

## **HAI backs ATF cap, flags relief for aviation and tourism**

### HAI Welcomes Government Move to Cap ATF Price Impact

The Hotel Association of India (HAI) has expressed its appreciation to the Hon'ble Prime Minister, the Ministry of Petroleum and Natural Gas, and the Ministry of Civil Aviation for their timely intervention in limiting the impact of the Aviation Turbine Fuel (ATF) price increase on domestic airlines to 25%.

#### **Context**

The decision comes at a critical time marked by global uncertainties, particularly in West Asia, which have led to volatility in energy prices. By capping the rise in ATF costs, the Government has helped maintain affordability in air travel, preventing a potential surge in ticket prices that could have impacted passenger demand and slowed sectoral recovery.

#### **Impact**

The move is expected to boost confidence across the travel, tourism and hospitality ecosystem. While directly supporting the aviation sector, it is also likely to have a positive ripple effect on tourism and the broader economy by sustaining travel demand.

#### **Operational relief**

HAI also acknowledged the Government's efforts to ensure fuel stability, including maintaining domestic LPG prices and prioritising supply for key sectors such as hospitality. These measures offer much-needed operational relief to hotels and tourism businesses amid ongoing challenges.

## **Engagement**

The association further appreciated the continued engagement of the Ministry of Tourism with relevant ministries on issues impacting the sector. HAI also thanked the Government of India for addressing critical concerns such as LPG supply for the hotel industry.

## **Outlook**

The industry remains optimistic and looks forward to continued government support and collaboration to navigate uncertainties and strengthen India's travel and hospitality landscape.

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