regulatory Domains:** Mr Shetty also outlined obligations regarding labour laws (minimum wages, ESI, provident fund), health and trade licenses issued by local bodies, fire safety certifications, and increasingly stringent environmental clearance, particularly for hotels in ecologically sensitive zones and resort locations.

Dr Lalit Bhasin provided the constitutional and judicial perspective, establishing that the hospitality industry fundamentally differs from manufacturing sectors. Citing landmark Supreme Court judgments (*Associated Hotels of India v. State of Delhi*, 1972), Dr Bhasin explained that hotel transactions constitute indivisible service contracts rather than sales. Food, beverages, and amenities are incidental to the primary service, providing accommodation and hospitality. This distinction has significant tax and regulatory implications. However, the government addressed this through the 46th Constitutional Amendment, enabling sales tax on hotel and restaurant services. Yet, most states have not implemented corresponding legislation, creating legal ambiguity in several jurisdictions.

Dr Bhasin highlighted a recent Delhi High Court judgment on mineral water pricing, reaffirming that hotels do not engage in "sales" and therefore are not bound by Maximum Retail Price (MRP) regulations, a distinction grounded in the fundamental nature of hospitality transactions as services.

Dr Bhasin brought up several major legal issues affecting the hospitality sector today. He pointed to disputes over mandatory service charges, which are being challenged for unfairness to consumers, and concerns over uniform property tax on five-star hotels, arguing that a one-size-fits-all approach is irrational since star ratings are voluntary.

He also stressed that only copyright societies registered under Section 33 can issue licenses, making unregistered claimants invalid. Additionally, he called for a separate labour code for service industries, noting that current laws are designed for manufacturing and don't reflect hospitality operations. Finally, he observed increasing disputes in hotel management contracts, where brands like Oberoi, Taj, and ITC often clash with property owners over autonomy and decision-making.

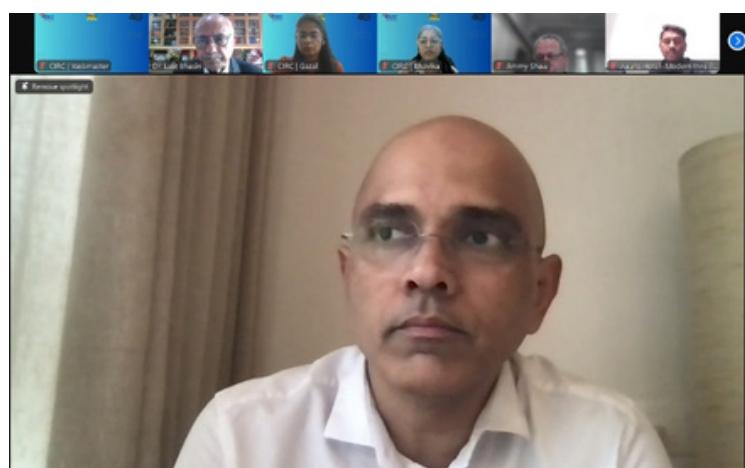
## Key Learning Outcomes:

- Understanding the legal distinction between hospitality transactions and sales as indivisible service contracts.
- Comprehending the multifaceted regulatory framework encompassing copyright, GST, food safety, liquor licensing, and environmental compliance.
- Recognising emerging legal challenges in copyright licensing, GST rate thresholds, and property tax uniformity.
- Understanding the role of judicial review in protecting the hospitality industry's interests.
- Appreciating sector-specific regulatory gaps and the need for hospitality-tailored labour codes.
- Recognising the importance of industry collaboration with government agencies for coherent policy implementation.

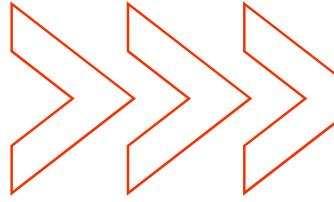


**Dr. Lalit Bhasin, President,  
Society of Indian Law Firms  
(SILF)**

**Mr. Pradeep Shetty, Vice  
President,  
Federation of Hotel & Restaurant  
Associations of India (FHRAI)**



# SESSION 2: INTRODUCTION TO LEGAL TERMINOLOGY AND FUNDAMENTALS OF DISPUTE RESOLUTION



Date: 24th May 2025, Saturday

Time: 5:00-6:00 PM

## Speaker:

Mr. Dheeraj Nair, Partner, JSA Advocates & Solicitors

"Criminal exposure for hotels arises when serious incidents—such as assault, trafficking, or other unlawful activities—occur on the premises and are not promptly reported. Hotels must immediately escalate complaints, preserve evidence, and cooperate with police to avoid liability."

## Broad Topics:

- Classification of Disputes: Contractual, Statutory, and Regulatory
- Anatomy of Hotel Management Agreements and Vendor Contracts
- Legal Remedies: Civil Suits, Writ Petitions, and Arbitration
- Criminal Liability and Police Proceedings (FIR)
- Emerging Compliance Issues: Data Privacy and Environmental Laws

## Introduction:

The session commenced with an introduction to the landscape of disputes in the hospitality sector. Mr Dheeraj Nair, drawing on over 20 years of experience in the industry, emphasised that legal issues in hospitality are not limited to guest interactions but span complex contractual and regulatory frameworks.

Mr Nair outlined that disputes effectively fall into three distinct classes: Contractual (between private parties), Statutory (involving government levies/taxes), and Regulatory (involving specific industry regulators).

## Topics at a glance:

**Contractual and Operational Disputes:** Disagreements in the hospitality industry often arise from Hotel Management Agreements, particularly regarding design standards and development obligations. Operational conflicts frequently occur over control of bank accounts, marketing expenditure, and the appointment of senior staff such as General Managers and Chefs. These tensions are further heightened as owners focus on overall profitability while operators prioritise management fees.

**Vendor and Supplier Disputes:** Disputes with vendors typically concern product quality, timely delivery, and pricing of essential supplies such as food and linen. Failure to comply with brand standards can directly affect guest experience and the hotel's reputation. Vendor conflicts often intersect with operational challenges, impacting the day-to-day management and overall profitability of the hotel.

**Statutory and Regulatory Compliance:** Statutory disputes involve authorities such as the Income Tax, GST, and Provident Fund departments. Regulatory issues include compliance with bodies like the Food Safety and Standards Authority of India and the Central Consumer Protection Authority, especially regarding hygiene standards and misleading advertising.

**Legal Remedies:** Hotels have multiple legal avenues when disputes arise. Civil suits and writ petitions can be used to challenge disputes or government actions, while arbitration is often preferred for hotel management and vendor agreements because it is faster, private, and results in enforceable awards. Criminal complaints are used to address serious guest misconduct or economic offences, initiating police investigations.

**Emerging Compliance Risks:** Hotels face increasing obligations under data privacy laws and must protect sensitive guest information to avoid substantial penalties. Environmental regulations, including waste management and pollution control, are also strictly enforced. Non-compliance with these emerging standards can result in legal, financial, and reputational consequences.

## Key Learning Outcomes:

- **Classifying Disputes:** Ability to distinguish between contractual breaches, statutory liabilities, and regulatory violations.
- **Contract Strategy:** Understanding that well-drafted contracts with clear roles are the first line of defence against litigation.
- **Jurisdictional Knowledge:** Comprehending where and when a civil suit can be filed (Territorial vs. Pecuniary jurisdiction).
- **Dispute Resolution mechanisms:** Recognising Arbitration as an efficient alternative to traditional courts for commercial disputes.
- **Risk Awareness:** Acknowledging the growing legal risks associated with Data Privacy and Environmental regulations.



**Mr. Dheeraj Nair, Partner, JSA Advocates & Solicitors**

# SESSION 3: HOSPITALITY-SPECIFIC LICENSING AND PERMIT

Date: 30th May 2025, Friday

Time: 5:00-6:00 PM

## Speakers:

- Ms Sweta Rajan, Partner, Economic Laws Practice
- Mr Ganesh Bhat, Technical Officer, FSSAI

"Restaurants must obtain the appropriate FSSAI license by applying through the FOSCO portal, submitting required documents, completing fee payment, and complying with inspections. The license must be displayed prominently and renewed on time to maintain food-safety compliance."

## Broad Topics:

- Establishment Licenses: Shops & Establishment, Trade, and Environmental Consents
- Operational Permits: Lifts, Boilers, and Signage
- Intellectual Property: Trademarks and Copyright (Music) Licensing
- Taxation: GST Thresholds and Luxury Tax
- Liquor Licensing: State Excise Regulations and Microbreweries
- Food Safety: FSSAI licensing process and hygiene compliance

## Introduction:

The session focused on the critical framework of licensing required to establish and operate hospitality businesses. Ms. Sweta Rajan and Mr. Ganesh Bhat guided participants through the complex landscape of state and central permissions, ranging from fundamental establishment licenses to specific operational permits like liquor and food safety. The speakers emphasized that proper permitting is not merely a legal obligation but a necessity for building credibility with authorities and ensuring long-term business success.

## Topics at a glance:

**Establishment Licenses:** Shops and Establishments is a mandatory state license required for all businesses (not just shops) to regulate work conditions, opening hours, and employment benefits. A Trade License is issued by the Municipal Corporation, which authorises the entity to carry out specific trade activities within a locality. Environmental Consents are Under the Water and Air Acts, establishments discharging effluents (like hotels) must obtain a "Consent to Establish" initially, followed by a "Consent to Operate". Fire NOC is a critical state-level approval requiring the submission of facility plans and installation of safety features before operations can commence.

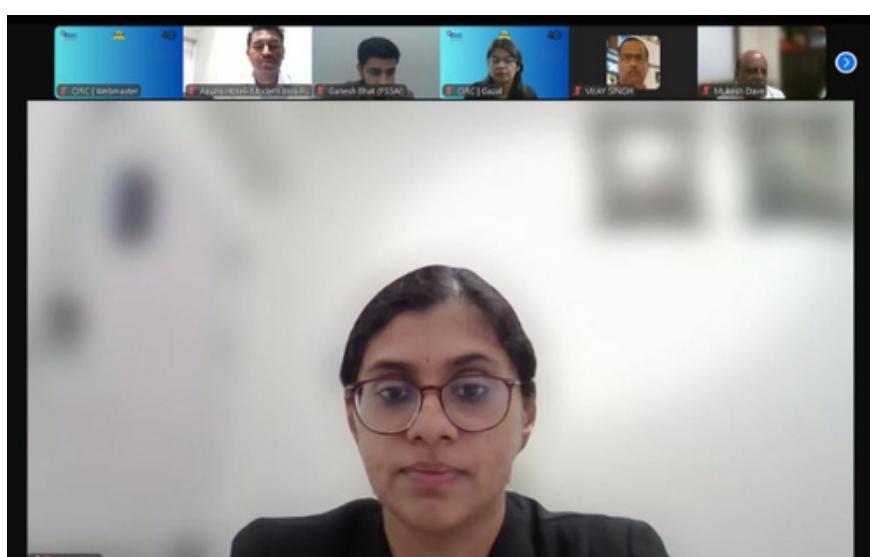
**Operational and Infrastructure Permits:** Specific licenses are required for installing and operating lifts/escalators and for using boilers within the facility, and Local regulations govern the size and placement of external signage to ensure consumer identification and safety. Legal Metrology is equipment like brewing tanks in microbreweries that must be registered and periodically calibrated as "weights and measures".

**Intellectual Property Compliance:** Trademarks, while optional, registering the brand name is highly recommended to prevent infringement and build equity for future investment. Hotels and restaurants playing background music or hosting events must obtain licenses (e.g., from PPL or IPRS) to pay royalties to copyright owners. This applies to commercial exploitation of music, including TV broadcasts in common areas.

**Taxation Framework:** GST is a central/state levy applicable to the supply of goods and services. Registration is mandatory once aggregate turnover exceeds ₹20 Lakhs. The industry must also comply with Professional Tax (deducted from employee salaries) and Luxury Tax (state-specific).

**Liquor Licensing (State Excise):** Liquor is a state subject; regulations vary by province. Activities like manufacturing, warehousing, and retailing require distinct licenses. Microbreweries: A growing segment requiring specific licenses and rigorous maintenance of registers to track raw material usage against output. Specific one-day permits are required for serving liquor at temporary events (e.g., banquets) which are distinct from the establishment's primary bar license.

**FSSAI Licensing and Food Safety:** FSSAI licenses are premise-based and categorised by turnover and production capacity. Application is managed via the Food Safety Compliance System (FOSCO). Businesses must maintain high hygiene standards and appoint a certified Food Safety Supervisor (1 for every 25 handlers). Food Safety Officers conduct periodic checks; non-compliance leads to improvement notices or prosecution.



**Ms. Sweta Rajan, Partner, Economic Laws Practice**

## Key Learning Outcomes:

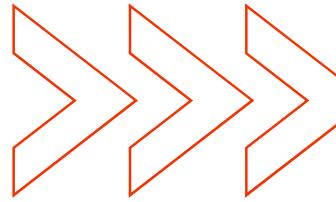
- Lifecycle Management: Understanding that licensing involves two stages: Establishment (Setup) and Operations (Recurring/Periodic).
- Jurisdictional Clarity: Distinguishing between Central requirements (Copyright, FSSAI) and State requirements (Liquor, Trade License, Fire).
- Fiscal Responsibility: Recognizing the mandatory nature of GST registration and the variances in Liquor licensing fees.
- Safety Adherence: The critical importance of Fire NOCs and FSSAI hygiene standards in protecting guest welfare.
- Risk Mitigation: Knowledge that failure to comply can lead to business closure or criminal prosecution, not just financial loss.



**Mr. Ganesh Bhat, Technical Officer, FSSAI**



# SESSION 4: NAVIGATING STATE VS. NATIONAL REGULATIONS



Date: 31st May 2025, Saturday

Time: 4:30-6:00 PM

## Speakers:

- Mr Gyan Prakash, Executive Founding Member, FHTR
- Dr Divya Swamy, Partner, D&Y Law Chambers (New Delhi)
- Ms Pallavi Singh, Risk, Compliance and ESG Professional (Mumbai)

"Liquor service in hospitality requires the correct excise license—such as L-15 for five-star hotels or L-20 for clubs—with strict compliance on age verification, stock records, and music licensing. Adhering to these regulatory requirements is essential to avoid violations."

## Broad Topics:

- Comparative analysis of hospitality regulations in Rajasthan, Maharashtra, and Delhi
- Environmental clearances, Building permissions, and Project Planning NOCs
- Operational licensing: Liquor (Excise), Food Safety, and Copyright
- Unique challenges in the National Capital Territory (NCT) regarding multiple municipal jurisdictions

## Introduction:

The session focused on the complex interplay between state-specific mandates and national regulations in the hospitality industry, with a spotlight on the distinct landscapes of Rajasthan, Maharashtra, and New Delhi. Mr Gyan Prakash commenced by detailing the requirements for Rajasthan, emphasising the critical nature of environmental clearances and project planning approvals from bodies like the civil aviation and police departments. Ms Pallavi Singh followed with a comprehensive overview of compliance in Maharashtra, highlighting the distinction between establishment phase approvals and operational licenses. Dr Divya Swamy concluded by dissecting the unique regulatory environment of Delhi, noting the challenges posed by multiple authorities and overdevelopment. The session underscored that while some laws are central, the practical reality of compliance varies drastically across state borders, particularly regarding liquor licensing and municipal permissions.

## Topics at a glance:

**Rajasthan Hospitality Laws Project & Establishment:** The process begins with rigorous project planning involving exemption certificates for stamp duty and NOCs from the Police and Civil Aviation authorities. Mr Prakash highlighted that large projects (over 20,000 sq. ft.) require specific central government clearances.

**Operational Compliance:** Once operational, hotels must secure Consents to Operate under the Air and Water Acts from the Pollution Control Board. He also noted the benefits available under the Rajasthan Industrial Promotion Scheme (RIPS), which offers taxation and interest incentives to the sector.

**Maharashtra Regulatory Landscape & Building:** Pre-operational approvals are extensive, including landscape approvals, swimming pool NOCs, and building permissions. Lifecycle Licensing: Ms Singh categorised approvals into "Establishment Phase" (Shops & Establishment, Labour licenses, Trade licenses) and "Operational Phase" (Food Safety, Bar licenses, GST). She emphasised the importance of distinguishing between state-specific labour amendments and central legislation to ensure full compliance.

**Delhi's Unique Framework Jurisdictional Complexity:** As the National Capital Territory, Delhi presents a unique challenge with three distinct municipal bodies, such as the Municipal Corporation of Delhi (MCD), the New Delhi Municipal Corporation (NDMC), and the Cantonment Board. This fragmentation complicates the licensing process. A significant portion of the discussion centred on the Delhi Excise Policy. Dr Swamy detailed specific license types like L-15 (luxury hotels) and L-20 (clubs), and the strict enforcement regarding serving minors. Age verification remains a critical operational check, with legal drinking ages varying by state (e.g., 25 in Delhi vs. 21 elsewhere).

**General Compliance & Emerging Issues Copyright & Entertainment:** All speakers agreed on the mandatory nature of Copyright licenses for playing music in bars and clubs to avoid infringement suits. Signage also requires dual approval from municipal corporations and traffic authorities. The discussion touched on the regulatory grey area of homestays; while Maharashtra is drafting a separate policy, NCR currently requires registration without a mandatory license, though specific compliances apply.

## Key Learning Outcomes:

- Jurisdictional Awareness: Understanding that compliance is not uniform; what works in Rajasthan may not apply in the multi-municipal framework of Delhi.
- Excise Vigilance: Mastering the nuances of liquor licensing, including stock record discrepancies and strict age verification protocols.
- Environmental Priority: Recognising that environmental clearances (Air/Water Acts) are foundational for both construction and operation across all states.
- Documentation Discipline: The importance of maintaining valid fire NOCs, displaying licenses prominently, and conducting regular fire drills.
- Strategic Planning: Leveraging state-specific schemes like RIPS in Rajasthan for financial benefits.



**Mr Gyan Prakash,  
Executive Founding Member,  
Federation of Hospitality and Tourism  
of Rajasthan (FHTR)**



**Dr. Divya Swamy  
Partner, D&Y Law Chambers  
(New Delhi)**

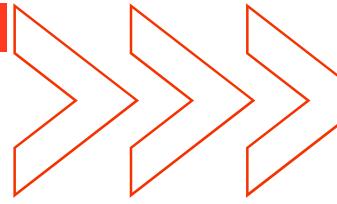


**Pallavi Singh,  
Risk, Compliance and ESG  
Professional  
(Mumbai, Maharashtra)**



**Dr. Divya Swamy , Pallavi Singh  
& Mukesh Dave**

# SESSION 5: CONSUMER PROTECTION LAWS IN HOSPITALITY



Date: 6th June 2025, Friday

Time: 5:00-6:00 PM

## Speakers:

- Mr Shirish Deshpande, Chairman, Mumbai Grahak Panchayat
- Mr Sangram Patnaik, Managing Partner, Patnaik & Associates

"Hotels carry a clear legal duty to safeguard vehicles entrusted to valet services, and disclaimers do not remove this responsibility. Proper contracts, vetted personnel, monitoring systems, and insurance are essential to avoid liability for loss or damage."

## Broad Topics:

- Evolution of Consumer Law
- Key Legal Concepts: defining 'Deficiency', 'Unfair Trade Practices', and 'Unfair Contracts'
- Role of the Regulatory Bodies
- Operational Liability, such as service charges, valet parking responsibilities, and fire safety negligence
- Analysis of landmark judgments regarding hotel defects and service failures

## Introduction:

The session navigated the expanded legal landscape of the Consumer Protection Act (CPA) 2019, which has replaced the 1986 legislation to address modern challenges. Mr Shirish Deshpande highlighted the Act's growth from 31 to 107 sections, introducing critical chapters on e-commerce and product liability. Mr Sangram Patnaik complemented this by analysing the practical application of these laws in hospitality, citing specific case studies on liability. The session underscored that compliance is no longer just about avoiding individual complaints but about adhering to a systemic framework monitored by powerful bodies like the CCPA.

## Topics at a glance:

**The Consumer Protection Act 2019 Expanded Scope:** The 2019 Act is significantly more comprehensive than its predecessor, covering e-commerce and introducing strict liability for products. It applies broadly to hospitality segments, including lodging, F&B, travel, and recreation. Unlike the old forums, which handled individual grievances, the CCPA can intervene in matters affecting a class of consumers. Mr Deshpande cited the COVID-19

refund crisis, where the CCPA addressed complaints against tour operators (e.g., Veena World, KC Tours) who refused refunds, eventually securing orders in favour of consumers with interest. The CCPA also holds jurisdiction over misleading advertisements and unfair trade practices.

**Service Charges and Pricing Voluntary Nature:** The session addressed the contentious issue of service charges. Mr Deshpande clarified that CCPA guidelines establish service charges as voluntary; they cannot be forced upon customers. Legal challenges by industry associations against these guidelines have faced dismissal, reinforcing the consumer's right to refuse payment.

**Hotel Liability and Safety Defective Infrastructure:** Mr Patnaik discussed a case in Goa where a guest fell due to a defective bathroom, leading to significant compensation. This highlighted the necessity of expert evidence and the National Commission's role in penalising infrastructural negligence. **Fire Safety:** Citing a tragic Delhi hotel fire that resulted in 17 deaths, the discussion emphasised that negligence by promoters regarding statutory compliance (MCD rules, regular inspections) leads to severe criminal and financial liability.

**Valet Parking Liability Duty of Care:** Addressing the frequent issue of vehicle theft or damage, Mr Patnaik analysed the Taj Hotel case. The courts have ruled that hotels hold a "duty of care" (bailment) towards vehicles handed over for valet parking. Hotels cannot absolve themselves of liability simply by printing disclaimers on parking tags; they are responsible for ensuring staff are trained, and systems are secure.



**Mr Shirish Deshpande,  
Chairman, Mumbai Grahak Panchayat (MGP)**

## Key Learning Outcomes:

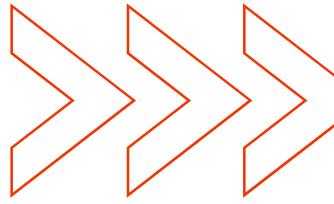
- Statutory Evolution: Understanding the shift from a grievance-redressal model (1986) to a regulatory model (2019) with the CCPA.
- Liability Awareness: Recognising that "owner's risk" clauses (e.g., in valet parking) are often legally invalid against the duty of care.
- Contractual Caution: The importance of drafting clear, fair contracts to avoid classification as "Unfair Contracts" under the new Act.
- Safety Compliance: The absolute necessity of adhering to fire and building safety codes to avoid criminal negligence charges.
- Consumer Rights: The clear directive that service charges are voluntary and cannot be coerced.



**Mr Sangram Patnaik,  
Managing Partner, Patnaik & Associates**



# SESSION 6: UNDERSTANDING HOSPITALITY CONTRACTS AND AGREEMENTS



Date: 7th June 2025, Saturday

Time: 4:00-6:00 PM

## Speakers:

- Mr Sujjain Talwar, Partner, Economic Laws Practice
- Mr Kumar Kislay, Partner, JSA Advocates & Solicitors

"A well-structured force majeure clause should expressly cover pandemics and government restrictions, tie the event to real business disruption, and allow hotel owners to exit agreements after extended periods of non-operation—ensuring they are not burdened with ongoing losses during prolonged crises."

## Broad Topics:

- Evolution of Hotel Management Agreements (HMAs), Franchising, and Lease models
- The legal shift from Principal-Agent to Owner-Operator relationships
- Critical negotiation clauses such as performance tests, radius restrictions, and budget control
- Data Privacy compliance under the DPDB Act 2023
- Force Majeure, Indemnity, and Liability in a post-COVID landscape

## Introduction:

The session explored the complex legal architecture of hospitality contracts, moving beyond standard agreements to analyse the shifting power dynamics between owners and operators. Experts Sujjain Talwar and Kumar Kislay discussed the industry's transition away from strict fiduciary "principal-agent" models toward "owner-operator" structures to mitigate liability. The discussion also addressed modern regulatory challenges, specifically the implications of the Digital Personal Data Protection (DPDB) Act 2023, and the necessity of robust termination rights in the wake of the COVID-19 pandemic.

## Topics at a glance:

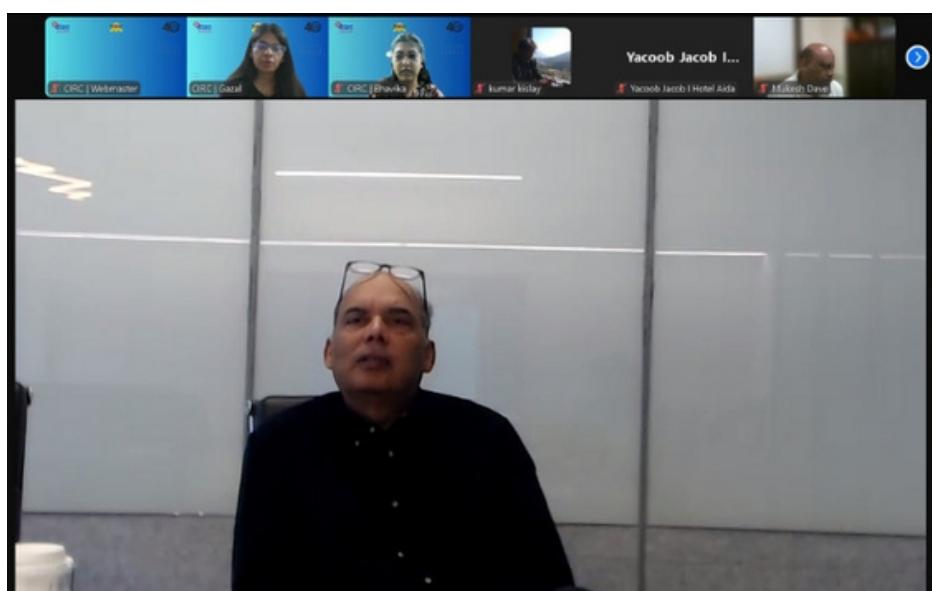
**Types of Hospitality Agreements Models of Operation:** Mr Talwar distinguished between the standard Hotel Management Contract (owner provides capital, operator provides brand/systems) and the Franchise Agreement. He highlighted the "Manchase Agreement", a hybrid where the owner takes over management after a set period, and Lease Agreements (e.g., Ginger Hotels), where the owner builds the shell and receives lease rent while the operator manages fit-outs and operations.

**The Owner-Operator Legal Relationship Fiduciary Duties:** A significant evolution in the sector is the shift from "Principal-Agent" relationships to "Owner-Operator" agreements post-2011. This change was driven by US litigation to limit the operator's fiduciary liabilities. Mr Talwar emphasised the need for precise contract wording to prevent conflicts of interest and ensure operators still act in the owner's best interest despite this structural shift.

**Critical Negotiation Clauses Financial Control:** Contracts must include specific Performance Tests and grant owners control over budget variances to prevent unchecked spending. To prevent revenue cannibalisation, owners must negotiate a "radius clause" or non-compete clause, preventing the operator from opening similar branded hotels within a specific distance. The speakers suggested evaluating third-party asset managers to oversee operator performance and manage FF&E (Furniture, Fixtures, and Equipment) reserve accounts effectively.

**Data Privacy and Regulatory Compliance DPDB Act 2023:** Mr Kislay introduced the concept of the hotel as a "data fiduciary" under the new Act. The industry faces strict requirements regarding consent management; hotels must be able to provide "data principals" (guests) access to their data upon request. Non-compliance carries severe penalties, necessitating a complete review of data handling protocols.

**Liability and Force Majeure Pandemic Protections:** The session underscored the need for clear Force Majeure provisions that allow owners to terminate contracts if fixed costs continue without revenue for extended periods (as seen during COVID-19). While the operator runs the business, the owner often faces vicarious liability for employee actions. Strong indemnity clauses are essential to protect owners from financial losses caused by operator negligence.



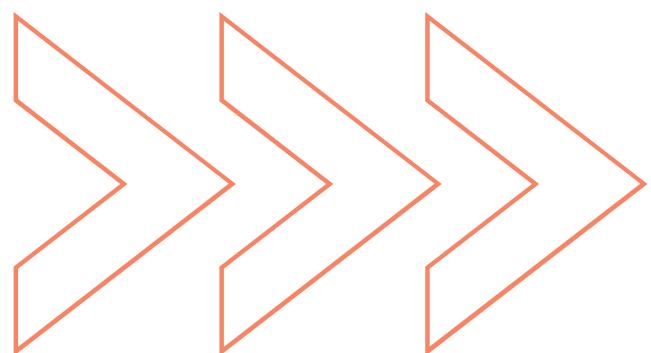
Mr Sujjain Talwar, Partner, Economic Laws Practice (ELP)

## Key Learning Outcomes:

- Structural Strategy: Understanding the benefits of Manchase and Lease models over traditional HMAs for specific business goals.
- Fiscal Oversight: The necessity of retaining owner control over expenditure variances and FF&E reserves.
- Conflict Avoidance: Implementing "Area of Protection" clauses to secure market share against the operator's expansion.
- Data Governance: Preparing for the DPDB Act 2023 by establishing clear consent management systems for guest data.
- Risk Allocation: Drafting comprehensive indemnity and force majeure clauses to shield the owner from operational negligence and catastrophic events.



**Mr Kumar Kislay, Partner, JSA Advocates & Solicitors**



# SESSION 7: KEY LABOUR LAWS AFFECTING HOSPITALITY WORKERS

Date: 13th June 2025, Friday

Time: 5:00-6:00 PM

## Speakers:

- Ms. Swayamsidha Patnaik, Advocate, Patnaik & Associates
- Mr Abhinav Rastogi, Partner, Khaitan & Co.

"Employers should provide GPS-tracked, well-lit group transportation, obtain written consent for night shifts, comply with POSH and state labour rules, and ensure safe, well-lit workplaces with strict safety protocols for women employees."

## Broad Topics:

- Wage and Social Security Regulations (Payment of Wages, EPF, ESI)
- Workplace Safety and Conditions (Shops & Establishment Act, Night Shifts)
- Sexual Harassment (POSH) and Maternity Benefits
- Employment Contracts
- Dispute Resolution and Industrial Relations

## Introduction:

The session focused on the critical importance of building a compliant, ethical, and high-performing workplace in the hospitality sector. Experts Mr Abhinav Rastogi and Ms Swayamsidha Patnaik navigated the broad spectrum of labour laws, ranging from fundamental wage structures to complex contractual obligations. The discussion emphasised that adherence to laws like the Payment of Wages Act and the EPF Act is not just a regulatory requirement but a foundation for fostering trust and reducing legal risks. A significant portion of the session also addressed inclusivity, specifically safe transportation and working conditions for women on night shifts.

## Topics at a glance:

**Wage and Social Security Framework Payment of Wages:** Mr Abhinav Rastogi explained the Wage and Social Security Framework, highlighting that the Payment of Wages Act applies to employees earning less than ₹24,000 and strictly prohibits unauthorised deductions, as reinforced by the Bombay High Court. He also outlined statutory contributions under various Acts: the Employees' Provident Fund (EPF) Act requires a mandatory 12% contribution for employees earning less than ₹15,000, the Employees' State Insurance (ESI) Act provides medical benefits for those earning less than ₹21,000, and the Bonus Act mandates statutory bonuses for employees earning up to ₹21,000.

**Workplace Conditions and Safety Shops and Establishment Act:** This Act governs daily hours, leaves, and conditions. A key focus was on women working night shifts; employers must group women employees (never alone) and provide safe transportation with adequate lighting at the workplace. Mr Rastogi highlighted the mandatory nature of the Maternity Benefit Act (26 weeks paid leave) and the requirement for Crèche facilities in establishments with 50+ employees. Additionally, a robust Internal Committee (IC) under the POSH Act is essential for addressing sexual harassment complaints.

**Employment Contracts and Termination Contractual Clarity:** Citing the Vijay Bank case, Ms Patnaik illustrated that clauses like liquidated damages for early resignation can be upheld if clear. Contracts must explicitly define roles, compensation, and benefits to ensure transparency. Employers must provide clear guidelines on probation periods and specific grounds for termination (with notice periods) to avoid disputes. Compliance with Vishaka guidelines remains a non-negotiable aspect of the work environment.

**Post-Employment Restrictions Non-Compete & Garden Leave:** Ms Patnaik discussed the enforceability of "Garden Leave" (where an employee is paid but restricted from working during the notice period) and non-compete clauses. Reference was made to Bombay High Court rulings regarding the balance between protecting business interests and an individual's right to work. She noted a Supreme Court judgment affirming that Certified Standing Orders often take precedence over general service rules, which is critical for regulating industrial relations.



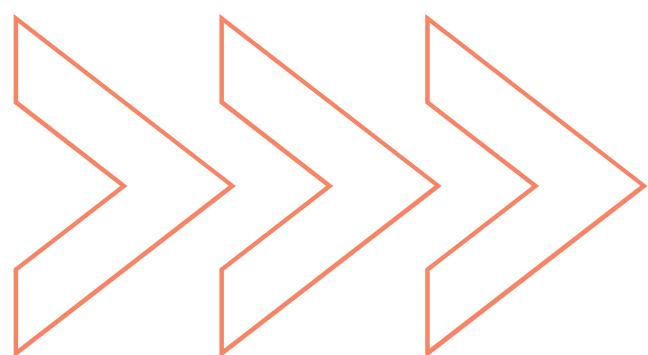
Mr Abhinav Rastogi, Partner, Khaitan & Co.

## Key Learning Outcomes:

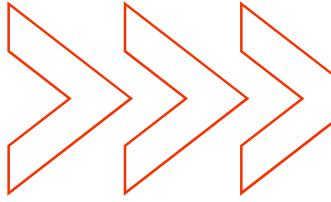
- Wage Thresholds: Clear understanding of the salary limits for EPF (₹15k), ESI (₹21k), Bonus (₹21k), and Payment of Wages (₹24k) applicability.
- Night Shift Protocols: The absolute requirement for safe, provided transportation and "grouping" for women working at night.
- Contract Drafting: The importance of specific, transparent clauses regarding probation, termination, and roles to prevent litigation.
- Legal Precedence: Recognising that Standing Orders and specific case laws (like Vijay Bank) dictate the enforceability of employment terms.
- Social Security: The liability employers face for failing to meet statutory contributions for PF, ESI, and Gratuity.



**Ms Swayamsidha Patnaik,  
Advocate, Patnaik & Associates**



# SESSION 8: EMPLOYEE WELFARE AND RIGHTS IN THE HOSPITALITY SECTOR



Date: 14th June 2025, Saturday

Time: 5:00-6:00 PM

## Speaker:

Mr Michael Dias, Managing Partner, Michael Dias & Associates

"Managing workplace discipline effectively requires listening to employee grievances, addressing issues with patience, communicating respectfully, maintaining proper records, and promoting teamwork to ensure fair and balanced treatment."

## Broad Topics:

- Legal Framework for Discipline and Misconduct
- The Principles of Natural Justice in Employment Law
- Procedural Steps such as Show Cause Notices, Domestic Inquiries, and Punishments
- Severance Models such as Retrenchment, Layoff, and Closure
- Grievance Redressal and Soft Skills in Management

## Introduction:

The session addressed the sensitive yet critical aspects of employee rights, termination, and discipline within the hospitality sector. Mr Michael Dias emphasised that, unlike manufacturing, hospitality relies heavily on customer experience, making the maintenance of discipline and teamwork paramount. The discussion moved beyond compliance to cover the "Principles of Natural Justice," guiding participants through the rigorous legal steps required to handle misconduct—from preliminary investigations to the final award of punishment—ensuring that management actions remain legally defensible and fair.

## Topics at a glance:

**Discipline and Due Process Nature of Misconduct:** Misconduct is defined as conduct that violates organisational rules. However, Mr Dias stressed that addressing it requires adherence to "Due Process," giving the employee a fair chance to explain their actions. All disciplinary actions must be based on the principles of natural justice to avoid legal pitfalls. Management cannot arbitrarily terminate; they must follow established legal procedures.

**The Disciplinary Procedure:** The process starts with a preliminary investigation, often supported by evidence such as CCTV footage. Management then issues a notice outlining the alleged misconduct, and if the employee admits guilt, punishment may follow immediately. If the charges are denied, an independent inquiry is held using the preponderance of evidence standard. After the inquiry report, a second show cause notice

is issued before imposing penalties that may include warnings, suspension, demotion or dismissal.

**Severance:** Mr Dias distinguished disciplinary termination from economic separation, such as retrenchment, layoff, and closure. Retrenchment is the removal of surplus labour (often due to technology) with compensation based on years of service. Layoff is a temporary measure (e.g., during COVID-19) where employees may receive reduced salaries but remain employed. Closure is the permanent shutting down of a workplace, requiring specific compensation protocols.

**Grievance Redressal and Communication Compassionate Management:** Employers are advised to handle grievances with patience and compassion, avoiding excessive punishment for minor infractions. Building a written record of an employee's misconduct over time is crucial to justify eventual termination. Mr Dias recommended a leadership rule: express appreciation in the presence of the team, but deliver disapproval or warnings in private.

### Key Learning Outcomes:

- Procedural Rigour: Understanding that termination without a proper inquiry and a show-cause notice is legally vulnerable.
- Evidence Standard: Recognising that internal inquiries operate on the "preponderance of probability," not absolute proof.
- Severance Distinctions: Ability to differentiate between Layoffs (temporary) and Retrenchment (permanent reduction).
- Documentation: The importance of maintaining a "paper trail" of misconduct (absenteeism, behaviour) to support disciplinary actions.
- Modern Communication: Utilising tools like WhatsApp and email effectively to track absenteeism and communicate warnings.



Mr Michael Dias, Managing Partner, Michael Dias & Associates

# SESSION 9: OVERVIEW OF FOOD SAFETY LAWS & IMPLEMENTATION OF SCIENCE

Date: 20th June 2025, Friday

Time: 5:00-6:00 PM

## Speaker:

Dr V. Pasupathy, National Advisor, FHRAI & National Resource Person, FSSAI

"Ensuring food safety requires navigating complex FSSAI rules, avoiding early-stage processing errors, and maintaining strong documentation. A holistic approach—covering labelling, storage controls, hygiene standards, and continuous training—helps restaurants meet compliance, reduce costs, and improve operational efficiency."

## Broad Topics:

- FSSAI Compliance
- Food Labelling Requirements
- Use By vs Expiry Dates
- Pest Control 4D Methodology
- Calibrated Temperature Sensors
- Food Spoilage Prevention

## Introduction:

The intersection of regulatory compliance and operational efficiency has become increasingly complex within India's hospitality and food service sector. As food safety concerns converge with sustainability goals, understanding the practical implementation of the Food Safety and Standards Authority of India (FSSAI) regulations has become essential for industry professionals. Dr Pashupati, a noted expert in food safety and sustainability with extensive field experience, delivered an in-depth session outlining the scientific basis and real-world application of these regulations. His insights moved beyond theoretical compliance requirements, drawing attention instead to the operational challenges faced by food businesses at every stage of the supply chain, from the receipt of raw materials through to final service delivery.

## Topics at a glance:

**Implementation Benefits and Operational Outcomes:** Dr Pashupati explained that effective implementation rests on aligning legal requirements, standard operating procedures, and day-to-day operational activities across the food handling cycle. He emphasised the importance of correctly interpreting "use by" dates as safety limits and "expiry" dates as quality markers, noting that violations carry significant penalties. This distinction is crucial, as it directly influences a business's regulatory compliance and liability exposure.

**Labelling Requirements and Associated Regulations:** Proper labelling emerged as a key compliance challenge, with 18 mandatory elements that must also meet legal metrology and plastic management rules. Dr Pashupati emphasised strong process control, including precise temperature management with calibrated sensors and routine oil monitoring through Total Polar Count. He highlighted strict limits on approved food colours and the need for effective sanitation. Authorised chlorine-based sanitisers were stressed as essential for full regulatory compliance.

**Process Control and Technical Standards:** The pest control discussion introduced the "4D methodology": deny entry, deny food, deny shelter, and destroy—integrated into comprehensive control plans with documented records. Dr Pashupati identified 21 major reasons for food spoilage, presenting these not as abstract concepts but as operational factors requiring systematic control. The implementations of FSSAI were concrete: reduced food costs, improved hygiene ratings, eliminated rework, increased operational efficiency, and better ingredient quantity planning.

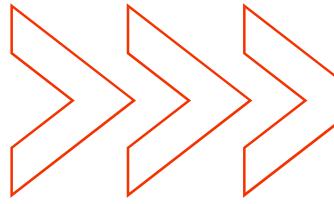
## Key Learning Outcomes:

- Understanding FSSAI's five-part regulatory structure enables contextualised compliance within industry-specific frameworks.
- The triadic approach (legal requirements + SOPs + operational activities) ensures compliance transcends documentation to become embedded practice.
- Calibrated temperature sensors and master calibrated instruments establish measurable, traceable compliance mechanisms.
- Continuous scientific learning distinguishes genuine compliance from surface-level adherence to rules.
- The 18 mandatory label elements require integrated compliance with related regulatory regimes.
- Future-ready practices must incorporate emerging technologies like AI-based compliance verification.



Dr. V Pasupathy, National Advisor, FHRAI & National Resource Person, FSSAI

# SESSION 10: FSSAI COMPLIANCE IN HOSPITALITY, ENFORCEMENT AND ADJUDICATION



Date: 21st June 2025, Saturday

Time: 4:30-6:00 PM

## Speakers:

- Mr Ganesh Bhat, Technical Officer, FSSAI
- Mr Ganesh Chandra Kandwal, Deputy Commissioner, Food & Drug Dept., Uttarakhand

"FSSAI mandates food-grade packaging, migration testing, NABL certification, and prohibits newspapers. Labels must include mandatory product details, nutrition, allergens, logos, and disclosures; violations attract penalties."

## Broad Topics:

- FSSAI digital portals
- Licensing and registration
- Food packaging certification
- Sampling and analysis procedure
- Adjudication process
- Hygiene rating system

## Introduction:

The session presented FSSAI's operational infrastructure through the expertise of Mr Ganesh Bhatt and Mr Ganesh C Kandwal, breaking down the essentials of compliance mechanisms, digital platforms, and enforcement procedures. Moving beyond the theoretical regulatory inputs, the session provided hands-on navigation of FSSAI portals and an in-depth explanation of sampling, analysis, and adjudication processes. This session particularly highlights that practitioners require not merely regulatory knowledge but practical competence in digital compliance systems and administrative procedures. The session's focus on both FSSAI and Cosmos portals reflected the modern reality that regulatory compliance operates increasingly through digital infrastructure.

## Topics at a glance:

**Instruments of Licensing Registration Process:** Mr Bhatt's presentation sheds light upon the fact that the primary FSSAI website ([fssai.gov.in](http://fssai.gov.in)) serves as the authoritative repository for regulatory documents, with the Compendium providing consolidated access to principal regulations and amendments. The licensing and registration process mandates knowing the workings of multiple regulatory instruments, particularly Schedule 4, addressing hygiene and sanitation requirements. Food packaging materials must meet food-grade quality standards, certified by NABL-accredited laboratories with certificates of

conformity. For food service establishments, specific provisions govern prepared foods for immediate consumption, mandating allergen declarations and vegetarian/non-vegetarian logos. The inspection process utilises standardised checklists identifying critical compliance elements; non-compliance in critical areas may trigger licence suspension. The application process for new licences and renewals demands accurate documentation and timely responses to queries. Licence modifications, using Forms C and D, require navigation of fee structures and proper procedures, with the session discouraging reliance on third-party consultants in favour of direct FSSAI portal usage.

**Enforcement of FSSAI Regulations:** Mr Kandwal's presentation on sampling and adjudication covered the enforcement backbone of FSSAI regulations. The adjudication process emphasises natural justice principles, ensuring fair hearings for food business operators. Appeals must be filed within 30 days from receipt of orders, with potential extensions to 60 days upon application. The appellate tribunal, typically comprising a district judge aged 65 or above, possesses authority to receive evidence, examine witnesses through commissions, review documents, and set aside adjudicating officer decisions. Appeal fees range from 500 to 5,000 rupees, depending on penalty amounts.

**RUCO Initiative:** The session addressed the Repurpose Used Cooking Oil initiative for used cooking oil collection and the hygiene rating system, reducing inspection frequencies for establishments maintaining high ratings. The Food Safety Training and Certification Portal offer various modules for business operator development.



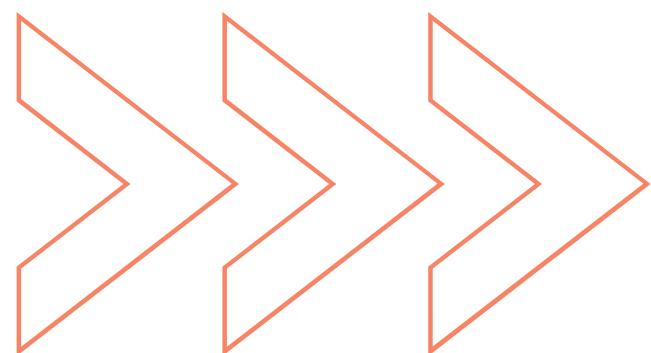
**Mr Ganesh Chandra Kandwal,  
Deputy Commissioner, Food & Drug Dept., Uttarakhand**

## Key Learning Outcomes:

- FSSAI portals represent the authoritative compliance infrastructure; direct portal navigation avoids third-party intermediaries.
- The Compendium consolidates regulatory updates; practitioners must maintain current versions for the latest amendments.
- Food packaging materials require NABL-accredited certification confirming food-grade quality compliance.
- Appeals must be filed within precisely defined timeframes; delay condonation requires additional justification to appellate tribunals.
- Hygiene rating systems incentivise compliance through reduced inspection frequency for high-performing establishments.



**Mr Ganesh Bhat, Technical Officer, FSSAI**



# SESSION 11: UNDERSTANDING HOSPITALITY TAXATION AND GST

Date: 27th June 2025, Friday

Time: 4:30-6:00 PM

## Speakers:

- Ms Sweta Rajan, Partner at Economic Laws Practice
- Ms Teesta Banerjee, Principal Associate, Indirect Tax and Regulatory, ELP

"Input Tax Credit in the hospitality sector is permitted only for business-related taxable supplies with proper invoices, timely filings, and matched records, while construction-related credits and certain concessional-rate services remain restricted under GST provisions."

## Broad Topics:

- GST in hospitality
- Composite vs mixed supply
- Input tax credit restrictions
- Room tariff GST thresholds
- Service charge taxation
- ISD registration

## Introduction:

The session on GST in hospitality sheds light on the lesser-discussed crisscrossing of taxation policy with the hospitality sector. Shweta Rajan and Teesta Banerjee navigated the multifaceted nature of GST application to accommodation, food and beverage services, and allied activities. Unlike conventional understanding, where there was a one-size-fits-all application of GST on the hospitality sector, the session revealed substantial variation in tax treatment depending on service composition, location, pricing structures, and supplier classification. This acknowledgement that GST compliance in hospitality encapsulates context-sensitive analysis rather than formulaic application highlights the regulatory complexity practitioners must manage. The session balanced conceptual clarity on GST principles with pragmatic guidance on implementation challenges pertinent to the hospitality sector.

## Topics at a glance:

**Three Pillars of Supply:** The bedrock of the GST concept rests on the taxable event of supply, encompassing sales, disposals, services, licences, rentals, and barter. The three pillars, independent supply, composite supply (naturally bundled or generally supplied together), and mixed supply (multiple supplies at a single price), determine tax treatment. Incidence of tax involves CGST, SGST for intrastate supplies, and IGST for interstate

supplies transactions. The place of supply is generally determined by the immovable property location in hospitality settings.

**Sector Specific Rates:** Critical sector-specific issues emerged throughout the discussion. Room tariffs exceeding 7,500 rupees trigger 18% GST rates; structuring tariffs below this threshold avoids higher rates and complications. Room upgrades from lower to higher tariffs (e.g., 6,000 to 8,000 rupees) incur 18% GST on the increased amount. Extra bed charges are treated as part of the room service and are taxed at 18% when the room tariff exceeds ₹14,000. Food and beverage services are taxed separately at 5%, which affects the availability of input tax credit and the way services are classified for tax purposes.

**Input Tax Credit restrictions:** Input Tax Credit restrictions apply to construction services (capped at 17.5% under regulation 17.5 (17)), free supplies (requiring credit reversal), and alcoholic beverages for human consumption. E-commerce operators maintain tax discharge liability for certain unregistered supplier services. Advanced payments require meticulous documentation to prevent double taxation. The mandatory ISD (Input Service Distributor) registration from April 2025 determines compliance for establishments with multiple state registrations.

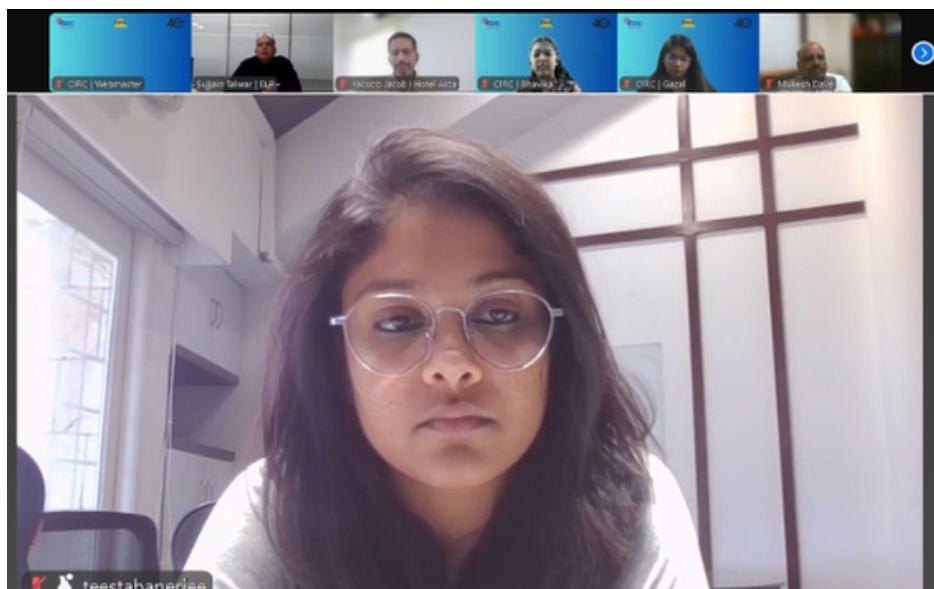
Service charges present ambiguous treatment; their optional nature creates practical implementation challenges and inconsistent industry approaches. Cancellation charges and no-show charges face varying tax treatment depending on contract structure and timing. The session clarified that room tariffs determining GST rates encompass upgrades but exclude separately itemised miscellaneous charges when properly documented.



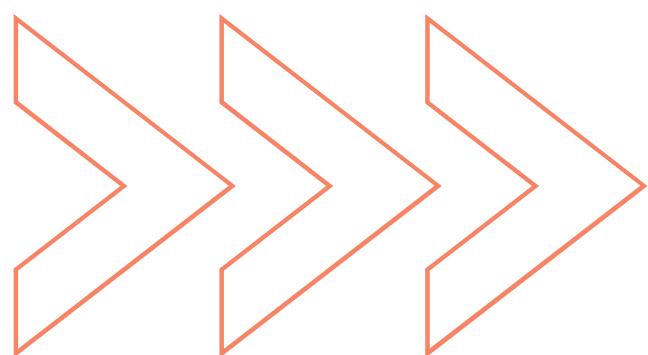
**Ms Sweta Rajan, Partner at Economic Laws Practice**

## Key Learning Outcomes:

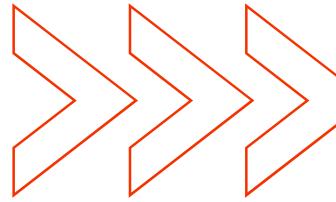
- Composite and mixed supply classification fundamentally determines GST rate applicability; proper characterisation prevents rate misapplication.
- Room tariff thresholds at 7,500 rupees create substantial GST implications; tariff structuring requires strategic attention.
- ISD registration becomes mandatory from April 2025, requiring advance preparation by multi-location establishments.
- Service charge treatment lacks clear guidance; industry standardisation requires collective action or regulatory clarification.
- Free supplies necessitate credit reversal; financial impact demands careful evaluation before implementation.



**Mr Teesta Banerjee,  
Principal Associate, Indirect Tax and Regulatory, ELP**



# SESSION 12: FINANCIAL TRANSPARENCY AND REGULATORY REQUIREMENTS



Date: 28th June 2025, Saturday

Time: 5:00-6:00 PM

## Speaker:

Mr. Vijay Pal Dalmia, Senior Partner, Vaish Associates

"Hotels can unintentionally become linked to money-laundering cases when large or suspicious cash transactions go unverified. Strict KYC, vigilant monitoring, and strong internal controls are essential to prevent regulatory scrutiny and protect the hotel's reputation."

## Broad Topics:

- Prevention of Money Laundering Act (PMLA)
- KYC obligations
- Financial Intelligence Unit (FIU) reporting
- RBI guidelines on payments
- Companies Act financial reporting
- Integrated governance compliance

## Introduction:

Mr Vijay Dalmia's session underscored that financial transparency is a central pillar of governance in the hospitality sector, extending far beyond food safety and taxation. Drawing on his expertise in PMLA and financial crime laws, he highlighted the industry's obligations under multiple regulatory frameworks, including the Companies Act and RBI norms. His perspective reframed financial compliance as a strategic governance requirement rather than a routine procedural task.

## Topics at a glance:

**PMLA 2005:** The Prevention of Money Laundering Act (PMLA) 2005 and its accompanying Rules form India's primary anti-money laundering framework, which applies when proceeds of crime arise from predicate offences such as fraud or cheating. Reporting entities, including certain hospitality businesses, are required to follow customer identification, due diligence, record-keeping and reporting obligations. KYC requirements also mandate verified and documented proof of customer identity.

**Role of Financial Intelligence Unit (FIU):** Hospitality applicability includes casinos, hotels that hold money changer licences and establishments that handle high-value transactions. The Income Tax Act requires customers to provide a PAN for large cash payments, and the Financial Intelligence Unit receives Suspicious Transaction Reports within seven working days, along with cash and non-profit organisation transaction reports. Timely Suspicious Transaction Report submission is a key compliance obligation for which institutional principals are held responsible.

**RBI KYC Guidelines:** The RBI's 2016 KYC master directions harmonise due diligence standards across banks, NBFCs and payment operators, supporting digital payments and enforcing cash limits that enhance transparency in hospitality. The Enforcement Directorate has pursued hotels in suspected laundering cases, underscoring the sector's vulnerability. The V Hotels Limited Tulip Star ruling confirmed that once an insolvency resolution plan is approved, assets gain immunity from PMLA attachment for past offences. This sets an important precedent for restructuring in the industry.

**Companies Act Financial Reporting:** Financial reporting standards under the Companies Act 2013 require proper bookkeeping and the preparation of financial statements in line with ICAI norms, with particular relevance to revenue recognition, multi-component sales and loyalty programme accounting in the hospitality sector. The regulatory landscape spans multiple bodies, including the Ministry of Corporate Affairs, FIU, RBI, SEBI, CBDT and the Central Board of Indirect Taxes and Customs. Larger hospitality chains now employ integrated governance, risk and compliance systems, supported by strong internal controls that assist in preventing and detecting fraud.

## Key Learning Outcomes:

- PMLA requirements apply to the hospitality sector wherever high-value transactions occur, extending well beyond casinos and money changers.
- Strict KYC procedures and proper customer identity verification are essential, as informal practices create significant compliance risks.
- Institutions must have systems to meet the seven-day Suspicious Transaction Report (STR) submission deadline to the FIU.
- RBI guidelines encourage digital payments and impose cash transaction limits to promote financial transparency and traceability.
- The Enforcement Directorate's active oversight requires hospitality businesses to maintain robust AML programmes and internal controls.
- Foreign exchange-related activities, including salary payments in foreign currency, require proper FEMA documentation, specific reporting, and adherence to RBI norms.



Mr. Vijay Pal Dalmia, Senior Partner, Vaish Associates

# SESSION 13: COPYRIGHTS, LICENSING, AND LEGAL AGREEMENTS

Date: 4th July 2025, Friday

Time: 5:00-6:00 PM

## Speaker:

Mr. Sameer Parekh, Managing Partner, Parekh & Co.

"Under TRAI rules and Supreme Court precedent, hotels aren't liable for additional copyright fees for in-room or public-area TV.

Standard cable/DTH payments ensure compliance, except when hosting ticketed commercial shows."

## Broad Topics:

- Music licensing
- Copyright societies (IPRS, RMPL), Television broadcasting in hotels
- Vicarious liability
- Fair dealing exceptions
- Hospitality copyright risk management

## Introduction:

Mr Samir Parekh's session highlighted the practical challenges of copyright compliance in hospitality, covering music, TV, live performances, and software, and emphasising the balance between creator rights and public access. He underscored the need for systematic management strategies to navigate licensing and liability issues effectively.

## Topics at a glance:

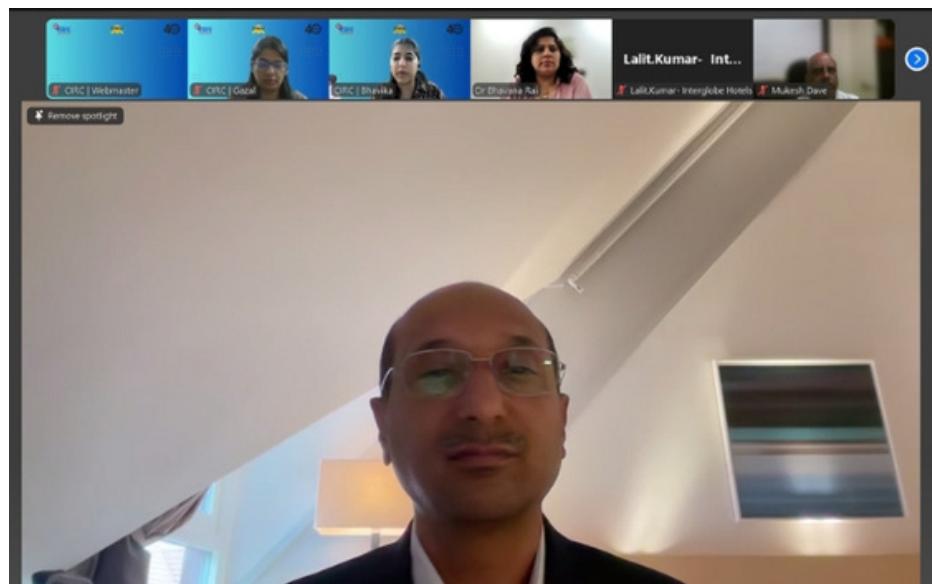
**Copyright Societies:** Copyright law protects literary, artistic, musical, dramatic, and software works while balancing creator rights with public interest through licensing and exceptions like fair dealing, educational, and non-commercial uses. Religious and marriage ceremonies are exempt, though events like Sangeet and Garba face increasing scrutiny. In hospitality, television broadcasting is regulated by TRAI, and the Supreme Court permits hotels to provide TV to guests if they pay licensed cable or DTH fees, though establishments still receive notices requiring clarification.

**Music Licensing:** Music licensing represents the primary compliance challenge. Playing recorded or live music requires licences typically issued by registered copyright societies. There are multiple societies in India. Prominent ones are IPRS (Indian Performing Rights Society) and RMPL (Recordings Industry India Limited). Copyright societies must publish tariff schemes, subject to commercial court appeal if deemed exorbitant. Critically, non-registered societies claiming licensing authority present a contentious issue; only registered societies possess valid authority.

**Vicarious Liability of Hotels:** Hotels may face vicarious liability for events where organisers lack proper licences, making proactive verification crucial. Parekh recommended that hotels understand licensing requirements, handle infringement notices promptly, and verify copyright society legitimacy before payments. He also suggested collective industry action to shift liability to organisers and challenge questionable claims through the courts.

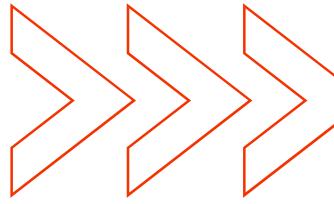
## Key Learning Outcomes:

- Copyright law protects multiple content forms in hospitality; television, music, and software each require distinct compliance approaches.
- Only registered copyright societies possess valid licensing authority; non-registered entities claiming fees lack a legal foundation.
- Television provision to guests does not constitute copyright infringement when cable/DTH operator tariffs are paid per TRAI orders.
- Hotels face vicarious liability for unlicensed events; proactive event organiser verification represents sound risk management.
- Tariff schemes from copyright societies may be challenged as exorbitant through commercial court proceedings.
- Industry collective action through hotel associations can address systemic copyright society overreach and unreasonable claims.
- Civil suits determining licence fee validity provide definitive legal positions, avoiding long-term ambiguity.



**Mr. Sameer Parekh, Managing Partner, Parekh & Co.**

# SESSION 14: TRADEMARK AND BRAND PROTECTION IN HOSPITALITY



Date: 5th July 2025, Saturday

Time: 5:00-6:00 PM

## Speakers:

- Ms Sonal Gupta, Managing Associate, Parekh & Co
- Mr Somnath De, Advocate and Senior Associate - Litigation and Prosecution practice, United & United

"Protecting a hospitality brand requires continuous monitoring. Systematic trademark checks, digital and marketplace surveillance, staff reporting, and strong franchise controls help identify misleading or unauthorised brand use early, enabling timely action to prevent dilution and protect brand integrity."

## Broad Topics:

- Trademark registration process
- Brand confusion and dilution
- Trade dress protection
- Class 43 services
- Licensing and royalty agreements
- Well-known trademarks

## Introduction:

The session emphasised the importance of trademarks as strategic assets vital for protecting brand identity, building customer trust and maintaining competitiveness in the hospitality sector. Somnath Day and Sonal Gupta explained the full lifecycle of trademark management, including pre-registration clearance, registration procedures, post-registration monitoring and addressing infringements. They highlighted that trademark protection is a strategic investment rather than a mere compliance requirement. Practical guidance was provided to help practitioners safeguard their intellectual property and leverage it for long-term value creation.

## Topics at a glance:

**Trademark registration process:** Trademark registration involves systematic procedures beginning with trademark searches, ensuring proposed marks are not already registered or confusingly similar to existing trademarks. Applications filed under Class 43 (covering hotels, restaurants, catering services) undergo examination assessing compliance with registration requirements. The publication phase in the trademark journal provides notice to potential opposers. Upon approval, the trademark certificate grants legal protection.

**Brand confusion and dilution:** Potential hurdles include brand confusion (where proposed marks resemble existing trademarks) and brand dilution (where similar marks weaken the distinctive character of established trademarks). The Haldiram's case illustrated how

trademark dilution through similar marks by different entities creates market confusion and reputation damage. Remedies under the Trademark Act include civil suits, injunctive relief, and damages awards. The concept of "spillover reputation" establishes liability when marks leverage the reputation of established brands without authorisation.

**Licensing and royalty agreements:** The session highlighted that service marks protect services, while trade dress safeguards the unique ambience, design, and presentation of hospitality establishments. Iconic brands like Oberoi and Taj demonstrate how trademark protection builds valuable assets, drives consumer preference, and supports pricing premiums. Case law, including ITC vs. Bukhara and Subway vs. Suburban, reinforced trade dress protection through distinct colours, layouts, and service presentation. The discussion stressed the importance of continuous monitoring for infringement, proper licensing and royalty agreements, and extending protection to related merchandise and Class 43 categories for strategic advantage.

## Key Learning Outcomes:

- Trademark searches before registration ensure proposed marks do not infringe existing protected marks or face rejection.
- Class 43 registration covers hotels, restaurants, and catering services; different classes apply to merchandise and apparel.
- Brand confusion and brand dilution represent substantive threats requiring preventive monitoring strategies.
- Spillover reputation doctrine establishes liability when marks inappropriately leverage established brand reputation.
- Well-known trademark status provides enhanced protection extending to unrelated goods and services.
- Civil remedies, including injunctions and damages, provide substantive protection against infringement.



**Mr. Somnath De,  
Advocate and Senior Associate,  
United & United.**

**Ms. Sonal Gupta,  
Managing Associate, Parekh & Co**

# SESSION 15: RISK MANAGEMENT AND ENVIRONMENTAL SUSTAINABILITY

Date: 11th July 2025, Friday

Time: 4:30-6:00 PM

## Speaker:

Mr R.N. Jindal, Former Director, Ministry of Environment, Forest and Climate Change of India (MoEFCC)

"Adopting green building principles in hotels not only cuts long-term energy and water costs but also improves indoor air quality, guests' well-being, and environmental sustainability, while strengthening institutional reputation through modern, eco-friendly compliance."

## Broad Topics:

- Environmental risk categories
- ISO 14000 management systems
- Green building principles
- Bio-climatic architecture
- Guest safety and liability
- Water pollution control

## Introduction:

Mr R.N. Jindal's session linked environmental sustainability in hospitality to operational, financial, reputational, legal, and environmental risks, showing its direct impact on business viability and regulatory compliance. Drawing on his expertise from key environmental authorities, he highlighted that sustainable practices affect guest safety, costs, insurance, and market positioning. The session framed risk management as an integrated, systemic challenge rather than isolated compliance.

## Topics at a glance:

**Environmental risk categories:** Environmental sustainability encompasses energy conservation, biodiversity, water conservation, groundwater protection, and air quality management. Waste segregation, proper disposal, and recycling constitute core components. The session highlighted the prohibition of certain chemicals under international conventions, necessitating careful chemical inventory management. Sustainable sourcing practices and guest engagement in environmental initiatives extend sustainability beyond internal operations.

**ISO 14000 management systems:** ISO 14000 provides a framework for environmental management, promoting feasible improvements through best available, practicable, and conventional technologies. Green buildings illustrate this approach, achieving significant energy savings and payback despite higher initial costs, as seen in a Delhi hotel refurbishment. Bio-climatic design, solar features, and landscaping further enhance efficiency, while international rating systems offer standardised green building certifications.

**Guest safety and liability:** Guest safety comprises indoor and outdoor facility maintenance: properly maintained staircases, fire escapes, signage, and equipment prevent accident liability. The Rylands vs. Fletcher principle, developed through the 1860 English case, established strict liability for industries using hazardous chemicals; industries remain liable for accidents and environmental damage regardless of negligence. The Public Liability Insurance Act 1991 and Environmental Relief Funds provide victim compensation mechanisms.

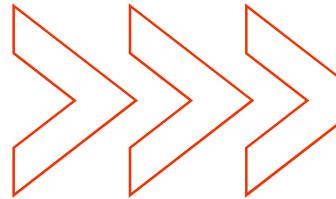
## Key Learning Outcomes:

- Five integrated risk categories (operational, financial, reputational, legal, and environmental) require comprehensive management frameworks.
- ISO 14000 systems enable practical environmental management without excessive cost burden.
- Guest safety maintenance prevents accident liability; proper signage and maintenance represent essential practices.
- State pollution control board permits are mandatory for treated water discharge.
- Advanced water treatment technology exists, but at substantial cost; alternative approaches may be more practical.
- Waste segregation and recycling reduce landfill burden and demonstrate a commitment.



Mr R.N. Jindal, Former Director, MoEFCC

# SESSION 16: IMPORTANT ESG REGULATIONS FOR HOSPITALITY INDUSTRY



Date: 12th July 2025, Saturday

Time: 5:00-6:00 PM

## Speaker:

R.N. Jindal, Former Director, Ministry of Environment, Forest and Climate Change of India (MoEFCC)

"Extended Producer Responsibility places waste-management accountability on producers, and for the hospitality sector, this means stricter plastic reduction, recycling, and reporting practices, as non-compliance under Environmental Costs may lead to penalties or sanctions."

## Broad Topics:

- Extended Producer Responsibility (EPR)
- Environmental Costs and Liabilities
- National Green Tribunal (NGT)
- Absolute liability principle
- Single-use plastic regulations
- Environmental compensation

## Introduction:

The session on Extended Producer Responsibility (EPR) and Environmental Costs highlighted the shift of waste management liability from municipalities to producers, using the Hindustan Agrochemical case to show potential financial exposure. It emphasised that industries, including hospitality, must account for environmental impacts throughout product lifecycles. Compliance with EPR intersects with ESG governance, affecting investor confidence, insurance, and competitive positioning, making it a key risk management consideration.

## Topics at a glance:

**Extended Producer Responsibility (EPR):** EPR holds producers accountable for the environmental consequences of their products, extending liability beyond manufacturing through product disposal. Environmental Costs encompass non-compliance costs, criminal liability, and administrative sanctions. The cupola furnaces case in Agra illustrated administrative sanctions: authorities permitted 24-hour operation using gas instead of coal, economically efficient compliance that reduced pollution without complete operation closure.

**Environmental Costs and liabilities:** Environmental Costs (EC) cover civil, criminal, and administrative liabilities, while reputational impacts from "name and shame" policies can affect customer relations and public perception independently of financial penalties.

Initiatives such as HUL's plastic collection drives show practical extended producer responsibility in action. Regulatory tools like differential taxation and NGT-approved environmental compensation make compliance more attractive than non-compliance. These measures build on earlier environmental frameworks from the Stockholm Convention and India's key pollution control laws, strengthened after the Bhopal disaster. The NGT now plays a central role by overseeing environmental protection, biodiversity and forest matters under the Environment Protection Act.

**Single-use plastic regulations:** Environmental compensation covers both agricultural and animal losses, with the NGT empowered to award additional sums where required. Industries causing environmental harm are subject to absolute liability, supported by mandatory insurance for hazardous operations. The Jindal Saw Limited case reinforced key principles governing such liability. ESG compliance is becoming a core element of governance in the hospitality sector. The Central Pollution Control Board and state boards enforce environmental laws through production limits, closure powers and compliance checks, while UN bodies and the Central Board guidance help clarify implementation.

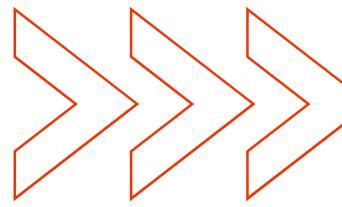
## Key Learning Outcomes:

- EPR fundamentally shifts environmental responsibility from municipalities to producers; compliance becomes the producer's obligation.
- Environmental Costs encompass civil, criminal, and administrative liability, a comprehensive enforcement framework with substantial consequences.
- The Hindustan Agrochemical case demonstrates extreme liability exposure (26 crores); complete industry closure represents a potential outcome.
- "Name and shame" reputational consequences affect customer relations independent of financial penalties.
- Absolute liability applies to hazardous substance industries; fault or negligence irrelevance does not limit liability.
- Insurance policies for hazardous substance handling constitute essential risk management.



Mr R.N. Jindal, Former Director, MoEFCC

# Participant Voices & Impressions



*"Overall, it was good insightful classes"*

-Participant from SIHM Jabalpur

*"Session were amazing honestly the most exciting lecture for me was the first lecture as that day we had sir Lalit Bhasin and as a law student I personally liked it."*

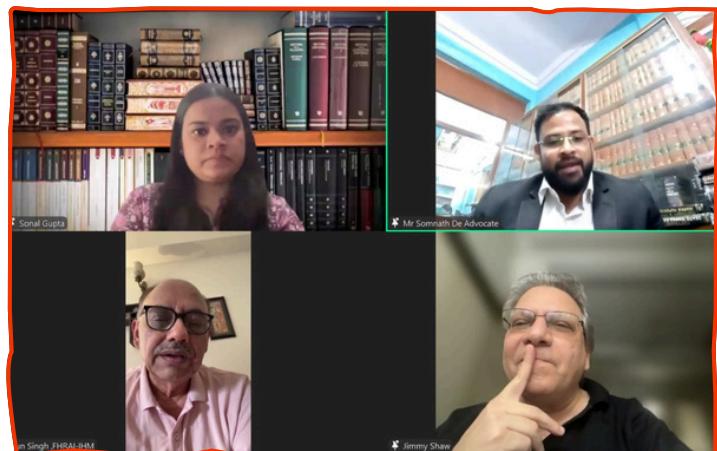
-Participant from BITS Law School

*"Great learning and value of money course offered by CIRC. Thanks"*

-Participant from Triton Hotels and Resorts Pvt. Ltd.

*"Thank you so much! it was great learning ! offer some more case history. it will be appreciated"*

-Senior Lecturer at IHM Chennai



*"Excellent program with so very learned speakers and very relevant topics"*

-Participant from CIHM Chandigarh

*"Looking forward to a session on GST 2.0 Reforms for the next edition!"*

-Participant from Modern Inns Private Ltd.

# What Comes Next



## Develop Short-Duration, Modular Courses

Introduce compact certificate courses relevant to hospitality, such as ESG Compliance, FSSAI and Hygiene laws, and Disputes.



## Include Advanced Topics

Introduce compact certificate modules covering emerging legal areas relevant to hospitality—such as data privacy, competition law, online consumer protection, and AI use in service industries.



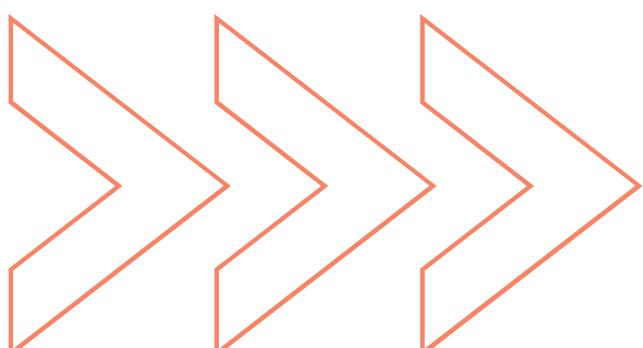
## Integrate Practical Industry Case Studies

Use real-world examples from hospitality chains, restaurant brands, and travel platforms to illustrate legal challenges. Include analyses of landmark judgments and recent regulatory actions impacting the sector.



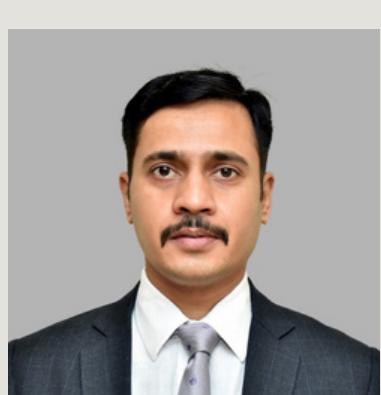
## Offer Specialised Masterclasses on Emerging Risks

Conduct focused sessions on topics like data breaches in hotels, competition concerns in online travel aggregators, sustainability and green compliance, and franchise and brand-licensing issues.



# ORGANISING TEAM

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