

Press Release

For Immediate Publication



Hospitality sector should be given industry status: HAI

**Hotel Association of India submits memorandum to West Bengal Chief Minister
Announces the launch of West Bengal State Chapter to deepen presence in the state**

Delhi, 11 January 2021: With an aim to deepen its presence and become the real voice of the hospitality sector across the length and breadth of the country, the Hotel Association of India (HAI), has launched its West Bengal Chapter. Kicking off its efforts in the state, HAI has submitted a memorandum of industry demands to West Bengal Chief Minister, Smt. Mamata Banerjee and Finance Minister Dr. Amit Mitra, seeking industry status for the hospitality sector. HAI suggested that this will help in reducing costs and encourage re-investment while bringing greater transparency in the sector functioning.

A favourable policy decision of according industry status and allowing 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.

MP Bezbaruah, Secretary General, Hotel Association of India, said, "The Association believes that granting industry status to the sector will enable hotels across the state to avail benefits towards electricity and water tariff at an industrial rate, lower property tax, rationalisation of taxes & license fees, simplified approval process for hotel projects & hotel operations and other benefits accorded to industries – thus helping in ushering transparency, reduce costs, and encourage reinvestment. Such small steps are crucial for revival of the sector after the disastrous impact of the Pandemic and essential considering the extent of employment and income the sector generates."

HAI will primarily focus on bringing relevant issues and challenges of the hospitality industry with the State Government as well as other important stakeholders within West Bengal. The underlying aim is to ensure 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. The Association believes that the sector is greatly burdened with high taxation and excessive licencing and regulation. HAI, in its representation, appealed that the move will help to strengthen the sector and help generate employment to support the economic revival of the state from the adverse impact of the ongoing pandemic.

K.B. Kachru, Vice President, Hotel Association of India & Chairman Emeritus and Principal Advisor South Asia, Radisson Hotel Group said, "The State of West Bengal is a melting pot of Cultures and its capital Kolkata is often termed as the cultural capital of India. To the tourist, the state has much more to offer, from mountains to beaches, UNESCO sites, the tea gardens of Darjeeling, the Bengal tiger and the famous mangrove Sundarbans. The beauty and heritage of Bengal is impeccable and hence needs to be popularised throughout the globe. The 'industry' status will help in realising this dream as the growth of hospitality industry will ensure long lasting impact on the state's employment, sustenance and flourishing of the cultural abundance."



While West Bengal is placed at number six on the list of top 10 Indian States for domestic tourist visits; the state has the potential and the ability to do much more. In 2019, the domestic tourists arriving to the state of West Bengal accounted for approximately 92 million, while foreign tourist arrivals accounted for over 1.6 million.

“We convey our deep gratitude to the Government of West Bengal for allowing hotels to re-open in the state. The Hospitality sector is a key pillar for both domestic and international tourism. Hotels offer economic growth for the government by creating jobs across all categories for unskilled, semi-skilled and skilled workforce. Unfortunately, the sector has been dealt with a severe blow due to the ongoing pandemic in the state and needs immediate policy intervention in order to tide over the disastrous impact of global health crisis. With close to zero revenues and high fixed operating costs of power, license fees, property taxes etc, the industry has seen massive job losses and complete shutdown of hotel businesses. The removal of restriction on the hospitality sector has helped in bringing hope for hotel players but the sector needs strong support from the state government to chart the path of overall recovery in the coming years”, **concluded Pramode Bhandari, Member of West Bengal State Chapter & Area General Manager, The Park Kolkata.**

The launch of the West Bengal state chapter comes soon after the Association launched state chapters in Karnataka, Punjab and Telangana in December last year. The Association has nominated senior industry professionals including Mr. Vijay Shrikent, General Manager, Taj Bengal, Mr. Sumit Joshi, General Manager, The Oberoi Grand and Mr. Pramode Bhandari, Area General Manager, The Park from Kolkata to the West Bengal Chapter to give voice to the hospitality industry in the state.

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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