



## PATRON-IN-CHIEF

**P.R.S. Oberoi**  
Executive Chairman, EIH Ltd.

No. 2017/HAI/600/58

July 25, 2017

## MANAGEMENT COMMITTEE

**Vikram Oberoi**  
President, HAI and  
Managing Director &  
Chief Executive Officer, EIH Ltd.

**Rakesh Sarna**  
Vice President & Corporate Member, HAI &  
Managing Director & CEO  
Indian Hotels Co. Ltd.

**Suresh M. Talera**  
Hony. Secretary, HAI &  
Chairman, Talera Hospitality

**Rupak Gupta**  
Hony. Treasurer, HAI &  
Jt. Managing Director, U. P. Hotels Ltd.

**R. K. Puri**  
Secretary-General and  
Member Executive Committee  
Hotel Association of India

## CORPORATE MEMBERS

**Nakul Anand**  
Executive Director, ITC Ltd.

**Priya Paul**  
Chairperson  
Apeejay Surrendra Park Hotels Ltd.

**Dr. Jyotsna Suri**  
Chairperson & Managing Director  
Bharat Hotels Ltd.

**Vivek Nair**  
Chairman & Managing Director  
Hotel Leelaventure Ltd.

**Patu Keswani**  
Chairman & Managing Director  
Lemon Tree Hotels Ltd.

## FELLOW MEMBERS

**K. B. Kachru**  
Chairman Emeritus & Principal Advisor  
Carlson Rezidor Hotels Group, South Asia

**Anil Madhok**  
Managing Director  
Sarovar Hotels Pvt. Ltd.

**Mr. Pronab Sarkar**  
President  
Indian Association of Tour Operators  
310, Padma Tower – II  
22, Rajendra Place  
New Delhi – 110008

Dear Mr. Sarkar,

Thank you for sharing your concern regarding hotels increasing their tariff/special rates post GST regime. Please note that out of 6 hotels listed by you in the calculation chart, only one is a HAI member.

You have mentioned that some hotels are increasing their rates to above Rs.7,500/- in order to go to 28% GST bracket. Firstly, the room rates that are mentioned in your annexure pre and post GST, do not show such attempt. Secondly, in my opinion hotels will not increase rate just for changing the GST category since that will affect business immediately. On the other hand, ITC is available both at 18% and 28% and we believe that the output liability even at 18% will far exceed the input credit.

As you are aware several issues about GST concerning tourism – travel trade and hospitality alike, are yet to be clarified by the Government. HAI members have raised several queries at the Government forums created for the purpose like the GST Facilitation Centre of Ministry of Tourism and the GST Workshops organized by Revenue Department officials. I am sure clarity would be very soon provided by the competent authorities.

Continued.....2

### **HOTEL ASSOCIATION OF INDIA**

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Website : [www.hotelassociationofindia.com](http://www.hotelassociationofindia.com)

The Industry shares your concern. Hotels would be more than happy to pass on any real benefits of lower costs to their consumers. You will agree that we are all equal partners in the growth and development of India Tourism.

Best regards,

A handwritten signature in black ink, appearing to read "Vikram Oberoi". The signature is written in a cursive, flowing style.

Vikram Oberoi  
President