



Federation of Associations in Indian Tourism & Hospitality

Conference Secretariat : B-82, 8th Floor, Himalaya House, 23 Kasturba Gandhi Marg, New Delhi-110001, India
Phone: +91 (11) 40780703 | Mobile: +91 8130877112 | Email: secretariat@faithtourismindia.in

Ref: FAITH/21/611
October 30th, 2019

Dear Presidents & EC members of all member associations of FAITH,

As you are aware, that Niti Aayog had called for a meeting with FAITH & all its member associations and some other travel bodies.

They have asked the industry to reaffirm to them that all hoteliers, tour operators and travel agents are ensuring that necessary communication and credit transmission is being made for reduced GST rates and reduced E visa prices in any of their inclusive prices, which were communicated to their travel partners prior to these changes.

We request the Presidents & EC of HAI, FHRAI & IHHA to communicate to all their hotels members and Presidents & ECs of IATO, ATOAI, ICPB, ADTOI, TAAI & TAFI to communicate to all their tour & travel members to ensure the following:

Any GST inclusive prices communicated by hoteliers to their travel distribution partners prior to GST rate change is being adjusted with a credit transmission for the reduced GST rates.

Any GST and E visa inclusive prices communicated by tour operators and travel agents to their B2B partners prior to GST rate change and E visa rate change is being adjusted with a credit transmission for the reduced rates.

The members of all our member associations have discussed with their tax advisors of the understanding of the anti-profiteering laws and its penal implications in GST compliance.

The members will share instances of any observed non - compliance with their associations who will share the feedback with the offices of the other associations. In this reference hotel associations are requested to take note of the 'hotel list' circulated by IATO to them directly and follow up with the 'hotels mentioned'. As discussed in the Board of Directors meeting of FAITH, associations will take severe action against members who are becoming called out repeatedly for being non-compliant.

It is especially pertinent to note, that we have been clearly communicated that the industry needs to self-regulate. It is advisable to use the route of associations to discuss and act upon specific issues of non-compliance rather than escalating complaints to government officers in public forums.

This will prompt the Government and will give them a basis to reconsider GST rates benefits given to the industry and will also dissuade them from any further positive structural changes to our industry that we are pursuing with them.

Looking forward!

Thanking you,

Yours sincerely,

For FEDERATION OF ASSOCIATIONS IN INDIAN TOURISM & HOSPITALITY

**NAKUL ANAND
CHAIRMAN**

