

Press Release

For Immediate Publication



Hotel Association of India launches Telangana State Chapter

Submit memorandum to Shri K. T. Rama Rao, Minister of Industries, Telangana Government; urge government to establish State Tourism Development Board, accord industry status to hospitality sector

Hyderabad, 23 December 2020: Following the launch of its state chapters in Karnataka and Punjab, the Hotel Association of India (HAI), the apex body of hotels across India has made inroads into the state and **launched its Telangana State Chapter** with an aim to provide a unified voice to the hospitality sector and aid in the resurgence and sustenance of the industry following the global pandemic. The Association has nominated senior industry leaders including Mr. Ian Dubier, Area Director, Hyderabad, and General Manager, Taj Krishna, Hyderabad, Mr. Reginald Corbett, Area General Manager, Lemon Tree Hotel, Hyderabad, Mr. Anirban Simlai, General Manager, The Park, Hyderabad, Mr. Dhiraj Mehta, General Manager, Trident Hyderabad and Mr. Sandeep Joshi, General Manager, Radisson Blu Plaza Hotel, Hyderabad to drive the Chapter in the state.

The chapter will be primarily focused on taking up relevant issues and challenges facing the industry with the Telangana State Government 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.

Member of HAI's Telangana State Committee and Area Director, Hyderabad & General Manager Taj Krishna, Mr. Ian Dubier met Shri K. T. Rama Rao, the Minister of Industries, IT & Communication, Municipal Administration and Urban Development (Telangana) and submitted a memorandum of industry demands including the need to establish a State Tourism Development Board while requesting to accord industry status to the hospitality sector. The Association believes that granting industry status to the sector will enable hotels across the state to avail benefits towards power tariff at an industrial rate, lower property tax, investment subsidies & tax holidays, refinancing of existing debts, hassle-free loans at subsidised interest rates, simplified approval process for hotel projects and hotel operations and other benefits accorded to industries – thus helping in ushering transparency, reduce costs, and encourage reinvestment.

Mr. Ian Dubier, Member of Telangana State Committee, Hotel Association of India & Area Director, Hyderabad and General Manager, Taj Krishna, Hyderabad, said “We are very grateful to Telangana Government for their support in allowing hotels to re-open in the state. The Hospitality sector has faced strong headwinds throughout the year in the state and needs immediate policy intervention in order to tide over the disastrous impact of pandemic. There have been massive job losses and complete shutdown of hotel businesses. However, these numbers are now slowly coming down since the removal of restriction on the hospitality sector but the sector needs strong support from the state government to thrive and bounce back in the coming years.

HAI, in its representation, appealed that the move will help to strengthen the sector to unlock its potential and make significant contributions to the State's GDP; moreover, the move will also help generate employment to support the post-pandemic economic revival of the region. Notably, Telangana Tourism is among the Top 10 Indian states. Telangana ranks 8th in the country with 83 million domestic tourists' arrivals in 2019. Hyderabad's



Rajiv Gandhi International Airport was among the Top 8 airports in the country to receive foreign tourists in 2019. However, the state, the representation urged, has the potential and the ability to do much more.

“We have received a positive response from the State government authorities. We requested Shri K. T. Rama Rao, the Minister of Industries, IT & Communication, Municipal Administration and Urban Development (Telangana) to grant Industry status to the hospitality sector in the state. Our concerns have been attended to and heard very graciously by him. He has also shown great empathy towards the sector as the negative impact of the pandemic on the hospitality and tourism businesses is evident in the state. He has also assured their full support and further assistance to bring about necessary changes for the revival of the sector in Telangana”,
Dubier added.

Highlighting some crucial painpoints, the Association highlighted that the hotel trade licence fee has been hiked multiple times. Similarly, the Hyderabad Metropolitan Water Supply and Sewerage Board (HMWSSB) continues to impose a cess charge as high as 35% on its billing for hotels despite the fact that hotels follow guidelines of the Pollution Control Board on sewage treatment. Hotels are also charged exorbitant fees for liquor licences. The Association believes that the sector is greatly burdened with high taxation and excessive licencing and regulation.

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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