

FHRAI takes up A&N Hoteliers power tariff issue with Union home minister

India's apex hospitality association, the Federation of Hotel & Restaurant Associations of India (FHRAI), has submitted a representation to Union home minister Amit Shah, imploring his immediate intervention in implementing the judgement passed by the Joint Electricity Regulatory Commission (JERC) for the State of Goa and Union Territories (UT) with respect to charging of electricity tariff at industrial rates for hotels in the UT of Andaman & Nicobar Islands.

The Association has stated that despite JERC's decision through its order dated 02/12/2020 and the High Court of Calcutta's order dated 31/08/2021 directing the Andaman & Nicobar Administration to charge electricity for the hospitality sector at industrial rates, the administration and the electricity department has continued to charge commercial rates. Not only has the administration refused to execute the orders but its electricity department has now sent notices to members of the Hoteliers Association of Andaman & Nicobar Islands (HAANI) asking them to pay the higher commercial rates and refusal to comply would lead to disconnection of electricity to their establishments.

“In May 2019, the Andaman & Nicobar Electricity Department started charging commercial rates on electricity from the distressed hospitality sector. A few of our members challenged this decision in JERC and through its order the JERC ruled that the hospitality sector in the Andaman & Nicobar Islands is indeed an industry and has to be charged industrial rates. But the electricity department ignored the order and continued to charge commercial rates to the hospitality units, which is in direct contravention of the order. Later, the Hon'ble High Court of Calcutta too ruled in favour of the members of the Hoteliers Association of Andaman and Nicobar Islands directing the electricity department to issue bills on industrial rates and not on commercial rates. The HC also directed the department to rectify the previous electricity bills and

issue bills based on industrial rates retrospectively from December, 2020. Yet, the administration has violated both orders and continues to charge electricity at higher rates. We request the home minister to intervene and direct the Andaman & Nicobar Administration to charge electricity at industrial tariff for the hotel industry as per the directions of JERC & the High Court of Calcutta and save the already distressed hospitality industry,” says Gurbaxish Singh Kohli, vice-president, FHRAI.