

Press Release

For Immediate Publication



## **Hotel Association of India submits memorandum to Punjab Government for industry status *Announces the launch of Punjab State Chapter***

**Chandigarh, 15 December 2020:** Hotel Association of India (HAI), the apex body of hotels across India announced the launch of the '**HAI State Chapter**' for Punjab as part of its renewed focus to provide a unified voice to the hospitality sector and aid in the resurgence and sustenance of the industry following the global pandemic. HAI has nominated senior industry leaders from Punjab, Mr. Gautam Kapoor, Owner, Radisson Hotel, Jalandhar; Mr. G.S. Virk, Owner, Park Plaza, Zirakpur; Mr. Rajan Gill, Owner, Radisson Blu Hotel, Amritsar & Park Inn by Radisson, Amritsar; Mr. Abhimanyu Lodha, General Manager, The Oberoi Sukhvilas, Chandigarh; Mr. Sumeet Taneja, General Manager, Taj Swarna, Amritsar and Mr. Mohit Gurnani, General Manager, Taj Chandigarh, Chandigarh to drive the Chapter.

The chapter will be primarily focused on taking up relevant issues and challenges facing the industry with the State Government of Punjab as well as other important stakeholders within the region by ensuring greater collaboration, building partnerships, and creating an inclusive environment for the benefit of the local economy through programs that protect and promote the interests of small, medium operators and the larger employee base of the hotel industry.

Stimulating its purpose in Punjab, HAI has appealed to the State Government to accord "industry status" to the hospitality sector, thus enabling hotels across the state to avail benefits towards Lower Electricity and Water Tariff, Lower Property Tax, Rationalisation of Taxes & License fees and Simplified approval process for hotel projects and hotel operations. HAI, in its representation to Honourable Chief Minister Capt. Amarinder Singh, has appealed that the move will 'usher transparency, reduce costs and encourage re-investment' while strengthening the sector to unlock its potential to make significant contributions to the State GDP as well as employment to support the post-pandemic economic revival of the region. It is pertinent to note that the State has put in place a robust tourism policy and made huge investments in tourism in recent years. It is not surprising therefore that in the year 2019, the domestic tourists arriving to Punjab accounted for approximately 47 million, while the foreign tourist arrivals accounted for over one million. However, the State has potential to do much better.

Speaking about the representation, **Mr. Gautam Kapoor, Member of Punjab State Committee, Hotel Association of India & Owner, Radisson Hotel, Jalandhar**, said, "*We are very grateful to the Punjab government for allowing the hotel industry to resume operations. The State of Punjab is very progressive and has made rapid stride in overall growth and prosperity doing notably well in sectors of Agriculture, Industry, Sports, Arts, Literature and Culture. Punjab also has all the elements which make a destination attractive to the traveller. Currently, the hotel industry is going through revenue slump in the state, and with high fixed operating costs of heating, light, power, license fees, lease rentals, property taxes, etc.,*



*the industry is extremely precariously poised. Many people have already lost their jobs in the sector due to the ongoing pandemic. These numbers are now slowly coming down since the removal of restriction on the hospitality sector. However, the very survival of the sector is under serious threat and this intervention will impact the recovery of the sector to a considerably large extent.*

*We have received a very positive response from Honourable Chief Minister Capt. Amarinder Singh and he has assured us with his support in the best possible manner.”*

*“On behalf of the entire Hospitality industry, therefore, we seek the Punjab government’s support in assigning the hospitality sector the status of an “Industry” in the State which will in turn allow hotels to avail the benefits such as Lower Electricity and Water Tariff, Lower Property Tax, Rationalisation of Taxes & license fees and Simplified approval process for hotel projects and hotel operations.” Added **Mr. Kapoor.***

The hospitality sector is a key pillar of tourism in both domestic and international markets. Hotels serve the essential need for accommodation for travellers, be it for pilgrimage, business, or leisure. Hotels not only create jobs across all categories for unskilled, semi-skilled, and skilled workers, they also employ women and specially-abled people in large numbers. The ongoing pandemic has dealt a severe blow to an industry that is facing an existential crisis. As per data released by the National Statistical Office, while India’s GDP for the first quarter of April to June 2020 contracted by a massive 23.9%, the hotel industry experienced shrinkage of 47%. RBI has also recognized hotels as one of the most stressed sectors.

A favourable policy decision of according hotels the status of an industry and allowing it the benefits available to manufacturing will strengthen the Indian hospitality industry, preserve and unlock its immense potential to make a significant contribution to the State’s GDP and jobs, supporting the post-pandemic economic revival of the region, HAI said in its representation.

#### **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.

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