

## NEW YEAR EVENTS CANCELLED

# Set to lose 20% of annual business this year: hotel industry

LAXMAN SINGH

MUMBAI, DECEMBER 31

THE CANCELLATION of New Year events and new restrictions imposed in Mumbai amid a sharp rise in Covid-19 cases is causing massive losses to the hotel industry.

According to the hotel associations, the industry, which has borne the brunt of Covid-19 backlash due to lockdowns for almost two years, will lose about 20 per cent of annual business this year.

Mumbai and other parts of the state are witnessing a spike in daily cases with concerns of new variant Omicron. In the last three days, Mumbai has recorded the highest jump in daily cases – it clocked 3,671 cases on Thursday from 922 on Sunday. Due to this, the state government and BMC have come up with new restrictions on New Year celebrations as well as on public gatherings like weddings, events and functions.

On December 27, Municipal Commissioner I S Chahal had issued an order banning all New Year celebration events. However, restaurants, hotels, cinema halls, pubs and clubs were allowed to

operate with 50 per cent capacity.

"This is the second consecutive year that the hospitality industry will suffer massive losses. The cancellation of New Year events means tremendous loss. Christmas and New Year's Eve celebrations account for nearly 20 per cent of the industry's annual business. Operating at only 50 per cent capacity also means a loss of revenue. We're losing approximately Rs 200 to Rs 250 crore," said Pradeep Shetty, senior vice-president, Hotel and Restaurant Association of Western India (HRAWI).

Many are of the opinion that the government should have allowed events with stricter guidelines. "Last seven days of the year are very crucial, as many events are organised ahead of the New Year. The government should have allowed events with restrictions rather than a complete ban," said a hotelier from Andheri West.

Meanwhile, BMC late Friday issued a guideline clarifying that the restaurant, hotels, bars and theaters can remain open till 1.30 am as per the earlier order issued on December 19 by the state government.