



ENGAGE

September-October 2025 | Volume 5 | Issue 5

Hospitality REIMAGINED



GST REFORMS Boost for India's tourism sector

GYAN BHUSHAN,
Senior Economic Advisor, Ministry of Tourism,
Government of India



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CREATIVE VISUALISATION
SERVING SUGGESTION



From the President's Desk



KB Kachru
President, Hotel Association of India
Chairman - South Asia, Radisson Hotel Group

The recent rationalisation of the Goods and Services Tax marks one of the most significant fiscal reforms in India's post-pandemic landscape. By moving to a simplified two-tier system of 5% and 18%, the government has sought to make taxation more transparent, uniform, and growth-oriented. For the hospitality sector, the reform primarily carries the promise of accessibility and affordability. However, industry reactions reveal, the impact is far more nuanced.

The reduction of GST on hotel rooms priced up to Rs 7,500 from 12% to 5% makes travel more affordable for inbound tourists and travellers. However, the concurrent withdrawal of input tax credit (ITC) has created a structural anomaly. While guests may enjoy marginally lower tariffs, mid-market and budget segment hotels now shoulder a heavier tax burden. Tighter margins will reduce incentives for expansion and renovations.

Read on this Issue for voices from across the hospitality landscape. In the next round of reforms, policymakers could fine-tune the framework for the hospitality sector to better align with current market realities. Already, local hotels, airlines, restaurants, and activity providers are working hard to reach international customers, and incentives are much needed for the sector. The government plans to develop 50 tourist destinations for both domestic and international travellers, selected through a challenge mode. This means the industry must move quickly to keep pace with rising demand and bridge the growing skills gap. With 50% of India's population under 25 and 65% below 35, skill development and job creation will be critical, not only to sustain the tourism boom but also to drive the broader economy forward.

India's travel sector is the leading star in the economy, and the government has aspirations that by 2047, the tourism economy will contribute around \$3 trillion to India's GDP, up from \$201 billion in 2023. This will call for a more creative and sustained push from all stakeholders involved. Ultimately, the tax relief must empower not just the traveller, but also the host who is making huge investments and makes every stay memorable for the visitors.

My best wishes for enjoyable year end festivities. May 2026 bring joy, more success and prosperity to All! **HAI**

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Prime Ministers' Museum & Library marks World Tourism Day

The Prime Ministers' Museum and Library (PMML)—a unique national institution dedicated to preserving and showcasing the legacy of India's Prime Ministers since Independence—celebrated World Tourism Day 2025 on 27 September with a series of special initiatives aimed at strengthening its position as one of Delhi's premier cultural and tourist destinations.

Globally distinctive in its scope, PMML houses a vast library of books, microfilms, and extensive archives, along with a Centre for Contemporary Studies and the Nehru Planetarium, which features a dedicated gallery on astronomy and space. The Pradhanmantri Sangrahalaya within the complex brings alive the journeys, vision, and contri-

butions of India's Prime Ministers. With its daily Light & Sound Show and a gallery on the Indian Constitution, PMML stands as a true "Temple of Democracy", offering immense educational and cultural value for visitors of all ages.

To mark the occasion, PMML hosted a roundtable discussion on "Positioning Pradhanmantri Sangrahalaya as a Must-Visit Tourist Destination of Delhi," in collaboration with the Director General of Tourism, Government of India. The discussion brought together leaders from national tourism associations and tour operators to deliberate on collaborative strategies for enhancing cultural tourism and visitor engagement.

Adding to the day's highlights, PMML also inaugurated a state-of-the-art Terrace Café at the Nehru Planetarium—introducing a new dimension to the visitor experience by blending culture, cuisine, and comfort in a serene setting.

Ashwani Lohani, Director, PMML, emphasised that these initiatives reflect the institution's sustained commitment to celebrating its national significance while delivering exceptional value to its visitors. The event was also attended by hospitality stalwarts including K.B. Kachru, President, Hotel Association of India and Chairman – South Asia, Radisson Hotel Group; Arvind Singh, former Secretary, Tourism; and M.P. Bezbaruah, Secretary General, Hotel Association of India, among others.

WELLNESS EXPERIENCE CENTER

A Journey Through Wellness



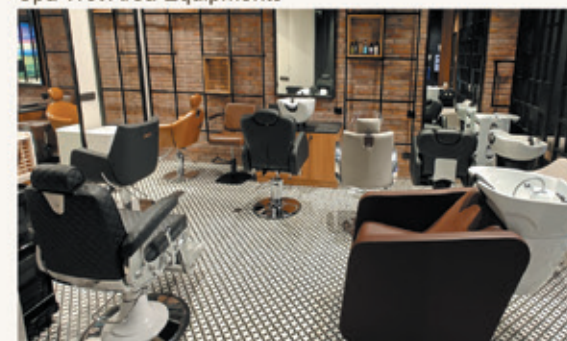
VIP Spa Suite Concepts



Spa Wet Area Equipments



Hydrotherapy



Designer Salon Furniture Concepts & Equipments



Luxury Spa Beds & Heated Hammam Beds



Wellness Spa India

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Park Hotels | Anantara Hotels & Resorts | Mahindra Holidays



Thomas Cook India partners with MoT

In a strategic move to transform India's tourism landscape, Thomas Cook (India) Limited has signed a Memorandum of Understanding (MoU) with the Ministry of Tourism (MoT), Government of India.

The MoU was signed by Seema Jain, Director, Destination Development Division, Ministry of Tourism, and Romil Pant, Executive Vice President & Head – Holidays, Thomas Cook (India), in the presence of senior government dignitaries including Suman Bery, Vice Chairman, NITI Aayog; Suresh Gopi, Minister of State for Tourism, Petroleum and Natural Gas; Suman Billa, Additional Secretary and Director General, Ministry of Tourism; and Gyan Bhushan, Senior Economic Adviser, Ministry of Tourism.

This collaboration seeks to gather direct, real-time traveller feedback to assess and recognise India's best-performing tourism destinations while identifying areas for improvement. Leveraging its extensive physical and digital reach, Thomas Cook India will integrate a co-branded feedback form, standardised by the Ministry of Tourism, across its plat-

forms. This form will capture verified traveller insights on key parameters such as cleanliness, safety, accessibility, service quality, and overall visitor experience.

The MoU, valid for an initial period of three years, underscores Thomas Cook India's commitment to strengthening India's domestic tourism ecosystem through collaboration, transparency, and data-driven decision-making.

Suman Billa, Additional Secretary & Director General – Ministry of Tourism, Government of India, said: "We are extremely delighted to sign this MoU with Thomas Cook India. The idea is to collect real-time feedback from travellers at key destinations across the country. Our aim is to use this data as a foundation to identify and promote destinations that offer exceptional visitor experiences. This marks the first step in a long journey ahead, and we hope this partnership proves fruitful for both of us."

Rajeev Kale, President & Country Head, Holidays, MICE, Visa – Thomas Cook (India), added: "We are delighted to partner with the Ministry of

Tourism on this transformative initiative. With our extensive reach and deep understanding of Indian travellers, Thomas Cook India is uniquely positioned to provide valuable insights on destination performance. Our collaboration will focus on gathering authentic feedback from our customers to empower the Ministry's efforts in enhancing the quality, safety, and sustainability of India's tourism offerings."

The Metropolitan Hotel & Spa marks 25 years



FHRAI flags tax burden despite GST cut on hotels

The Federation of Hotel and Restaurant Associations of India (FHRAI) has written to the government, warning that mid-market and budget hotels are bearing the brunt of the recent GST rate changes. The association said that while GST on rooms up to 7,500 has been reduced from 18% to 5%, the GST paid on hotel projects has become non-creditable, turning into a tax burden instead of a relief.

FHRAI cautioned that if this continues, it could hurt domestic tourism, which is projected to cross 16 lakh crore in spending by 2024, and potentially impact millions of jobs in the hospitality sector.



The Metropolitan Hotel & Spa (THE MET) has completed 25 years of operations. The luxury five-star deluxe property seamlessly blends panache with substance. Over the years, it has evolved, welcoming guests to a refreshing, contemporary space defined by minimalist, urban design and warm, thoughtful service. The hotel's commitment to excellence has been recognised through numerous international accolades, including the Haute Grandeur Global Awards, World Luxury Hotel Awards, International Hotel Awards, and honours from TripAdvisor, Booking.com, Expedia, Goibibo, MakeMyTrip, and many more.



Diageo India, THSC join hands to train 300 youth in hospitality skills

Diageo India (United Spirits Ltd.) has signed an MoU with the Tourism and Hospitality Skill Council (THSC) to train 300 students under its Learning for Life programme. The agreement was signed in the presence of Praveen Someshwar, MD & CEO, Diageo India, and Rajan Bahadur, CEO, THSC.

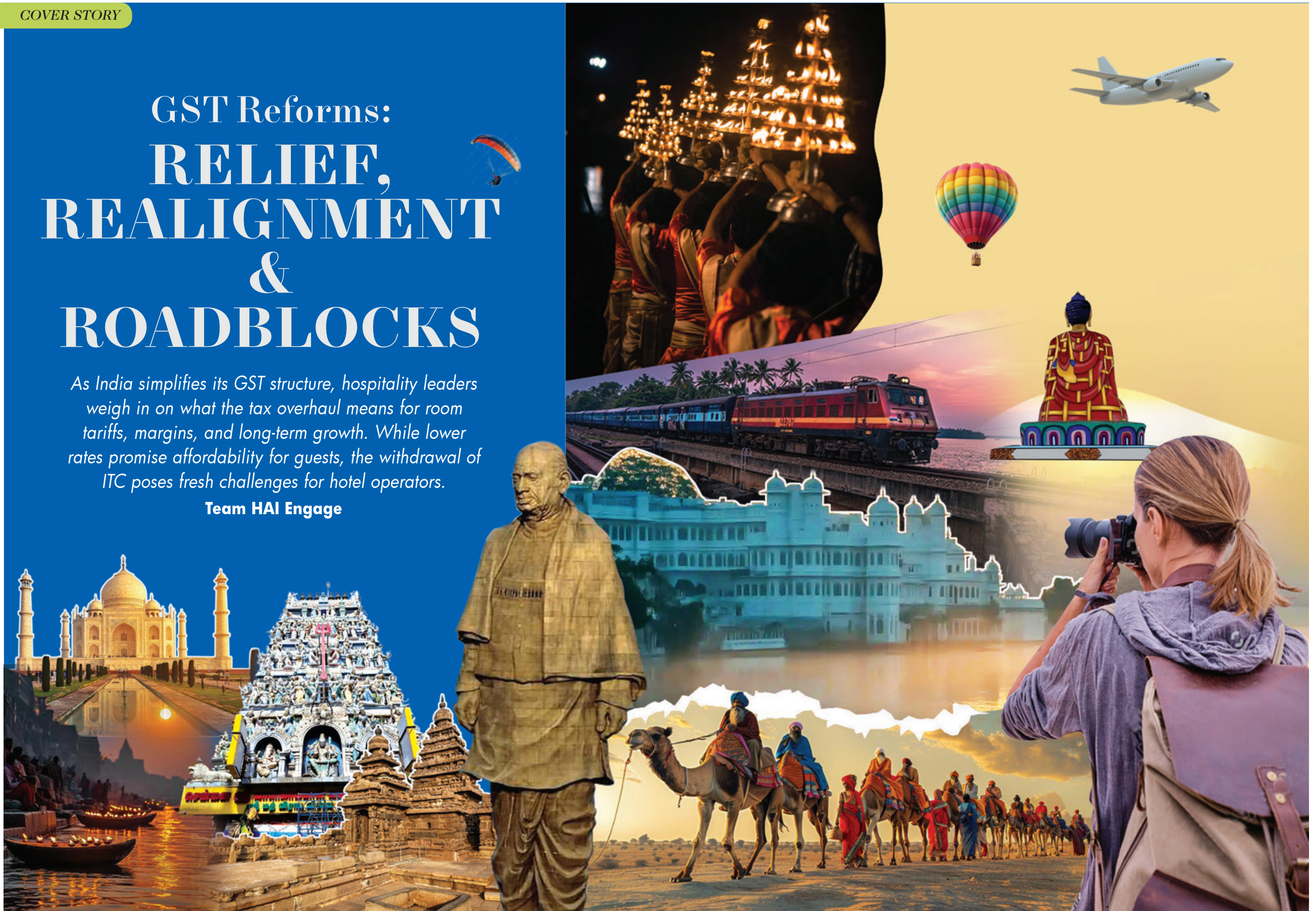
The short-term, classroom-based programme will be conducted at THSC-affiliated centres in Bengaluru, offering technical and soft-skills training aligned with the National Skill Qualification Framework (NSQF). The initiative, part of Diageo India's Spirit of Progress ESG plan, aims to enhance employability among unemployed and underprivileged youth.

Participants will receive THSC certification and placement support across hotels, restaurants, quick-service chains, and allied services.

GST Reforms: RELIEF, REALIGNMENT & ROADBLOCKS

As India simplifies its GST structure, hospitality leaders weigh in on what the tax overhaul means for room tariffs, margins, and long-term growth. While lower rates promise affordability for guests, the withdrawal of ITC poses fresh challenges for hotel operators.

Team HAI Engage



India's latest GST reforms mark a sweeping simplification of the country's indirect tax structure. The move to a two-slab system of 5% and 18%, replacing the earlier 12% and 28% rates, is aimed at making taxation more transparent and easier to comply with. Effective September 22, 2025, following CBIC notifications, the new framework applies across sectors—except for tobacco and related products—and is expected to streamline administration and reduce ambiguity. For the hospitality industry, the changes bring both relief and recalibration. The GST on hotel rooms priced up to Rs 7,500 per night has been

reduced from 12% to 5%, a welcome shift for budget-conscious travellers. However, the withdrawal of input tax credit (ITC) on these rooms offsets much of the benefit for operators. Rooms above Rs 7,500 continue to attract 18% GST with full ITC, while restaurants in hotels below this tariff band will now pay 5% without ITC, compared to 18% with ITC in premium properties. These rationalisation measures are part of a broader government effort to make India's tourism ecosystem more affordable, promote cultural industries, and encourage domestic travel. By easing tax rates on hospitality and

transport, policymakers hope to strengthen local tourism networks and attract greater private investment.

As one of India's fastest-growing sectors, hospitality and tourism play a pivotal role in the country's economy—creating jobs, fostering global goodwill, and showcasing India's soft power. With the economy expanding at over 6%, the sector remains both a key growth engine and the first touchpoint for travellers experiencing "Brand India." HAI Engage got in touch with the country's leading Hospitality experts to hear their views on the changes.



CHALET
HOTELS



“Withdrawal of ITC creates an unintended anomaly. Would urge the government to revise the tariff threshold upward to Rs 12,000, with ITC, in line with the current market dynamics”

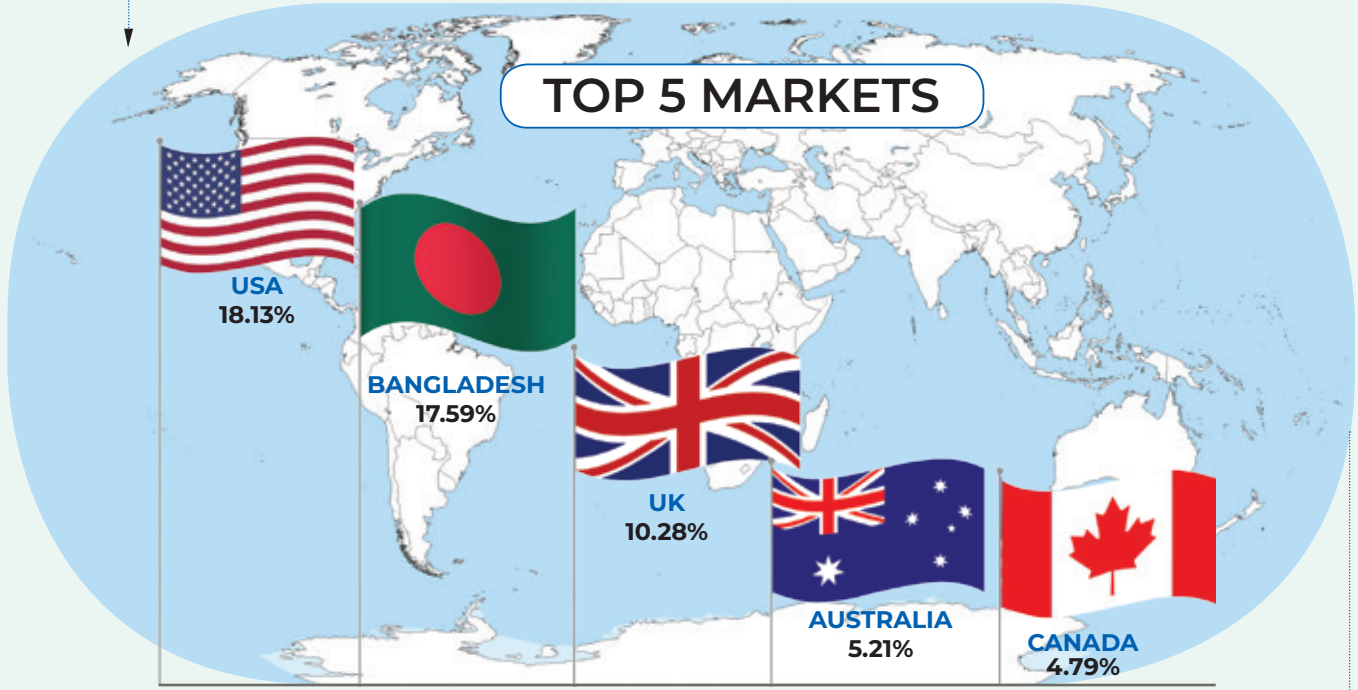
SANJAY SETHI
MD & CEO, CHALET HOTELS

Sanjay Sethi, MD & CEO, Chalet Hotels says, “The GST announcements are progressive and in line with the larger vision of nation building and sabka vikas. Placing room tariffs below Rs 7,500 in the 5% GST slab is a welcome step. At the same time, withdrawal of ITC creates an unintended anomaly. To ensure the intent of the reform is fully realised, I would urge three corrective measures: One, retain the benefit of ITC for this segment; two, revise the tariff threshold upward to Rs 12,000, with ITC, in line with the current market dynamics; three, link future tariff thresholds to the Consumer Price Index (CPI), so that periodic resets are not required. These changes will make the framework more equitable, growth-friendly, and aligned with the government’s vision for tourism as a driver of inclusive development.”



INBOUND TOURISM IN INDIA (IN 2024)

Foreign Tourist Arrivals	9.95 Million
Arrival of Non-Resident Indians	10.62 Million
International Tourist Arrivals	20.57 Million



**Average Duration
of Stay**

18.12
(in Days)



\$35.016 Billion
₹2,93,033 Crore

Source - INDIA TOURISM DATA COMPENDIUM 2025, Ministry of Tourism



“Hotel guests will definitely save a good amount. The reduction in GST to 5% in spa services has been welcomed by our spa users”

SANZEEV BHATIA

PRESIDENT & GM,
THE METROPOLITAN HOTEL & SPA

Sanzeev Bhatia, President & GM, The Metropolitan Hotel & Spa, says that hotel guests will definitely save a good amount. “We wish the tax bracket of 18% would have also been brought down to 12% to benefit guests of our segment of hotels. Apart from this, reduction in GST from 18% to 5% in spa services has been welcomed by our spa users who can now save a good amount of money and use our spa services more often.”



“The removal of ITC poses a challenge. Hotel developers and owners of mid-scale assets may face margin pressure due to this. Extending input credit will encourage incremental investments in the sector”

J.B. SINGH

PRESIDENT & CEO – INTERGLOBE HOTELS

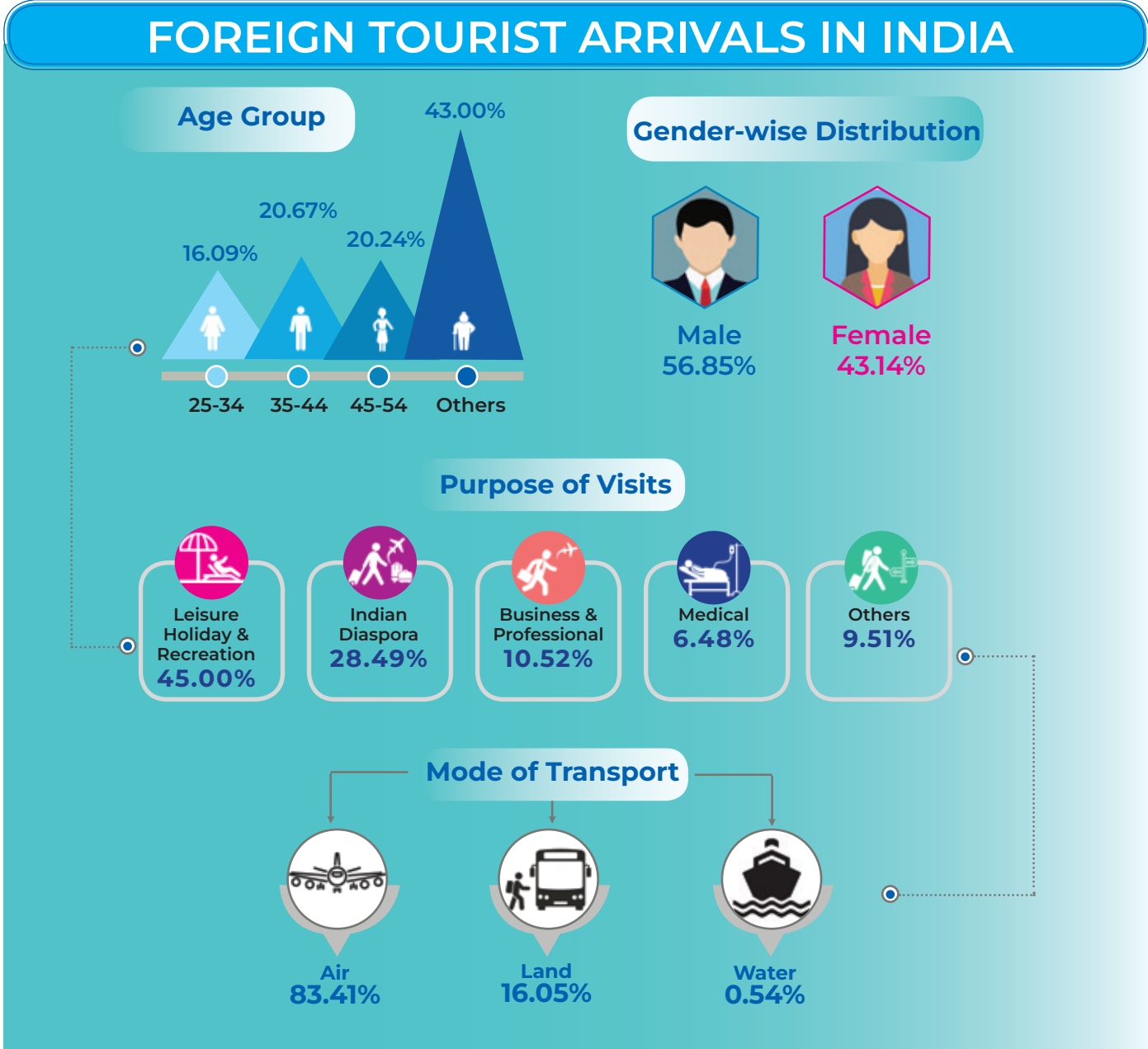
J.B. Singh, President & CEO – InterGlobe Hotels, says the revised GST norms are a welcome move that can stimulate demand and improve occupancy, as stays become more attractive for customers. It holds promise for enhancing revenue potential and stronger competitiveness in the sector. However, the removal of ITC poses a challenge. “Hotel developers and owners of mid-scale assets may face margin pressure due to this. Extending input credit will encourage incremental investments in the sector.”



“Hotel guests may benefit from slightly lower headline prices, but hotel owners will largely bear the hidden cost”

MANAV THADANI
FOUNDER AND CHAIRMAN,
HOTELiVATE

Manav Thadani, Founder and Chairman, HOTELiVATE, says while the headline change of reducing GST rates on rooms up to ₹7,500 to 5% may appear people-friendly, the removal of ITC significantly raises the cost burden for owners who have to bear this additional burden. If the government wants more investments (potentially more jobs), then this needs to be corrected. Additionally, this denial of ITC adversely impacts operating margins, capital expenditure and the overall



Source - INDIA TOURISM DATA COMPENDIUM 2025, Ministry of Tourism

attractiveness of investment in the mid-market and budget hotel segment. “So yes, hotel guests may benefit from slightly lower headline prices, but hotel owners will largely bear the hidden cost.”

On the positive side, lower headline GST encourages more domestic travellers by making stays more affordable, especially in the weekend/leisure/pilgrimage segments. This could lead to higher occupancy rates in mid-scale hotels, increasing the utilisation of existing assets. “However, hotels may face profitability pressures because of the new GST structure. This makes certain hotel projects less financially attractive, particularly in the mid-market and budget segments.

Some owners may delay refurbishment, expansion or new developments, especially where profit prospects are limited. Smaller towns and new markets may become risky unless the cost-return balance is favourable,” he says.

“Already, hotels that were on the borderline are now adding breakfast components and other components to the rate to increase the overall intake to above Rs 7,500 to take the GST burden to 18% and therefore take ITC. We therefore recommend the government take a longer-term view on hotel development as a job-creation engine, and consider reinstating input tax credit (even in part) for budget and mid-scale hotels,” he adds.

Overall, he observes three top trends in the sector: One, senior living is growing fast as a lifestyle segment in hospitality real estate, driven by India's large and increasingly urban 60+ population who seek community, wellness, and services. This matters because professionally managed senior living offers operators steady occupancy, annuity-style revenue, and high social relevance, making it a key emerging asset class. Second, hotels in India are increasingly outsourcing their Food & Beverage operations to renowned restaurant brands, turning F&B from a cost centre into a profit centre through partnerships. This model reduces operational burden and financial risk, enhances guest satisfaction with high-quality and diverse dining options, and strengthens the hotel's brand image in a competitive market. Third,

wellness tourism is evolving from simple spas to holistic, health-driven retreats offering specialised therapies, biotech treatments, and immersive wellness programs. Consumers are now prioritising experiences that detoxify, energise, and reset body and mind, combining IV infusions, curated fitness, sleep optimisation and mindfulness. Hotels and resorts are responding with comprehensive packages, tailored to both general wellness and specific health needs, making holistic rejuvenation a key draw.

Rahool Macarius, Market Managing Director, Eurasia, Wyndham Hotels & Resorts says, "We view the recent GST reforms as a positive and progressive move for the sector. The reduction in GST directly enhances affordability for travellers, making hotel stays



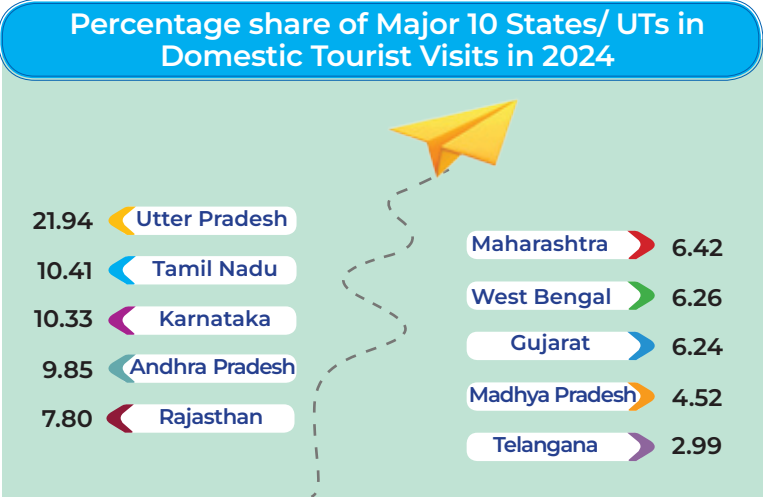
“The reduction in GST directly enhances affordability, making hotel stays more accessible, particularly in the mid-market segment. While the removal of ITC presents an operational consideration, the overall impact remains favourable”

RAHOOL MACARIUS
MARKET MANAGING DIRECTOR, EURASIA, WYNDHAM HOTELS & RESORTS

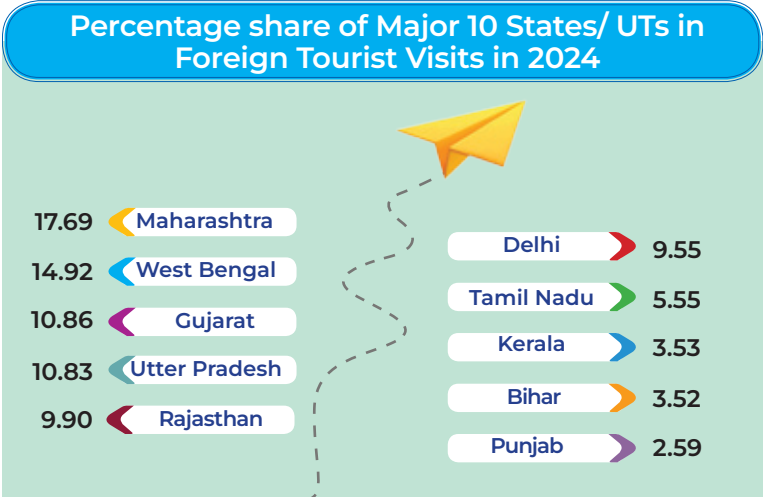


more accessible, particularly in the mid-market segment where value-driven travel decisions are key. While the removal of ITC presents an operational consideration, the overall impact remains favourable. It supports demand recovery, stimulates domestic travel, and reinforces the government's commitment to making India a more tourism-friendly destination.”

He adds, “The GST reduction is expected to catalyse fresh investments across the hospitality ecosystem. Lower tariffs improve consumer sentiment and occupancy levels, encouraging both domestic and international travellers to explore more destinations. This growth momentum strengthens investor confidence and creates opportunities for hotel operators to expand in Tier 2/3 markets. As travel becomes more affordable, we anticipate a ripple effect benefiting allied sectors such as aviation, transport, and local businesses, ultimately boosting India's tourism economy.”



Source - INDIA TOURISM DATA COMPENDIUM 2025, Ministry of Tourism



Source - INDIA TOURISM DATA COMPENDIUM 2025, Ministry of Tourism

“Families and planners will find greater value in hosting events here, and for hotels, it unlocks fresh opportunities to create grand experiences that showcase the very best of Indian hospitality. Beyond Udaipur, the entire industry stands to benefit, with this move set to drive stronger demand and higher occupancies across the sector”

SWATI AGARWAL

OWNER, RADISSON BLU PALACE
RESORT AND SPA, UDAIPUR



Swati Agarwal, Owner, Radisson Blu Palace Resort and Spa, Udaipur, says the GST reform is a welcome step for the industry. Udaipur is already witnessing record demand as a top destination for weddings and celebrations, and this decision will only add fuel to that momentum. “Families and planners will find greater value in hosting events here, and for hotels, it unlocks fresh opportunities to create grand experiences that showcase the very best of Indian hospitality. Beyond Udaipur, the entire industry stands to benefit, with this move set to drive stronger demand and higher occupancies across the sector.” She adds, “As we move into this new phase of growth, we foresee a strong shift towards experience-led travel, sustainable luxury, and curated celebrations. The demand for destination weddings, heritage experiences, and immersive stays will continue to rise, especially in culturally rich cities like Udaipur. Hotels will increasingly focus on personalisation, digital transformation, and enhancing operational efficiency to deliver seamless guest experiences. With India’s tourism sentiment gaining momentum and policy support encouraging growth, the hospitality sector is well-poised for robust expansion driven by innovation, inclusivity, and a renewed spirit of celebration.”



TRAVEL & TOURISM MARKET IN INDIA

- The Travel & Tourism market in India is expected to generate a revenue of US\$26.24bn in 2025.
- The projected annual growth rate (CAGR 2025-2030) of 15.67% is expected to result in a market volume of US\$54.34bn by 2030.
- The largest market in India is the Package Holidays market, which is expected to reach a market volume of US\$11.45bn in 2025.
- By 2030, the number of users in the Package Holidays market is expected to amount to 154.66m users.
- In 2025, user penetration is expected to be 7.9%, which is expected to increase to 13.6% by 2030.
- The average revenue per user (ARPU) is expected to be US\$225.66.
- By 2030, online sales are expected to generate 62% of the total revenue in the Travel & Tourism market in India.
- In comparison to other countries, United States is expected to generate the highest revenue of US\$234bn in 2025.
- India’s tourism industry is currently focusing on promoting sustainable and eco-friendly travel options to attract responsible and conscious travellers.

Source: Statista

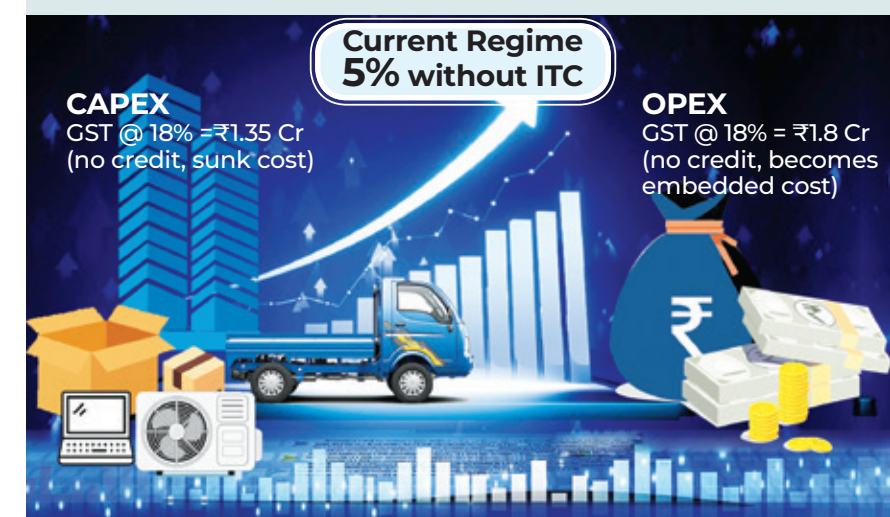
HAI welcomes GST reform, seeks restoration of ITC for hotels

The Hotel Association of India (HAI) has welcomed the government’s move to simplify the GST structure, calling it a “next-generation reform” that will boost MSMEs, local vendors, and overall economic growth.

In a letter to the Minister of Tourism, HAI commended the Prime Minister’s continued focus on tourism as a key pillar of India’s economy and lauded the government’s efforts to make travel more affordable. The association, however, expressed concern over the withdrawal of input tax credit (ITC) for hotel accommodation and wellness services under the new 5% GST regime for rooms priced up to Rs 7,500.

HAI said the restriction on ITC could discourage investment in the mid-market and budget segment, which forms the backbone of India’s hospitality ecosystem and serves the majority of domestic tourists. It is concerned that this could hurt capacity expansion and long-term affordability.

The association has urged the government to restore ITC under the 5% GST slab to neutralise cost pressures and ensure sustainable growth in tourism. HAI also sought rationalisation of GST on restaurant services and the availability of ITC on hotel construction to make Indian hotels globally competitive and support the country’s Vision 2047 tourism goals.



Global Tourism and India’s Position in the World

- **Total Arrivals:** 20.6 million international tourist arrivals in 2024.
- **Year-on-Year Growth:** An 8.89% increase compared to 2023.
- **Pre-Pandemic Growth:** A 14.85% increase compared to the 2019 pre-pandemic level.
- **Global Market Share:** India’s share of global tourist arrivals rose from 1.22% in 2019 to 1.41% in 2024.



India’s 1.40% share of global arrivals brings in 2.02% of global earnings—showing its strong impact in world tourism.

Source - INDIA TOURISM DATA COMPENDIUM 2025, Ministry of Tourism

HVS | ANAROCK



Mandeep S. Lamba, President & CEO (South Asia), HVS ANAROCK, observed, “While the intent behind the recent GST rate revision on hotel rooms priced up to Rs 7,500 to 5% from 12% is positive and aimed at stimulating demand, the simultaneous withdrawal of ITC significantly limits the intended benefit. The reform, though well-intentioned, risks falling short of its potential impact as the lack of ITC erodes operating margins for

“The lack of ITC erodes operating margins for hotels in the mid-scale and economy segments where cost structures are already tight”

MANDEEP S. LAMBA
PRESIDENT & CEO
(SOUTH ASIA), HVS ANAROCK

hotels in the mid-scale and economy segments where cost structures are already tight.”

“Going forward, it would be encouraging to see the government consider extending ITC benefits and rationalising the 18% GST slab down to 12%, a move that could strike a more equitable balance between affordability for travellers and financial sustainability for operators. A more inclusive and growth-oriented tax framework would not only strengthen the formal hospitality ecosystem and improve compliance but also attract fresh capital into underserved markets. With its potential to deliver a multiplier effect across domestic tourism, job creation, and regional development, such a policy shift could play a pivotal role in helping India achieve its ambitious goal of becoming a \$3 trillion tourism economy by 2047.”

The consensus is clear—India’s GST reform is a step forward, but for the hospitality sector to truly flourish, relief must travel both ways: to the guest and to the host. **HAI**

Disparity in Growth between Luxury and Budget Hotels

IN FY 2024–25

- **LUXURY HOTELS:** The average nightly rate (ARR) reached INR 16,797 in March 2025, a substantial increase from the previous year.
- **BUDGET HOTELS:** The ARR grew modestly by 4% year-on-year, reaching INR 3,581 per night.
- **PRICE GAP:** The difference in cost between premium and budget rooms has widened significantly, with luxury rooms costing about five times more.

Source: www.travelandtourworld.com

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GST: Boost for India's tourism sector

The simplified GST slabs translate into greater ease of living for citizens, writes **Gyan Bhushan**, Senior Economic Advisor, Ministry of Tourism, Government of India.

T

he recently implemented Goods and Services Tax (GST) reforms are set to transform India's tourism sector, making travel more affordable and accessible for both domestic and international tourists. As a result, an upsurge in domestic travel is expected. Some highlights:



Hotel accommodation

GST on hotel rooms priced below 7,500 per day has been reduced from 12% to 5%, making hotel stays more affordable for middle-class and budget travellers.

Public transport

GST on buses with a seating capacity of over 10 persons has been cut from 28% to 18%, reducing ticket fares and promoting sustainable transport.

Art and cultural goods

GST on art and cultural goods has been lowered from 12% to 5%, providing direct support to artisans and sculptors.

Consumer durables, food, and related items

Most food and related consumables now attract a reduced GST of 5% or, in some cases, nil GST. Similarly, many items used in hospitality—such as TVs,



refrigerators, and air conditioners—now have reduced GST, positively impacting the sector through lower operational and capital expenditure costs.

IMPACT ON TOURISM

These reforms are expected to boost travel, especially short weekend trips, due to lowered taxes on accommodation and transportation. The clear tax cuts on small and mid-sized cars will likely encourage higher car ownership and rentals, particularly among the working class, making quick getaways more accessible to a wider audience.

This could spur further investment in new mid-segment hotels, homestays, and guesthouses. The reduced GST rates also make India a more attractive destination for foreign tourists, aligning

Boosting India's Cultural Heritage

GST reduction on Arts and Sculptures

12% to 5%



the hospitality tax structure with international benchmarks.

The tax reduction on ancillary goods will also benefit the industry. For instance, lowering GST on cement from 28% to 18% can help upcoming hospitality and destination development projects. Similarly, the reduced GST on several food items can substantially lower operational costs for hotels and restaurants.

BENEFITS FOR TRAVELLERS

Affordable accommodation

Budget travelers can enjoy reduced hotel rates, making travel more accessible.

Cheaper transport

Lower bus fares will encourage a shift from private vehicles to shared or public



transport, reducing congestion and pollution.

Cultural revival

Support for artisans and sculptors will promote India's rich cultural heritage.

INDUSTRY OUTLOOK

The tourism sector remains optimistic about these reforms, expecting increased investment, job creation, and infrastructure development. The simplified GST slabs also translate into greater ease of living for citizens.

With these GST reforms, India's tourism sector is poised for significant growth—offering a brighter future for travellers, businesses, and the economy as a whole. **HAI**



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FAIRS & FESTIVALS OF INDIA

India's myriad fairs and festivals have always fascinated tourists. While some like the iconic Kumbh Mela or the Pushkar Fair have been historically linked to Indian culture for many years, there are recent additions like the Hornbill Festival or the Goa Carnival that have become increasingly popular too. In places like Pushkar, or, in the case of Leh's Hemis Gumpa Fair, these destinations have come to be associated with the festivals held there. It has become an annual affair of sorts, with transport and accommodation options selling out months ahead. For example, travel agents design special Hornbill Festival, Goa Carnival or Pushkar Mela packages to send out to their clients, well in advance. While, at the surface, these historic and cultural festivals are brimming with history and heritage, there are multiple economic and tourism-related advantages that these destinations can enjoy. A festival provides employment and an economic boost to the destination by filling hotels and restaurants, engaging transport providers, vendors, shops and more.

A huge draw for local and international tourists, we look at some of the fairs and festivals of India.

BY RIAAN JACOB GEORGE



Maha Kumbh Mela



Pushkar Fair, Rajasthan



Pushkar Camel Fair

can witness captivating performances by local Naga tribes, including war dances, singing competitions, and live music events, drawing audiences from across the country. Equally important, the festival provides a valuable platform for Naga artisans to exhibit and sell their creations, with multiple retail spaces set up across the venue—making it both a cultural extravaganza and an engine of local enterprise.

The Gangaur Festival, celebrated over 18 days across Rajasthan, is especially vibrant in Udaipur. It offers visitors a unique opportunity to witness local women dressed in traditional attire, participating in colourful processions and religious ceremonies that bring the entire city to life. If you are in Assam, coincide your trip with the famous Bohag Bihu festival, which is widely

THE FESTIVAL ROUNDUP

Leading the pack of India's famous festivals is Rajasthan's Pushkar Mela, which takes place in October and November. This is essentially a camel trading event, where thousands of camels are traded and it is paired with cultural activities such as live concerts, shopping festivals, food stalls and an overall sense of revelry. This is considered to be the world's largest camel fair. Visitors make sure to take a dip in the Lake Pushkar, which has religious significance.

Another festival gaining significant traction is the 10-day Hornbill Festival, held every December in Nagaland. Tourism experts note that the event has given a major economic and cultural boost to the state, transforming into a flagship annual celebration. The festival offers a vibrant showcase of Nagaland's tribal heritage, featuring interactive displays of traditional homes, attire, and crafts. Visitors



Hornbill Festival, Nagaland



Gangaur Festival, Rajasthan



Bohag Bihu, Assam

celebrated across the state and represents the change of season. People dance, sing and walk around in beautiful traditional costumes, followed by grand meals with friends. Jodhpur's Mehrangarh Fort also hosts an annual folk music festival called Jodhpur RIFF, which is a niche event that sees international folk artists in the genres of song and dance converge upon the fort for two-three days to perform to well-heeled audiences. The setting is marvellous, and sunrise and sunset concerts at Mehrangarh Fort are mesmerising.

One of Ladakh's big festival draws is the annual Hemis festival, which takes place, as per the Tibetan calendar, in June or July. The lively celebration takes place in the Hemis Monastery in Ladakh and is accompanied by joyous music and song. During the festival, besides religious rituals, you will see mask dances, food stalls. The highlight is the unveiling of large, ancient Buddhist paintings, made visible to the public.

Watching a cattle fair is an interesting experience. In the months of January or February, visit Nagaur in Rajasthan for the Nagaur Fair. Besides trying a lot of local food and buying handicrafts, you can experience

One of Ladakh's big festival draws is the annual Hemis festival, which takes place, as per the Tibetan calendar, in June or July



Hemis Ladakh

the trading of animals like bulls, cows, camels and horses. While you might not participate in the animal trading, it truly is an experience to witness. Asia's largest cattle fair, however, takes place in Bihar, on the banks of the river Ganges, in the town of Sonepur. Tourists come from across the world over two weeks when the Sonepur Cattle Fair takes place to see the trading of dogs, cows, donkeys, horses, ponies and camels. In addition to animals, visitors can also buy local traditional handicrafts and attend cultural shows and music concerts every evening.



Nagaur Cattle Fair

ADVOCACY

The economic and tourism benefits of festivals are manifold. To fully harness this potential, it is essential for government bodies and tourism boards to collaborate closely with festival organisers. Strategic partnerships with private sector brands and companies, along with the involvement of visionary festival directors, curators, and consultants, can help optimise resources, enhance creativity, and streamline execution.

Both established and emerging festivals should actively engage with state and national tourism authorities to ensure long-term sustainability and maximum socio-economic impact. At the heart of this ecosystem lies the hospitality sector—a vital enabler of the festival economy. Hotels can play a transformative role by partnering with organisers to boost occupancy, serve as venue partners, and create immersive guest experiences that extend the celebration beyond the festival grounds.

West Bengal's river culture is legendary, and the Gangasagar Mela—held every January on Makar Sankranti at Sagar Island—is among its most iconic festivals. Widely regarded as the second-largest Hindu fair after the Kumbh Mela, it draws thousands of pilgrims and tourists each year



Gangasagar Mela, West Bengal



Goa Carnival

Goa's Carnival dates back to the state's Portuguese times. The unique mix of Indian and Portuguese culture sees the city of Panjim, flooded with revellers. You will see colourful floats and people dressed in opulent carnival attire as they dance and sing on the streets. Goa's streets turn into one big open-air party and these parades are definitely worth attending. The carnival signals the start of the Lent period for the Christian community.

Back to Assam, where the Ambubachi Mela is dedicated to the Goddess

UTSAV

Do check out the Utsav Portal, launched by the Ministry of Tourism, which offers comprehensive information on festivals across India — including details on accommodation, infrastructure, event schedules, and even live streaming of spiritual celebrations. <https://www.utsav.gov.in/>



Ambubachi Mela

Goa's Carnival dates back to the state's Portuguese times. The unique mix of Indian and Portuguese culture sees the city of Panjim, flooded with revellers. You will see colourful floats and people dressed in opulent carnival attire as they dance and sing on the streets



Surajkund International Crafts Mela

Kamakhya in Guwahati's Kamakhya Temple. The temple as such remains closed for the three-day duration of the festival but the area surrounding it is brimming with rituals and activities dedicated to the goddess. West Bengal's river culture is world famous and its Gangasagar Mela is one of the most unique festivals to experience. It takes place on Makar Sankranti in January every year and is held at Sagar Island in West Bengal. Here, visitors take a sacred dip in the river, spend hours offering prayers at the nearby ashrams and indulge in a host of religious rituals. This is considered by many to be the second largest Hindu fair after the Kumbh Mela, which is also a huge draw for tourists. The recently concluded Kumbh Mela drew millions of tourists from across the globe. If you are into arts and crafts, the Surajkund Crafts Mela takes place in Haryana's Faridabad, where arts and crafts vendors from across India's states converge on one place to showcase their work. **HAI**

Culture, heritage and festivals—the spirit of India

While festivals continue to spur domestic tourism and can be a major attraction for foreign tourists, proper harnessing of this potential depends on a few basic considerations.

By MP BEZBARUAH

Secretary General, Hotel Association of India



Festive spirit is in the air. Autumn has mellowed the harsh weather in most parts of India. The cultivators, after the planting of seeds, have some time to relax. The country reverberates with the joys of celebrations. There are different festivals in various parts of the country, and the same festival is celebrated in different ways in different places. However, through this diversity, the underlying spirit of one India, the colours of Indian life and living, heritage, culture, faith, and philosophy, all flow together.

The variety of Indian festivals is a great resource for tourism. There are examples of many countries using festivals for tourism advantage. Glastonbury festival in England, for example, emerged only in the 1970s, but it is billed as the largest greenfield music festival in the world. It draws more than 2,00,000 visitors regularly. Oktoberfest in Germany draws 7.2 million visitors, and the famous Rio Carnival in Brazil gets 7 million. It is said that the Cannes Film Festival is the most publicised event in the world after the Olympics. Controlled visitors number more than 30,000 passionate professionals and 5,000 journalists who give tremendous exposure to the country to boost tourism.

Small but significant details matter, like ensuring that shabby surroundings do not mar the enjoyment of heritage places

The Maha Kumbh amply demonstrated how a purely religious event, properly managed and planned, can be harnessed as a significant tourism resource. The Times of India reported that apart from the phenomenal 43 crore devotees, contributing Rs 2 lakh crore to the economy, diplomats from 73 countries and devotees from 116 countries visited the event. It was also reported that 15 lakh foreign tourists visited the mela. That would have done much more tourism marketing for India than many crores of promotion would achieve.

Apart from such melas, which are periodic, festivals around the country, encouraged by campaigns like Dekho Apna Desh, give an enormous boost to tourism. But there is no reason why the colourful celebrations of life and culture should not be a major attraction for foreign tourists. A small state in the far corner of India, Nagaland, has shown through its much-acclaimed Hornbill Festival, how authentic presentation of life and culture, dance and music, craft and cuisine could be a draw for discerning foreign tourists.

There are reasons why festivals are a tourism treasure for India. First, festivals provide a unique experience for the foreign tourists to savour and relate to friends and family back home. Search for a different experience is what motivates the new age travellers and the millennials and generation Z. Second, Studies by UNWTO have shown that about 30% of tourists travel solely for experiencing culture and heritage, and for about 60% of visitors culture is a major source of interest.



Festivals should be considered as part of the wide spectrum of culture and heritage resources of a place, just like built heritage

However, while festivals continue to spur domestic tourism and can be a major attraction for foreign tourists, proper harnessing of this potential depends on a few basic considerations. First, there is a great need for professional and planned integration of fairs and festivals into the country's tourism promotion strategies. They can be blended with the tour itineraries of the tour operators in India and abroad and that would require a lot of marketing coordination. Second, festivals should be considered as part of the wide spectrum of culture and heritage resources of a place, just like built heritage. Third, there should be a holistic approach to the development of cultural tourism. The larger context of future strategy like 100 million FTAs and 15 billion domestic tourism visits by 2047, will be unsustainable unless they are spread out to newer destinations. Culture-based destinations can be opened up all across the country. Festivals can be part of such new destination developments and will help in creating income and employment in places now untouched by tourism growth.

Fortunately, India has unique advantage in cultural heritage and therefore for promoting cultural tourism. India is one of the three countries, according to the Global Tourism rankings published by the World Economic Forum in their biennial Travel and Tourism Development Index (TTDI), to score in the top ten across all resource pillars—6th in Natural Resources, 9th in Cultural Resources and 9th in Non-Leisure Resources.

Another cultural treasure still not fully harnessed is Buddhist tourism. No doubt Buddhist tourism has been central to Indian tourism from the beginning. At the same time, there is a need and scope for expanding its contents. A report by the Asian Development Bank looking at the tourism potential of the South Asia Subregional Economic Cooperation (SASEC) countries identified Buddhist tourism as the flagship project, but expanded the concept to a holistic development of three aspects. First, Footsteps of the Buddha, referring to "places

directly associated with the Buddha's life". Second, "Living Buddhism" places like Sikkim, Ladakh, where Buddhism is practised as a way of life by a large number of people. Third, the art, culture and heritage of Buddhism. In fact, the variety, extent and spread of such invaluable attractions across India may come as a surprise. A Ministry of Tourism report, for example, states that in Andhra Pradesh alone, there are approximately 140 Buddhist sites that range from the 3rd century BCE to the 14th century AD and wherein 14 Buddha relic caskets have been recovered. Beyond the well-known Buddhist World Heritage sites, such treasures are spread across 14 states of India and can be invaluable for the development of rural tourism and for expanding sustainable destinations. Growing global interest in exploring Buddhist teachings and the philosophy of holistic living is well known. Even during the bleak period of Covid-19, UNWTO had drawn attention to another important dimension and forecast "the cultural legacy of Buddhism will be a vital element for the sustainable development of tourism in the region once the pandemic has been tackled."

To use the treasures of culture, heritage and festivals as tools for tourism promotion, economic development, and inclusive growth needs a lot of imaginative planning, much professional marketing and management and some attention to small things that go into making the visit a memorable experience. Small but significant details matter—ensuring that shabby surroundings do not mar the enjoyment of great heritage; that interpretation and storytelling are authentic and accessible; that reliable, fairly priced souvenirs—preferably branded, as English Heritage does—are available without letting souvenir sellers crowd out the experience; and that adequate wayside facilities, including clean and hygienic toilets, are integral to every destination. **HAI**

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