



CIN NO. U93090TN1951NPL002401

## SOUTH INDIA HOTELS AND RESTAURANTS ASSOCIATION

*President of Honour : M.P. PURUSHOTHAMAN*

*President : K. SYAMA RAJU*

*Vice Presidents*

: K. MURALI RAO  
SURESH M. PILLAI  
K. NAGARAJU  
M. BALAKRISHNA REDDY

*Hony. Secretary*

*Hony. Treasurer*

*Secretary General*

: T. NATARAJAN

: D. SRINIVASAN

: BINA KARAMJEET

June 1, 2020

To

Sri Vellamandi N Natarajan  
Hon Minister for Tourism  
Govt of Tamil Nadu  
St George Fort  
Chennai

Respected Sir,

Tourism Industry is among the badly affected industry due to Corona Virus and the lockdown that followed since March 17, 2020 in Tamil Nadu. In India, it is estimated that 4 to 5 crore jobs will be lost. It is a challenging time for everyone including Governments across the globe and specifically for tourism industry.

We believe it will take long time for tourism industry to revive and that too only with the very well coordinated efforts from stakeholders and Government.

Tourism industry is a major contributor to the exchequer of Tamil Nadu and Central Government and the Hotel industry contributes substantial part of that revenue. We also would like to emphasize that the hotel industry employs large number of people being a service industry.

Due to Corona Virus, hotels across Tamil Nadu were partially closed on March 17 and fully from March 25 when Center announced total lockdown. Hotels have zero income from March 17. Even if the lockdown is lifted, it will be another six months before reasonable revenue will be generated for breakeven. We estimate that normal operation can only be expected in the first quarter of 2021. With zero income, tourism industry is finding it very difficult to survive and pay salary to employees, EMI to banks on loans, and all other statutory commitments. Neither Central Government nor Banks have come forward to help the tourism industry with any reduction or waiver in interest rates. Moratorium announced by the Central Government will only delay the payments, but interest will accrue even during the moratorium period.





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On May 30, 2020, Central Government had announced that hotels can open for business from June 8, 2020. Many states including Karnataka and Goa Government had issued orders to that effect. Tamil Nadu Government has, however, extended the lockdown of hotels till further notice. While all other industries have been allowed to function with some restrictions, Hotels have been barred from opening on June 8. Airlines are already operating to various cities within the country. Even people who are moving within districts to Chennai and travellers will not have a place to stay in Tamil Nadu if the hotels are closed.

We would like to request you and the Honourable Chief Minister to consider the following and issue necessary orders for the revival of hotel industry.

1. Allow hotels in Tamil Nadu to open on June 8 as per Central Government recommendations with sanitization and hygiene guidelines given by them to be followed. Many other states like Karnataka and Goa have already announced opening of the hotels from June 8, 2020.

2. Banquets should be permitted with maximum of 200 pax according to the size of the hall. Restaurant and bar should also be allowed to function with proper social distancing maintained in the table and seating arrangements.

3. Various license fees like bar license, property tax, garbage tax etc. should be waived or reduced for the current financial year. All renewal fees paid for 2020 should be extended till the end of 2021 without any incremental fee or charges. Future Property tax should be allowed to be paid in 2 half yearly installments.

4. Tamil Nadu Government issued order that maximum electricity demand charges should be reduced from 90% to 20% or actual usage whichever is higher, for high tension users during the lockdown period. However, TANGEDCO in May month bill charged for 90% of maximum demand though all hotels were shut down due to lockdown. We request the Government to give direction to TANGEDCO to adjust the excess amount charged in June bill. This concession should also continue up to December 2020.





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5. Relief should also be considered for penalty on low power factor during the shutdown period. There are also a number of family owned and run hotels and resorts in the hill stations where the owners live on the same premises. In such cases the TANGEDCO have installed a single meter for the entire property where the entire usage is charged on commercial tariffs. With no income these hefty bills become exorbitant. Hence it is requested that with effect from the date of shut down until commercial operation is permitted, electricity consumption be charged on actual consumption calculated based on domestic tariffs.

6. There have been many concessions announced by the Central Government for MSME sector. We request the Government to include tourism industry in MSME sector so that lower interest rates can be enjoyed by the industry.

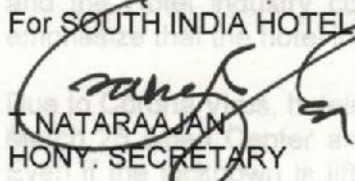
7. Tax & Insurance waiver to be given for all Tourist vehicles in Tamil Nadu for the lockdown period and need financial stimulus from TN Government for travel agencies

Sir, we appreciate and thank you and Hon Chief Minister of Tamil Nadu for the efforts to contain the pandemic in a proactive manner and at the same time addressing the concerns of various industries. We request your support in reviving the Tourism industry also by opening of the hotels earliest.

Look forward to your favorable reply.

Thanking you

For SOUTH INDIA HOTELS AND RESTAURANTS ASSOCIATION

  
**T. NATARAJAN  
HONY. SECRETARY**

**cc: Mr Shyamaraju**

**Ms Bina**

**Mr Hari Arumugam**