

INITIATIVES & IMPERATIVES FOR HOSPITALITY INDUSTRY



Hotel Association of India



ENERGISING HOSPITALITY INDUSTRY

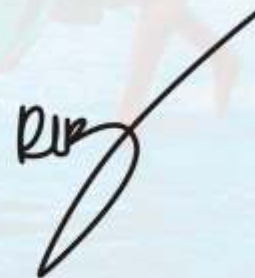
It is a matter of pride and satisfaction that the Hotel Association of India, founded in 1996 to facilitate hospitality industry to move in tandem with the First Generation Economic Reforms of 1990s, has been performing a pro-active role in its journey of eighteen years, creating new 'milestones of progress' and undertaking 'initiatives of social inclusion' for the hospitality industry.

These include bringing world class hospitality education programmes to India, celebrating WHO's Hand Hygiene Day, UNEP's World Environment Day in partnership with local schools and orphanages, and Adoption of historic national monuments by the member-hotels.

Indian economy is now on the cusp of Second Generation Reforms guided by the economic vision of the Prime Minister, **Shri Narendra Modi**, to Build Brand India on the strength of **5-Ts** : Tradition, Talent, **Tourism**, Transport and Technology.

The 2014-15 Budget of the Government is consistent with the objectives of the Government to accelerate economic growth and create jobs in the country and has given an unprecedented focus on tourism with a slew of growth-oriented initiatives.

HAI in its various memoranda to the Government has focussed on the key Reform Imperatives required to help India become a global tourism hub and bring it back to 8 per cent plus growth and create 5 million jobs every year as outlined in this presentation.

A stylized handwritten signature in black ink, appearing to read "RNB".

RAYMOND N. BICKSON
President, Hotel Association of India

FOUNDER CORPORATE MEMBERS : 1996



P. R. S. OBEROI
Chairman & Chief Executive
EIH Limited
(The Oberoi Group)



Late CAPT. C. P. KRISHNAN NAIR
Chairman & Managing Director
Hotel Leelaventure Limited
(Leela Palaces, Resorts & Hotels)



R. K. KRISHNA KUMAR
Managing Director
Indian Hotels Co. Limited
(The Taj Group)



Late LALIT SURI
Chairman & Managing Director
Bharat Hotels Limited
(Lalit Hotels)



S. S. H. REHMAN
Managing Director
ITC Hotels Limited



PRIYA PAUL
Chairperson
Apeejay Surrendra Park Hotels Ltd.
(Park Hotels)



Founder Secretary General
R. K. PURI

HAI SCROLL OF HONOUR

P. R. S. OBEROI
Chairman & Chief Executive
EIH Limited
(The Oberoi Group)

Awarded
"PADMA VIBHUSHAN" in 2008



Late CAPT. C. P. KRISHNAN NAIR
Chairman & Managing Director
Hotel Leelaventure Limited
(Leela Palaces, Resorts & Hotels)

Awarded
"PADMA BHUSHAN" in 2010



PRIYA PAUL
Chairperson
Apeejay Surrendra Park Hotels Ltd.
(Park Hotels)

Awarded
"PADMA SHRI" in 2012



HAI EXECUTIVE COMMITTEE MEMBERS: 2013-15



RAYMOND N. BICKSON
President
Hotel Association of India &
Managing Director, IHC Ltd.



P. R. S. OBEROI
Chairman & Chief Executive
EIH Ltd.



VIKRAM OBEROI
Vice President
Hotel Association of India &
Jt. Managing Director, EIH Ltd.



PRIYA PAUL
Chairperson
Apeejay Surrendra Park Hotels Ltd.



SURESH TALERA
Hony. Secretary
Hotel Association of India &
Chairman, Talera Group of Hotels



JYOTSNA SURI
Chairperson & Managing Director
Bharat Hotels Ltd.



RUPAK GUPTA
Hony. Treasurer
Hotel Association of India &
Jt. Managing Director, UP Hotels Ltd.



VIVEK NAIR
Chairman & Managing Director
Hotel Leelaventure Ltd.



NAKUL ANAND
Immediate Past President,
Hotel Association of India &
Executive Director, ITC Ltd.



K. B. KACHRU
Chairman
Carlson Rezidor Hotel Group
(South Asia)



R. K. PURI
Secretary General
Hotel Association of India



PATU KESWANI
Chairman & Managing Director
Lemon Tree Hotels Ltd.



ANIL MADHOK
Chairman & Managing Director
Sarovar Hotels Ltd.



VEER VIJAY SINGH
Chief Operating Officer
Vivanta Hotels

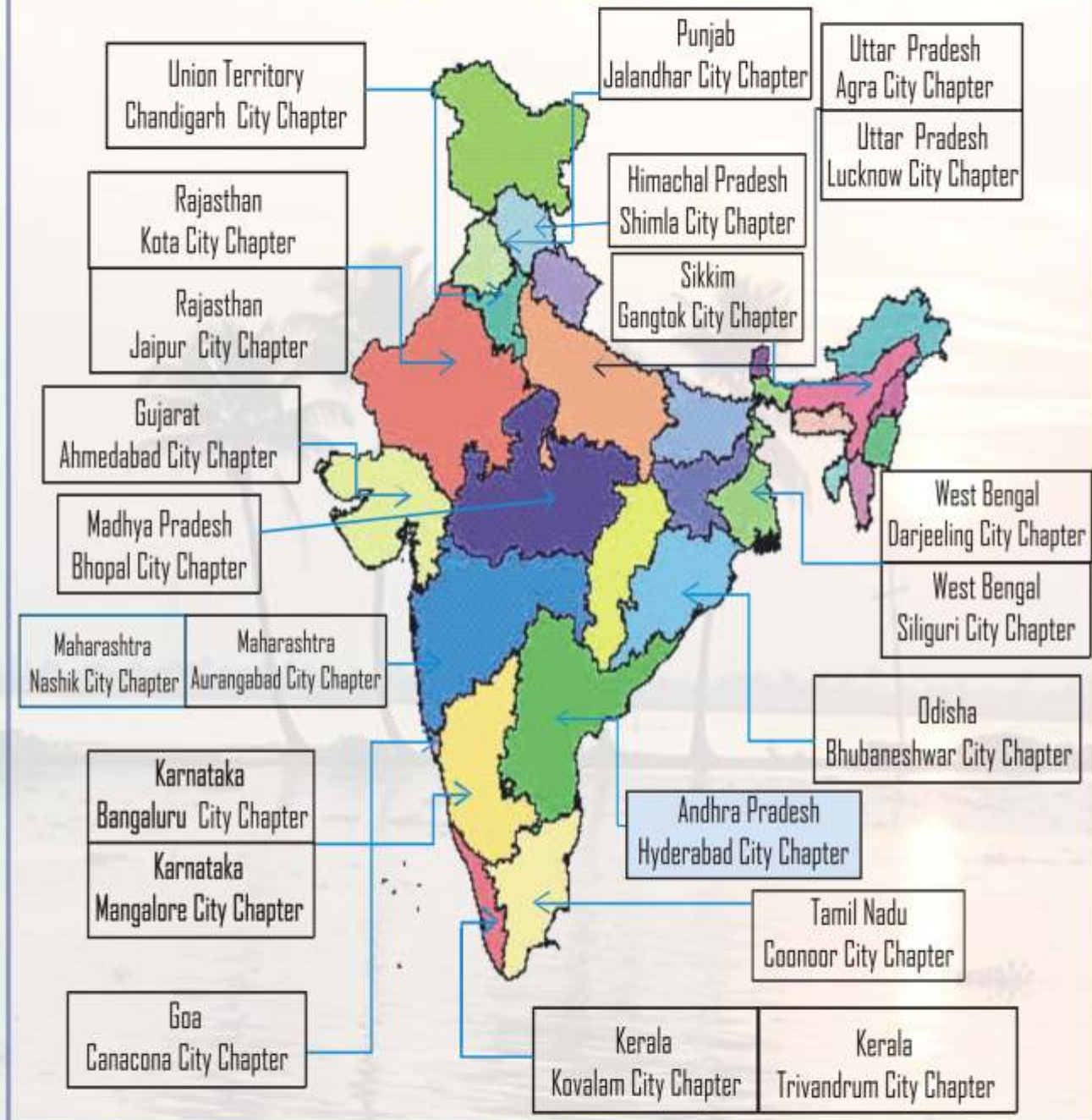


J. K. MOHANTY
Chairman
Swosti Premium Ltd.



SURESH KUMAR
Chief Executive Officer
Fortune Park Hotels

HAI CITY CHAPTERS



HAI REGIONAL CHAPTERS

Northern Region : Mr. Anil Chadha, General Manager, ITC Maurya Hotel, New Delhi

Southern Region : Mr. Prakash Nataraj, General Manager, Taj Coromandel, Chennai

Eastern Region : Mr. Pramode Bhandari, General Manager, The Park Hotel, Kolkata

Western Region : Mr. Rajiv Kaul, President, Hotel Leelaventure Ltd., Mumbai

MILESTONES OF PROGRESS

1996

HAI founded to facilitate hotel industry's integration with the fast paced First Generation economic reforms of 90s.



Members of HAI's First Executive Committee
L to R : Mr. Gautam Khanna, Executive Director, EIH Ltd., Mr. SSH Rehman, MD, ITC Hotels Ltd., Ms. Priya Paul, Chairperson, Apeejay Surrendra Park Hotels, Mr. PRS Oberoi, CMD, EIH Ltd., Capt. CPK Nair, Chairman, Leela Hotels, Mr. LP Gupta, CMD, UP Hotels Ltd., Mr. RK Puri, Secretary General, HAI



1997

Expanded network of HAI Chapters across 25 States in 52 Cities.

1998



Late Shri Ramakrishna Hegde, Union Commerce Minister chairing HAI Workshop on "Export House Status for Hotels"

Achieved path-breaking success in securing 'Export House Status' for Tourism and Hospitality sector in India. Conceptualised the establishment of a **Tourism Export Promotion Council (TEPC)** and obtained statutory clearances for it under the Companies Act 1956.

1999

Secured legal verdict in favour of hotel industry upholding its right to determine tariffs in hotels.

2000

Pioneered the concept of 'Healthy Hotels' in partnership with the World Health Organization and organised a SAARC Seminar on this theme. **Mr. Olavi Elo, WHO Representative (India)** delivered the keynote address.



SAARC Seminar on "Hygiene Management in Hotels"

Organised the first "INFOTECH HOTELS EXPO" attended by nominees of Afro-Asian countries' hospitality industries. Inaugurated by **late Shri Pramod Mahajan**, Union Minister of Information Technology; the keynote address was delivered by **Prof. MGK Menon**, former Union Minister of Science & Technology



Union IT Minister, Late Shri Pramod Mahajan and Prof. MGK Menon at the "HAI Infotech Hotels EXPO"

2001



Union Tourism Minister, Shri Ananth Kumar, Shri Farooq Abdullah, Chief Minister, J&K and Smt. Sheila Dikshit, Chief Minister of Delhi at the launch of "HAI Directory Global Edition"

HAI Directory of Hotels goes global. It was launched at the Second "Infotech Hotels Expo – 2001" by Shri Ananth Kumar, Union Tourism Minister in the presence of Smt. Sheila Dikshit, Chief Minister NCT of Delhi and Shri Farooq Adbullah, Chief Minister of Jammu & Kashmir.

2002



HAI Workshop on WTO Rules for Trade in Services

Organised the industry's first ever Workshop on "Application of WTO Rules to Trade in Services".

2003

Signed Memorandum of Understanding with **Nepal and Uganda** to promote bilateral co-operation in tourism in Afro-Asian region.



HAI President late Shri Lalit Suri along with Shri R. K. Puri, Secretary General HAI exchanging MoUs with delegates from Nepal and Uganda

2004

HAI celebrates the **World Tourism Day** on **27th September** in its member hotels.



Celebration of World Tourism Day in a HAI Member Hotel

2005

HAI reached beyond the borders to build consensus among the hospitality industries of South Asian Association of Regional Countries (SAARC), leading to the establishment of **SAARC Hotel Association**.



Delegates attending SAARC Hotel Association meeting

2006

HAI achieved notable legal success for **empowerment of women in hotel industry** by getting repealed Section 30 of the Punjab Excise Act-1914, an archaic and anti-women provision, which barred women from serving in bars in hotels.

2007

HAI secured the Zero Duty Import Facility for hotels and stand alone restaurants under the **"Served from India Scheme"** which has contributed to India's perception as an affordable destination by tourists.



CEOs Session in Progress

L to R : Ms. Jyotsna Suri, Chairperson, Bharat Hotels Ltd., Mr. Raymond Bickson, MD, IHC Ltd., Mr. N. K. Singh, Member of Parliament, Ms. Priya Paul, President, HAI, Chairperson, Park Hotels, Mr. Nakul Anand, Vice President, HAI, and Dr. Ghassan AIDI, President, International Hotel & Restaurant Association, Paris

Held its **First "Hoteliers' Conclave"**, a unique hospitality industry platform for interactive deliberations between the industry leaders, senior executives, entrepreneurs, suppliers and solution providers.

2008



HAI formulated the hotel industry's first ever comprehensive **"Guidelines for Security Measures in Hotels"** to safeguard hotels against terror attacks which took place in two iconic hotels of Mumbai.

2009

HAI was invited in an advisory capacity to help in planning and preparations for the **2010 Commonwealth Games** in respect of hotel accommodation facilities needed for participants, visitors etc.



2010

Held the **Second "Hoteliers' Conclave"**. The inaugural address was delivered by **Kumari Selja**, Union Minister of Tourism and Culture, and the keynote address was delivered by **Mr. Arun Maira**, Member, Planning Commission.



Second HAI Hoteliers Conclave – 2010

L to R : Mr. N. P. Chawla Mr. S. Banerjee, Mr. Nakul Anand, President, HAI, Kumari Sailja, Union Tourism Minister, Mr. Arun Maira, Member, Planning Commission, Mr. Sanjay Kothari, Addl. Secretary, Ministry of Tourism, Mr. Ajoy Misra, Sr. Vice President, Taj Group, and Mr. R. K. Puri, Secretary General, HAI

2011

HAI formulated a comprehensive White Paper on fixation of hotel industry in the proposed **Goods & Services Tax (GST)** in the category of services of social importance.

2012

HAI successfully spearheaded the legal campaign in the Supreme Court of India for the **lifting of the ban on all tourism activities** in the core areas of Tiger Reserve Parks and getting it removed.

2013

Held the Third "Hoteliers' Conclave".



Third HAI Hoteliers Conclave – 2013

L to R : Mr. Suresh Kumar, CEO, Fortune Park Hotels, Mr. Vikram Oberoi, Jt. Managing Director, EIH Ltd., Ms. Priya Paul, Chairperson, Park Hotels, Mr. Nakul Anand, President, HAI, Mr. Raymond Bickson, Vice President, HAI, Dr. Jyotsna Suri, Chairperson, Bharat Hotels Ltd. Mr. K. B. Kachru, Chairman, Carlson Rezidor Hotels Group, Mr. R. K. Puri, Secretary General, HAI



Third HAI Hoteliers Conclave – 2013

HAI Executive Committee Members with Secretary Tourism, Mr. Parvez Dewan (4th from left).



Third HAI Hoteliers Conclave – 2013

Mr. Raymond N. Bickson attending a session.



Third HAI Hoteliers Conclave – 2013

Cornell University of USA's Prof. Chekitan Dev at the Conclave.



Third HAI Hoteliers Conclave – 2013

Mr. Anand Kumar (2nd from left), Joint Secretary, Ministry of Tourism, moderated the session on Indian cuisine. He is seen here with famous hotel chefs who participated in the session.



Third HAI Hoteliers Conclave – 2013

The HAI Team responsible for the successful conduct of the Conclave.

HAI's EDUCATION INITIATIVES

HAI has taken a significant initiative in bringing world class education programme to India delivered through two of world's leading Hotel Management Schools – the Ecole Hoteliers de Lausanne (Switzerland) and the Hong Kong Polytechnic University School of Hotel and Tourism Management.

Ecole Hoteliers de Lausanne held 4 training modules in 2012-13 on: (i) F&B Profit Maximisation; (ii) Room Revenue Management; (iii) Managing the Training Function ; and (iv) Hotel Opening – Soft & Grand.

The Hong Kong Polytechnic University School of Hotel and Tourism Management (SHTM) delivered training modules in 2014 on : (i) Social Media in Hospitality; (ii) Crisis Management in Hospitality and Tourism; and (iii) Evolution of Chinese Tourism Phenomenon: Lessons for India.

These modules were conducted as Certification Programme for Senior Management level executives.

Glimpses of the HAI Education Programme conducted in collaboration with the Hoteliers de Lausanne (Switzerland) are reproduced below:



“Hong Kong Polytechnic University School of Hotel Management and Tourism” collaborated with HAI in delivering hospitality education programme in India. Reproduced below are some glimpses:



Workshops in Progress: Prof. Brian King (left) and Dr. Markus Schuckert (right).



Mr. R. K. Puri, Secretary General HAI with Mr. Veer Vijay Singh, Chief Operating Officer, IHC Ltd. (left) and with Dr. Markus Schuckert (2nd from right); Mr. Puri with Prof. Brian King, Dean, SHTM, Hong Kong (right).



Prof. Bob McKercher of SHTM explaining a point to the participants; Prof. Bob with participants of Module-2

HAI INITIATIVES OF SOCIAL INCLUSION

WHO's World Hand Hygiene Day

HAI celebrated the WHO's "World Hand Hygiene Day" on May 05, 2014 in its member-hotels with the following vision :

"To create public awareness among the local communities; schools; orphanages; public institutions; guests, visitors and employees of hotels and the people who handle food, about the importance of washing hands with soap and water or a Hand Sanitiser as the simplest and most cost-effective way of promoting community well-being through prevention of respiratory illnesses, common cold, influenza and other infections".

The World Health Organisation (WHO) holds this annual event in India and 180 countries.

Glimpses of Hand Hygiene Day Celebrated in HAI Member Hotels:



School children from NGO Deepalaya visited ITC Maurya Hotel, New Delhi on this Day and they were educated on the importance of this activity



World Hand Hygiene Day was celebrated by The Oberoi Amarvilas on 5th May 2014
The Day started with demonstrations of hand washing for school students of Lopa Mudra Vidya Mandir Purva Madhyamik Vidyalaya, Taj Ganj, Agra

UNEP's World Environment Day : June 05

"World Environment Day" - a United Nations Environment Programme (UNEP), celebrated worldwide on **June 05**, has been the flag-bearer of HAI's Initiatives of Social Inclusion since 1998. It has evolved as a key hospitality industry programme for raising awareness on specific environmental issues.

HAI Celebrated its 17th **"World Environment Day"** programme on **June 05, 2014** with the objectives of :-

- (i) Demonstrating hotel industry's commitment to protection of environment;
- (ii) Making hotels the fulcrum for people from all walks of life to come together to minimize their footprint on the environment;
- (iii) Ensuring for hotel guests, visitors, employees, local communities and school children, and the future generation, a cleaner, greener and brighter outlook.

The World Environment Day Celebrated in HAI Member Hotels

HAI provided a charter of 15 activities which member hotels organized with much enthusiasm. Reproduced below are some glimpses of the event:



Vivanta by Taj Connemara
Rag Picking – In and Around the neighborhood



Vivanta by Taj Connemara
Green Rally on 5th June–Spreading Awareness in Community



World Environment Day celebrations at The Oberoi, Bangalore

ADOPTION OF HISTORIC NATIONAL MONUMENTS

HAI's public service initiatives prominently feature the plan for Adoption of National Monuments of historical importance for maintenance by member hotels, which would contribute to the enhancement of the local tourist attractions and to the preserving and sustaining of monuments for communities today and for future.

The HAI plan for Adoption of Monuments offers members a wide range of options :

- (i) Hotels can enter into partnership with **NCF** or **INTACH** or both for maintenance, cleanliness, illumination, greening, landscaping etc. of any monument under their respective control;
- (ii) **INTACH** has **35 monuments in 12 Cities** where HAI member hotels are also located.
- (iii) **NCF** has **18 monuments in 11 Cities** where HAI member hotels are located.

Glimpses of National Monuments of Historical Importance



HAI INPUTS & IMPERATIVES FOR UNION BUDGET : 2014-15



No. 2014/HAI/600/62

June 30, 2014

The Honourable Shri Arun Jaitley
Minister of Finance and Defence
Government of India
Ministry of Finance
North Block, Central Secretariat
New Delhi – 110 001

**Subject: Hospitality Industry's Imperatives
for accelerating economic growth**

Dear Shri Jaitley,

I deem it a privilege to convey on behalf of the hospitality industry our confidence and optimism in your dynamic vision in shaping India's new financial policy as a bold, pro-growth Budget for reviving economic growth and creating jobs for India's youth.

The tourism and hospitality industry, as an enabler of inclusive growth, is highly encouraged by your Government's resolve, articulated in the Hon'ble President of India, **Shri Pranab Mukherjee's**, Address to the Joint Session of Parliament on the 9th June 2014 to "build India on our strength of **5-Ts** : Tradition, Talent, **Tourism**, Trade and Technology".

- 2 -

I am therefore availing this opportunity to offer following inputs and perspectives for unlocking the vast potential of hospitality industry to contribute to the national goal of socio-economic growth.

(i) GDP Growth:

Tourism and hospitality sector contributed US\$ 17.74 billion (INR 94,474 crore) to India's GDP in 2012.

The Government has now set a higher target of increasing foreign exchange earnings of tourism during the XIIth Five Year Plan to US\$ 30.30 billion (INR 134,383 crore) by 2016.

Tourism sector's contribution to India's GDP is currently about 6.8%. At the global level, Tourism contributes 9% to the world GDP. Tourism in India has the potential to enhance its contribution to the global level.

(ii) Creating Jobs:

Tourism sector is also one of India's largest creators of employment. It is estimated that 53 million people were employed in tourism jobs in 2010.

For the Twelfth Five Year Plan, Government has set the target of increasing employment in tourism to 77.5 million people, i.e., creating an additional 24.5 million jobs by 2016.

(iii) Infrastructure Development:

Tourists need hotel rooms to stay. India is heavily under-roomed in hotel accommodation, having only 128,771 rooms of standard categories. China, India's peer, has over 10,00,000 hotel rooms.

For the Twelfth Five Year Plan, Government has estimated a requirement of 310,523 hotel rooms by 2016, i.e., an addition of 181,716 hotel rooms by 2016.

Contd...

- 3 -

For putting in place the infrastructure of additional 181,716 hotel rooms, the hospitality industry requires access to financial resources of the magnitude of INR 200,000 crore. To make this happen, tax incentives and concessions under Section 80 1/A of the Income Tax Act need to be extended to it.

(iv) Imperatives Required:

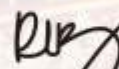
The tourism and hospitality sector can help achieve the goals of inclusive growth. It requires the following quick reforms :-

- a) Grant of **“Infrastructure Status”** to hotel industry under Section 80 1/A of Income Tax Act to attract investment in hotel accommodation infrastructure projects;
- b) Recognition of tourism and hospitality sector as an **‘Export Industry’** eligible for tax incentives extended on foreign exchange earnings;
- c) Implementation of pending recommendation of National Development Council, made in July 1984, to declare tourism as an **“Industry”** in the States, making it eligible for availing industrial rates of land, power, water, concessions/ incentives on loans and subsidies.

It is hoped the above suggestions would receive your kind consideration.

With Kindest Regards,

Yours sincerely,



(Raymond Bickson)

INDIA'S TOURISM SECTOR : AN OVERVIEW

		2012	2016 (XIIth Plan Target)
1.	Foreign Tourist Arrivals (FTAs)	6.58 million	11.24 million
2.	Domestic Tourist Visits (DTVs)	1036 million	1451.46 million
3.	Foreign Exchange Earnings (FEEs)	US\$ 17.74 billion (INR 94,474 crore)	US\$ 30.30 billion (INR 1,34,383 crore)
4.	Employment in Tourism (Direct & Indirect)	53 million	77.5 million
5.	No. of Hotel Rooms of Classified (Star) Categories	128,771	310,523
6.	No. of Hotel Rooms of Unclassified Categories	1,58,3519	4,66,1807
7.	Contribution to GDP	6.8%	N/A
8.	Contribution to Total Jobs (2007-08)	9.24%	N/A

Source : Ministry of Tourism Report of Working Group for XIIth Five Year Plan

INDIA'S POSITION IN ASIA-PACIFIC & WORLD

		Asia-Pacific (2012)	World (2012)
1.	Share of India in Tourist Arrivals	2.82%	0.64%
2.	India's Rank in Tourist Arrivals	11	41
3.	Share of India in Tourism Receipts	5.48%	1.65%
4.	India's Rank in Tourism Receipts	7	16

Source : WTTC



Hotel Association of India

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