

Regd. off.

105, Janpath, Bhubaneswar - 751001, Odisha
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HOTEL & RESTAURANT ASSOCIATION OF ODISHA

(Regd. No. 1078-296 of 1985-86)

No. HRAO / C / 980 / 2020

18th March 2020

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

MEMORANDUM

Heavy Financial Crises in the Travel Trade & Hospitality Industry due to COVID 19

Hon'ble Sir,

Greetings from Hotel & Restaurant Association of Odisha!

Sir, on behalf of the travel trade and hospitality industry of Odisha we express our sincere thanks and gratitude to your esteemed self and your government for taking concrete positive steps so far at the right time in preventing and restricting the spread of this pandemic situation as well as evacuating Indians from around the world . On behalf of Hotel & Restaurant Association of Odisha (HRAO) we pledge our full support at this time of crisis in every way to the Central Government and people of India.

As we are all aware of the news about how COVID-19 is impacting global economy as well as global hospitality and travel. The whole world is suffering through heavy financial crisis due to COVID-19.

The travel trade and hotel industry of Odisha is also going to bear a huge financial burden as many inbound tourists are cancelling their bookings, large conferences, banquet bookings, marriage bookings have already been cancelled in most of the hotels.

In view of the above serious concern, we urge upon the Central Government for following revival and readiness support to the travel trade and hotel industry of Odisha.

1. **Deferment of Bank loans:** We'll like to highlight the fact that most of the hotel owners have taken loans from the bank and in current situation it seems difficult for us to pay interest and bank EMIs. Banks should be advised to consider the situation and cooperate with us and defer the EMIs & interest till the time situation becomes normal. Also CIBIL should not be spoiled / affected in the current business environment. Similar relief measures have already been taken by the countries like USA and China.
2. **Deferment of Statutory Dues:** We request you for postponement of all statutory dues (such as GST, Advance Tax payments, EPF, ESIC at the central Govt. level) till the time the situation becomes normal. It will show signs of positivity from the Central Government side to support tourism and hospitality industry.

— Affiliated member of —

FHRAI (Federation of Hotel & Restaurant Association of India)

HRAEI (Hotel & Restaurant Association of Eastern India)

ODISHA - THE LAND OF THE LORD

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3. Waiver of fees at the State Government level for any upcoming licenses/permits renewal (such as Municipality Holding Tax, BAR Licence Fee / Ground Water Fee, Electricity Fee etc) for the hospitality and travel industry till the time revival happens.
4. A complete GST Tax Holiday for the Tourism, Travel & Hospitality Industry for the next twelve months till the time recovery happens.
5. Immediate sanction of funds, on the lines of MNREGA to support basic salaries with 'direct transfer' to affected tourism employees till the time revival happens.

At this time, all hotels are spending extra money and man power to maintain the hygiene levels of the hotel. Sanitizing the hotel and cleaning every inch of the hotel to fight corona virus is our priority and mission.

We all know that this is a global situation and no one knows when this situation will become normal. This is the right time for the Government and the business community to act together so that positivity is there and everyone is ready to fight the situation and plan for a better business environment in future.

We hope our Hon'ble Prime Minister will take a sympathetic view and we look forward to an early response from the office of the Hon'ble Prime Minister.

Thanking you
Most sincerely yours


J K Mohanty, MHCIMA

Chairman – Hotel & Restaurant Association of Odisha & IATO Eastern Region
Co-Chairman – FICCI National Tourism Council
Member – State Tourism Promotion Council & Tourism Advisory Committee, GoO
Hony. Secretary, Hotel Association of India

Copy forwarded for kind information to

1. The Office of the Finance Minister, Ministry of Finance, Govt. of India
2. The Office of the Tourism Minister, Ministry of Tourism, Govt. of India
3. The Office of the Governor, Reserve Bank of India
4. The Secretary, Ministry of Tourism, Govt. of India
5. The CEO, NITI Aayog, New Delhi

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No. HRAO / C / 979 / 2020

16th March 2020

Sri Naveen Patnaik
Hon'ble Chief Minister
Govt. of Odisha

MEMORANDUM

Heavy Financial Crises in the Travel Trade & Hospitality Industry due to COVID 19



Hon'ble Sir,

As we are all aware of the news about how COVID-19 is impacting global economy as well as global hospitality and travel. The whole world is suffering through heavy financial crisis due to COVID-19.

We highly appreciate and admire the concrete positive steps taken by our State Government so far at the right time in preventing and restricting the spread of this pandemic situation. On behalf of HRAO we pledge our full support at this time of crisis in every way to the Government and people of Odisha.

The travel trade and hotel industry of Odisha is also going to bear a huge financial burden as many inbound tourists are cancelling their bookings, large conferences, banquet bookings, marriage bookings have already been cancelled in most of the hotels.

In view of the above serious concern, we urge upon the Government for following revival and readiness support to the travel trade and hotel industry of Odisha.

1. **Deferment of Bank loans:** We'll like to highlight the fact that most of the hotel owners have taken loans from the bank and in current situation it seems difficult for us to pay interest and bank EMIs. Banks should be advised by the state Government to consider the situation and cooperate with us and defer the EMIs & interest till the time situation becomes normal. Also CIBIL should not be spoiled / affected in the current business environment.

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2. **Waiver of SGST by the State Government:** SGST should be waived off till the time the situation becomes normal. It will show signs of positivity from the Government side to support tourism and hospitality industry. The State Government should also try and convince the Central Government for a similar step.
3. Waiver of fees for any upcoming licenses/permits renewal (such as BMC Holding Tax, BAR Licence Fee / Ground Water Fee, Electricity Fee etc) for the hospitality and travel industry across the state till the time revival happens.
4. A complete GST Tax Holiday for the Tourism, Travel & Hospitality Industry for the next twelve months till the time recovery happens.
5. Immediate sanction of funds, and / or to reimburse PF, ESIC, Professional Tax, salaries of employees in the Tourism, Travel & Hospitality industry till the time revival happens.

At this time, all hotels are spending extra money and man power to maintain the hygiene levels of the hotel. Sanitising the hotel and cleaning every inch of the hotel to fight corona virus is our priority and mission.

Sir, the disaster FANI which occurred in the month of May last year, the hotel industry suffered badly and we had submitted an appeal to Government for extending some assistance, but none of the affected hotels had received any help or incentive from the State Government last year.

We all know that this is a global situation and no one knows when this situation will become normal. This is the right time for the state Government and the business community to act together so that positivity is there and everyone is ready to fight the situation and plan for a better business environment in future.

We expect our Government will have a positive approach and will help us in this crisis situation

Thanking you
Most sincerely yours


J K Mohanty, MHCIMA

Chairman – Hotel & Restaurant Association of Odisha & IATO Eastern Region
Co-Chairman – FICCI National Tourism Council
Member – State Tourism Promotion Council & Tourism Advisory Committee, GoO
Hony. Secretary, Hotel Association of India

Copy forwarded for kind information to

1. Sri Jyoti Prakash Panigrahi, Hon'ble Minister Tourism & OLLC, Govt. of Odisha
2. Sri Asit Ku. Tripathy, IAS, Chief Secretary, Govt. of Odisha
3. Sri Suresh Ch. Mahapatra, IAS, Development Commissioner, Govt. of Odisha
4. Shri Ashok K.K Meena, IAS, Principal Secretary-cum-ACS, Finance Dept., Govt. of Odisha
5. Sri Vishal Ku. Dev, IAS, Commissioner-cum-Secretary, Tourism, Sports & YS, Govt. of Odisha

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6. Sri V K Pandian, IAS, Private Secretary to CM & Secretary to CM Transformation and Initiatives (5T), Govt. of Odisha
7. Shri Bishnupada Sethi, IAS, Principal Secretary, Dept. of Energy, Govt. of Odisha
8. Shri R. Balakrishnan, IAS, (Retd.), Chief Advisor, Chief Minister's Office
9. The Commissioner EPEF, Bhubaneswar
10. The Commissioner, ESIC, Bhubaneswar
11. Shri Prem Chandra Chaudhary, IAS, Commissioner, BMC, Bhubaneswar
12. All Members HRAO

Thanking you



J K Mohanty, MHCIMA