

# LeaderSpeak

DECEMBER 2022



## PRESIDENT'S MESSAGE

Dear Friends

I am happy to share the final LeaderSpeak for 2022. As it happens in the rough tumble of any Industry, there were highs and there were lows but the year is ending on a good note for Indian Hospitality. On behalf of the Executive Committee, I extend warm best wishes to you, your teams and your loved ones for 2023. May we set higher benchmarks & achieve greater heights Together!

*Puneet Chhatwal*

## HAI submits Pre-budget recommendations for FY 2023-24

HAI submitted its suggestions for the consideration by the Government for Union Budget for FY2023-24. The Association was invited for a consultative meeting chaired by Member,CBDT where the key recommendations were presented by the HAI delegation comprising of R.Shankar, HAI EC Member, Charulata Sukhija, Deputy Secretary General. The domain experts included Mohit Gupta from the Taj Group of Hotels and Atul Khosla from the Apeejay Surrendra Park Hotels Ltd.

The recommendations are under the heads of:



DIRECT TAXES



CUSTOMS & CENTRAL EXCISE



POLICY ISSUES



INDIRECT TAXES



In **Direct Taxes** the main proposals included allowing hotels a higher rate of depreciation, allowing business losses to be carried forward for 12 years instead of 8 years, allowing carry forward of MAT Credit and allowing CSR expenditure in computing business income

In **Customs & Central Excise**, removing petroleum products & alcohol from excise & placing them under GST Act instead has been the single most important recommendation.

Another proposal relates to restoration of the benefits to hotels under the Service Exports from India Scheme (SEIS) for at least 5 years beyond 2019-20 and maintaining hotel reward points under the Scheme at 5%

Key **Policy recommendations** included according infrastructure status to hotels, provision of online single window clearance for hotel licenses, subsidized power tariffs for hotels as available to manufacturing industries and including hotel costs in the expenses in addition to travel expenses under the LTA Scheme. A creation of an empowered National Tourism Board has also been proposed.

HAI submitted its **recommendations for GST** as well and at the meeting, articulated the key Industry requests for w.r.t GST that include the reduction of GST on hotels from the prevalent 18% to 12 % and reducing the rate of GST on restaurants located in hotels to 12% with full ITC.

## HAI joins hands with Impact4Nutrition to strengthen India's nutritional status



The Association looks forward to promoting the program across its membership and will encourage its Members to participate in a national movement. HAI members have taken many initiatives for sustainable practices in their operations and such partnership will strengthen Members' existing programs on nutrition by providing ideas, knowledge, technical expertise and aiding activation thereof.

I4N is an endeavour in line with the National Poshan 2.0 Abhiyan of Government of India. Aligning with the initiative marks a responsible

return to business for HAI members post the pandemic.

Mr. Patanjali G. Keswani, Honarary member & Treasurer - HAI and Chairman & MD, Lemon Tree Hotels said, "This is a good cause for HAI members to support, which will add value to the nutritional upliftment of our country. As a part of the hospitality and food & beverage industry, it is important for us to focus on responsibility and sustainability, with nutrition being one of the primary factors to be considered."

## Tourism to benefit from India's G20 blitzkrieg

In an exclusive interview to ET Business World, MP Bezbaruah, secretary-general, of the Hotel Association of India (HAI) stated, 'The presidency of G20 will open great opportunities for the hospitality sector. In the short run, we look forward to welcoming guests and acquaint them with their experience of world-class Indian hospitality. This will be an occasion for the government and the industry together to uplift infrastructure and service.

"In the long run, we believe it will be an opportunity to promote India through the leading policy-makers and opinion leaders that we will be pleased to host. As Nehru had said, welcome a tourist and return a friend.

According to government estimates, around 12,000 foreign delegates are expected to visit India as part of the G20 meetings of different tracks over the next year. The industry estimates that it will rise much higher considering many side events that are expected to happen unofficially.



## Industry in India and UK welcome reopening of e-visa



Applauding the decision to reopen e-Visa for UK nationals, KB Kachru, Vice President, HAI & Chairman Emeritus and Principal Advisor - South Asia for Radisson Hotel Group said that the decision is likely to make a substantial difference to inbound business for India given the UK's position as one of the largest and defined source markets for the country.

Nakul Anand, Corporate Member HAI & Executive Director ITC Ltd., elected unopposed as FAITH Chairman representing HAI for the term 2022-24



Chalet Hotels (as selected bidder) and its wholly owned subsidiary, Chalet Airport Hotels (as developer) have signed an agreement with Delhi International Airport to develop & manage terminal hotel at the IGI Airport, New Delhi.



Goa's Tourism and Country Planning Board to extend the facility of additional Floor Area Ratio (FAR) to three-star hotels with a 30 % increase in FAR

An exclusive for the hospitality sector, the cabinet has enhanced the limit of Emergency Credit Line Guarantee Scheme (ECLGS) by INR50,000 crore.



E-Commerce Marketplace Flipkart launched a new hotel-booking feature 'Flipkart Hotels' on their platform which is backed by Cleartrip's API

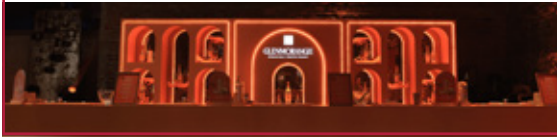
## Hotel Association seeks expansion of key airports in the country

As the crowding of passengers continues at key airports in the country, the Hotel Association of India has requested Prime Minister Narendra Modi to improve infrastructure at these facilities. In a memorandum to the prime minister the association secretary, JK Mohanty said the capacity of the airports in the metros needs to be tripled and at other congested airports in different states the infrastructure facility should be doubled.





**Moët Hennessy India's luxury single malt Glenmorangie** launches the Delicious Design Project - a one-of-its-kind sonic visual art series with 'Wondermaker' Karsh Kale



**Apeejay Surrendra Park Hotels Limited** partners with Tata Power to deploy EV infrastructure across India



**Lemon Tree Hotels Ltd.**, launches its second property in Vishakhapatnam - Keys Lite by Lemon Tree Hotels, Sreekanaya, Vishakhapatnam.



**TAJ Resort & Convention Centre Goa**

recently opened its doors to Goa's all-new premium seafood destination - C2C (Coast to Coast).



**Apeejay Surrendra Park Hotels Limited** announces the signing of Zone by The Park Digha, West Bengal



**IHCL, Goa Heralds The Holiday Season With A Greater Purpose** Indian Hotels Company (IHCL), Goa's largest and leading hospitality operator rings in the festive cheer with a greater purpose of giving back to the society this holiday season. Under Paathya, IHCL's framework of sustainability and social impact measures, various initiatives have been implemented at the hotels to give guests



a truly Goan holiday experience, which will benefit the local community and aid in preserving Goa's rich heritage. In the true spirit of the festive season, guests and associates will engage in meaningful actions of touching someone's life in an impactful manner.

## INDUSTRY DEVELOPMENTS- STATES

### Uttar Pradesh Tourism Policy to boost revenue at the Global Investors Summit - 2023



The Uttar Pradesh government has announced new tourism policy to attract investors and generate revenue and employment. In the tourism sector, the government is chalking out strategies to develop "Focus Tourists Destinations" and theme-based tourism to achieve its target of Rs. 10,000 crore investment. The Global Investors Summit will be hosted on 10-12 February, 2023 in Lucknow.

The new tourism policy lists 12 "Thematic Tourism Sectors," which include heritage, art

and culture, spiritual and religious tourism, rural village, tribal and agriculture-based tourism, nature and wildlife, water sports, adventure tourism, wellness and medical tourism, youth centric tourism, cuisine tourism, wedding destination tourism and film tourism. The tourism policy states, "Focus shall be placed on interconnecting state circuits with national and international travel itineraries. End-to-end infrastructure development would be undertaken to facilitate seamless national and international connectivity."

### Odisha's new tourism policy 2022-27 promises subsidies, incentives for investors

The new tourism policy encourages sustainable investments into the state, with attractive proposals to urge investors into the tourism sector. With incentives such as subsidies on capital investments, provisions for subsidies on loan interests; exemptions on land registration, conversion charges, employment cost subsidies besides subsidies on investment on environment sustainability, the state is making every effort possible to increase inflow of funds and attract the investor community. The policy



also aims to promote local employment and provide financial support for training employees to encourage people to join the tourism industry.

### RTDC to increase NET Profit



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