



HOTEL ASSOCIATION OF INDIA

OFFICIAL STATEMENT FROM HOTEL ASSOCIATION OF INDIA

In light of recent articles reporting on hotel pricing in Delhi during the AI Impact Summit, a meeting was held by the Minister for Tourism and Culture, Mr Gajendra Singh Shekhawat. The Hotel Association of India (HAI) attempted to ascertain the realistic picture of the prevailing market situation, including references to high room rates of standard room rates quoted in lakhs. A quick check with some of our Member hotels reveals that the weighted average room rates are ranging between INR 40000 and INR 60000 per night during the summit.

It may not be out of place to mention that Global events such as the AI Impact Summit naturally create a surge in demand, particularly at a time when there is a shortage of hotel rooms in certain categories. Numbers reported at this point are incorrect and out of context.

As Delhi approaches full occupancy even with 12-odd wedding dates and the Cricket World Cup during the month, demand remains strong across all categories, including suites, resulting in many hotels being sold out.

Consequently, reported rates figures often reflect luxury rooms, deluxe, luxury and presidential suites, which command higher rates due to additional services and inclusions.

For the AI Impact Summit, a substantial majority of hotel inventory was contracted well in advance across multiple segments at pre-negotiated rates. As a result, the effective average base room rates remain significantly lower than those reflected in some recent reports. The limited inventory currently available is largely confined to luxury and suite categories and is being priced in line with the usual market dynamics during periods of exceptionally high demand.

Although as an Industry Body HAI has no mandate to involve itself with the business of its members, we are engaging with our members to collate accurate, data-backed information as our Members remain committed to safeguarding guest interests and supporting India's position as a credible, world-class host for global events.

At this point, we need to ensure that all guests are welcome; we urge the industry to come forward and provide all possible assistance to ensure the comfort of visiting dignitaries.