CHAPTER - 3

OVERVIEW OF HOTEL INDUSTRY AND HOTEL MANAGEMENT EDUCATION

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In the previous chapter, the reviews of literature and different concepts related to the study have been stated. In this chapter an overview of the hotel management industry and the hotel management education has been presented. The international, national scenario and current scenario regarding the hotel management industry, major players in the hotel industry in India, institutes and courses available under the hotel management education and efforts taken by the Ministry of Tourism to meet the skill gap has been discussed in this chapter.

3.1 Evolution and Growth of the Hotel Industry:
The tourism industry gets its inspiration from the motivation of humankind to travel. In earlier times humans travelled to survive and later, to trade with each other. People later travelled mostly for trading, military campaigns, religious reasons and in some cases, for sports. The purpose of travel has changed dramatically in modern times. Some of the popular reasons for travel and tourism are leisure, education, shopping, adventure, health, sports, religious reasons, wild life, employment, sightseeing, trading etc.

Sightseeing is a strong reason for travel. Nowadays people have disposable income and seek to connect with other nations and states to understand cultures. From this need, two popular types of tourism emerge – Cultural Tourism and Heritage Tourism. Cultural tourism is concerned with a country’s or region’s culture, especially its arts. It generally focuses on as the name suggests traditional communities who have diverse customs, art and distinct social practices which distinguish them from other cultures. Heritage tourism is a branch of cultural tourism that showcases the cultural heritage of the past. Heritage tourism involves visiting historical sites like monuments, forts, battlegrounds, etc. with the overall purpose of appreciating the past.

People lead stressful lives and need leisure and relaxation. This becomes a strong motivation to travel and explore. Sometimes people just want to soak in the atmosphere of the place they have travelled to and do nothing but rest and relax. Many resorts offer this to guests - resorts for such purposes at sea sides, hills, ski resorts, spas, etc. At resorts people can get away from daily routine and let go. The facilities and amenities then take
care of all their needs. Another major factor that attracts guests is the weather. Some guests/travelers prefer the cool climes – the cold weather found in the mountains while others like the sunshine on the sea beaches alluring. Sport has become a huge industry where travel is common for sportspersons and their fan following. Adventure tourism is a type of niche tourism involving exploration or travel to remote and inaccessible areas where the traveler can experience different things. SITs or Special interest tours are of those groups who travel in pursuit of their hobby. This is an ever-increasing source of tourism. There are different options for people with diverse likings and interests. Climbers can fulfill their ambition of climbing the Mount Everest, ornithologists their interest in rare birds. Wild life too is catching up where people go to safari parks where animals are preserved from extinction. Shopping is a major attraction for anyone visiting new places. Shopping has taken a new dimension with modern electronic domestic and commercial wares. Take the Dubai shopping festival, a month long extravaganza in the month of January every year that attracts people all over the world.

Business as a purpose for travel has from ancient times been a strong motivator. Today, it continues to be a major reason also. The trade in the earliest civilizations to distribute goods was not available locally. Countries have eased the norms and broken down trade barriers. Companies can expand, give franchisees and thus go international. Governmental travel has become important to bettering understanding and trade between nations. Political delegations have become another segment of travelers as have trade travelers. Education is another important and an ever increasing reason to travel. With the opening up of universities and international campuses, it has become possible for anyone around the world, with certain minimum qualification, to enter their educations system. Reunions are an increasing segment of travel today. People seek global employment today and hence the ‘once a year’ travel back home too is a strong factor. Similarly children, who have left home for international work, education and assignments, touch base with their loved ones at holidays and religious festivals. Another type of reunion is the alma maters of schools, colleges and higher universities. Pilgrimage is a long journey or search of great moral significance in religion and spirituality. Sometimes it is a journey to a place or shrine of importance to a person’s beliefs and faith. In today’s
world, spiritual tourism too is gaining momentum. People travelling for a spiritual discourse, converging for a meditation camp, holistic healing, ayurveda, or a yoga retreat is becoming common.

In the following section the growth and evolution of hotel industry has been presented under three scenarios namely the world scenario, Indian scenario and the current scenario.

3.1.1 World Scenario:

The emergence of inns and hospitality as an industry can be attributed to the invention of the means of travel like buggies, carts etc. and also the invention of currency as a medium of exchange of goods and services (Tewari, 2009). From the age old inns to the present day state of the art establishments the hotel industry has come a long way. The evolution and growth of the hotel industry in the world can be broadly studied under three heads i.e. ancient era, grand tour and modern era.

a. Ancient Era:

The availability of hospitality facilities in Europe dates back to 500 BC. Ancient cities had many establishments that offered food, drink and bed to travelers. The inns were basic in nature offering just a little space, a cot or a bench and at times, a stable for horses. The word ‘privacy’ did not really feature in the list. Travellers huddled together. During the third century AD, many lodging premises came up throughout Europe and part of Asia adjoining Europe. The lodging houses were known as ‘mansions’ then.

The hotel industry grew with travel. The people who travelled, needed food and some shelter along the long routes that they traveled. The Hotel Industry, it can be said, is one of the oldest trade endeavors in the world. The first Inns go back to 3000 BC which were established for the people on the move spurred by the urge to travel. The earliest Inns were private homes of husband and wife teams who provided large halls, for travelers to roll out their own beds and sleep on the floor. These conditions prevailed for several hundred years and by 320 B.C. at the time of the Roman Empire, inns became common
place, because of the need of the Romans for political, administrative and military travel. The Romans introduced inns to Britain, along roads and in main towns for officials on state business.

Religious travel grew, strongly after the crucifixion of Christ. Religious travel spread with the advent and spread of Christianity. In the first century AD, one of the important providers of lodging places was the church for pilgrims. The Roman Catholic Church had places like hospices, monasteries and hostels for pilgrims maintained by the church. In effect, the church operated the first ‘hotel chain’ for religious travel. This period also saw the growth of private inns along the pilgrimage routes. The quality of inns kept improving over the years as travel became more frequent due to conquests, religious travel and commerce as empires expanded.

Between the 16th and 17th centuries, inns developed into coaching inns in main towns because of the advent of coach travel. Food and beverage became an intrinsic part of travel. Early inns provided wholesome food and local brews as part of their services to travelers. It was only later that food and beverage became specialized services when independent restaurants and pubs opened to serve the local and travelling public. An early type of restaurant was the Coffee House, which appeared in England in the mid-1600s. The term restaurant, as we know today, began in 1765 in Paris, France. The credit of the first restaurant in the US goes to Delmonicos, established in New York City in 1827. Then, as even now, the vast majority of American eating places offered simpler, less expensive food.

Then after several years, there was an industrial revolution in England which led to the development of railways and steam ships. Thus travel modes increased and became more efficient, comfortable and faster. The revolution also changed the reasons why people travelled. Apart from the above reasons, people started travelling for business purpose. The European nations started what we can call today as ‘Organised hotel keeping’. This concept emerged especially in Switzerland. Such hotels or small cottages (Chalets) were
patronized by the aristocracy. Between 1750 and 1825, the inns in Britain were known to be of high reputation and came to be known as the finest hospitality establishments.

The history of hotels is intimately connected to that of civilizations. Facilities offering guests hospitality have been in evidence since early biblical times. The Greeks developed thermal baths in villages. These were designed for the purpose of rest and recuperation. Later, the Romans built mansions to provide accommodation for travellers on government business. The Romans were the first to develop thermal baths in England, Switzerland and the Middle East. Later still, caravanserais appeared, providing a resting place for caravans along Middle Eastern routes. In the Middle Ages, monasteries and abbeys became the first establishments which offered shelter to travelers on a regular basis. As mentioned earlier, religious establishments like church built inns, hospices and hospitals for the same. Inns multiplied, but they did not yet offer meals. Staging posts were established for governmental transports and as rest stops. They provided shelter and allowed horses to be changed more easily. At the same time, inns gradually appeared in most of Europe.

With the discovery of the new continent America, inns soon proliferated into America. Samuel Cole is credited with the opening the first inn in 1634 A.D., in Boston, called Cole’s Ordinary. Inns such as this provided beer and rum and plentiful cheap food. Taverns and Inns modeled themselves in the European style. While eateries were established, the Hotels came much later.

The start of the hotel industry - In France, at the beginning of the fifteenth century, the law required that hotels keep a register. English law also introduced rules for inns at that time. There were more than 600 inns which were registered in England during this period. This era also saw the publication of the first guide books for travelers in France. An embryonic hotel industry began to develop in Europe. There were signs that were seen outside establishments that were known for their specific cuisine. In Paris in the time of Louis XIV, the Place Vendome offered the first example of a multiple-use architectural complex, where the classical façades accommodated boutiques, offices, apartments and
also hotels. In the nineteenth century, the industrial revolution, which started in the 1760s, spurred the development of hotels everywhere, in mainland Europe, in England and in the Americas.

b. Grand Tour:
The real growth of the modern hotel industry took place in the USA, beginning with the opening of City Hotel. This was in New York in 1794 A.D., when New York was a busy seaport with population of about 30,000 people. This was the first building especially erected for a hotel and had 73 guest rooms. This eventually led to great competition between different cities and resulted in frenzied hotel building activities. The Exchange Coffee House in Boston came first followed by the second City Hotel in Baltimore, then the Mansion House in Philadelphia and the Adeiphi Hotel in New York. At best these were ordinary lodgings for the middle class. In 1829, The Tremont House in Boston was different from the others and could be labeled the first luxury hotel in America. It was the first to offer private rooms with locks, a wash basin, pitcher and soap. It had a French restaurant and uniformed service personnel. This marked the beginning of the development of luxury Hotels in the USA during the 1800s. The Grand Pacific in Chicago, The Palmer House and Sherman House in St. Louis and the Paxton in Omaha were such luxury pre-runners in luxury hotel development. In 1874, William Chapman Ralston established a super luxury property called the Palace Hotel in California during the Gold Rush. Built like a European palace with domed glass roof, marble floors, own water supply, fire sprinkler system and air-conditioning, it had 800 plush rooms spread over seven floors.

The second half of the eighteenth century is referred to as the golden era of travel. The popularity of the Grand Tour gave a big push to the hotel industry. A grand tour of the European continent consisted of an indispensable element of the education of the children of wealthy families in Britain. This tour often lasted several years. It was a good business opportunity for people in the prominent cities of France, Italy, Germany, Austria, Switzerland and Ireland to establish lodging, transportation and recreation facilities. Entrepreneurs, who realized that this business would make money, developed the skills of
hospitality and pioneered the modern hotel industry. In 1841, a simple cabinet maker, Thomas Cook organised a rail tour from Leicester to Loughborough and immortalized himself as the world’s first tour operator. The rest, as they say, is history.

c. Modern Era:
Modes of travel improved greatly. Travel became faster and more economical. The advent of the ropeway made access possible to high altitude mountains. However there were unfortunate developments in terms of World War I and World War II. This affected the industry adversely. This resulted in economic depressions. In 1950’s, there was slow recovery and travel in the European continent grew steadily. Commercial passenger flights across the Atlantic helped to spur the growth of the hotel industry.

The American entrepreneurs changed how the hospitality industry worked. The key was innovation and aggressive marketing. The inauguration of the City Hotel in New York in the year 1794 marked the beginning of the present day hotel industry. Prior to this hotel, lodging facilities in the American continent were patterned on European style tavern or inns. This hotel laid the foundation for other American hoteliers aiming for construction of large hotels. The opening of the Tremont House in Boston is another landmark in the evolution of the hotel industry. Being the first luxury hotel the 170 room hotel was the first to provide locks, indoor plumbing, running water and bathing facilities, bowl and pitcher and free soaps in rooms. This hotel was the first to provide front office services like bell boys and reception. In the year 1908 the first business hotel, the Statler Hotel in Buffalo, New York was started. This 450 room multi storied building made some innovations in the hotel industry. They provided an attached bathroom with hot and cold water in each room, an electric lamp on the desk and a radio in each room.

The decade of the great depression, in the 1930s, witnessed most of the hotels in America being affected. Then in the 1940s the hotel industry streamlined with slow and steady growth. In the 1950s there was an increase in the automobile travel and this led to the rise of motor hotels or motels, a new category in the hotel industry. The motels offered free parking facilities, served as rest houses for people travelling between two destinations.
Motels grew exponentially in the following decades. Budget hotels offering basic facilities came up too. Gradually these hotels evolved into national and international chain of hotels.

While the growth of motels was restricted to the North American continent, international chain operations spread into all continents. Individual entrepreneurs were crushed in the race of this multidimensional, multinational industry. International chains provided the expertise, technology, and marketing thrust that individual Hotels could not. In 1925, Howard Johnson created the first restaurant chain of 400 restaurants through franchise — the leasing of a branded name. He soon entered into Hotels making the Howard Johnson hotel chain a worldwide name. Another famous hotelier, Willard Marriott, started as a restaurateur but very soon gained a foothold in the hotel industry in 1940s expanding it into the famous Marriott Hotels Chain. Individual owners could not compete with large hotel chains and therefore merged with chains such as Sheraton, Hilton, Hyatt, Holiday Inn, Ramada Inn etc. The international chains provided relationships to individual owners like Partnership (sharing equity and profits), Franchise (providing name and association against a fee) and Management Contract (providing professional managers, technicians, operational manuals, systems, etc on the basis of management fees and a share of profits as incentive payment).

The advent of the industrial revolution in England brought ideas and progress in the business of inn keeping. The development of railways and steam ships made travelling more permanent. Travel also changed from social or government travel to business travel. There was a need for quick and clean service. The lead in Hotel keeping was taken by the emerging nations of Europe, especially Switzerland.

In 1908, Ellsworth M. Statler saw the need for providing accommodation for a new segment — the business traveller. He created the Statler Hotel in Buffalo, New York, built specifically for the commercial sector. It involved big investments, big profits and trained professionals to manage the business. The Statler Hotel provided private baths and full-length mirrors in each room. His engineering, architecture and service ideas
became the standard for future commercial Hotels. The Statler went into chain operations and can be credited to be the first hotel chain. In 1927, the Stevens Hotel, a 3000 room hotel (later renamed the Conrad Hilton) became the largest hotel in the world.

The period post depression saw the emergence of two concepts broadly: a) Motels and b) International chain operations.

Over the years motels became chain operations and in 1970, we saw the budget motel with rates half that of regular motels. Budget motels have small rooms and provide fewer services. The 1970’s saw the beginning of the construction of hotels for business people. This happened due to multiple factors: airline companies, business prosperity etc. Hotel chains became more and more guest service oriented and started increasingly offering more and a wide range of services. Their rooms became more spacious and the cuisine more refined. The end of the seventies, when China opened its doors to foreign tourists, also saw the first congresses of international hotel experts.

The 1980s saw another boom in the hotel industry. Some of the salient features of this period were innovative marketing and the development of hotels increasingly adapted to a particular type of clientele. Thus there were hotels near airports, hotels for conferences, health hotels, ski holiday hotels, holiday villages and marina hotels. The hotel industry was becoming more professional in its approach and systems. It was also becoming more competitive. Business travelers and retired people i.e. the grey market became important target segments. In the eighties, the Far East began to prepare itself to welcome both business people and the tourists. The world started discovering these countries: country of the rising sun, such as China, South Korea, Thailand and Japan. The international chains prepared expansion plans for Europe, the Middle and Far East.

Technology started to make an impact in the nineties. The Gulf crises in the nineties was a challenging period for the hospitality industry, It made hoteliers think up and take notice and come up with innovative ways to attract and retain business.
Unlike earlier times, for the first time, hoteliers started considering the environment and energy conservation. Global warming talk was heard and debated upon. Guest loyalty, referrals became the buzzwords. Reservation systems became more efficient and offered the hotelier a database to work around. Guest history and records were maintained. Customized marketing campaigns and personalized service were the new norms. Since 1992, the most important international chains have been vying with each other in ever greater imaginative feats related to the vital process of renovating their establishments worldwide. Technology has started to take its rightful place in hotel administration (simplification of check-in and check-out procedures, global reservation systems, marketing management etc.). Expansion of hotel chains happened. Mergers and acquisitions were seen taking place. Expansion models like franchising and management contracts came into existence.

In 1995 construction began in Dubai of one of the most ambitious and prestigious tourist complexes in the region, the Jumeirah Beach Hotels. Oil rich Dubai became a much talked about and sought after place for the international business community. The Sheikh of Dubai announced the ambitious Burj Al Arab, the world’s first ultra luxurious modern hotel. (with claims of being a ‘seven’ star) Dubai witnessed big real estate growth.

3.1.2 Indian Scenario:
The origin of the hotel industry in India cannot be traced to a specific point of time but there is evidence of its presence even during the Indus valley civilization and Vedic era. In olden days, travel was undertaken for pilgrimage and trade. The concept of pilgrimage ie char dham among the Hindu community is an indicator of the significance accorded to pilgrimage by our ancestors. Ancient texts and literature, Hindu mythology, have many references to travel and the provision of accommodation facilities for travelling pilgrims and traders by the authorities of those days.

India was well known for its silk, spices, gold and gemstones. Indians were trading with countries like Greece, Italy, Indonesia, Malaysia, China and Japan. The main mode of transport was animals on land and boats and ships that crossed rivers and seas for
connectivity with distant lands. That is the reason behind the trading cities in the world being situated along the banks of rivers or on sea ports. The origin and evolution of the hotel industry in the country can be broadly categorized into the following three periods’ namely ancient and medieval era, colonial era and modern era.

a. Ancient and Medieval Era:
The Indian context and concept of hospitality stands rooted in the Hindu philosophy of ‘atithi devo bhava’, which implies that a guest is to be accorded the status of God. Though it is difficult to trace its exact roots in India, the hospitality industry emerged as a commercial activity in ancient India. There is evidence of accommodation facilities for travelers and guests in old texts and folklore. The lodging houses during those times were known as dharamshalas. Dharmashalas were the resting places for pilgrims in between their long journeys. In turn, dharmashalas, were derived from village chaupals which served as a meeting ground for villagers to plan and discuss various social welfare and development measures. These became the places for lodging as travelers started putting up camps there due to safety reasons.

Gradually with the help of local residents and financial assistance from the rulers, zamindars or other influential people, permanent structures were built for travelers. Here they were provided with a safe place to relax and spend the night. Other words in the literature which indicate the accommodation facilities to travelers are anna kshetras, bhojanalaya, paakshala, panthagar etc.

There are many records and numerous mentions of many foreign travelers, visitors and philosophers speak highly of the hospitality facilities. Famous Chinese scholars Fa Hien and Huein Tsang who came during the reigns of Chandragupta, Vikramaditya and Harshavardhana respectively have mentioned the existence of shelters for travelers. Huein Tsang has referred to the arrangement of food for 10,000 students in Nalanda University as a wonderful arrangement. Between the 11th and the 13th centuries many sarais and musafirkhanas were built, primarily as a resting place for the messengers of the
postal system established by the sultans of the Slave or Mamulk dynasty. With the Moghals, the practice continued and many such serais etc were built for travelers.

b. Colonial Era:
In India the organised existence of the hotel industry started to take shape during the colonial period. India had a long stint of British raj. Some parts were ruled by the Portuguese as well. The early hotels were operated mostly by the people of foreign origin to cater to the needs of the European colonizers and later the officials of the raj. Among the first such properties were taverns like Portuguese Georges, Paddy Goose’s and Racquent Court which opened in Bombay between 1837 and 1840. But within a period of ten years more respectable hotels began to make an appearance and the tavern disappeared. The famous properties during this time were the Hope Hall Family Hotel, the Victoria Hotel, Esplanade Hotel, Watson’s, Auckland Hotel etc. 16th December 1903 marks the inauguration of Jamshetji Nusserwanji Tata’s dream. The Taj Mahal Hotel. It was a magnificent building at Apollo Bunder. As the story goes, Mr. Tata was refused entry to the Watson’s for being an Indian. The Taj Mahal Hotel is credited with being the first luxury hotel for Indians by an Indian. The Taj Mahal hotel boasts of many firsts including the first licensed bar, Turkish baths, white servers etc. This was really the precursor to hotel development in Mumbai, an important port city and other big cities of India.

c. Modern Era:
Post independence period saw big leaps in the hotel industry in India. The first two names that would come to anyone’s mind would be: The Oberoi Group of Hotels and the Taj Group of Hotels. These groups are in the collective consciousness of the Indian hospitality world. While these two families grew from hotel to hotel and strength to strength, corporates like the Indian Tobacco Company (ITC) also joined the hotel industry with properties under ITC Welcome Group. In 1949 four regional hotels and restaurants associations were organised with head offices in Delhi, Mumbai, Calcutta and Madras. These four associations were linked in a federation called as the Federation of Hotels and Restaurants in India (FHRAI), in the year 1955. The federation serves as an
interface between the hospitality industry and political leadership, government, international associations and other stakeholders in the trade. The first luxury hotel built by the government is the Ashok Hotel in Delhi. It was founded in 1956 to host independent India’s first ever international event, a United Nations Industrial Development Organisation (UNIDO) conference. The government constituted India Tourism Development Corporation (ITDC) in 1966, looking at the potential of the tourism and hospitality industry, which opened many large and small hotels across the country. Over the last few decades various well known international hotel chains have come to India. These include Hyatt Hotels and Resorts, InterContinental Hotels and Resorts, Marriott International, Hilton Hotels, Best Western International, Shangri-La Hotels and Resorts, Four Seasons Hotels and Resorts, Carlson Hotels Worldwide and Aman Resorts.

3.1.3 Current Scenario:
The liberalization of the Indian economy has provided a boost to the hotel industry in a big way, leading to a sharp rise in the number of inbound and domestic tourists in the last two decades. India is no longer a backward country and everyone wants to be associated or do business with one of the world’s fastest growing economies. (and largest democracy) India is not just about the Taj Mahal monument in Agra or beaches of Goa. Different facets of India and growth opportunities are being acknowledged by the world. The IT boom has been a boon too. The intellectual capital of India is a big asset. Another advantage that works in favour of India is the largest youth population and a fairly large number of English speaking work force. Ogilvy and Mather gave an award winning ‘Incredible India! Campaign that helped make inroads in the international scenario. The concerted effort in international print and electronic media, internet and outdoor advertising and road shows to showcase the country’s tourism friendly aspects helped tremendously. India’s open skies policy has also led to a massive growth in travel for business and pleasure. The upgrading of the roadways and national highways which has connected various parts of India has opened up new avenues for the development of budget hotels here. The net result of all these is that these are exciting opportunities for the hotel industry.
Even though there is great potential for the hotel business, there are several constraints for the industry to grow. Our image, increasing crime rate (safety for women), hygiene factors work against us. The tourist influx has seen a steady growth barring a couple of years. However the numbers are still small compared to many other countries.

**Major Players in the Indian Hotel Industry:**
The hotel chains comprise major players including the IHCL ie. Indian Hotels Company Limited (the Taj Group) and associate companies, the EIH ie. East India Hotels (the Oberoi group), ITC Hotels Limited (the ITC Welcome Group), Indian Tourism Development Corporation (ITDC) and Hotel Corporation of India (HCI) - the latter two being under public sector. Most of these chains had an established presence in one or more metro cities prior to the tourism boom of the 1980s. Subsequent to the tourism boom, these chains aggressively expanded their presence in other locations. The private players among the hotel chains are industry leaders and have well established brand identities across the different industry segments. They have also ventured internationally and acquired hotels abroad.

The small chains are companies that have come up after the tourism boom of the 1980s and 1990s. Due to lack of prior experience in the hotel industry, these players have preferred to opt for operating / management arrangements with international players of repute. Some of the companies in this category are Hotel Leela Venture (with Kempinski), Asian Hotels (Hyatt International Corporation), Bharat Hotels (formerly with Holiday Inn and Hilton and now with Intercontinental). As late entrants, most of these hotel companies have fewer properties, compared with the big chains. However most of these players have initiated expansion plans during the late 1990s. The public sector chains ITDC and HCI boast of some of the best locations in major cities but are relative under performers as compared with their private counterparts.

The international hotel chains are also looking at India as a major growth destination. These chains are establishing themselves in the Indian market by entering into joint
ventures with Indian partners or by entering into management contracts or franchisee arrangements. Some of the players who have already entered or plan to enter the Indian market include Marriott, Accor, Hyatt, Starwood, Berggruen Hotels, Emaar MGF. Most of these chains have ambitions expansion plans. The localized hotel companies mainly comprise of early entrants who have an established localized presence and who preferred not to expand during the tourism boom but focus on building and catering to a loyal customer base.

3.1.4: Tourism Industry India from 2009 - 2014:

**Table No. 3.1: Foreign Tourist Arrival (FTA)**

<table>
<thead>
<tr>
<th>Particulars / Year</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTA’s in numbers (millions)</td>
<td>5.11</td>
<td>5.58</td>
<td>6.29</td>
<td>6.65</td>
<td>6.97</td>
</tr>
<tr>
<td>Percentage of growth / decline</td>
<td>(3.3)*</td>
<td>8.1</td>
<td>8.9</td>
<td>5.4</td>
<td>5.9</td>
</tr>
</tbody>
</table>

*Figures in parenthesis shows the percentage decrease

[Source: Annual Reports published by the Ministry of Tourism]

According to the figures of tourist arrivals in India as shown in table no. 3.1, there was an increasing trend in last decade. In 1991, 1677508 tourists have visited India, and 2624259 tourists have visited India during 2000. The above table no. shows the foreign tourist arrival in India during the period in 2009 to 2014. During the period 2002 to 2009, India witnessed an increase in the Foreign Tourist Arrivals (FTAs) from 2.38 million to 5.11 million. The reduction in FTA in the year 2009-10 was due to the terrorist attack on the Taj hotel and other hotels in Mumbai. Due to global slowdown, terrorist activities, H1N1 influenza pandemic, etc., growth rate in FTAs during 2009 fell by 3.3 per cent. The year witnessed a contraction in global tourism by 4.3 per cent; the fall in numbers in India was, therefore, less than that of the scale of global slowdown. After 2009-2010 the tourism industry slowly began to rise and has been growing since then. India’s performance in tourism sector has been quite impressive.

In the year 2010, the tourism sector witnessed substantial growth as compared to 2009. The Foreign Tourist Arrivals (FTA) in India during 2010 were 5.58 million as compared to the FTAs of 5.17 million during 2009, showing a growth of 8.1%. The growth rate
during 2009 over 2008 was (-) 2.2%. During the year 2011, the number of Foreign Tourist Arrivals (FTAs) in India reached the level of 6.29 million, registering a growth of 8.9% over the FTAs of 5.78 million in 2010. The growth rate of 8.9% in tourist arrivals in India was almost double the growth of 4.4% in tourist arrivals worldwide. The tourism sector in India, therefore, has fared quite well vis-à-vis the world. The year 2012 witnessed 5.4% growth in foreign tourists arrivals (FTAs) over last year as the FTAs rose from 6.31 million to 6.65 million. Foreign Tourist Arrivals (FTAs) in India during 2013 were 6.97 million with a growth of 5.9% as compared to the FTAs of 6.58 million during 2012 registering a growth of 4.3% over 2011.

**Table No. 3.2: Foreign Exchange Earning (FEE)**

<table>
<thead>
<tr>
<th>Particulars / Year</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth rate in earnings as compared to previous year (in %)</td>
<td>8.3</td>
<td>18.1</td>
<td>16.7</td>
<td>21.8</td>
<td>13.6</td>
</tr>
</tbody>
</table>

[Source: Annual Reports published by the Ministry of Tourism]

Table No. 3.2 shows the foreign exchange earnings for the period 2009 – 2014. Even though there was a decline in the foreign tourist arrivals in the year 2009 – 10 due to the terrorist attack in Mumbai the foreign exchange earnings were comparatively good. The FEE has also been steadily increasing. Foreign Exchange Earnings (FEEs) from tourism increased from Rs. 15,064 crore in 2002 to Rs. 54,960 crore in 2009. The growth rate in earnings in 2009 vis-a-vis 2008 was 8.3 per cent. FEE from tourism during 2010 were 64,889 crore as compared to 54,960 crore during 2009, registering a growth Annual Report 2010-11 @ rate of 18.1%. The growth rate in FEE from tourism during 2009 over 2008 was 8.3%.

Foreign Exchange Earnings (FEE) from tourism in India during 2011 were $16.56 billion as compared to $14.19 billion in 2010, showing a growth of 16.7%. Ministry of Tourism continued its efforts to develop quality tourism infrastructure at tourist destinations and circuits across the country. During 2012 the foreign Exchange Earning (FEEs) from tourism register a growth of 21.8% from Rs. 77,591 to Rs. 94,487 crores when compared to FEEs during 2011. The Foreign Exchange Earnings (FEEs) from tourism in terms of
US dollars during 2013 was US$ 18.445 billion with a growth of 4.0% as compared to FEE of US$ 17.737 billion during 2012 registering a growth of 7.1% over 2011. Substantial growth was observed in domestic tourism sector as the domestic tourist visits during the year 2013 was 1145 million, showing a growth of 9.59% over 2012.

3.2 Overview of Hotel Management Education in India:
The hospitality industry dates back to 2000 years ago. Its development was due to the evolvement of the transport industry which led to the demand for trained personnel. Tourism is no longer looking at it as a leisure activity but as a major source of employment. To provide employment in this sector there is need for skilled and qualified candidates. This is where the hotel management institutes come into view since they are the ones who train the students and make them industry ready.

3.2.1 Overview of Hotel Management Institutes in India:
The All India Council for Technical Education (AICTE) was set up in 1945 by Govt. of India on the recommendation of Central Advisory Board of Education (CABE) to stimulate, coordinate and control the provision of education facilities which industrial development of the post-war period would need. At that time, AICTE's mandate basically covered only programme in Engineering and Technology. The growth of industries in the country just after independence also demanded the need for qualified professionals in fields such as Business Management, Architecture, Hotel Management, Pharmacy, etc. So, the Hotel Management or Hospitality Education also came under the ambit of AICTE. Hotel Management Education had a modest beginning with short programs in Nutrition and Food Sciences which started in late fifties. Four colleges were established in four major metropolitan cities between 1961 and 1964. The National Council for Hotel Management and Catering Technology (NCHMCT) was set up in 1982-83 to which all the institutions of Hotel Management run by the Government are affiliated (Education, 2001).

For steering and regulating the academic efforts of the IHMs (Institute of Hotel Management) and FCIs (Food Craft Institutes), the Ministry had set up, in 1982, the
National Council for Hotel Management and Catering Technology (NCHMCT). The mandate of the NCHMCT was to coordinate the growth and general advancement in the development of hospitality management education through its affiliated Institutes. The Council undertakes recruitment; its jurisdiction extends over a wide range of administrative matters including admission, fees, bye-laws, syllabus for studies, courses, research and examinations, results; regulating building plans and equipment, training, publishing periodicals, magazines, etc.; as also carrying out of such government approved activities as prescribed from time to time. The NCHMCT is also the affiliating body and the 36 IHMs (21 central and 15 state) and 7 FCIIs that have come up with the support of Ministry are affiliated to it for admissions and regulations of examination. The NCHMCT has been given the mandate to affiliate private IHMs. As of now, 50 private Institutes are affiliated to the NCHMCT.

Indian Institute of Tourism and Travel Management (IITTM), set up in 1983, is a pioneer in the field of travel and tourism education and training for providing specialized training and education for tourism and travel industry both in the private and public sector. In order to tap the potential that India’s coastline offers for water based and adventure sports, the Ministry had established the National Institute of Water Sports (NIWS in Goa) on the beach of Panjim. The administrative control of NIWS stands entrusted to the IITTM. The Ministry also sanctioned, during the year, the setting up of a South Centre of the IITTM at Nellore, Andhra Pradesh. In order to tap the potential that India’s coastline offers for water-based and adventure sports, the Ministry had established the National Institute of Water Sports (NIWS) in Goa. The administrative control of NIWS stands entrusted to the IITTM.

Apart from these there are many universities in India which offer courses in hotel management and travel and tourism. Each university has many institutes affiliated to it who offer the courses of the university which has been described in the next section.

3.2.2 Courses available in the Hotel Management Education in India:
The NCHMCT also conducts Joint Entrance Examination (JEE) on all India basis for
admission to the 1st year of the 3-year B.Sc. programme in Hospitality and Hotel Administration for its affiliated institutes. Admission to M.Sc. in Hospitality Administration is centrally carried out by the Council. In the case of other courses, i.e. P.G. Diploma in Accommodation Operation, P.G. Diploma in Dietetics and Hospital Food Service, Diploma in Food Production; Diploma in Food and Beverage Services; Diploma in Housekeeping Operation, Diploma in Bakery and Confectionery, Craftsmanship Course in Food and Beverage Services and Certificate Course in Hotel and Catering Management, admissions are directly carried out by the respective Institutes as per eligibility criteria prescribed by the Council for the respective courses.

Indian Institute of Tourism and Travel Management (IITTM), set up in 1983, is a pioneer in the field of travel and tourism education and training. It provides specialized training and education for tourism and travel industry. It currently offers the following post-graduate diploma programs.

- Two-year Post Graduate Diploma in Management (Tourism and Travel) – from Gwalior and Bhubaneswar.
- Two-year Post Graduate Diploma in Management (International Business) – from Gwalior and Bhubaneswar.
- Two-year Post Graduate Diploma in Management (Service Sector) – from Gwalior.
- Two-year Post Graduate Diploma in Management (Tourism and Leisure) – from Delhi.
- Two-year Post Graduate Diploma in Management (Tourism and Cargo) – from Nellore

Each university has its own hotel management department comprising of various degree courses like BHMCT, MHMCT, B.Sc. HS etc. and also many diploma and post graduate diploma courses which they offer. The courses differ from university to university.

3.2.3 Efforts taken by the Ministry of Tourism to meet the skill gap:
With the growing realization that it would be necessary to reinforce efforts to bridge the
Skill Gap obtaining in the hospitality sector, the Ministry of tourism is promoting the following six pronged strategy:

- Effort to increase the annual pass out of trained persons by expanding and strengthening the institutional infrastructure for training (Setting up new state IHMs and FCIs);
- Asking the existing IHMs to start craft courses;
- Broad-basing of hospitality education / training;
- A Scheme dedicated to the training and up-skilling of the existing service providers;
- Skill testing and certification of the existing service providers; and
- Hunar se Rozgar tak program for creation of employable skills.

**Hunar se Rozgar Tak Program:**

The hunar se rozgar tak (HSRT) program was introduced by the ministry of tourism in the year 2009 to provide training to persons in the hospitality industry. The basic objective of the program was to reduce the skill gap affecting the hospitality and tourism sector and to ensure the spread of economic benefit of tourism to the poor. This is a Special program for creation of employable skills amongst youth belonging to economically weaker strata of the society. The no. of persons trained under HSRT program has been presented in table no. 3.3 below.

**Table No. 3.3: No. of Persons Trained under Hunar Se Rozgar Tak (HSRT) Program**

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Year</th>
<th>No. of persons trained</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2009 – 10</td>
<td>1250</td>
</tr>
<tr>
<td>2</td>
<td>2010 – 11</td>
<td>4960</td>
</tr>
<tr>
<td>3</td>
<td>2011 – 12</td>
<td>8944</td>
</tr>
<tr>
<td>4</td>
<td>2012 – 13</td>
<td>21175</td>
</tr>
<tr>
<td>5</td>
<td>2013 – 14</td>
<td>67646</td>
</tr>
</tbody>
</table>

[Source: Annual Reports published by the Ministry of Tourism]

The program offers short but quality training courses covering food and beverage service and food production. Initially it was applicable only to those in the age group of 18 to 25
years and with a minimum qualification of 8th standard pass. The first training program was introduced by the ministry on 17th August 2009. In November 2010 the age limit was extended upto 28 years instead of 25 years. HSRT aspires to be innovative in its approach so as to enhance the training output and to reach newer areas.

The efforts taken by the ministry of tourism to meet the skill gap has been presented year wise below.

2009 – 2010:

i. The Ministry has extended Central Financial Assistance (CFA) for the setting up of 15 new State IHMs (SIHMs) and 10 new FCIs. These SIHMs will be located at Silvasa, Ranchi, Raipur, Rohtak, Hoshiarpur, Bhatinda, Fursatganj, Bodhgaya, Ailawng (Mizoram), Dimapur, Yupia (Arunachal Pradesh), Kozhikode, Sholapur, Tirupati and Jorhat. The CFA for such projects is subject to certain guidelines including allocation of at least 5 acres of land by the State Government concerned and affiliation of the Institute to the NCHMCT. Normal grant is up to Rs.10 crores, of which, Rs. 8 crores is for construction and the balance for the purchase of equipment required by the Institute. An additional Rs. 2 crore can also be paid for the construction of hostels. The expenditure over and above the central grant is met by the respective state governments. The FCIs will be located at Leh, Jammu, Hoshiarpur, Kangra, Garhmukteshwar (Uttar Pradesh), Muzaffarpur, Durgapur, Nagaon, Hassan and Tura. For a Food Craft Institute, the Central assistance is limited to Rs. 4.75 crore. Financial assistance is also extended for Upgradation of institutional infrastructure such as construction of hostels and modernization of laboratories.

ii. All the existing IHMs have been asked to conduct craft courses for at least 100 students annually besides the degree course. Further, the new IHMs that are being sanctioned will have a composite character, both of an IHM and of an FCI. To begin with, each IHM will run craft courses in five streams (total intake 200) and degree course (B.Sc. in Hospitality and Hotel Administration with intake of 120).
iii. The Ministry has also decided to mainstream hospitality education through Government vocational schools, Industrial Training Institutes (ITIs), polytechnic institutes, Government colleges, universities and Public Sector undertakings. The Central assistance will be available to all. The assistance will be utilized for creation of infrastructure necessary for the conduct of courses / trainings.

iv. For upgrading the skills and capacity building of service providers of the Industry, the Ministry commenced the scheme of Capacity Building for Service Providers, under which, trainings are undertaken to cover a wide range of services like health & personal hygiene, cleanliness, basic service techniques, cooking techniques, garbage disposal, etiquette and basic manners, basic nutrition values, energy saving and nutrition saving techniques, guide training etc. It, inter-alia, covers service providers such as cooks, servers, waiters, helpers, front office staff, reception counter staff, food kiosk and dhaba staff, personnel engaged in handling tourists, airport security staff, immigration officials and custom officers. The implementing agencies are, amongst others, India tourism Offices, Institutes of Hotel Management, Food Craft Institutes, Indian Institute of Tourism and Travel Management, NCHMCT, tourism departments of States/UT Governments, State Tourism Development Corporations, India Tourism Development Corporation, State/Central training/academic institutions. Under the scheme, the participants of 4-day programs are compensated for the loss of wages. The fee and other costs of training for all the programs are covered. For the promotion of rural tourism, the Ministry of Tourism extends assistance for capacity building in selected villages.

v. A programme for certification of skills of service providers employed in the hospitality sector has been initiated by the Ministry under which the service providers would undergo a 3-day orientation followed by practical test and viva voce. To begin with, funds were sanctioned to the NCHMCT and seven IHMs, at PUSA, Mumbai, Kolkata, Chennai, Hyderabad, Bangalore and Goa, for the
institution of testing facilities. In view of the importance of this programme to the Industry, it forms part of the action plan of the Government for first one hundred days. The certification target for the first one hundred days was 1250 persons and has been achieved. Encouraged by the response to this Programme, it was decided to add 7 more IHMs, at Jaipur, Gandhi Nagar, Srinagar, Chandigarh, Dehradun, Bhopal and Guwahati, as the skill testing centers.

vi. About 300 first class graduates in hospitality and hotel administration will be given intensive training spread over 55 working days so as to en-capacitate them for teaching assignments. The measure is intended to meet the shortage of teachers specific to hospitality education. Presently, the IHMs at Pusa (Delhi), Gwalior, Lucknow, Kolkata, Hyderabad, Bangalore and Gandhi Nagar are conducting the Programme. During the training, each student is entitled to a stipend of Rs. 10,000/- per month.

vii. With a view to upgrading the skill and enlarging the vision of the teachers in the IHMs, FCIs and IITTM, the Ministry organized the training of 46 teachers during the year. The training included study visits to certain hospitality institutes of repute in other countries.

viii. Under this Ministry’s Programme namely ‘Earn While You Learn’, the Indian Institute of Tourism and Travel Management conducts training of college-going students for a period of 21 days. The basic purpose of the training is to sensitize youth to tourism in the country and also give skills to handle tourism related functions. The Programme has acquired an added significance as Commonwealth Games – 2010 would be expected to draw volunteers from amongst the pass-outs of the Programme. During the course of this year and up to the Games, about 3000 students would be trained. This Programme is funded under the Ministry’s Scheme of Capacity Building for Service Providers.

ix. These trainings too will be funded under the Capacity Building for Service
Providers Scheme. The trainings are being conducted by the Haryana Institute of Public Administration presently. The first training course was taken up on 11th May, 2009. Soon, the ITDC will also be expected to take initiative for the training of another 500 persons. This number (3000) has been worked out in consultation with the Organizing Committee for the Commonwealth Games. Each training course runs over four days and aims at not only improving the drivers and others in their manners and attitude but also to give them skills in communication, first aids and yoga.

x. The Ministry of Tourism has launched a Programme to train 8000 auto-rickshaw drivers of Delhi. The partners in the Programme are: Haryana Institute of Public Administration (HIPA), India Tourism Development Corporation, Delhi Institute of Hotel Management (DIHM), Indian Institute of Public administration (IIPA) and Delhi Police. The Programme got underway from 12th October, 2009 when the first course was conducted at HIPA. Later, one course each at the IIPA, the ITDC and the DIHM is being conducted on weekly basis. Each course will be of 3 days duration and take 40 trainees. This Programme complements the Programme for taxi drivers launched earlier.

2010 – 2011:

i. The gap between the demand and supply of skilled manpower is proposed to be met by (i) periodic assessment of the skilled manpower needs of the hospitality & tourism industry and formulation of policy and strategy to meet the skill gap, (ii) strengthening and expansion of institutional infrastructure for training and education, (iii) steering and regulating the academic efforts of the Ministry sponsored Institutes, and (iv) Training of aspiring and existing service providers, including certification of their skills. The Ministry has extended Central Financial Assistance for setting up 19 new State Institutes of Hotel Management (SIHM) and 11 new FCIs. The SIHMs will be located at Ranchi (Jharkhand), Raipur (Chhattisgarh), Bung bunglow (Mizoram), Dimapur (Nagaland), Fursatganj (Uttar Pradesh), Banderdewa (Arunachal Pradesh), Bodhgaya (Bihar), Rohtak
(Haryana), Solapur (Maharashtra), Jorhat (Assam), Ponda (Goa), Indore (Madhya Pradesh), Agartala (Tripura), Medak (Andhra Pradesh), Hamirpur (Himachal Pradesh), Bhatinda (Punjab), Kozhikode (Kerala), Tirupati (Andhra Pradesh) and Durgapur (West Bengal). Of these, the SIHMs at Bhatinda, Kozhikode and Hamirpur have since become functional. Normal grant to an SIHM is up to 10 crore, of which ` 8 crore is for construction and the balance for the purchase of equipment required by the Institute. An additional 2 crore can also be paid for construction of hostels. The expenditure over and above the central grant is met by the respective state Governments. The FCIs will be located at Jammu, Leh (Ladakh), Garhmukteshwar (Uttar Pradesh), and Hassan (Karnataka), Muzaffarpur (Bihar), Hoshiarpur (Punjab), Dharamshala (Kangra Himachal Pradesh), Nowgaon (Assam), Tura (Meghalaya), Namchi (Sikkim) and Jabalpur (Madhya Pradesh). For an FCI, the central assistance is limited to ` 4.75 crore. Financial assistance for upgradation of institutional infrastructure such as construction of hostels and modernization of laboratories is also extended to Central IHMs.

ii. It was increasingly being felt that the annual 3-year B.Sc. programme must be converted into a 6 semester programme so as to align it with the academic structure of similar courses generally in place the world over. The merits of the semester system include year-round study and better retention and learning after every six months. After concurrence of Industry and IGNOU, the 6 semester programme was launched during the academic year 2009-2010. Another aspect of specialization in Semester IV, V and VI was also introduced as a pilot programme in selected IHMs. Both the generic and specialization programs would run concurrently at affiliated IHMs. The introduction of the semester program with specialization was consequently reported in the brochure for the Joint Entrance Examination 2009-2010.

iii. To strengthen and expand the institutional infrastructure for training and education, assistance is extended to vocational schools, ITIs, polytechnic
institutes, government colleges, universities and PSUs for creating infrastructural facilities necessary for starting hospitality and tourism related courses. This new dimension has been brought in view of the realization that it would be difficult to meet the skill gap that afflicted the industry with a sectoral approach to hospitality and tourism education and that the efforts in the direction needed to be broad-based and main-streamed. This initiative has been well received especially in the northern part of the country.

iv. For upgrading the skills and capacity building of service providers of the Industry, the Ministry has put in place a Scheme of Capacity Building for Service Providers, under which trainings are undertaken to cover a wide range of services like health & personal hygiene, cleanliness, basic service techniques, cooking techniques, garbage disposal, etiquette and basic manners, basic nutrition values, energy saving techniques, guides’ training, etc. It, inter-alia, covers service providers such as porters /servers/waiters /helpers/front office staff/ reception and counter staff/ food kiosk and dhaba staff/personnel engaged in handling tourists, airport security staff, immigration officials and customs officers. These training programmes are implemented, amongst others, by IHMSs,FCIs, IITTM, NCHMCT, Tourism Departments of States/UT Governments, State Tourism Development Corporations, India Tourism Development Corporation (ITDC), State/ central training/ academic institutions. Under the scheme, the participants of the 4-day programmes are compensated for the loss of wages. The fee and other costs of training for all the programmes are covered. For the promotion of Rural Tourism, Ministry of Tourism extends assistance for capacity building in selected villages.

v. A programme for certification of skills of service providers employed in the hospitality sector has been instituted by the Ministry under which the service providers would undergo a 5-day orientation followed by practical test and viva voce. The Programme is being implemented through 16 IHMs, at Delhi (Pusa), Mumbai, Kolkata, Chennai, Hyderabad, Bangalore, Goa, Jaipur, Gandhi Nagar,
Srinagar, Chandigarh, Guwahati, Dehradun, Tiruchirapally, Bhubaneswar and Lucknow.

vi. To meet the shortage of teachers specific to hospitality education, a Certified Hospitality Trainers Programme is being conducted at IHMs at Pusa (Delhi), Gwalior, Lucknow, Kolkata, Hyderabad, Bangalore and Gandhi Nagar. During the training, each student is entitled to a stipend of `10,000/- per month.

vii. With a view to upgrading the skills and broadening of vision, providing exposure to multiple pedagogical approaches, firsthand experience of tourism milieu in advanced countries, much needed intellectual stimulus, camaraderie, Inter-Institute cohesion, the Ministry has been organizing a Management Development Programme for the teachers of the IHMs, FCIs and IITTM and the officers of the NCHMCT, ITDC and Ministry of Tourism. Under this effort 90 teachers have been trained so far. The Programme also included study visits to certain hospitality institutes of repute in other countries.

viii. Under the Ministry’s ‘Earn While You Learn’ programme, funded under the scheme of Capacity Building for Service Providers, the Indian Institute of Tourism and Travel Management (IITTM) conducts training of college going students for a period of 21 days. The basic purpose of the training is to sensitize youth to tourism and also give skills to handle tourism in the country. The Programme acquired an added significance as the Organizing Committee of the Commonwealth Games 2010 drew volunteers from amongst the pass-outs of the Programme. During the course of this year and up to the Games, about 2845 students were trained under this programme.

ix. This Ministry, through Government agencies like Haryana Institute of Public Administration (HIPA), India Tourism Development Corporation, Delhi Institute of Hotel Management (DIHM), Indian Institute of Public Administration, Delhi Police and IHM, Pusa, trained 8855 personnel as a part of its training efforts for
the Commonwealth Games. They included 3595 Student Volunteers, 694 ITDC staff, 1315 Guest House staff, 864 owners of Guest Houses/Hotels, 1552 Taxi Drivers and 835 Auto Rickshaw Drivers. These trainings were funded under the Scheme for Capacity Building for Service Providers.

x. The Government of India has laid a lot of emphasis on streamlining vocational education so that it fulfills the emerging needs of the market by focusing on employable skills. In consonance with this thrust, the CBSE has introduced Hospitality Programs under its Vocational Education and Training (VET) Scheme. The CBSE in joint collaboration with NCHMCT has launched two vocational packages in (i) Food Production, and (ii) Food & Beverage Service in its 11th and 12th class of +2 stage. The courses would be offered at Jawahar Navodaya Vidyalayas, Central Tibetan Schools, Kendriya Vidyalayas and select CBSE Schools.

xi. Ministry of Tourism has launched a “Save Our Tiger” campaign. As part of its responsibility, NCHMCT sensitized National Park Authorities, Lodge Employees, Car Drivers etc. about basic courtesies and behaviour. Select Institutes at Guwahati, Bhopal, Bengaluru, Chennai and Hyderabad were identified to conduct surveys and training programs to cover six National Parks of India at Kaziranga – Assam, Kanha and Bandhavgarh – MP, Mudumalai – Tamil Nadu, Pench – MP & Maharashtra and Jim Corbett National Park - Uttarakhand.

2011 – 2012:

i. During the year 2011 12, the Ministry has sanctioned 4 (four) new Food Craft Institutes (FCIs) to be located at Almora (Uttarakhand), Jhunjhunu (Rajasthan), Sawai Madhopur (Rajasthan), and Rewa (Madhya Pradesh). The Central Financial Assistance (CFA) extended for such setting up of new IHMs / FCIs is subject to certain guidelines including allocation of at least 5 acres of land by the State Government concerned and affiliation of the Institute to the NCHMCT. The normal grant is up to Rs.10 crores, of which, Rs. 8 crores is for construction and
the balance for the purchase of equipment required by the Institute. An additional Rs. 2 crores can also be granted for construction of hostels. The expenditure over and above the Central Grant is met by the respective State Governments. For a Food Craft Institute, the Central assistance is limited to Rs.4.75 crore. Financial assistance is also extended for upgradation of institutional infrastructure such as construction of hostels and modernization of laboratories.

ii. All the existing IHMs have been asked to conduct craft courses, for at least 100 students annually, besides the degree course.

iii. The Ministry has also decided to bring hospitality education into the mainstream through Government vocational schools, Industrial Training Institutes (ITIs), polytechnic institutes, Government colleges, Universities and Public Sector Undertakings. The Central assistance will be available to all. The assistance can be utilized for creation of infrastructure necessary for the conduct of courses / trainings. Under the policy of broad basing of hospitality education, grants have so far been provided to 24 ITIs, 7 degree colleges, 4 Polytechnics, 26 Schools and 14 Universities to start new hospitality courses.

iv. For upgrading the skills and capacity building of service providers of the industry, the Ministry has put in place a Scheme of Capacity Building for Service Providers, under which trainings are undertaken to cover a wide range of services like health & personal hygiene, cleanliness, basic service techniques, cooking techniques, garbage disposal, etiquette and basic manners, basic nutrition values, energy saving techniques, guides training, etc. It, inter-alia, covers service providers such as porters /servers/waiters /helpers/front office staff/ reception and counter staff/food kiosk and dhaba staff/personnel engaged in handling tourists, Airport Security Staff, Immigration Officials and Customs Officers. These training programmes are implemented, amongst others, by the Domestic India tourism Offices, Institutes of Hotel Management, Food Craft Institutes, Indian Institute of Tourism and Travel Management (IITTM), NCHMCT, Tourism
Departments of States /UT Governments, State Tourism Development Corporations, India Tourism Development Corporation (ITDC), and State / Central training / academic institutions. Under the Scheme, the participants of the 4-day programmes are compensated for the loss of wages. The fee and other costs of training for all the programmes are covered. For the promotion of Rural Tourism, the Ministry of Tourism extends assistance for capacity building in selected villages.

v. Two more Schemes have been launched under the “Hunar se Rozgar” programme:
   a. Providing for the training of persons to acquire driving skills.
   b. Train persons for induction as service providers in a specified area of tourism e.g. Stone Masonry. IHM, Hyderabad has, as a special initiative under the Hunar Se Rozgar programme, drawn and trained youth who are differently abled.

vi. A programme for certification of skills of service providers employed in the hospitality sector has been instituted by the Ministry under which the service providers would undergo a 5-day orientation, followed by practical test and viva voce. For the year 2011-2012, against the target of 6000, skills of 5575 service providers have been certified up to 31/12/2011. 6 more Institutes have been empowered to certify skills of service providers. These are IHMs at Gwalior, Trivandrum, Shimla, State IHM Kurukshetra and CIHM Chandigarh.

vii. Gurdaspur, The Certified Hospitality Trainers Programme are conducted at the IHMs at Pusa (Delhi), Hyderabad, Chandigarh and Gurdaspur. During the training, each student is entitled to a stipend of Rs.10,000/- per month.

viii. Under the Ministry's 'Earn While You Learn', programme, funded under the scheme of Capacity Building for Service Providers, the Indian Institute of Tourism and Travel Management (IITTM) has trained 292 college going students.
ix. Details of other training efforts:

- National Council for Hotel Management and Catering Technology (NCHMCT), Noida, offers the following programmes under the CBSP programme:
  - Two workshops each of 5 days at Bangalore under Faculty Management Programme on 'Food & Beverage Management'.
  - Two training programmes on `Regional Cuisines of India' at Chandigarh.
  - Training of police personnel including those deployed for Tourist Policing for improving the police public interface through Haryana Institute of Public Administration (HIPA).
  - Preparation of Manuals on three World Heritage Sites of Delhi and conduct of training workshops at Delhi, Leh and Hampi through Indian National Trust for Art and Cultural Heritage (INTACH).
  - As a follow up of the announcement made during the Prime Minister's visit to the State of that Jammu & Kashmir on 28 & 29 October, 2009, a programme named “Tourist Facilitators” was launched to train 200 persons every year as tourist escorts by IHM, Srinagar for conducting groups of pilgrims for Vaishno Devi and Amarnath Yatras. 278 persons have been trained as Tourist Facilitators up to 31st October, 2011. Patisserie was also introduced. As on 31st December, 2011, the total number trained including those undergoing training stood at 8944. The coverage of the programme has increased with ITDC joining as a key Implementing Agency. In addition to the State governments already implanting the programme, the State Governments of Maharashtra, Jharkhand, Haryana and Tripura have joined the Programme. Two more Schemes have been launched under the “Hunar se Rozgar” programme:
    - Providing for the training of persons to acquire driving skills.
    - Train persons for induction as service providers in a specified area of tourism e.g. Stone Masonry. IHM, Hyderabad has, as a special initiative under the Hunar Se Rozgar programme, drawn and trained youth who are differently-abled.
2012 – 2013:

For the year 2012-13 the following steps have been taken for HSRT:

i. The programme on training of locals running home stay arrangements for tourist at Leh (Ladakh) was launched in 2011-12 is being run successfully by IHM Srinagar during the year 2012-13 also.

ii. Tripartite implementation arrangement has been made involving MOT for funding IHM for academic support and army units for training infrastructure. Training courses are being conducted by Army Unit at Uri 120 persons have been trained user this programme up to 31-12-2012.

iii. SIHM at Bhatinda has envisaged a training course, as part of HSRT for prisoners at Bhatinda jail to prepare them for their lives post sentence.

iv. IHM at Hyderabad and Goa have successfully conducted courses for physically challenged persons (deaf and dumb).

v. IHM Chandigarh has undertaken to train 300 resident children of a Children Home known as Snehalay under the Chandigarh administration. MOT has relaxed the minimum age for the purpose (from 18 to 16 years). The idea is to give the children skills which they may use once they move out of the Home.

vi. The proposed programme is envisaged as fusion of 3 important initiatives of MOT: HSRT, ‘Earn while you learn’ and Campaign clean India. The programme to be run on pilot basis in Delhi first, aims at training escorts and volunteers to accompany/guide tourists on identified Heritage Walk stretches. The trainees would be adopting stretches for cleanliness under the Campaign Clean India.

vii. With funding from Ministry of Tourism under the scheme of Capacity Building of service providers, Uttar Pradesh State Tourism Development cooperation (UPSTDC) imparted training to 2490 persons to develop in the trainees positive
attitudes and personality for their development in various activities related to Kumbh Mela 2013. The disciplines in which trainings were conducted were specific to the organization of the Kumbh Mela 2013 and the no. of candidates in each discipline were based on the specific demand of the organizers. In addition 1650 persons were trained by UPSTDC in different disciplines under the HSRT initiative of the Ministry.

viii. Trainings to provide for Wellness tourism service providers, Nature guides heritage walk escorts.

ix. A programme for certification of skill of service providers employed in the hospitality sector has been instituted by the Ministry under which the service providers would undergo a 5 day orientation, followed by practical test and viva voce. So far the facilities have been initiated in 17 central IHMs, 6 SIHMs and 1 FCI for the year 2012-13 against the target of 8800 skills of 5017 service providers have been certified up to 31-12-2012.

x. Under the Ministry’s ‘Earn while you learn programme’ funded under the scheme of Capacity Building for Service Providers, the Indian Institute of Tourism and Travel management (IITTM) has trained 419 college going students during 2012-13 (up to 31-12-2012)

xi. As a follow up of announcement made during the Prime Minister’s visit to the state of Jammu and Kashmir on 28th and 29th October 2009 a programme named ‘Tourist Facilitators’ was launched to train 200 persons every year as tourist escorts by IHM Srinagar from conducting groups of pilgrims for Vaishno Devi and Amarnath Yatras, 629 persons have been trained as Tourism Facilitators up to 31-12-2012.

xii. A six week’s training programme has been launched to bring up work force for handling tourists, particularly, pilgrims in the state of Jammu and Kashmir. The
persons so trained will serve at Mata Vaishno Devi, Amarnath yatra, shrines at Srinagar and Buddhist Monasteries at Leh. IHM Srinagar, the implementer of the programme has already trained 25 under the programme.

2013 – 2014:

i. During the year 2013-14, one Central IHM at Jagdishpur (Uttar Pradesh), one Indian Culinary Institute (ICI) at Tirupati, Andhra Pradesh and three State IHMs at Kakinada (Andhra Pradesh), Imphal (Manipur) and Kottayam (Kerala) respectively were set up. The Indian Culinary Institute as an autonomous body of the Ministry of Tourism will go a long way in addressing the concerns relating to the preservation of heritage Indian cuisine, research, documentation, museum and resource centre and specialized training in culinary skills.

ii. The Central Financial Assistance (CFA) extended for setting up of new IHMs/FCIs is subject to certain guidelines including allocation of at least 5 acres of land by the State Government concerned and affiliation of the Institute to the NCHMCT. The normal grant is up to 10 crore, of which, 8 crore is for construction and the balance for the purchase of equipment required by the Institute. An additional 2 crore can also be granted for construction of hostels. The expenditure over and above the Central Grant is met by the respective State Governments. For a Food Craft Institute, the Central assistance is limited to .4.75 crore. Financial assistance is also extended for Upgradation of institutional infrastructure such as construction of hostels and modernization of laboratories.

iii. The Ministry has also decided to bring hospitality education into the mainstream through Government vocational schools, Industrial Training Institutes (ITIs), Polytechnic Institutes, Government Colleges, Universities and Public Sector Undertakings. The Central assistance will be available to all. The assistance can be utilized for creation of infrastructure necessary for the conduct of courses/trainings. Under the policy of broad basing of hospitality education, grants have so far been provided to 31 ITIs, 7 Degree Colleges, 4 Polytechnics, 26
Schools and 15 Universities to start new hospitality courses.

iv. During the year 2013-14, 5 ITIs in Punjab refunded the funds sanctioned to them with the plea that they were not interested in pursuing the programme. However, Himachal Pradesh who had already taken up proposals for introducing Hospitality Education in 10 ITIs forwarded another proposal for starting Hospitality courses in three more ITIs viz. Baroh, Baijnath and Jogindernagar which are under examination. The ministry has received a proposal from Madurai Kamaraj University, Madurai, Tamil Nadu. The University intends to start a 5-year Integrated Course in Tourism and Hotel Management. During the year funds to the tune of Rs.43,89,75,682 was released to various Institutes.

v. Skill Testing & Certification Programme of the Existing Service Providers: A programme for certification of skills of service providers employed in the hospitality sector has been instituted by the Ministry under which the service providers undergo a 5-day orientation programme, followed by practical test and viva voce. So far the facilities have been instituted at 21 Central IHMs, 16 SIHMs and 5 FCIs. During 2013-14, skills of 17882 service providers were certified. A similar skill training programme for development of skills for the Travel and Tourism sector has also been launched. The programme is being implemented by the Indian Institute of Travel and Tourism Management (IITTM) in collaboration with Indian Tourist Transporter Association (ITTA). IITTM-Noida had completed the certification of 131 candidates during 2013-14.

vi. Training of locals running Home Stay Arrangements for tourist at Leh (Ladakh). The programme launched in 2011-12 has been run successfully by IHM Srinagar during the year 2013-14 also; Tie-up with Army Units Tripartite implementation arrangement has been made involving MoT for funding, IHM for academic support and Army units for providing training infrastructure. During 2013-14, 221 persons were trained under this initiative; Training of Sentenced Prisoners at Tihar Jail DIHM at Lajpat Nagar has conducted a training course, as part of
HSRT, for prisoners at Tihar Jail, Delhi. 130 candidates have been trained in 2013-14; Training of Differently Abled Persons IHM at Goa have successfully conducted courses for Differently Able persons.

vii. IHM Srinagar had successfully conducted training of 106 candidates during the year 2013-14. State Government of Himachal Pradesh, Assam Tourism Development Corporation and Madhya Pradesh State Tourism Development Corporation have also trained 3500, 90 and 155 candidates respectively during the year 2013-14.

viii. Heritage Walk Escorts and Heritage Virsa Sarthi (New Proposed Initiatives): The six week’s training programme has been introduced as a fusion of 3 important initiatives of MoT: Hunar Se Rozgar Tak, Earn While You Learn and Campaign Clean India. The programme is being run on pilot basis in Delhi first, aims to bring up escorts and volunteers to accompany/guide tourists on identified Heritage Walk Stretches. The Trainees would be adopting Stretches for cleanliness under the Campaign Clean India. The Programme is being implemented by IITTM at its Noida campus. IITTM had so far trained 23 candidates in Heritage Walk Escort and 40 Candidates as Virsa Sarthi.

ix. Skin Care & Spa Therapy, Basic Fitness Training, Flower Arrangements in Hotels & Events (New Programmes) Under the Ministry’s scheme of Capacity Building for Service Providers, three new Training programmes of 8 weeks duration each, have been introduced. The eligibility for first course is 8th pass and 12th pass. During 2013-14, 1110 persons were trained by Punjab Heritage and Tourism Promotion Board.

x. Tour Assistants, Transfer Assistance and Office Assistants in Tourism Sector: A six week’s training programme has been introduced. The Programme is a specific effort under Earn While You Learn Initiative of the Ministry of Tourism. This is aimed at providing manpower at entry level positions as Tour Assistants, Transfer
Assistance and Office Assistants in Tourism Sector for the age group of 18 to 28 years graduate students. The programme is to be implemented by IITTM with MoT funding.

xi. A six-week training programme was launched in 2012-13 to bring up the work force for handling tourists, particularly, pilgrims in the State of Jammu & Kashmir. The person so trained will serve at Mata Vaishno Devi, AmarnathYatra, Shrines at Srinagar and Buddhist Monasteries at Leh. 239 persons were trained during the year 2013-14. ITDC has successfully completed the First pilot programme of training to bring up security guards in Travel/Tourism/ Hospitality sector. ITDC proposes to organize more training programmes for Security Guards. During 2013-14, 60 persons were trained.

3.3 Hotel Industry and Hotel Management Institutes around Pune:

3.3.1 Hotel Industry around Pune:
Pune has always been a great place for food lovers. Puneites are known for their taste buds and are fondly referred to as ‘khavaiyas’. They are very particular about the taste and quality of food. Since many decades, Puneites have patronized the best that is offered and available in the city. Even when eating out was not the norm or was not done very often, ‘amruta-tulyas’ sprang up. These were tea shops where the milk tea was always on the burner. Some accompaniments were served in some of them. Irani cafes, Sweet homes and ‘Vishranti-gruhas’ for resting a while opened and were popular. There were iconic restaurants, bakeries and stores like Cafe Good Luck, Vaishali’s, Dorabjees (1920s), Café Naaz, or Chitaies and Karachi sweet mart. These have stood the test of time and continue to be the favorites of many generations. The street food of Pune too is well known. From the ever popular Indian burger i.e. the wada pav to missal, now there are several additions as influences from other states continue. Kacchi Dabeli, sandwiches, juices, idli-wadas, chaat items all jostle for space.

In earlier times, the concentration of these restaurants and hotels was in the Pune city (old city). Then they spread to Deccan - Fergusson College road, Jangli Maharaj road,
Mahatma Gandhi road and Koregaon Park area. The M.G. road popularly known as Camp boasted (and still does) of numerous food and beverage options. The ‘Coffee House’ was famous for their British Menu (1930s) – Fish & Chips, Mutton Cutlet, etc. Kayani Bakery, Mona Foods, Marz-O-Rin, Budhani Waferwala are other iconic outlets.

One has to mention the old British clubs from colonial times like Poona Club, Boat Club, Turf Club with their eateries. They had bars and restaurants which catered to the members and their guests. Most of them are still operational and the memberships are very sought after and expensive (by invitation mostly).

Two well known hotels with 2 iconic restaurants etched in the history of Pune are: Amir Hotel Housing Peshwa Inn, one of the best fine multi-cuisine restaurants in Pune of the 1970s and 80s and the Hotel Blue Diamond housing a great multi-cuisine restaurant (Ashwamedh) and a coffee shop – back when Pune had only one 5 Star Hotel! Hotel Amir has shut down and Blue Diamond has been sold by the Kirloskars to the Taj group of hotels.

With the growing student population (Pune was and is known for its education, thus earning itself the sobriquet ‘Oxford of the East’), many hotels and restaurants mushroomed near educational institutes and colleges. With the expanding boundaries of Pune, suburbs, as we now call them, developed. So we have Kharadi, Hinjewadi, Kondhwa, Mundhwa, Baner, Pashan, Wakad, Undri, Viman Nagar and Wagholi where multiple hotels and restaurants have opened. Most of these are branded, stand alone/chain restaurants and hotels.

Over the last few years, Pune has seen the opening of an array of fine new hotels, restaurants, casual dining options, bars and fast-food joints offering varied cuisine. These include iconic international chains like Starwood properties - Le Meridien and Hotel Westin, the Marriott group (J. W. Marriott hotel and Courtyard by Marriott), Hyatt, Radisson, Orchid, Taj (Vivanta and Gateway brand), the Hard Rock café, Mainland China, fine dining restaurants like Stone Water Grill, a historic heritage hotel – Fort
Jadhavgadh etc. Global fast food giants like McDonalds, KFC, Subway, Pizza Hut etc too have set up multiple outlets covering the length and breadth of the city.

### 3.3.2 Hotel Management Institutes around Pune:

Pune is the eighth largest developing metro city in India which is referred to as a cultural and educational capital of India. Pune is an educational hub ranging from primary schools to many universities and with the largest number of higher educational campuses and is referred to as Oxford of the East. Pune is a pioneer in women’s education with first school for women started way back in 1870 by Mahatma Jyotiba Phule. There are many colleges affiliated under the different universities present in Pune and these colleges offer different courses to the students. One such course is the hotel management course. The hotel management course is offered as a post graduate degree, graduate degree, diploma course and certificate course by different government aided and non aided institutes. These courses are affiliated to the universities or sometimes are private courses run by private institutes. The profile of the hotel management institutes around Pune studied by the researcher is listed below in table no. 3.4.

#### Table No. 3.4: Profile of the Hotel Management Institutes

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of the Institute</th>
<th>Affiliation</th>
<th>Year</th>
<th>Courses Offered</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Maharashtra State Institute of Hotel Management and Catering Technology (Aided)</td>
<td>Savitribai Phule Pune University</td>
<td>1969</td>
<td>DHMCT, DTT, PGDFTMT, PGDTT, PGDHO, Certificate courses in House Keeping and Travel and Tourism Management</td>
</tr>
<tr>
<td>2</td>
<td>Dr. Arvind B. Telang Institute of Hotel Management</td>
<td>Savitribai Phule Pune University</td>
<td>1995</td>
<td>B.Sc. HS,</td>
</tr>
<tr>
<td>3</td>
<td>Institute of Hotel Management and Catering</td>
<td>Bharati Vidyapeeth</td>
<td>1992</td>
<td>BHMCT, B.Sc. H&amp;HA,</td>
</tr>
<tr>
<td></td>
<td>Technology</td>
<td>University</td>
<td>Year</td>
<td>Courses</td>
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<tr>
<td>4</td>
<td>D.Y. Patil Institute of Hotel Management and Catering Technology</td>
<td>Savitribai Phule Pune University</td>
<td>1998</td>
<td>BHMCT, BSC HS</td>
</tr>
<tr>
<td>5</td>
<td>AISSMS College of Hotel Management and Catering Technology</td>
<td>Savitribai Phule Pune University</td>
<td>1997</td>
<td>BHMCT, MHMCT, B.Sc. HS</td>
</tr>
<tr>
<td>6</td>
<td>Novel’s NIBR College of Hotel Management and Catering Technology</td>
<td>Savitribai Phule Pune University</td>
<td>2002</td>
<td>BSC HS</td>
</tr>
<tr>
<td>7</td>
<td>Arihant Education Foundation (AEF) Pune Institute of Hotel Management</td>
<td>Savitribai Phule Pune University, Maharashtra State Board (Vocational Courses), Karnataka Open University, YCMOU</td>
<td>2007</td>
<td>B.Sc. HS – Hotel Management, Cookery / Bakery / Confectionery / Tourism and Travel / Technician Courses, B.Sc. HM, DHM, MBA (HM), B.Sc. HTS, M.Sc. HTS</td>
</tr>
<tr>
<td>8</td>
<td>MCE Society’s M. A. Rangoonwala Institute of Hotel Management and Research</td>
<td>Savitribai Phule Pune University</td>
<td>2007</td>
<td>B.Sc. HS, B.Sc. – Hotel and Tourism Studies</td>
</tr>
<tr>
<td>9</td>
<td>A.J.M.V.P.S. Institute of Hotel Management and Catering Technology College</td>
<td>Savitribai Phule Pune University</td>
<td>1997</td>
<td>BHMCT, Diploma in Hotel Management &amp; Catering Technology</td>
</tr>
<tr>
<td>10</td>
<td>Ambrosia Institute of Hospitality Management</td>
<td>Savitribai Phule Pune</td>
<td>2007</td>
<td>B.Sc. HS, B.Sc. HMC&amp;T, B.Sc.</td>
</tr>
<tr>
<td>No.</td>
<td>Institute Name</td>
<td>University Name</td>
<td>Year</td>
<td>Qualification</td>
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<tr>
<td>12</td>
<td>Sinhgad Institute of Hotel Management and Catering Technology</td>
<td>Savitribai Phule Pune University</td>
<td>2000</td>
<td>BHMCT, B.Sc. HMC&amp;T</td>
</tr>
<tr>
<td>14</td>
<td>T.M.V.’s Department of Hotel Management &amp; Catering Technology</td>
<td>Tilak Maharashtra Vidyapeeth</td>
<td>2007</td>
<td>B.B.A. HT, BHMCT</td>
</tr>
<tr>
<td>15</td>
<td>Maharashtra State Institute of Hotel Management, Catering Technology and Research Centre (Non-Aided)</td>
<td>Savitribai Phule Pune University</td>
<td>2003</td>
<td>BHMCT, MHMCT, Certificate courses in bakery, Cookery, House Keeping and F&amp;B Service</td>
</tr>
</tbody>
</table>

(Source: Field Work)
3.4 References


