



## **Hotel Association of India Engages with Maharashtra Tourism to Strengthen the State 's Hotel Sector**

**Mumbai 21<sup>st</sup> June 2025:** As a part of its outreach to States, the Hotel Association of India (HAI), the apex body representing the Indian hospitality industry, recently engaged in a constructive dialogue with Dr. Atul Patne, Principal Secretary – Tourism, Government of Maharashtra to discuss various issues related to the Sector's growth and development in the region with a focus on hotels.

The HAI delegation was led by Dr. Sanjay Sethi, the Association's Honorary Treasurer and Chairperson of its Maharashtra Chapter accompanied by Mrs. Charulata Sukhija, Deputy Secretary General.

While complimenting the State on its robust tourism policy and vision document, the two shared key concerns of the hotels.

The discussions centered around three key areas. First, was the expeditious implementation of industry tariff for electricity. Currently hotels are charged commercial rates for power which are considerably higher. The State was among the first to grant industry benefits to hotels but encountered some challenges in its implementation. As HVAC costs constitute a high component of operational expenses this will help hotels to become more cost effective.

Secondly, HAI proposed the simplification of the excise licensing framework. The suggested 'One License One Property' (OLOP) model would replace the currently fragmented system with a unified license that covers all operational areas within a hotel —restaurants, banquets, terraces, and outdoor spaces. This would streamline compliance and eliminate logistical delays promoting greater ease of doing business.

Lastly, the delegation recommended enhancement of fiscal incentives available to hotels under the state's tourism policy 2024. These include an increase in capital subsidies, SGST refunds for a longer period, wage-based incentives to boost employment, and higher subsidies for sustainability initiatives.

Together, these measures will facilitate long-term investment in the sector, fostering sustainable infrastructure development, and unlocking tourism potential in underdeveloped regions.

Dr. Patne was very receptive to all the suggestions and assured his and the government's support. Tourism is one of the key pillars of Maharashtra's socioeconomic development and it aspires to elevate its status from an "emerging" to a "leading" state in the sector.

HAI reiterated its support to the government 's initiatives in growth, development and promotion of tourism & hospitality and tapping fully the sector's capacity to grow jobs and the GDP of the region.

**About HAI**

Established in 1996, Hotel Association of India (HAI) has evolved as an integrated hospitality industry platform to keep pace with the growing buoyancy ushered in by the liberalisation of Indian economy in the mid-90s. With its membership extending from major hotel groups; boutique, heritage and small hotels, HAI represents the entire spectrum of the industry. Its Executive Committee is a potent combination of the commitment of hotel owners on one hand and hard-core professionalism of hotel managers on the other. As the apex Industry Body, HAI works in the areas of Promotion of Regional Cooperation and Hospitality Research & Education in addition to taking Industry centric initiatives. By launching Unprecedented 'Social Inclusion' initiatives, HAI also projects the 'Social Face' of the Indian hospitality industry"