

CHAPTER 27

HOTELS

Hotels are an important component of the tourism product. They contribute in the overall tourism experience through the standards of facilities and services offered by them. With the aim of providing contemporary standards of facilities and services available in the hotels, the Ministry of Tourism approve Star Hotels/Restaurant/Other category of Hotels, Motels/Guest House Convention Centre and others at project stage. The number and category of these hotels therefore are collected as a byproduct of this activity of the Ministry of Tourism.

The Ministry of Tourism approves hotels at project stage based on documentation. Project approval is given to 1, 2, 3, 4, 5 Star and Heritage (Basic) categories. Hotel projects approved under 5 Star and Heritage category after becoming operational may seek classification under 5 Star Deluxe / Heritage Classic / Heritage Grand category if they fulfill the prescribed norms. . Project approvals are valid for 5 years. However, hotels seeks Re-classification at least six months prior to the expiry of the current period of classification. The table in this Chapter give list of only those hotels which have applied for approval at the Ministry of Tourism. The approval or classification of these hotels is mandatory and not necessary.

To promote the Hotel Industry, the Government has approved the setting up of a 'Hospitality Development and Promotion Board (HDPB)' for hotel projects. It will address the constraints faced by the hotel industry in obtaining multiple clearances, from the Central and State Government agencies. In some cases as many as 65 or more clearances/approvals are required by hotel projects which vary from State to State. Not only this, construction of hotels is primarily a private sector activity which is capital intensive and has a long gestation period. HDPB streamline the system for speedy clearances of hotel projects and has the following functions:

- Monitor and facilitate the clearances/ approvals of Hotel Projects.
- The Secretariat of the Board to be a single point for receiving applications.
- To review and advice on hotel development policies.

Highlights:

- The number of 1 star hotels have come down in 2010 in comparison to 2008. Although in 2010 all the category of Hotels are showing an increase, but maximum increase of 206 for 3 star is observed during the same period.
- Like earlier years, in 2010 also, three star hotels are maximum 35.8% to total, followed by two star hotels 12.4% to total. In India, number of 5 star and 5 star deluxe hotels together are nearly 301 in 2010.

- In 2010, maximum number of approved hotels, around 19.5 % is in Kerala (484), 8.6 % are in Maharashtra, 9.6% are in Uttar Pradesh, and 11% are in Delhi. And 7 % are in Rajasthan. Minimum numbers of approved hotels are in Bihar (8).
- In Kerala, out of 484, hotels 305 hotels are 3star hotels, in Maharashtra also 3star hotels are contributing maximum in number of approved hotels.
- In 2010, maximum number of 5star and 5 star deluxe hotels are in Maharashtra (62), followed by Goa (34) and Rajasthan (31). Maximum number of rooms (27%) in Fiver Star Hotels are in Maharashtra followed by Delhi (21.1 %).
- Number of rooms in one Star Hotels was increasing since 2002 to 2004 and after that it started coming down from 2005-06. It was lowest in 2005-06.From 2006-07, the number of rooms in One Star Hotels is increasing in higher proportion than the number of One Star Hotels.
- Number of Hotels and number of Rooms in Two Star, Three Star and Four Star Hotels are increasing from 2001-02 to 2003-04,However in all these categories number of rooms and Hotels are minimum in 2004-05. After 2004-05, it started increasing.
- Since 2001-02 to 2009-10, the number of Five Star Hotels and rooms therein have become two times.

This chapter contains the following tables:

Table -27.1 - Hotels in different cities and states India

Table -27.2 - Occupancy rates of approved hotels.

Table -27.3 - Number of Approved and Unclassified Accommodation and Rooms (as on 31.12.2010)