

# LeaderSpeak

FEBRUARY 2023



## PRESIDENT'S MESSAGE

### Dear Friends

We are very enthused by the focus given to tourism in the recently announced Union Budget for the year 2023-24. The Honourable Finance Minister in her speech has stated that the country offers immense attraction for domestic as well as foreign tourists. She has acknowledged that there is a large potential to be tapped in tourism and has recognised the huge opportunities that the sector holds for jobs. The government will promote tourism in a mission mode, with active participation of states, convergence of government programmes and public-private partnerships is something that the Industry has been advocating for a long time. We now look forward to the promise translating into policy interventions that will provide hospitality what it has been seeking to optimise its contribution to the national GDP and employment. A status of an "Infrastructure" Industry at the Centre and allowing of benefits to hotels on lines similar to industries by all Indian States and UTs can help draw huge investments into the sector. Placing tourism and hospitality under the "Concurrent" list of the constitution will also aid the development of the sector as envisioned in the budget.

Given the sector's recent and definitive recovery, the country's consistent economic growth, India's G20 Presidency, the continued thrust on development of infrastructure and last mile connectivity, the Industry is upbeat and looks at 2023 with optimism. We are committed to playing our role responsibly and in a sustainable manner in the country's growth story as India aspires to be amongst the top three economies of the world.

**Puneet Chhatwal**



**MP Bezbaruah,  
Secretary General,  
Hotel Association of India**

The Hotel Association of India was hoping that some direct benefits like Infrastructure status, subsidised rates of utilities, property tax and availability of softer finance options, rationalisation of taxes for hotels as recommended by it would get attention in the budget. There is a mention of The Harmonized Master List of Infrastructure to be reviewed by an expert committee for recommending the classification and financing framework, about increased ease of doing business and other proposed reforms. The Association is hopeful that though missing in the Budget these recommendations will be addressed in the coming months.

"However we are happy to note that the Union Budget 2023-24 continues to build on a strong foundation of economic development by promoting inclusive growth wherein fruits of development reach each and every citizen of the country. We are also enthused by the continued focus on developing infrastructure – railways, transport, airports, heliports, water aerodromes – all of which will improve connectivity that is directly linked to the growth of tourism and hospitality. HAI's strong recommendation for "infrastructure status" should have justifiably been fitting with this approach. Digitisation, development of artificial intelligence, emphasis on skilling are other aspects that impact all Sectors and hospitality is no exception.

In the recent past Tourism and Hospitality have been recognised as key pillars of the economy. Hotel sector can promote inclusive growth like no other industry given its potential to create jobs across categories, for women and

differently abled persons and in remote and rural areas.

This budget too has recognised and highlighted the importance of the sector by announcing the selection and development of 50 tourist destinations through challenge mode. This will surely add more value to India as a destination for both domestic and international traveller

Hotel Association of India has been advocating partnerships between the government and the private sector in the development of Indian Hospitality. That the destinations will be developed in a PPP mode as announced in the budget therefore is very satisfying.

The increase in standard deduction and reduction of income tax rates will place more disposable income in the hands of people and grow the demand for goods and services including hospitality services.

## Don't want freebies, seek infra status; says Hotel Association of India

In an exclusive interview with Mint, Secretary General, MP Bezbaruah, Hotel Association of India reiterated that the infrastructure status will ensure easier access to builders of these projects, institutional credit and help in reducing the development cost of borrowing particularly for affordable projects in all segments.

He further reinforced that, for the long-term development of the sector and for an increase in inbound tourism, the government must move speedily. It must focus on issues of the last mile connectivity and developing infrastructure in all segments, and not just the five-star or the mid-scale hotels but across the board.

Source: <https://www.livemint.com/industry/budget-don-t-want-freebies-seek-infra-status-says-hotel-association-11675164354322.html>

## Time to prove India's MICE mettle

In an industry story by TravTalk India, MP Bezbaruah, Secretary General, Hotel Association of India said, "India is betting big on getting good MICE business as it puts its best foot forward in terms of its meeting facilities. Events are taking place in the remote corners of the country like Siliguri, Tripura, Northeast and certainly these places will get an exposure, which has not been there earlier. It's also perhaps we hope will help in improving the infrastructure in many of these areas

and will encourage the states to create more destinations along those places."

Source: <https://travtalkindia.com/time-to-prove-indias-mice-mettle/>



## INDUSTRY NEWS

### Ministry of Tourism declares 2023 as 'Visit India' year

The global campaign aims to regain the lost momentum in inbound tourism in India by making the G20 Presidency a major spotlight. The ministry is in the final stages of selecting and hiring the 'strategy implementation programme support' for G20 associated tourism tracks. This 'high-level' consultant will also be responsible for managing the global 'Visit India 2023 campaign'.

### India plans its First Global Tourism Investors' Summit in April

At an event by CII Northern Region Headquarters, the Ministry of Tourism emphasised on how G20 will be the centre's main area to establish India as a key tourism destination. Global Tourism Investors Summit planned for April 10 to 12, 2023 will drive investments in this sector.



### MMT reports highest ever bookings in Q3FY23

Backed by peak seasonality and demand for leisure travel, MMT has reported its highest ever quarterly gross booking. The company earned adjusted operating profit of USD 19.7 million in Q3FY23, as compared to USD 13.2 million in Q3FY22, MMT shared in its earnings statement.



### Airlines in India to add 100 aircraft per year to fly 412 million passengers

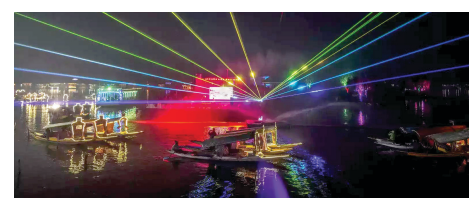
Even as Indigo announced the expansion of its fleet to 300, domestic carriers across the country are expected to add more than 100 aircraft every year over the next few years, taking the total capacity to 1200 aircrafts by 2027. The Airport Authority of India has projected an all-India growth in passengers at 371 million by 2023-24 and 412 million in 2024-25. The enhanced fleet capacity will help in boosting the overall air connectivity thereby aiding overall growth for the tourism & hospitality sector.

### HAI supports IYM 2023

Reaffirming its support to the Government, HAI has committed to back the 'International Year of Millets 2023' and is taking notable steps to create awareness not just amongst its members but the community at large. HAI member hotels have taken it upon themselves to curate special buffets and meals geared towards a healthy living. For instance, G20 events hosted by IHCL owned properties will integrate millets in the menu; this is in addition to the 'Millet Menu' that has been introduced across several IHCL hotels.

### Parliamentarians make a strong pitch to promote 'Night Tourism' in India

In a recently submitted action taken report on tourism, the parliamentary standing committee has asked the nodal ministry to take appropriate steps to 'aggressively promote' night tourism by developing infrastructure and events. They have also suggested various prospects in which nightlife could boost the industry in a larger way.



## Lemon Tree Hotels signs a new hotel in Jabalpur



Lemon Tree Hotels has entered into an agreement with Carnation Hotels Private Limited to open a 75-room hotel in Jabalpur. The new property is expected to open its doors to the public by June 2024 and features various amenities including a restaurant, club, bar, banquet, gym and other public areas. It is connected by both public and private transport to all major cities in India. The Jabalpur Airport is about 16 kms from the hotel while the Railway Station is nearly 2 kms away.

## IHCL profit for Q3 jumps to 321%, expands its footprints in Jamshedpur & Kochi

IHCL reported a profit of 404 crore in Q3 which, whereas it was 130 crores for Q2 of this fiscal year. The group reached a milestone of over 250 hotels and is in line with its vision of being a 300-hotel portfolio by 2025. In this financial year alone, 30 plus hotels have been added to the pipeline and 14 hotels have opened besides strong growth in ama Stays & Trails with 108 homestays and Qmin with over 25 outlets.

IHCL, recently announced the signing of its fourth Ginger Hotel with 73-rooms in Kochi, Kerala. On the other hand, they will be opening up their fourth 94-key hotel in Jamshedpur, Jharkhand under the portfolio of Vivanta.

## Chalet Hotels reported a profit of 6.14% in Q3

The net profit of Chalet Hotels surged 550% and revenue from operations climbed 17% in Q3 over Q2 of this fiscal year. The company said it derived about 80% of its energy for its hotels, from renewable sources and that all its properties are equipped with EV charging stations.

## Club Mahindra unveils a unique customer experiential platform

Club Mahindra, has unveiled an industry-first unique experiential platform – 'The Stage' for India's evolving vacationers. This innovative IP aims at creating a holistic engagement and entertainment podium for people through multiple initiatives ranging across sports, arts, music, comedy, and drama.



## Tourism & Hospitality Skill Council (THSC) signs MOU with American Hotel and Lodging Educational Institute

This recent collaboration will firmly lead to a spike in the quality-of-service delivery, generating greater trust in the tourism and hospitality industry in the long run. The agreement will help them to share knowledge, benchmark standards and provide access to globally recognised certifications. It will also

contribute to the advancement of teachers, curriculum improvement and training readiness of students and existing hospitality professionals in India.



## Flurys launches its second tearoom in Kolkata

Owned by Apeejay Surrendra Park Hotels Limited (ASPHL), the 95-year old iconic Swiss confectionery, Flurys has expanded its presence by adding a second tearoom on Purna Das Road, the cafe hub of Kolkata. This newly unveiled place

boasts a fresh look with beautiful interiors and cozy ambience while retaining the old-world charm coupled with Flurys signature breakfast dishes, chocolates and amazing coffee experiences.

## Sarovar Hotels & Resorts expands its portfolio in Uttar Pradesh

Sarovar Hotels and Resorts announced the opening of a theme-based 72-key Shama Sarovar Portico in the spiritual and soulful gateway city of Orai, Uttar Pradesh. The property is located on the Kanpur-Jhansi national highway which is a 10-minute drive from the city's railway station. The architecture and design of the hotel is inspired from Balinese culture, generous use of natural and organic materials like wood, bamboo poles, brick and stones gives it a perfect resort-like ambience.


## Accor continues luxury expansion in India with signing of Fairmont Shimla Fagu

Accor expands its Fairmont Hotels & Resorts portfolio in India with the signing of Fairmont Shimla Fagu. Expected to open its doors in 2026, the property will be developed over~2.5-acre at an altitude of

2,400 metres. This will be the fourth Fairmont property in India, following Jaipur which opened in 2012, Fairmont Mumbai, which is currently under construction and Fairmont Udaipur.

## Rajasthan Tourism to offer millet delight to international guests

Rajasthan Tourism will be extending a moving palace and culinary experience around millets to international guests hosted as buyers at the forthcoming 12th edition of the Great India Travel Bazar (GITB), a travel and tourism B2B show, scheduled from April 23-25 in Jaipur.



*In Remembrance*  
Rajesh Kumar Mandal  
(02-05-1970 - 21-01-2023)

HAI mourns the loss of Shri Rajesh Mandal, a team member at the Association's Secretariat who left for his heavenly abode on 21 January 2023. Rajesh served the Association for more than 14 years, having joined the Secretariat in 2008. He performed his duties with sincerity, energy and enthusiasm. A soft spoken and pleasant person, he was a valuable team member, liked and respected by all. He will be deeply missed.

We condole his passing and pray that God grants peace to his soul and fortitude to the bereaved family.

Contact us - [www.hotelassociationofindia.com](http://www.hotelassociationofindia.com)

Hotel Association of India, B 212-214, Somdutt Chamber-I, Bhikaji Cama Place, New Delhi-110 066, India  
Tel : +91-11-2617 1110/14, [info@hotelassociationofindia.com](mailto:info@hotelassociationofindia.com), [hai@hotelassociationofindia.com](mailto:hai@hotelassociationofindia.com),