



HAI meets Union Tourism Minister, submits recommendation for Industry revival

New Delhi, 4 August 2021: Hotel Association of India (HAI), the apex body of the Indian hospitality industry met the Union Minister of Culture, Tourism and Development of North East Region, Shri G. Kishan Reddy and apprised him of the status of the Industry that continues to be severely impacted by the ongoing pandemic. A delegation of the Association led by its Vice President, **Mr. K.B. Kachru, Chairman Emeritus & Principal Advisor-South Asia, Radisson Hotel Group**, also reviewed the issues that the industry is facing. **Mr. M.P Bezbaruah**, Secretary General, **Dr. Jyotsna Suri**, Corporate Member HAI and chairperson and managing director Bharat Hotels Ltd., **Mr. Rohit Khosla**, Member HAI & Executive VP, IHCL, and **Ms. Charulata Sukhija, Deputy Secretary General**, HAI were also a part of the delegation.

While highlighting the urgent need to infuse liquidity in the Industry through means like an extension of moratorium, one-time loan re-structuring, improved terms under the ECLGS scheme and revised eligibility ratios under the resolution framework, the Association also requested a consideration of policy changes.

According to hospitality the status of an “Infrastructure industry” by the central government allowing it to avail the benefits of low cost funding and tax benefits that are currently available to industries like ports, railways, highways etc. is one of the policy changes that the industry has been voicing for a long time now. Hotels are capital intensive and have a long gestation period similar to infrastructure industries.

Encouraging all the Indian States to accord hotels the status of an “Industry” as recently notified by some States is another policy recommendation articulated by the delegation to support the revival and long term thrival of the industry. A large percentage of hotel operating costs are fixed in nature making them unsustainable under the current conditions. “Industry” status will allow hotels to receive the benefits available to manufacturing like lower property taxes, land at subsidized rates, lower costs of utilities like power and water.

HAI offered to be a part of the task force formed by the government to aid the Industry’s survival, revival and long term thrival.

Giving a patient hearing to the delegation’s pleas the minister assured to look into the issues and also to continue the dialogue with HAI



About Hotel Association of India

Established in 1996, the Hotel Association of India (HAI) has evolved as an integrated hospitality industry platform to keep pace with the growing buoyancy ushered in by the liberalization of the Indian economy in the mid-90s. With its membership extending from the major hotel groups, boutique hotels, heritage hotels and small hotels, it represents the entire spectrum of the industry. As the apex Industry Body, HAI works in the areas of Promotion of Regional Cooperation among hospitality industries, Hospitality Research and Education and Social Inclusion Programs in addition to taking Industry centric initiatives.

