

FHRAI opposes MoT's third-party star-classification proposal; says it will make the process rigid and mechanical

The Federation of Hotel & Restaurant Associations of India (FHRAI) has raised its strong objections against replacing the current Hotel & Restaurant Approval & Classification Committee (HRACC)-based hotel classification system with a third-party 'STAR' (System for Tourism Accreditation Rating) system.

The tourism ministry last month had sought the feedback of the trade associations in the tourism and hospitality sector on a new 'System for Tourism Accreditation Rating (STAR)-rating system for the sector based on the concept note prepared by the Quality Council of India (QCI).

Based on the QCI concept note, the tourism ministry had proposed a third-party assessment through accredited agencies under the National Accreditation Board for Certification Bodies (NABCB) for inspection based on the Star rating guidelines which would be in compliance with ISO/IEC 17020 international standards. This the government feels will bring in enhanced credibility, transparency and impartiality and give speed and scale to the processes.

The hotel federation in its feedback to the tourism ministry had opposed the new system saying that it will make the system more "rigid and mechanical". The trade body of hoteliers want the time-tested HRACC system to continue as it is "most transparent, professional, industry friendly and most credible system" for hotel classification.

The HRACC system which has been in place since 1957 in the country, the federation says is the "godfather of unified quality standards to serve an industry" when ISO, BIS standards came way later. Therefore, the hotel federation says that merging the HRACC with ISO at this stage will be a "travesty of sorts". The ISO standards, it says, only defines a business quality manual of processes that each business would like to adopt, and therefore,

“highly subjective in nature” leaving a lot of scope for personal interpretation, leading to “disputes and challenges” at later stages.

As the HRACC comprises stakeholders from the industry headed by the regional director of tourism of the region, it creates interface among various parts of the industry and inspections become an “enriching” and “fulfilling” experience for hotels, the FHRAI letter says. On the other hand, the third-party processes become highly subjective in nature.

Other concerns being raised by the FHRAI about the third-party star-rating system in its letter to the tourism ministry are that of issues of integrity and consistency as well as the fear of cost escalation for classification process. The entire app-based filing and inspection processing system, the federation says, was devised and implemented without considering the unique nature and specific characteristics of the hospitality business and not taking into consideration the industry feedback.