



# The Federation of Hotel & Restaurant Associations of India

Member of Honour : Ajit B. Kerkar  
Vice President : G. S. Kohli  
Vice President : Surendra Kumar Jaiswal  
Vice President : K. Nagaraju

17<sup>th</sup> March, 2020

O/c

Hony. Treasurer : D.V.S. Somaraju  
Jt. Hony. Secretary : Pradeep Shetty  
Jt. Hony. Secretary : M. Venkadasubbu  
Secretary General : Rahul Lall

Shri. Narendra Modi  
Hon'ble Prime Minister of India  
Government of India  
New Delhi

Respected Prime Minister,

*Please accept our greetings from the Federation of Hotel and Restaurant Associations of India (FHRAI)*

At the outset, the hospitality fraternity wishes to thank and applaud the efforts of the Hon'ble Prime Minister and through the PM's office to the Council Ministers for pro-actively and diligently handling the COVID – 19 pandemic. The measures taken by the Indian Government to avert the disease is well known at both domestic and international level.

As the Hon'ble Prime Minister is aware, that the FHRAI is a 65 years old Industry Association, exclusively dedicated to working for and on behalf of the hospitality industry. Our goal is to extend support to the Government of India and the hospitality industry in leveraging tourism's intrinsic potential and, act as a catalyst for inclusive, equitable, and sustainable economic growth for both public and private sector.

With this representation, we would like to submit to the Hon'ble Prime Minister, on behalf of the fraternity, the challenges that stands ahead for the hospitality industry. Almost all tourism verticals have been severely impacted by the crises, however, the gigantic jolt has been to the hospitality industry. Many of our Members have reported cancellations reaching a critical stage of 90 %. And, forward bookings, which could have helped, has gone to almost negligible, with the news of the disease spreading globally. The Meetings, Incentives, Conferences and Events (MICE), wedding tourism, all kinds of celebrations, medical, room reservations and wellness sectors have been severely affected. The Hospitality sector comprising of Hotels and Restaurants are facing a catastrophic situation with revenues plunging overwhelmingly.

The Hospitality industry is a labour intensive one and is the biggest employment generator of both direct and in direct jobs, and, therefore, the industry has to take care of a large number of employees. On top of that, the hospitality Industry requires a lot of working capital, which is seriously hit by almost 90% of both larger establishments and budget hotels and restaurants, and to pay taxes such as advance tax and GST. Now, in an event of such a pandemic, we have been managing the system with our own cash reserves. In addition to that, a lot of hoteliers have taken loans to construct and run their establishments, and, in such a state, adhering to the on-time payment of EMI's or the re-payment of loans seems an onerous task. In light of the same, we would like to submit our following Prayers to the Office of the Hon'ble Prime Minister which could be kindly looked into: -

1. Complete GST holiday for 6 months (Central and State Level)
2. Deferment for fiscal statutory compliance deadlines such as payment of direct or indirect taxes
3. Deferment for repayment of loans, Bank EMIs etc for a period of 6 months.
4. Reduction of bank interest rate by almost 200 basis points with immediate full transmission for working capital

Along with our prayers, we would once again like to bring to the notice of the Hon'ble Prime Minister's Office, the illegal, unregistered and unlicensed accommodation in the form of bed and breakfast, flats, apartments which are available for short stay and which are promoted by Online Travel Aggregators, where there is no screening or record of guests staying. This aspect must also be looked at.

To brief the Hon'ble Prime Minister about the issues and challenges faced by the hospitality industry especially in the last two months, I, along with the Office Bearers, would like to request for a call-on meeting in the coming week.

While taking the opportunity to once again thank the Hon'ble Prime Minister's Office for all the initiatives, we look forward to the interaction to share and inform the industry's contribution towards sustainable growth of the hospitality sector amid such acrisis.

With best wishes and warm regards,

Yours sincerely,



Gurbaxish Singh Kohli  
Vice President

CC:

**Smt. Nirmala Sitharaman**

Hon'ble Minister of Finance

Government of India

New Delhi

**Shri. Amit Shah**

Hon'ble Minister of Home Affairs

Government of India

New Delhi

**Shri. Piyush Goyal**

Hon'ble Minister of Commerce and Industry

Government of India

New Delhi

**Shri. Ravi Shankar Prasad**

Hon'ble Minister of Law and Justice

Government of India

New Delhi