



Introduction to the Hotel Industry

Hotels & the Catering Industry as we know started in the 19th century with the development of major cities, easier sea travel & coming up of railways. During Mogul rule, the forts & their surroundings would cater to the needs of the traveller often in exchange for no more than the story of their adventures during their travel or any news from other towns and villages they passed by. In India, resting houses called serais/sarais and dharamshallas were established on high ways by kings and emperors of ancient and medieval periods. Movement of people both political and pilgrimage stressed the need for better and improved facilities to cater to the varied needs of the various classes of the society.

In India, development of catering can also be attributed also to the legacy left by people belonging to different cultures and ethnic groups who have ruled her. Development of catering in India as we see it today is chiefly due to the British, who had introduced hotels and restaurants similar to those found in Europe.

Most of modern hotels that sprouted were managed by European families. The Bombay hotel was opened in 1799. The British brought modern hotels to Kolkata. The Oldest was John Spence's Hotel. Spence's, the first ever hotel in Asia was opened to the public in 1830. The credit for opening the first Western style hotel under the name of British Hotel in Bombay in 1840, goes to Pallonjee Pestonjee was the first hotel to give a la carte and table de hôte menu. Then came the Auckland hotel by David Wilson in Calcutta in the year 1840-41 (now – The Great Eastern Hotel – officially Lalit Great Eastern Hotel) is a colonial era hotel in the Indian city of Kolkata – formerly Calcutta) and Connemara hotel in madras in the year 1870 by E. A. Oakshroff. But now this property belongs to Taj group.



Today, ITDC provides a complete range of tourism services, including accommodation, catering, and entertainment and shopping, hotel consultancy, duty free shops, and an in-house travel agency. The India Tourism Development Corporation (ITDC) was set up in 1966 as a corporation under the Indian Companies Act of 1956, with the merger of Janpath Hotel India Ltd.

In 1971-72, a beautiful palace of Rajasthan was linked up to the Taj, the lake palace in Udaipur, a marble dream, afloat lake Pichola and the Rambagh palace, originally created at the height of Rajput splendour in Jaipur. In 1903 he raised finance, invested his own money, hired the best architects and craftsmen and built the exquisitely beautiful Taj Mahal hotel in Bombay with 220 rooms. Mohan Singh Oberoi took Carlton hotel in Shimla on lease in 1927, renamed as Clarks hotel. He took a building in 1933 and built grand hotel in Calcutta.

Three Welcome Group Hotels were commissioned between 1975 and 1977; these were non-franchised hotels, inspired by the slogan “Be Indian, Buy Indian” and using Indian expertise. Ultimately, however, these hotels adopted the Sheraton system in 1978 and used the services of expatriates for the purposes of upgrading staff training and installing Sheraton operating systems—all without a management contract. This gave the Welcome Group a good start.

When India agreed to host the 1982 Asian Games, the Government granted licenses for building hotels to the Taj Palace, Asian Hotels Hyatt Regency, India Tourism Development Corporation – Lodhi Hotel, Samrat Hotel, Kanishka, Le Meridien, and Surya Sofitel, with the stipulation that their new hotels had to be completed in time for the games. India hosted the Commonwealth Games in 2010, at Delhi. It was India’s most successful Commonwealth Games to date with



Indian athletes winning 38 gold, 27 silver and 36 bronze medals. This also added to growth of hotel industry in India.

Tourism & Hospitality Industry in India contributed Foreign Exchange Earnings (FEEs) during the month of December 2014 were Rs 12,875 crore (US\$ 2.03 billion) as compared to Rs 11,994 crore (US\$1.9 billion) in December 2013. Foreign Tourist Arrivals, in India, during 2014 was 7.46 million, which translates to a 7.1% growth over the previous year.

The Indian Rupee was relatively stable against the US Dollar and from 59/\$ as at the beginning of the year, the exchange rate hovered around 61/\$ levels on the average and closed at 62/\$ at the yearend for the year 2014-15.

GDP growth in India during the year is estimated at 7.4%. Inflation has decreased significantly from as high as 11.2% in November, 2013 to 5.2% in March, 2015. International tourist arrivals, worldwide, have grown to 1.14 billion in 2014, 4.7% above 2013 and are likely to grow 3% to 4% in 2015. Foreign Exchange Earnings (FEEs) have grown by 6.6% at US\$ 19.65 billion for the year.