



Indian Hotel Industry Survey 2002-2003



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FOREWORD

The Federation of Hotel & Restaurant Associations of India is pleased to present the sixth annual edition of the Indian Hotel Industry Survey 2002-2003 in cooperation with HVS International and our sponsor Indian Airlines. We started this research project in 1998 with operational and financial figures of the Indian hotel industry based on the responses received from our members for the financial year 1997-98. We have endeavoured to improve upon the presentation in subsequent years providing additional information for the benefit of the users of the Report.

We are grateful for the cooperation extended by a large number of FHRAI hotel members who have supplied detailed information for this survey report. The figures in this report are, therefore, based on authentic data from hotels across the country and help give a true picture of the performance and trends in the Indian hotel industry in the year 2002-03. The document is unique as it covers a number of areas in terms of facilities, manpower, occupancies, marketing trends and operational performance, integrating all aspects of the hotel industry. We are aware that a large number of hotel professionals, investors, bankers, consultants, researchers, government officers in tourism departments, media persons and others value this document for reference and for research purposes. Professionals based abroad also use this document for a study of the Indian hotel industry.

As always, we have included an updated analysis of 7 major cities from where we have received detailed information on a number of hotels in different star categories. In addition, we have included information from 12 other cities where information was available with us for some hotels, though not in sufficient numbers for all the star categories. We would like to include information on additional cities, provided we get sufficient number of responses from our member hotels through the Hotel Fact Sheet (HFS) sent to them every year in April. We also urge upon them to try and send us their full financial / operational data as per the HFS, as many members are not including full data on these parameters. The result is that while we have basic data for 1,037 members (out of about 1,700 active hotel members at the relevant time), we have the financial data only for 417 hotels. It is your research document, being produced for you; please therefore, do cooperate and send us the full data in future. We again assure you that all the data is used only for averages and no data on individual hotels are released by HVS International or us to anyone under any circumstances.

We continue to strive for improvements in the content and presentation of the annual edition of the Indian Hotel Industry Survey. We will be happy to receive any comments and suggestions from the users of this report.

We are thankful to HVS International for their continued support for this project for the past 6 years. Our sincere thanks also go to the management of Indian Airlines, who has sponsored this current edition and were kind enough to have done the same last year.

Vivek Nair
President, FHRAI

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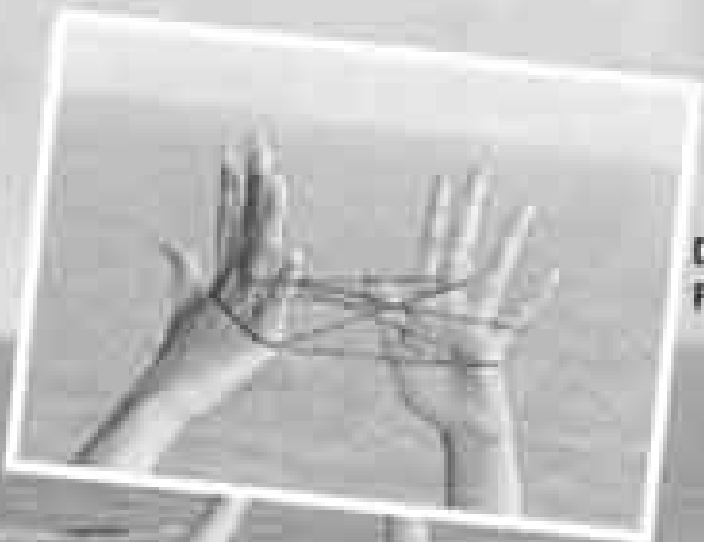
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HVS International is an association of integrated companies providing a wide range of services to hotel owners, lenders and operators. When HVS International was founded in 1980, we endeavoured to satisfy the growing demand for reliable and well-documented hotel market studies and feasibility reports. Today, our firm provides the hospitality industry with a full range of consulting services, including valuations, market and feasibility studies, executive search, hotel acquisitions, strategic analyses, development support, environmental consulting (ECOTEL), operator search & selection, operational and management strategy development, timeshare consulting, marketing communications, and technology strategies. Our company has offices in 21 cities across the globe.

HVS International has worked with over 10,000 hotels in over 60 different countries worldwide involving many hotel projects in Asia, including 23 cities in India. With over 200 professionals worldwide, we are able to offer global services that are locally delivered. We have been in India since 1997 and have now completed over 70 consulting assignments in the South Asian region.

HVS International's New Delhi office has been active on the advisory front for hotel acquisitions and exclusive sales mandate of hotel assets across India. The company has, of late, also extended its services to operator/investor search and negotiating management contracts. Another recent development is that the New Delhi office would be responsible for all ECOTEL™ certifications globally.

We opened our Executive Search division in May 2001. The New Delhi search office, caters mainly to the hospitality and services market. Our core competencies include: retained executive search, compensation design, and employee assessment. Our practice is governed by the Association of Executive Search Consultants (AESC) and our objective is to set up new benchmarks within the recruitment process in the hotel sector in this part of the world. Recently, HVS we also extended its our executive search activities to Hong Kong and London. We also hope to open an office in the Middle East shortly.

The Indian Hotel Industry Survey 2002-2003 brings together the industry's key statistics in one easy reference volume. The publication continues to emphasise the scale and importance of the hospitality, tourism and leisure industry in the Indian economy, by providing readers key information about this vast and growing industry. We are truly grateful to all those who have kindly contributed their hotel's results and we look forward to increased participation from hotels in the years to come. As always, we would welcome any suggestions for improvement.

For further clarification on this report or on HVS International's services, please contact us at: HVS International, C-67 Anand Niketan, 2nd Floor, New Delhi 110 021, India
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Introduction & Key Highlights of the Survey

Introduction to the FHRAI Indian Hotel Industry Survey

The 2002-03 edition of the Indian Hotel Industry Survey covers data from 1,037 hotels, across various cities in India, having a combined total of 54,142 rooms. Statistics are presented by star category, by size (according to number of rooms) and by chain affiliated and independent hotels. Also, separate operating indicators are included for the following 19 cities:

Agra	Chennai	Indore	Mumbai	Thiruvananthapuram
Ahmedabad	Cochin	Jaipur	New Delhi	Udagamandalam (Ooty)
Bhopal	Goa	Kolkata	Pune	Udaipur
Bangalore	Hyderabad	Lucknow	Shimla	

As we did last year, we have included a Hotel Analysis Worksheet at the end of the report for the hoteliers to analyse their financial data and compare with their competitors, which will help them in budgeting and in developing their strategies.

To ensure confidentiality and to give a meaningful picture, data for each star category and city has been presented only in cases where the sample consisted of at least four hotels. In addition, All India trends for the past five years are also presented.

As in the previous years, a unique feature of this report is that it presents the number of hotels participating in each segment of the analysis. This allows the reader to judge the validity of the results, based on the number of participants. 'ID' indicates insufficient data received.

To enable the data to be more comparable, we have presented the financial tables up to net income, before any deduction of depreciation and interest which are too hotel/owner specific to render their comparison to be meaningful.

All amounts presented in this report have been rounded off and are in Indian rupees (Rs) for fiscal year 2002-03 (April-March). In the financial statements, Rupee amounts are shown as amounts per available room (PAR) and per occupied room (POR) in order to eliminate differences in the size of hotels surveyed. Market mixes, ratios of various sales and appropriate departmental expenses have also been presented. In addition, we have provided highlights throughout the document to reflect certain key aspects of our findings.

Market data has been presented as an average of the respective segments and as a percentage. Financial data has been presented according to the most common measures of industry performance: as a percentage of revenue, and as amounts PAR and POR.

The amounts and ratios presented should not be considered a standard for any type of property, region, city, star category or price category, but only as a guideline for comparison with the operating results of a specific category. Readers of this report must also keep in mind that large differences from one year to the next for a particular item may be partly on account of different mix among the respondents, affecting the average figure, rather than an actual year-to-year change. This is relevant for some of the unusual figures in the city trends also.

Key Highlights of the FHRAI Indian Hotel Industry Survey

This sixth edition of the Indian Hotel Industry Survey covers 1,037 hotels (54,142 rooms) across various cities in India compared to 1,038 hotels (54,414 rooms) last year. Mumbai had the highest number of respondents to this survey (115 in all categories) followed by Kolkata (57 in all categories), Pune (53 in all categories), New Delhi (39 in all categories) and Bangalore (36 in all categories).

However, it is important to note that responses for the financial data were not as complete when compared to the general questions. This factor, combined with our stringent criteria to accept only validated (by HVS) financial data from each respondent, resulted in fewer responses resulting in a total of 417 useable responses.

As in the past, we have highlighted the key operational characteristics of the survey results for 'All India' and for 30 cities, which are presented below, together with brief comments on the main findings of the survey.

City	Average Occupancy					Average Rate				
	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003
All India	52.4%	51.7%	55.6%	53.2%	54.8%	Rs2,530	Rs2,123	Rs2,046	Rs2,058	Rs2,004
Agra	40.1%	46.0%	55.4%	42.9%	42.2%	Rs2,233	Rs1,535	Rs1,615	Rs1,269	Rs1,232
Ahmedabad	63.8%	51.9%	57.7%	59.9%	51.3%	Rs1,742	Rs2,227	Rs1,921	Rs1,749	Rs1,740
Aurangabad	45.8%	36.4%	44.8%	ID	34.1%	Rs1,199	Rs1,024	Rs1,378	ID	Rs1,733
Bangalore	52.0%	57.1%	72.1%	62.8%	72.4%	Rs3,081	Rs1,349	Rs2,570	Rs1,921	Rs2,149
Bhopal	54.1%	51.3%	53.9%	ID	62.3%	Rs1,185	Rs1,251	Rs1,288	ID	Rs1,145
Chennai	64.7%	58.7%	75.1%	65.0%	63.9%	Rs1,932	Rs2,229	Rs2,118	Rs1,936	Rs2,048
Cochin	59.0%	68.5%	68.2%	58.7%	57.6%	Rs1,166	Rs961	Rs816	Rs1,306	Rs1,089
Coimbatore	58.4%	55.7%	56.4%	ID	ID	Rs1,261	Rs1,581	Rs1,366	ID	ID
Darjeeling	ID	ID	26.3%	28.2%	ID	ID	ID	Rs671	Rs1,630	ID
Goa	49.9%	49.6%	57.1%	56.1%	60.2%	Rs1,803	Rs2,097	Rs2,174	Rs1,756	Rs1,982
Hyderabad	54.3%	62.1%	71.4%	67.2%	71.0%	Rs1,207	Rs1,553	Rs1,842	Rs1,131	Rs2,049
Indore	72.3%	53.6%	65.1%	77.5%	64.7%	Rs845	Rs748	Rs874	Rs850	Rs782
Jaipur	45.6%	49.2%	52.3%	56.2%	56.9%	Rs2,006	Rs1,526	Rs2,051	Rs1,543	Rs1,289
Jodhpur	59.0%	44.5%	34.7%	32.5%	37.4%	Rs783	Rs1,861	Rs2,117	Rs1,290	Rs1,561
Kolkata	51.4%	52.9%	66.7%	61.7%	63.6%	Rs2,829	Rs2,400	Rs2,465	Rs1,417	Rs1,342
Kullu-Manali	33.9%	33.3%	44.4%	39.8%	ID	Rs1,115	Rs808	Rs760	Rs1,498	ID
Lucknow	52.9%	ID	52.8%	56.5%	56.6%	Rs1,261	ID	Rs1,607	Rs999	Rs974
Mount Abu	ID	ID	ID	42.1%	38.1%	ID	ID	ID	Rs980	Rs922
Mumbai	62.0%	59.5%	66.1%	63.8%	62.6%	Rs4,306	Rs3,872	Rs3,591	Rs2,075	Rs1,822
Mussourie	36.8%	44.9%	52.9%	ID	ID	Rs1,475	Rs1,215	Rs1,766	ID	ID
Mysore	55.9%	55.9%	52.5%	ID	51.1%	Rs1,039	Rs1,029	Rs660	ID	Rs1,120
New Delhi	54.7%	60.1%	59.3%	55.9%	58.3%	Rs5,506	Rs4,616	Rs3,911	Rs3,434	Rs2,918
Patna	56.2%	67.5%	ID	ID	ID	Rs887	Rs712	ID	ID	ID
Pune	61.6%	58.3%	58.1%	58.0%	59.9%	Rs1,809	Rs1,357	Rs2,036	Rs1,044	Rs1,141
Shimla	45.2%	28.4%	48.1%	43.6%	46.7%	Rs832	Rs1,578	Rs1,062	Rs1,578	Rs1,022
Thiruvananthapuram	40.2%	41.1%	57.0%	55.4%	60.3%	Rs1,599	Rs1,459	Rs1,153	Rs966	Rs983
Udagamandalam (Ooty)	ID	ID	ID	38.0%	ID	ID	ID	ID	Rs947	ID
Udaipur	41.8%	41.2%	44.0%	44.3%	46.6%	Rs2,872	Rs1,526	Rs3,402	Rs1,924	Rs1,644
Varanasi	43.8%	39.3%	46.9%	ID	ID	Rs1,352	Rs1,576	Rs1,585	ID	ID
Vishakapatnam	57.8%	63.8%	65.6%	56.6%	ID	Rs823	Rs933	Rs877	Rs1,184	ID

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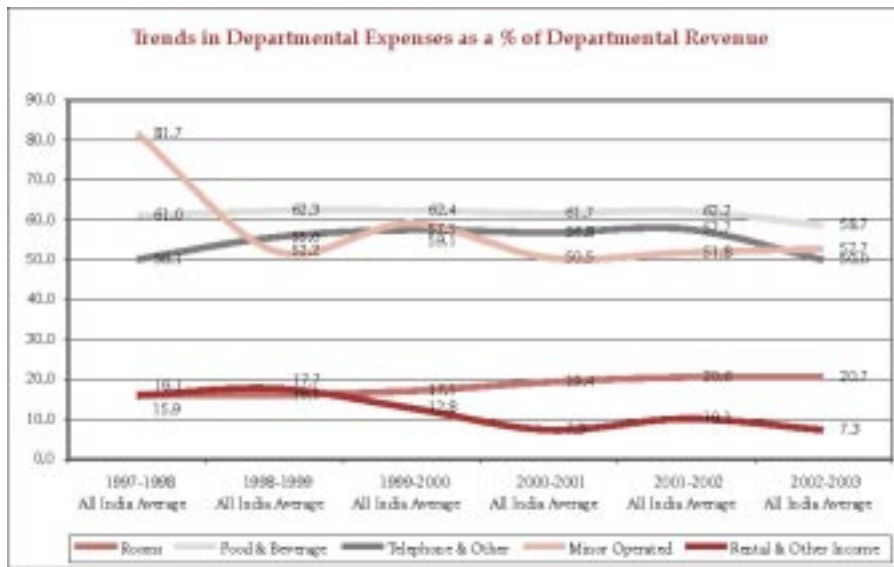
- Bangalore was the market occupancy leader with occupancy of 72.4%. Hyderabad achieved the second highest occupancy at 71.0%. New Delhi, similar to last year, maintained its position at the top with an average room rate (ARR) of Rs 2,918. Bangalore was the second highest at Rs 2,149.
- All India average occupancy was 54.8%, 1.6% occupancy points above last year's level.

Key Operating Characteristics

COMPOSITION	2002-2003								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	
Number of responses:	29	33	30	148	97	43	23	14	417
Average Total Rooms Per Hotel:	203	121	98	56	40	28	33	41	66
Average Occupied Rooms Per Hotel:	42,333	25,329	19,364	10,701	7,832	6,079	4,672	8,436	13,129
Average Occupancy Per Hotel:	59.7%	56.8%	55.4%	52.7%	56.5%	61.9%	36.9%	56.6%	54.8%
Average Rate Per Hotel:	Rs3,820	Rs2,723	Rs1,969	Rs1,166	Rs775	Rs537	Rs1,930	Rs671	Rs2,004
Average Revenue Per Available Room (RevPAR):	Rs2,282	Rs1,547	Rs1,091	Rs614	Rs438	Rs332	Rs711	Rs379	Rs1,098
Net Income (After Operating & Overhead Expenses, before Depreciation, Interest Payments & Taxes)									
- As a Percentage of Revenue	24.5%	35.9%	21.8%	19.7%	15.4%	14.4%	10.1%	16.6%	24.9%
- Per Available Room	Rs367,275	Rs415,861	Rs163,721	Rs95,650	Rs41,963	Rs28,192	Rs60,828	Rs53,943	Rs195,264

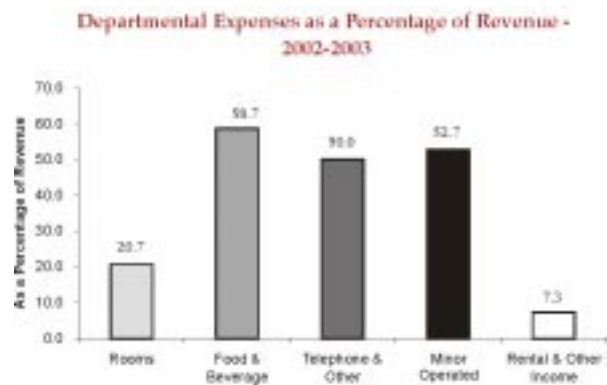
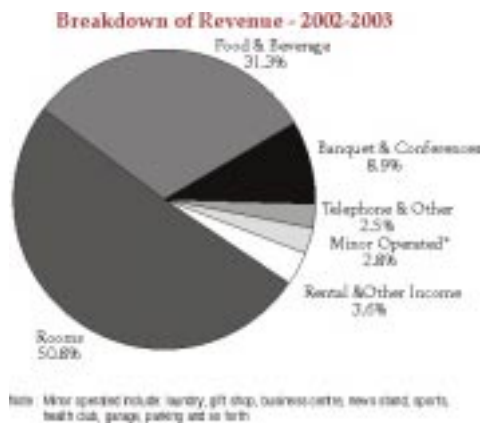
- Occupancies have been in the 50-60% range across most hotels. Average rates show a much greater spread, from Rs 3,820 for five-star deluxe hotels to Rs 537 for one-star hotels.
- The All India average revenue per available room (RevPAR) increased slightly from Rs 1,094 in 2001-02 to Rs 1,098 in 2002-03 reflecting an increase of 0.4%.

The following chart illustrates the trends in departmental expenses as a percentage of departmental revenue from the years 1997-98 to 2002-03.

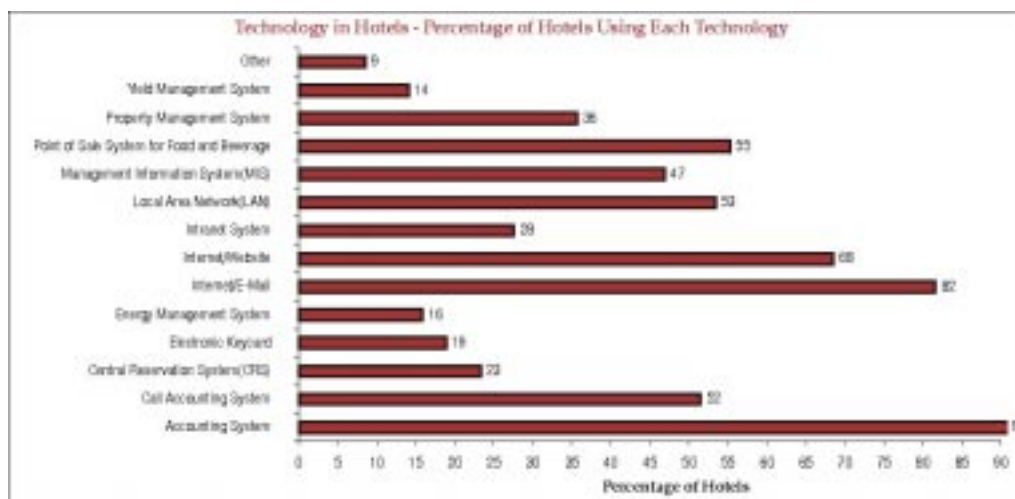


- The All India average of Rooms department expense as a percentage of Rooms revenue increased steadily from 16.1% in 1997-98 to 20.7% in 2002-03. This is mainly on account of increase in wages and other expenses, as average room rates remained flat during this period.
- The All India average Food & Beverage department expense as a percentage of Food & Beverage revenue decreased from 61.0% in 1997-98 to 58.7% in 2002-03.
- Minor operating department expense as a percentage of Minor operating department revenue registered a marked decline from 81.7% in 1997-98 to 52.7% in 2002-03.

- Total departmental expense as a percentage of total departmental revenue has reflected a steady increase from 33.9% in 1997-98 to 37.4% in 2002-03.



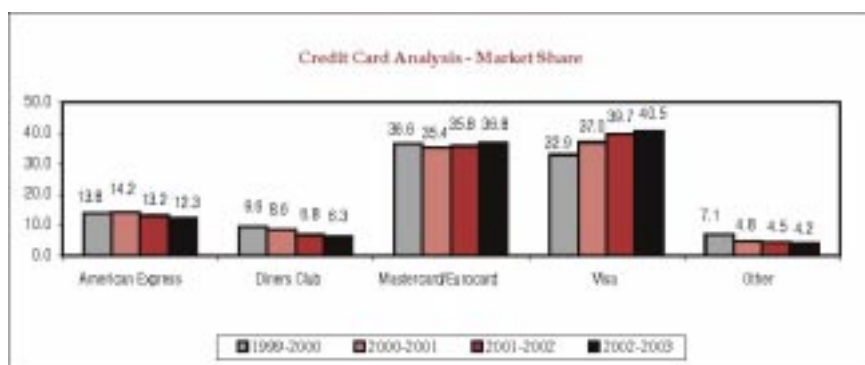
- Rooms revenue, generally considered to be the most important source of a hotel's overall profitability, represented 50.8% of total revenue across all hotels (a decrease from 53.2% in 2001-02). Food & Beverage (F&B) revenue represented 31.3% of total revenue across all hotels as compared to 30.9% last year. F&B revenue also registered a compounded average growth of 3.3% since 1997-98.
- Rooms revenue for five-star deluxe, five-star, and four-star hotels represented 53.2%, 49.3%, and 51.6% of total revenue respectively.
- Food and Beverage expense, at 58.7% of total revenue, was the highest departmental expense.
- Technology in hotels continues to improve each year. Accounting systems and Internet e-mail have been widely used by hotels, at 92% and 82%, respectively, during 2002-03, compared to 91% and 78%, respectively, during 2001-02. The use of technology in hotels will continue to grow.



- Domestic guests continue to be of importance across all hotels in India accounting for 76.9% of all guests. Domestic business travellers represented the largest percentage of hotel guests at 37.7%.
- Foreign guests prefer luxury and heritage hotels. Foreign leisure travellers and tour groups comprised 22.2% and 18.9% of the heritage market, respectively, against 34.0%

and 17.2%, respectively, in 2001-02. Foreign business travellers in the five-star deluxe market reflected a marginal increase from 21.6% in 2001-02 to 21.7% in 2002-03.

- Of the foreign guests, the UK provided the largest demand, at 16.3%, followed by USA, at 13.4%, and Germany at 8.1%.
- Percentage of foreign guests decreased marginally to 23.1% in 2002-03, compared to 23.2% in 2000-01.
- The domestic tourist/leisure segment decreased marginally from 21.3% during 2001-02 to 20.4% during 2002-03.
- Percentage of repeat guests (All India) reflected an increase from 46.3% last year to 48.2% during 2002-03. One-star hotels reflected the highest percentage of repeat guests at 53.5% during 2002-03, against 55.7% last year.
- Direct enquiry (57.0%) continues to be the major source of advance reservations at Indian hotels followed by travel agents and tour operators (19.3%). Interestingly, the use of the online reservation system increased to 2.2% compared to 1.6% last year. Also, the 'other websites' category increased to 2.0% compared to 1.6% last year.
- Cash sales (including cheques/demand drafts), remain the most popular method of settling bills in India at 48.8%. In the luxury segment of five-star deluxe, credit cards remained the most popular method at 42.1%.
- With more international transactions taking place, electronic fund transfer increased from 0.7% (All India average) in 2001-02 to 1.0% in 2002-03. We expect the use of electronic fund transfer to further grow.
- Hotels having a training department increased in all star categories, with the All India average being 19.9% compared to 19.5% in 2001-02. Five-star deluxe hotels had the highest percentage (93.8%) of hotels with a training department.



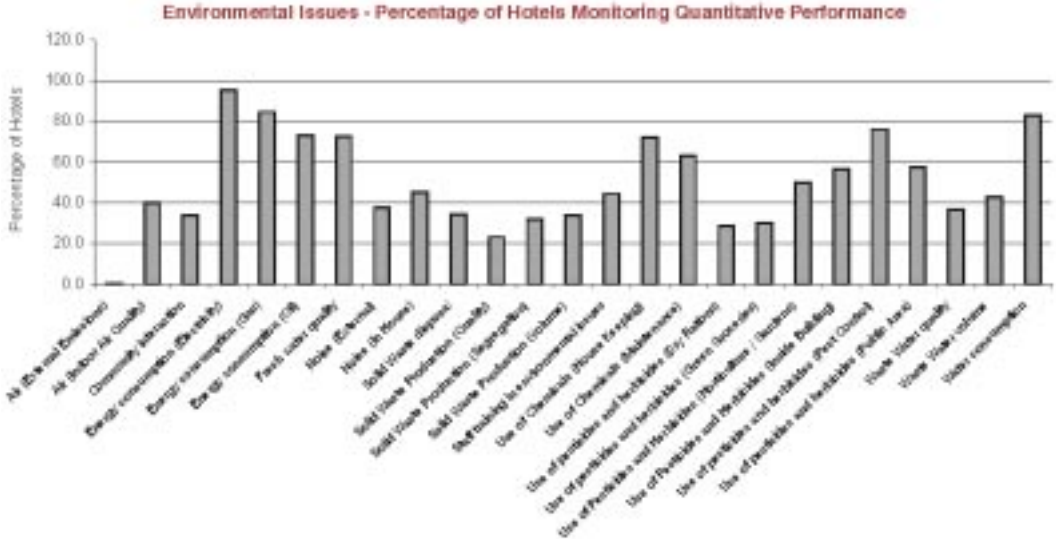
- Visa (40.5%) was the most widely used credit card by guests followed by Mastercard (36.8%). American Express has the highest commission rate.
- Marketing expenses on per occupied room basis decreased from Rs 134 during 2001-02 to Rs 126 during 2002-03.
- Energy expenses on per occupied room basis steadily increased from Rs 268 in 1997-98 to Rs 485 in 2002-03 reflecting a compounded annual growth of 13% since 1997-98.

Changes in Performance Ratios: 2002-03 over 2001-02

	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	All India Average
Average Occupancy Per Hotel:	4.1%	4.2%	2.7%	-0.3%	0.9%	2.8%	4.9%	2.9%	1.6%
Average Rate Per Hotel:	-4.3%	-7.7%	-7.6%	-7.2%	-6.8%	-10.5%	-15.9%	-18.2%	-2.6%
RevPAR	2.7%	-0.4%	-2.9%	-7.9%	-5.3%	-6.2%	-3.0%	-13.7%	0.3%

* Some changes may have occurred due to the change in the hotels participating in our survey

- The table above compares results of the survey in 2002-03 with the previous year. In 2002-03, revenue per available room (RevPAR) for other star category hotels (which includes unapproved hotels) and three-star hotels in the sample registered the highest decrease at 13.7% and 7.9%, respectively, over the previous year. Five-star deluxe hotels was the only segment to experience a positive growth of 2.7% over the previous year.
- Average occupancy per hotel increased in all hotels except for three-star hotels, which witnessed a decrease of 0.3%.
- Average room rate decreased in all categories, showing that higher occupancy was achieved at the expense of room rates, reflecting the scenario of higher rooms supply in some cases and competitive discounting in all cases.
- Luxury hotels monitor environmental issues most closely. Solid waste production is being monitored by 23.1% of the hotels, which is an increase over the previous year (21.7%).
- In 2001-02, hotels monitored electricity consumption more closely than other fuels and environment components such as water and air. This trend was also witnessed in 2002-03: hotels monitored energy consumption (electricity) to the extent of 95.3%. This was followed by energy consumption (gas) at 84.5% and water consumption at 82.9%. Energy expenses accounted for 12.3% of total revenue as compared to 12.5% last year. This category of expense (as a percentage of total revenue) continues to be much higher in India, when compared to other parts of the world like the United States (3.5%).



Trends & Opportunities in the Indian Hotel Industry

Introduction

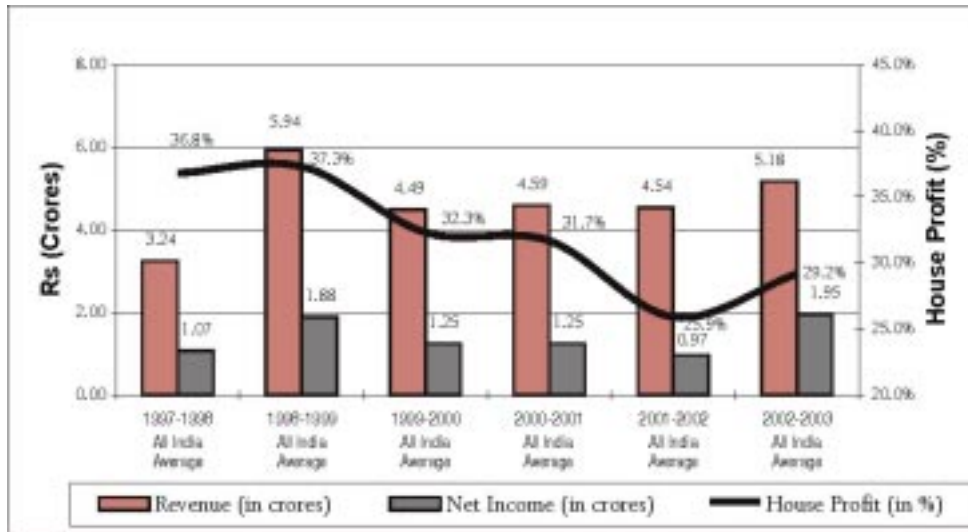
This is the sixth edition of this report published by HVS International on behalf of the FHRAI on data obtained by them from their members. We are therefore in a position to analyse survey results for the last six years and provide a historical trend for the users of this report.

Apart from some general and financial trends over the six years, we have attempted to individually cover 19 cities under our trend analysis. The city analysis includes a brief mention on the market perception of each city by HVS International, as well as the potential performance for the current year (2003-04).

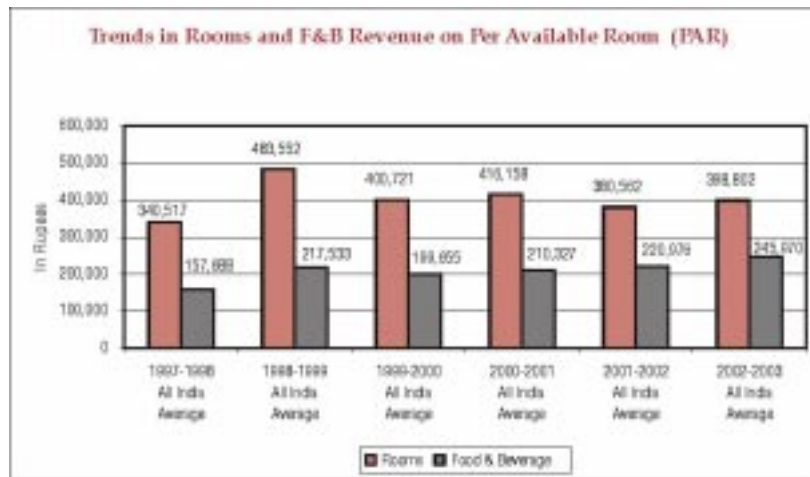
Indian Hotel Industry - Size and Category The Indian hotel industry has two main types of hotels, approved and unapproved. Hotels are granted approval from the Department of Tourism, Government of India at project stage and are then classified in one of the star categories. It is voluntary for a hotel to get approved status from the Government, but only approved hotels can avail of the various income tax incentives, import licenses and other approvals. The following table provides the number of FHRAI member hotels in different categories during the last six years. Practically all the five-star deluxe, five-star, four-star and three-star hotels in the country are its members while the membership is not so comprehensive in lower star categories. Majority of hotels and hotel rooms in India are included in the unapproved type, as many hotels, specially those equivalent to lower star category hotels, do not go through the Government classification scheme. FHRAI itself currently has 452 hotel members with 17,895 rooms under the unapproved category, out of a total of 1,737 hotels with 95,722 rooms.

Category	1998		1999		2000		2001		2002		2003		Rooms Growth (1998-2003)
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	
Five-Star Deluxe	39	10,063	41	10,574	57	12,556	65	14,959	68	15,672	68	16,050	10%
Five-Star	54	7,704	59	8,028	73	9,051	72	8,513	72	8,662	72	8,669	2%
Four-Star	71	5,264	77	5,586	92	7,232	99	7,791	100	7,614	102	7,408	7%
Three-Star	233	11,780	256	13,231	379	19,785	402	20,691	413	21,387	409	21,098	12%
Two-Star	192	7,412	208	8,023	244	9,135	263	9,958	234	9,278	226	8,903	4%
One-Star	47	2,452	49	2,472	46	2,253	50	2,428	48	1,696	44	1,520	-9%
Heritage	31	912	34	965	66	2,372	73	2,551	71	2,492	67	2,258	20%
Approved (Unclassified)	90	4,953	112	6,009	263	10,560	303	12,318	308	12,515	297	11,921	19%
Un-approved	811	30,986	836	31,486	493	18,350	472	17,757	455	17,925	452	17,895	-10%
Total	1,568	81,526	1,672	86,374	1,713	91,294	1,799	96,966	1,769	97,241	1,737	95,722	3%

Indian Hotel Industry-Revenue and Profitability-Average Per Hotel

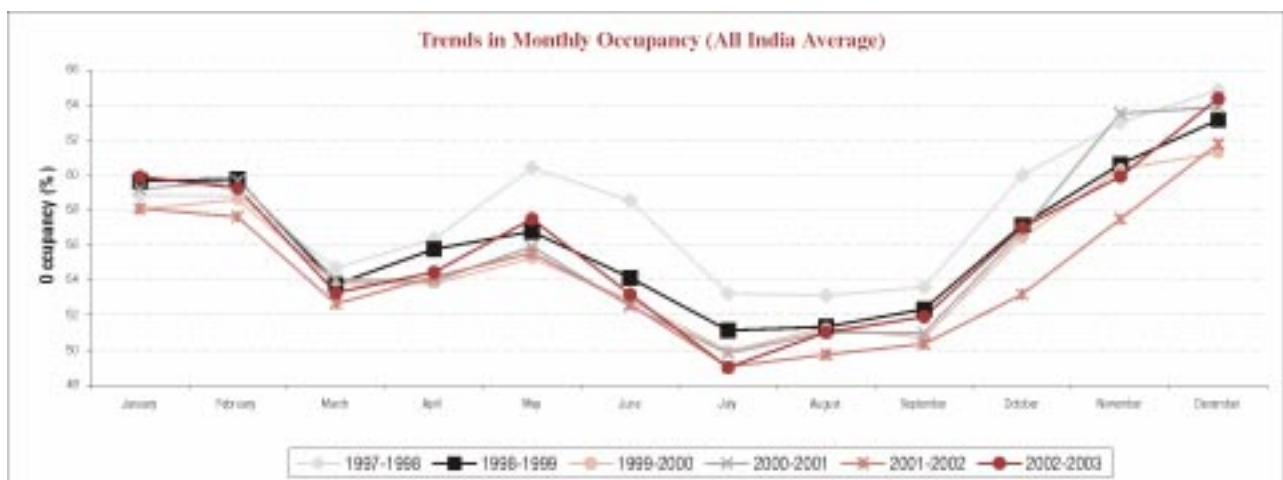
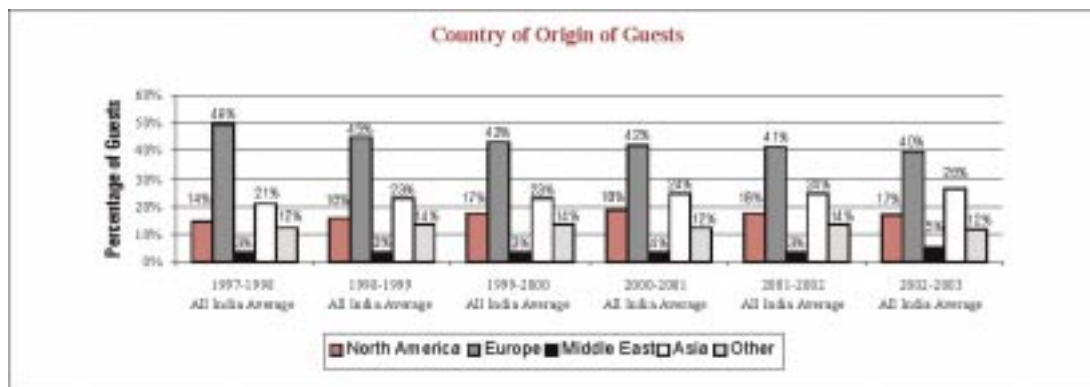


- All India average revenue has shown a growth from Rs 4.54 crores during 2001-02 to Rs 5.18 crores during 2002-03.
- House Profit (Gross Operating Profit after deducting franchise and management fees) as a percentage of revenue increased from 25.9% during 2001-02 to 29.2% in 2002-03. This is the first time since 1998-99 that House Profit has shown an upward growth. The All India average Net Income (Net Income before depreciation, interest payments and taxes) also increased - from Rs 0.97 crores in 2001-02 to Rs 1.95 crores in 2002-03 - reflecting overall improvement in the industry, and a further rise is expected in 2003-04.



- Rooms revenue - expectedly at Rs 398,802 on per available room basis, was the largest source of revenue during 2002-03 followed by Food and Beverage revenue at Rs 243,970.

- Chain affiliated hotels achieved a RevPAR of Rs 1,570 as opposed to a RevPAR of Rs 956 for the independent hotels. Last year's RevPAR was Rs 1,440 and Rs 858, respectively, for chain affiliated hotels and for independent hotels.
- 49.4% of chain affiliated hotels have a training department, as opposed to 17.2% of independent hotels. Also, the average number of trained employees in chain affiliated hotels is 74.3% as opposed to 69.7% in independent hotels.
- December, followed by November and January, was the busiest month in 2002-03. Average occupancy was at its highest in December (64.4%), while both November and January recorded an average occupancy of 59.9%. July through September was the slowest period, with July recording the lowest occupancy (49.0%).
- While print advertising continues to be the most popular marketing medium (90.3%) used by hotels across India, we notice that 100.0% and 94.7% of five-star deluxe and five-star hotels, respectively, also use their hotel websites as effective marketing media. Direct mail is also the preferred marketing media for five-star deluxe (93.3%) and five-star (100.0%) categories.
- Interestingly, radio advertisement has also been used as marketing media during 2002-03. Five-star hotels used this mode of marketing the most (20.0%).



Trends in Key Operating Statistics

COMPOSITION	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	
	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average
Number of responses:	538	437	559	443	424	417	538	437	559	443	424	417	538	437	559	443	424	417	
Average Total Rooms Per Hotel:	55	71	63	62	63	66	55	71	63	62	63	66	55	71	63	62	63	66	
Average Occupied Rooms Per Hotel:	10,802	13,509	11,829	12,659	11,727	13,129	10,802	13,509	11,829	12,659	11,727	13,129	10,802	13,509	11,829	12,659	11,727	13,129	
Average Occupancy Per Hotel:	54.0%	52.4%	51.7%	55.6%	53.2%	54.8%	54.0%	52.4%	51.7%	55.6%	53.2%	54.8%	54.0%	52.4%	51.7%	55.6%	53.2%	54.8%	
Average Rate Per Hotel:	Rs1,729	Rs2,530	Rs2,123	Rs2,046	Rs2,058	Rs2,004	Rs1,729	Rs2,530	Rs2,123	Rs2,046	Rs2,058	Rs2,004	Rs1,729	Rs2,530	Rs2,123	Rs2,046	Rs2,058	Rs2,004	
	Percentage of Revenue						Amount Per Available Room						Amount Per Occupied Room						
REVENUE																			
Rooms	57.6%	57.5%	55.9%	56.4%	53.2%	50.8%	Rs340,517	Rs483,552	Rs400,721	Rs416,158	Rs380,562	Rs398,802	Rs1,729	Rs2,530	Rs2,123	Rs2,046	Rs2,058	Rs2,004	
Food & Beverage	26.7	25.9	27.8	28.5	30.9	31.3	157,688	217,533	199,655	210,327	220,976	245,970	801	1,138	1,058	1,034	1,195	1,236	
Banquet & Conferences	5.9	6.2	6.0	6.5	6.8	8.9	35,004	52,500	42,851	48,016	48,324	69,850	178	275	227	236	261	351	
Telephone & Other	4.9	4.6	4.2	3.6	3.1	2.5	29,076	38,650	29,982	26,622	22,063	19,844	148	202	159	131	119	100	
Minor Operated*	2.3	2.7	3.1	2.2	2.7	2.8	13,781	22,691	21,957	16,341	19,336	21,901	70	119	116	80	105	110	
Rental & Other Income	2.6	3.0	3.1	2.8	3.4	3.6	15,519	25,329	22,178	20,538	24,338	28,581	79	133	117	101	132	144	
Total	100.0	100.0	100.1	100.0	100.0	100.0	591,584	840,255	717,344	738,003	715,599	784,949	3,004	4,397	3,800	3,629	3,869	3,945	
DEPARTMENTAL EXPENSES																			
Rooms	16.1	16.1	17.1	19.4	20.6	20.7	54,879	77,614	68,650	80,534	78,234	82,462	279	406	364	396	423	414	
Food & Beverage	61.0	62.3	62.4	61.7	62.2	58.7	117,522	168,338	151,340	159,268	167,450	185,236	597	881	802	783	905	931	
Telephone & Other	50.1	55.6	57.5	56.8	57.7	50.0	14,564	21,476	17,237	15,124	12,732	9,921	74	112	91	74	69	50	
Minor Operated*	81.7	52.2	59.1	50.5	51.8	52.7	11,259	11,855	12,981	8,256	10,016	11,547	57	62	69	41	54	58	
Rental & Other Income	15.9	17.7	12.8	7.3	10.1	7.3	2,463	4,473	2,834	1,502	2,466	2,097	13	23	15	7	13	11	
Total	33.9	33.8	35.3	35.9	37.9	37.4	200,686	283,756	253,041	264,685	270,898	293,662	1,019	1,485	1,340	1,302	1,465	1,476	
DEPARTMENTAL INCOME	66.1	66.1	64.8	64.1	62.1	62.6	390,898	556,499	464,303	473,318	444,701	491,286	1,985	2,912	2,459	2,328	2,405	2,469	
OPERATING EXPENSES																			
Administrative & General	8.6	10.9	9.4	8.9	10.3	8.5	51,066	91,811	67,592	65,596	73,323	66,328	259	480	358	323	396	333	
Management Fee	2.3	1.6	2.0	2.0	2.4	2.3	13,355	13,357	14,541	14,525	16,944	18,302	68	70	77	71	92	92	
Marketing	0.7	0.5	2.8	2.8	3.5	3.2	3,895	3,832	20,154	20,409	24,718	24,980	20	20	107	100	134	126	
Franchise Fees	1.0	0.3	0.4	0.4	0.4	0.5	5,994	2,674	2,725	3,301	2,796	4,145	30	14	14	16	15	21	
Property Operations & Maintenance	7.8	6.7	7.2	7.1	7.3	6.9	46,382	56,177	51,296	52,644	52,179	54,321	235	294	272	259	282	273	
Energy	8.9	8.9	10.7	11.3	12.5	12.3	52,759	74,537	76,502	83,005	89,228	96,439	268	390	405	408	482	485	
Total	29.3	28.8	32.5	32.5	36.2	33.4	173,451	242,389	232,809	239,480	259,188	262,117	881	1,268	1,233	1,178	1,401	1,317	
HOUSE PROFIT	36.8	37.3	32.3	31.7	25.9	29.2	217,447	314,110	231,494	233,839	185,512	229,169	1,104	1,644	1,226	1,150	1,003	1,152	
FIXED EXPENSES																			
Property Taxes	0.8	0.7	0.9	1.0	1.1	1.1	4,716	5,684	6,658	7,584	7,831	8,919	24	30	35	37	42	45	
Insurance	0.5	0.6	0.8	0.6	0.7	0.8	3,176	5,152	5,874	4,236	4,992	6,131	16	27	31	21	27	31	
Other Fixed Expenses	1.4	2.7	1.9	2.1	1.8	1.1	8,190	22,302	13,957	15,253	13,104	8,740	42	117	74	75	71	44	
Rent	1.0	1.7	0.7	0.8	0.9	1.3	5,892	14,518	5,016	5,650	6,482	10,115	30	76	27	28	35	51	
Total	3.7	5.7	4.3	4.4	4.5	4.3	21,974	47,656	31,505	32,723	32,408	33,905	112	249	167	161	175	170	
NET INCOME**	33.1%	31.6%	28.0%	27.2%	21.4%	24.9%	Rs195,473	Rs266,454	Rs199,989	Rs201,116	Rs153,104	Rs195,264	Rs992	Rs1,394	Rs1,059	Rs989	Rs828	Rs981	

* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

** Net Income is before depreciation, interest payments and taxes

City Trends

2002-03 was a year of revival for the hotel industry in India as most cities saw their occupancy levels improve over the previous year. However, the average rates in most cities had not recovered at the end of 2002-03; this indicator is now expected to show a growth by the middle of 2003-04. The following paragraphs detail our expectations of new supply and performance levels for 19 important hotel markets, based on research undertaken and forecasts made by HVS International.

New Delhi:

Occupancy witnessed a growth of 4.3% in 2002-03. Average rate continued to come under pressure for the fifth consecutive year, registering a further decline of 15.0%. With no immediate new supply in the market, we expect occupancies to rise over the next 12 months; the average rates will also start to stabilise and perhaps improve as the overall marketwide occupancies increase in the next 2-3 years. We also foresee the government encouraging the development of more hotels as well as allowing an increase in the room inventory of existing hotels in view of the commonwealth games that are scheduled to be held in the city in 2010. The National Capital Region (Gurgaon & Noida) is also expected to see the development of 8-10 hotels over the next 3-4 years. Due to strong demand, we anticipate occupancies and average rates to grow over the next few years.

Mumbai:

The overall occupancy in Mumbai declined by 1.8% and the average rate registered a drop of 12.2% in 2002-03. Despite the huge increase in room supply in the Mumbai market, especially in north Mumbai, there has been a demand growth of nearly 20%. Most analysts are surprised at the buoyancy exhibited by the Mumbai market. This indicates a large surge in demand for hotel rooms. The growth in room night demand in Mumbai has primarily been in north Mumbai; the hotel market in south Mumbai has seen a relatively marginal growth during 2002-03. We expect room night demand to further pick up in the next couple of years. Average rates, however, will increase at a slower pace, due to increased competition, especially in the north Mumbai market. The long-term outlook for Mumbai is certainly positive: HVS estimates the occupancy in Mumbai to witness robust growth in 2003-04. The average rates are also expected to pick up, and, in fact, will register a positive growth for the first time in six years.

Kolkata:

In 2002-03, Kolkata witnessed a 3.2% increase in occupancy over the previous year. The average rate, however, declined by 5.3% during the same period. We expect that room night demand in Kolkata will continue to grow, although at a lower rate than other metro cities in the country, and that average rates will stabilise in the next two years. We estimate that in 2003-04, occupancies will witness a decline due to the increase in supply in the city and average rates will also decline over the previous year. In the long term, Kolkata is expected to benefit from an increase in transit business due to the development of North-East India as a leisure and conference destination.

Pune:

In Pune, both occupancy and average rate registered an increase over the previous year. The occupancy grew at 3.3% in 2002-03 and the average rate increased at 9.3%. We expect the overall market to continue growing in 2003-04.

Chennai:

Chennai witnessed an occupancy decline of 1.7%. However, average rates increased by 5.4%. We expect occupancy and average rate to experience strong growth in 2003-04. Presently, the area around the airport is witnessing significant growth resulting in a benefit to hotels in the vicinity of the airport. We expect that, as the Chennai market improves in the next couple of years, there will be renewed interest in the 2-3 hotels whose construction development had been stopped mid-way due to financial constraints faced by the concerned developers.

Bangalore:

Bangalore's hotel market grew at 15.4% in terms of occupancy and 11.9% in terms of the average room rate. Bangalore is currently the best hotel market in India – according to some industry observers, at present, Shanghai and Bangalore are the two best markets for hotels in the entire Asia and Asia-Pacific region. No significant new supply is likely to be added in the next couple of years. As occupancy levels in the city cross the threshold level of 75-80%, we expect significant rise in average rates for all hotels. This trend is likely to continue till new supply enters the market in early 2006.

Goa:

In Goa, overall occupancy increased by 7.3%. Average rates also registered an increase of 12.9% over the previous year. The city has seen a 45% growth in room supply in 2002-03 in the five-star and above hotel category on account of the opening of three new hotels. The increase in supply has easily been absorbed in the market due to strong growth in room night demand. Goa witnessed a marked increase in tourist arrivals from Russia in 2002-03 with respect to the previous year. We consider that this hotel market has the potential to perform well in the long run.

Ahmedabad:

Ahmedabad saw a decline in occupancy levels by 14.3% to 51.3% and a decrease in average rates by 11.9% to Rs 1,740 in 2002-03. This was mainly due to the incidents related to communal violence. We anticipate the market to recover in 2003-04.

Cochin:

The overall occupancy in Cochin declined by 1.9% in 2002-03. Average rates registered a decline of 16.6%. We expect occupancy levels and average rates to improve in 2003-04 as Cochin, being the gateway city to Kerala, will benefit from the increased leisure travel to the state.

Jaipur:

Although occupancy levels increased by 1.3% in 2002-03, average rates continued to fall, and declined by 16.5% over the previous year. The market will continue to be under pressure in 2003-04 due to the opening of a luxury hotel. However, the outlook for this market is positive: hotel demand in Jaipur is closely linked to the overall tourist arrivals in India and we expect tourist arrivals to increase over the 2-3 years. Also, the newly elected state government has announced that tourism will be given top priority, therefore, infrastructure for tourism-related activities is likely to be improved in Rajasthan.

Hyderabad:

The Hyderabad hotel market has continued to show an improvement over the last couple of years. In 2002-03 the average occupancy was 71.0%, a 5.7% growth over the previous year's level. We estimate that, with no significant new supply expected in the next few years, this market will benefit substantially; average rates are forecast to increase in the current year (2003-04). HVS firmly believes that after Bangalore, Hyderabad will see the most robust growth in the next few years.

Lucknow:

Occupancy levels in Lucknow have remained stable over the last couple of years. In 2002-03, the city occupancy registered a marginal growth of 0.1%. Average rates, however, declined by 2.6% during the same period. With some additional supply expected to enter the market, it is likely that Lucknow will remain under pressure over the next few years.

Bhopal:

We have not been able to track the trend in this city, as we were unable to get adequate responses (to FHRAI's Hotel Fact Sheet) from the hotels in the city.

Thiruvananthapuram:

The city has witnessed an increase in terms of room occupancy (8.9%), and a growth in average room rates (1.8%). Thiruvananthapuram is expected to benefit as inbound tourism to Kerala increases over the next couple of years.

Udagamandalam (Ooty):

We have not been able to track the trend in this city, as we were unable to get adequate responses from the hotels in the city.

Udaipur:

The occupancy performance of the city grew at 5.1% in 2002-03. The average rate, on the other hand, witnessed a decline of 14.6%. We anticipate that, like Jaipur, Udaipur will see an increase in both occupancy and rates in 2003-04, as overall tourist arrivals in Rajasthan are expected to grow substantially in the next couple of years.

Agra:

The occupancy and rates in Agra have been declining over the last three years. This trend continued in 2002-03, with the occupancy decreasing by 1.6% and the average rate falling by 2.9%. The city has been unable to tap its true potential as a conference destination.

Indore:

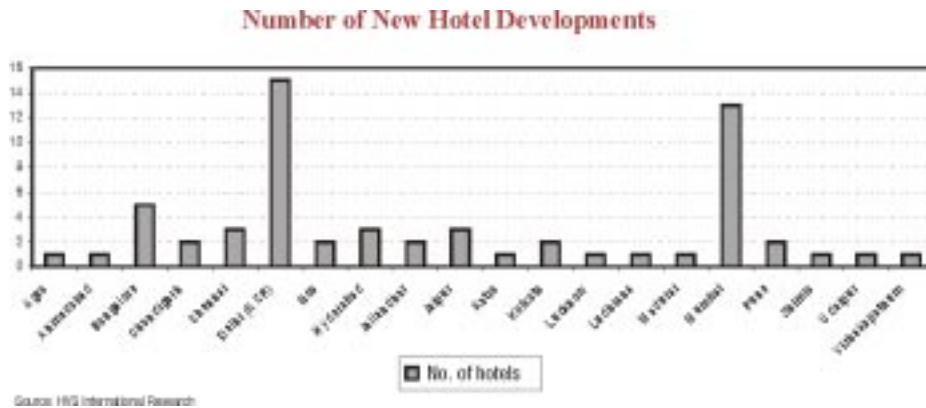
Indore was the best performer in last year's survey; however, in 2002-03 it witnessed a 16.6% decline in occupancy coupled with an 8.0% decrease in average rates. As explained earlier, these large variations could partly be due to a different mix of hotels responding to the survey questionnaire.

Shimla:

Shimla has registered a growth of 7.1% in terms of occupancy levels in 2002-03. However, in terms of average rate, the market appears to have experienced negative growth. We believe that this is because one of the luxury hotels was involved in a litigation battle, which adversely affected the average rate.

New Supply of Hotels

Since 1997, HVS International has maintained its own database of new supply entering the major cities. The graph below highlights the 63 hotels under active development in various cities, of which HVS International is currently aware. It is important to note that most HVS data for new supply represents branded properties.



We are of the opinion that demand for hotels has risen across many cities, including the major metros, in the current financial year (April 2003 – March 2004). Leading these demand growths are Bangalore, Delhi, Mumbai, Hyderabad and Chennai. Bangalore is going to gain the most from this growth, as there is no real new supply expected to enter the market, at least in the next couple of years. Hyderabad, Delhi and Chennai will follow Bangalore, according to our forecasts. As regards Mumbai, we expect new supply to be readily absorbed by the robust growth in room night demand.

What the Future Holds

After a few dull years in the global and Indian domestic economy, things are getting better. India and businesses in India have entered a clear growth phase. The clearest indicator of consumer interest - the capital markets - have picked up; consumer spending is on the rise; and many industry segments are consolidating their space in the global environment despite intense competition. A well-diversified industrial recovery, renewed agricultural activities, higher export demand, strong capital flows, the ballooning foreign exchange reserves and plenty of liquidity has led to the present “feel good” factor in the economy.

The year 2002-03 has been a year of recovery for the hotel industry in India, both in terms of room night demand and average rates. Taking into account the bullish trend presently witnessed in the industry, together with an overall positive outlook on the Indian economy, 2003-04 may well be one of the best years so far in terms of hotel performance across most cities in the country. We anticipate that, as potential equity returns in other parts of the world decline, the Indian hotel market will generate serious interest from international operators and hotel developers. HVS International is aware that there are currently 1-2 international hospitality funds that are exploring the Indian markets for investment opportunities.

1. Indian Hotel Industry by Star Category

In this section, we have analysed hotel performance by star classification. An overall total of 1,037 hotels participated in the survey. The hotels were classified into the 8 star categories available in India (see tables 1-1 to 1-10), and their responses were analysed accordingly. In order to be fair to the approved hotels that are awaiting classification, we have combined them with their expected star category. “Unapproved” hotels have been put under the “Others” category.

In order to provide further interesting comparisons, we have included a column for All India totals across all star categories. Each section includes the total number of respondents for each component of the survey, allowing the reader to judge the validity of the data received.

The layout has been standardized in each section to enable consistency throughout the entire document. All figures are annual for fiscal year 2002-03 and in Indian Rupees. The US dollar conversion rate can be taken at 1US\$ = Rs46.0.

- **Table 1-1:** presents a typical facilities analysis including rooms configuration, F&B outlets, a breakdown of trained and total employees;
- **Table 1-2:** presents financial statements as a percentage of revenue;
- **Table 1-3:** presents financial statements on a PAR (per available room) basis;
- **Table 1-4:** presents financial statements on a POR (per occupied room) basis;
- **Table 1-5:** presents market data including market segmentation, guest analysis and the country of origin of guests;
- **Table 1-6:** presents a monthly and daily occupancy analysis;
- **Table 1-7:** presents the sources of reservations of hotel rooms;
- **Table 1-8:** presents the marketing media most widely used by hotels;
- **Table 1-9:** presents an analysis of payment methods and the use of credit cards;
- **Table 1-10:** presents the technology used and environmental issues measured by hotels.

TABLE 1-1: Indian Hotel Industry by Star Category – Facilities Analysis and Staffing

Typical Room Profile of an Average Hotel

COMPOSITION		Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	2002-2003 All India Average
Number of responses:		32	40	60	334	215	65	38	253	1,037
Air-Conditioned	Single	67.3	21.2	14.1	3.2	2.2	1.1	0.9	1.6	5.7
	Double	106.8	93.8	66.9	33.9	19.3	10.7	17.8	12.3	30.0
	Suites	18.6	8.2	6.3	4.5	2.7	1.9	6.2	1.9	4.1
Non-Air-Conditioned	Single	1.8	0.0	0.0	1.2	2.3	3.4	1.1	2.8	1.9
	Double	1.1	2.1	3.6	7.2	12.4	12.0	5.9	13.8	9.6
	Suites	0.0	0.2	0.9	0.8	1.1	0.8	2.3	1.3	1.0
Total Average Rooms		195.6	125.5	91.8	50.8	40.1	29.8	34.2	33.7	52.2

Average Number of Food & Beverage Outlets Per Hotel

COMPOSITION		Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	2002-2003 All India Average
Number of responses:		30	38	59	312	186	51	32	167	875
Restaurant		3.3	2.3	1.9	1.5	1.3	1.1	1.4	1.3	1.5
Bar		1.4	1.1	1.1	0.8	0.6	0.4	0.7	0.5	0.7
Others		0.7	1.0	0.9	0.8	0.4	0.4	0.5	0.3	0.6
Total		5.4	4.3	3.9	3.1	2.3	1.9	2.5	2.1	2.8

Average Number of Total Employees Per Hotel (Permanent / Contract / Full Time / Part Time)

COMPOSITION		Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	2002-2003 All India Average
Number of responses:		29	38	51	314	196	63	35	230	956
Managers	Male	32.5	19.7	12.6	4.6	2.3	1.9	3.4	2.1	5.2
	Female	9.8	4.6	2.5	0.5	0.2	0.1	0.4	0.2	0.9
Supervisors	Male	55.1	27.4	18.6	8.1	4.0	3.1	5.2	2.9	8.3
	Female	13.1	4.5	3.2	1.0	0.5	0.3	0.6	0.4	1.3
Staff	Male	241.5	145.0	129.5	55.7	33.2	19.5	39.6	20.5	52.8
	Female	22.8	10.9	9.7	4.3	2.5	0.8	2.4	1.3	4.0
Total		374.7	212.1	158.3	74.4	42.8	25.7	51.6	27.3	71.6
Average Number of Employees Per Room		2.0	1.7	1.7	1.5	1.1	0.9	1.6	0.8	1.4

Average Percentage of Trained Employees Per Hotel

COMPOSITION		Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	2002-2003 All India Average
Number of responses:		22	31	40	196	110	37	19	78	533
Managers		91.2%	86.2%	91.3%	83.5%	79.9%	91.0%	87.3%	77.5%	83.6%
Supervisors		82.4	80.0	84.0	73.6	68.9	66.8	76.3	73.4	73.7
Staff		74.5	61.6	58.6	54.2	46.4	49.6	62.8	47.4	53.2
Total Avg. Trained Employees*		82.7	76.0	78.0	70.5	65.1	69.1	75.5	66.1	70.2
Total Avg. Un-Trained Employees		17.3	24.1	22.0	29.5	34.9	30.9	24.5	33.9	29.8
Hotels with Training Department		93.8%	67.5%	48.3%	21.0%	14.4%	1.5%	31.6%	2.4%	19.9%

* Trained employees includes those with a minimum one year certificate course in an educational institute and may include those with short term (in-house) training.

TABLE 1-2: Indian Hotel Industry by Star Category – Financial Report - Percentage of Revenue

COMPOSITION									2002-2003
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	All India Average
Number of responses:	29	33	30	148	97	43	23	14	417
Average Total Rooms Per Hotel:	203	121	98	56	40	28	33	41	66
Average Occupied Rooms Per Hotel:	42,333	25,329	19,364	10,701	7,832	6,079	4,672	8,436	13,129
Average Occupancy Per Hotel:	59.7%	56.8%	55.4%	52.7%	56.5%	61.9%	36.9%	56.6%	54.8%
Average Rate Per Hotel:	Rs3,820	Rs2,723	Rs1,969	Rs1,166	Rs775	Rs537	Rs1,930	Rs671	Rs2,004
REVENUE									
Rooms	53.2 %	49.3 %	51.6 %	46.0 %	55.0 %	61.8 %	45.9 %	42.5 %	50.8 %
Food & Beverage	30.1	29.6	30.8	35.1	34.0	29.9	37.9	29.7	31.3
Banquet & Conferences	6.5	10.8	11.3	12.5	3.7	2.3	7.2	15.5	8.9
Telephone & Other	3.1	2.6	2.2	1.7	1.6	1.3	1.7	1.8	2.5
Minor Operated*	4.2	2.1	1.6	1.7	0.6	0.3	3.9	6.6	2.8
Rental & Other Income	3.0	5.5	2.6	3.0	5.2	4.4	3.5	3.9	3.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
DEPARTMENTAL EXPENSES									
Rooms	20.7	15.9	18.3	23.5	29.1	32.7	26.3	27.3	20.7
Food & Beverage	62.7	45.4	58.8	60.6	74.3	71.8	56.4	70.0	58.7
Telephone & Other	34.0	40.2	60.9	80.7	136.3	146.3	175.4	112.5	50.0
Minor Operated*	38.3	47.6	63.8	115.1	199.8	581.1	71.1	17.5	52.7
Rental & Other Income	2.4	5.3	13.3	9.7	8.6	37.0	12.9	108.0	7.3
Total	36.6	28.5	36.8	43.3	47.8	48.7	43.7	50.6	37.4
DEPARTMENTAL INCOME	63.4	71.5	63.2	56.7	52.2	51.3	56.3	49.4	62.6
OPERATING EXPENSES									
Administrative & General	7.6	9.4	9.0	8.5	8.9	8.1	12.2	8.6	8.5
Management Fee	2.8	3.3	1.4	1.4	0.9	1.3	1.0	0.6	2.3
Marketing	3.7	3.6	2.7	2.3	1.9	2.0	4.5	0.8	3.2
Franchise Fees	0.8	0.3	0.5	0.3	0.1	0.7	0.6	0.0	0.5
Property Operations & Maintenance	7.1	5.7	7.1	7.5	7.2	7.8	8.6	5.6	6.9
Energy	11.8	10.2	14.6	14.1	13.8	12.2	13.6	13.4	12.3
Total	33.6	32.6	35.3	34.2	32.8	32.1	40.4	29.2	33.4
HOUSE PROFIT	29.8	38.8	27.8	22.5	19.4	19.2	16.0	20.2	29.2
FIXED EXPENSES									
Property Taxes	1.2	1.3	1.0	0.9	1.4	0.9	0.3	1.3	1.1
Insurance	1.1	0.7	0.5	0.5	0.3	0.4	1.0	0.4	0.8
Other Fixed Expenses	1.0	0.7	2.1	0.8	1.6	3.0	3.2	1.7	1.1
Rent	1.9	0.3	2.5	0.6	0.7	0.6	1.2	0.3	1.3
Total	5.3	2.9	6.0	2.8	4.0	4.9	5.8	3.6	4.3
NET INCOME**	24.5 %	35.9 %	21.8 %	19.7 %	15.4 %	14.4 %	10.1 %	16.6 %	24.9 %

* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

** Net Income is before depreciation, interest payments and taxes

TABLE 1-3: Indian Hotel Industry by Star Category - Financial Report – Amount Per Available Room

COMPOSITION	2002-2003								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	
Number of responses:	29	33	30	148	97	43	23	14	417
Average Total Rooms Per Hotel:	203	121	98	56	40	28	33	41	66
Average Occupied Rooms Per Hotel:	42,333	25,329	19,364	10,701	7,832	6,079	4,672	8,436	13,129
Average Occupancy Per Hotel:	59.7%	56.8%	55.4%	52.7%	56.5%	61.9%	36.9%	56.6%	54.8%
Average Rate Per Hotel:	Rs3,820	Rs2,723	Rs1,969	Rs1,166	Rs775	Rs537	Rs1,930	Rs671	Rs2,004
REVENUE									
Rooms	Rs798,588	Rs570,475	Rs387,928	Rs221,321	Rs150,083	Rs116,604	Rs275,350	Rs137,998	Rs398,802
Food & Beverage	450,863	343,077	231,671	168,892	92,775	56,497	227,382	96,170	245,970
Banquet & Conferences	96,781	124,731	84,676	59,980	9,980	4,291	43,027	50,315	69,850
Telephone & Other	46,757	30,649	16,459	8,347	4,317	2,521	10,171	5,742	19,844
Minor Operated*	62,496	24,285	11,685	8,000	1,686	588	23,646	21,463	21,901
Rental & Other Income	45,016	64,055	19,738	14,359	14,108	8,345	20,886	12,700	28,581
Total	1,500,500	1,157,274	752,156	480,900	272,949	188,846	600,460	324,388	784,949
DEPARTMENTAL EXPENSES									
Rooms	165,215	90,546	71,006	52,109	43,610	38,129	72,341	37,691	82,462
Food & Beverage	343,301	212,524	186,025	138,796	76,333	43,623	152,516	102,570	185,236
Telephone & Other	15,904	12,322	10,023	6,734	5,883	3,688	17,836	6,459	9,921
Minor Operated*	23,936	11,568	7,455	9,209	3,369	3,419	16,818	3,764	11,547
Rental & Other Income	1,073	3,425	2,631	1,386	1,218	3,088	2,687	13,720	2,097
Total	549,429	330,385	277,139	208,235	130,412	91,946	262,197	164,204	293,662
DEPARTMENTAL INCOME									
	951,071	826,889	475,017	272,665	142,537	96,900	338,263	160,184	491,286
OPERATING EXPENSES									
Administrative & General	113,265	109,067	67,951	40,702	24,272	15,193	72,994	28,035	66,328
Management Fee	41,594	38,177	10,673	6,822	2,505	2,503	6,088	2,007	18,302
Marketing	54,735	41,779	19,952	11,237	5,162	3,858	26,696	2,711	24,980
Franchise Fees	11,953	3,785	3,766	1,500	242	1,259	3,513	44	4,145
Property Operations & Maintenance	106,583	66,329	53,500	36,177	19,695	14,774	51,611	18,183	54,321
Energy	176,479	118,376	109,981	67,052	37,700	21,958	81,630	43,605	96,439
Total	504,609	377,513	265,823	163,489	89,576	59,545	242,532	94,585	262,117
HOUSE PROFIT									
	446,461	449,376	209,194	109,176	52,962	37,355	95,731	65,600	229,169
FIXED EXPENSES									
Property Taxes	18,566	14,846	7,386	4,142	3,754	1,678	2,039	4,348	8,919
Insurance	16,777	7,611	3,625	2,320	899	694	6,273	1,145	6,131
Other Fixed Expenses	14,838	7,848	15,814	4,027	4,431	5,648	19,293	5,348	8,740
Rent	29,005	3,206	18,647	3,038	1,914	1,143	7,299	815	10,115
Total	79,186	33,511	45,472	13,526	10,998	9,163	34,903	11,657	33,905
NET INCOME**									
	Rs367,275	Rs415,866	Rs163,721	Rs95,650	Rs41,963	Rs28,192	Rs60,828	Rs53,943	Rs195,264

* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

** Net Income is before depreciation, interest payments and taxes

TABLE 1-4: Indian Hotel Industry by Star Category – Financial Report – Amount Per Occupied Room

COMPOSITION	2002-2003								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	
Number of responses:	29	33	30	148	97	43	23	14	417
Average Total Rooms Per Hotel:	203	121	98	56	40	28	33	41	66
Average Occupied Rooms Per Hotel:	42,333	25,329	19,364	10,701	7,832	6,079	4,672	8,436	13,129
Average Occupancy Per Hotel:	59.7%	56.8%	55.4%	52.7%	56.5%	61.9%	36.9%	56.6%	54.8%
Average Rate Per Hotel:	Rs3,820	Rs2,723	Rs1,969	Rs1,166	Rs775	Rs537	Rs1,930	Rs671	Rs2,004
REVENUE									
Rooms	Rs3,820	Rs2,723	Rs1,969	Rs1,166	Rs775	Rs537	Rs1,930	Rs671	Rs2,004
Food & Beverage	2,157	1,638	1,176	890	479	260	1,593	467	1,236
Banquet & Conferences	463	595	430	316	52	20	302	245	351
Telephone & Other	224	146	84	44	22	12	71	28	100
Minor Operated*	299	116	59	42	9	3	166	104	110
Rental & Other Income	215	306	100	76	73	38	146	62	144
Total	7,178	5,524	3,818	2,534	1,410	869	4,208	1,577	3,945
DEPARTMENTAL EXPENSES									
Rooms	790	432	360	275	225	175	507	183	414
Food & Beverage	1,642	1,015	944	731	394	201	1,069	499	931
Telephone & Other	76	59	51	35	30	17	125	31	50
Minor Operated*	115	55	38	49	17	16	118	18	58
Rental & Other Income	5	16	13	7	6	14	19	67	11
Total	2,628	1,577	1,407	1,097	674	423	1,837	798	1,476
DEPARTMENTAL INCOME	4,549	3,947	2,411	1,436	736	446	2,370	779	2,469
OPERATING EXPENSES									
Administrative & General	542	521	345	214	125	70	512	136	333
Management Fee	199	182	54	36	13	12	43	10	92
Marketing	262	199	101	59	27	18	187	13	126
Franchise Fees	57	18	19	8	1	6	25	0	21
Property Operations & Maintenance	510	317	272	191	102	68	362	88	273
Energy	844	565	558	353	195	101	572	212	485
Total	2,414	1,802	1,349	861	463	274	1,700	460	1,317
HOUSE PROFIT	2,136	2,145	1,062	575	274	172	671	319	1,152
FIXED EXPENSES									
Property Taxes	89	71	37	22	19	8	14	21	45
Insurance	80	36	18	12	5	3	44	6	31
Other Fixed Expenses	71	37	80	21	23	26	135	26	44
Rent	139	15	95	16	10	5	51	4	51
Total	379	160	231	71	57	42	245	57	170
NET INCOME**	Rs1,757	Rs1,985	Rs831	Rs504	Rs217	Rs130	Rs426	Rs262	Rs981

* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

** Net Income is before depreciation, interest payments and taxes

TABLE 1-5: Indian Hotel Industry by Star Category – Market Data

Market Segmentation

COMPOSITION	2002-2003								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
Number of responses:	26	32	47	232	144	53	26	63	623
Airline Crew	5.2%	3.0%	3.5%	0.6%	0.5%	0.1%	0.8%	0.1%	1.0%
Business Traveller - Domestic	25.2	32.7	30.9	40.6	42.3	44.8	8.6	35.4	37.7
Business Traveller - Foreign	21.7	15.2	9.5	6.4	6.4	6.4	6.8	2.9	7.4
Complimentary Rooms	2.4	1.3	2.5	2.1	2.1	1.7	4.5	2.2	2.2
Domestic - Tourists/Leisure FIT	8.0	12.1	15.8	19.5	22.6	22.8	21.4	29.0	20.4
Foreign - Tourists/Leisure FIT	11.8	6.7	10.1	7.3	7.1	8.3	22.2	7.3	8.3
Meeting Participants (Less than 100 Attendees)	4.8	6.8	4.1	4.7	3.0	3.0	3.2	2.9	4.0
Meeting Participants (Over 100 Attendees)	7.2	6.0	6.4	4.7	3.1	3.4	3.7	4.4	4.4
Tour Groups - Domestic	2.3	2.1	6.8	6.9	7.4	5.1	6.4	8.4	6.6
Tour Groups - Foreign	6.6	9.1	6.0	4.9	3.2	2.5	18.9	3.8	5.1
Other	4.6	5.0	4.6	2.3	2.3	1.8	3.5	3.6	2.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Guest Analysis

COMPOSITION	2002-2003								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
Number of responses:	30	39	49	265	169	57	31	80	720
Domestic Guests	51.3%	66.8%	69.8%	80.6%	79.2%	82.4%	49.5%	86.0%	76.9%
Foreign Guests	48.7	33.2	30.2	19.4	20.8	17.6	50.5	14.0	23.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total Business Guests	65.4%	62.2%	61.0%	54.6%	59.5%	63.1%	39.2%	54.9%	57.7%
Total Leisure Guests	34.6	37.8	39.0	45.3	40.5	36.9	60.8	45.1	42.3
Total	100.0	100.0	100.0	99.9	100.0	100.0	100.0	100.0	100.0
Avg. Stay of Domestic Guests (Days)	2.2	1.9	2.2	3.0	2.5	2.7	2.3	2.9	2.6
Avg. Stay of Foreign Guests (Days)	3.6	2.7	3.5	3.3	3.1	3.5	2.9	3.0	3.2
Avg. Stay of Business Guests (Days)	2.0	1.9	1.5	2.3	2.2	2.5	1.7	1.7	2.1
Avg. Stay of Leisure Guests (Days)	2.2	1.7	2.0	2.0	2.1	1.8	2.0	1.6	2.0
Percentage of Repeat Guests	35.3%	41.9%	46.9%	50.4%	50.3%	53.5%	28.6%	45.3%	48.2%

Country of Origin of Guests

COMPOSITION	2002-2003								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
Number of responses:	25	32	42	175	106	36	27	28	471
ASEAN*	7.7%	6.2%	6.9%	7.8%	6.2%	4.5%	2.4%	4.5%	6.5%
Australia	2.4	4.4	2.6	3.0	3.2	4.1	4.9	4.5	3.4
Canada	2.5	2.0	4.6	3.1	3.2	3.0	4.4	2.7	3.2
Caribbean	0.1	0.2	0.3	0.4	0.7	0.1	0.2	0.1	0.4
China	1.3	1.5	1.9	1.7	1.4	1.5	1.1	0.5	1.5
France	5.7	5.3	7.2	6.9	4.8	4.3	13.6	4.5	6.3
Germany	6.6	7.3	8.7	8.7	6.2	9.8	12.5	7.3	8.1
Japan	6.9	8.7	7.7	5.6	3.6	3.5	3.6	5.2	5.3
Middle East	4.4	6.0	3.3	3.2	8.6	6.1	1.3	7.6	5.1
Other European	7.8	8.5	9.2	9.3	8.7	10.3	9.0	6.7	8.9
Russia	6.1	1.7	6.5	3.4	2.0	1.2	1.3	3.0	3.1
SAARC**	5.5	3.6	6.9	10.6	13.2	15.7	1.4	11.5	10.1
South Africa	1.7	1.4	1.3	2.3	2.2	1.5	1.6	1.5	2.0
UK	16.2	19.6	14.5	14.7	16.6	13.0	24.0	21.0	16.3
USA	14.0	12.7	11.5	13.8	12.9	14.7	10.3	16.5	13.4
Other	11.1	11.0	7.0	5.6	6.4	6.8	8.3	2.7	6.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

* ASEAN: Association of South East Asian Nations

** South Asian Association for Regional Co-operation - India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives

TABLE 1-6: Indian Hotel Industry by Star Category – Monthly & Daily Occupancy

Average Monthly Occupancy

COMPOSITION	2002-2003								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
Number of responses:	29	38	46	235	158	50	24	64	644
January	72.1%	62.6%	66.7%	59.4%	58.5%	60.1%	50.6%	56.8%	59.9%
February	75.4	64.8	64.0	58.9	57.4	59.3	50.6	54.4	59.3
March	62.2	55.7	54.3	52.6	53.8	54.7	43.4	51.3	53.3
April	56.9	54.2	52.3	55.3	55.2	55.8	37.9	55.2	54.5
May	50.5	51.6	53.9	58.5	60.3	60.6	34.2	62.7	57.5
June	41.6	43.8	47.5	53.6	57.3	59.0	34.3	59.1	53.2
July	46.3	43.3	45.6	49.3	52.8	51.1	27.9	52.0	49.0
August	53.5	51.5	49.2	51.4	52.0	51.5	35.3	52.8	51.0
September	56.6	51.3	50.3	51.7	53.6	54.4	34.5	52.4	51.9
October	62.5	54.3	53.4	57.0	58.2	60.9	49.1	56.1	57.0
November	71.6	56.3	58.3	59.9	59.7	62.6	59.9	56.6	59.9
December	68.3	61.3	62.4	64.8	64.6	66.7	58.6	64.3	64.4

Average Daily Occupancy

COMPOSITION	2002-2003								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
Number of responses:	25	28	35	183	132	41	11	56	511
Monday	63.7%	56.3%	55.1%	52.5%	55.9%	61.4%	43.7%	57.0%	55.3%
Tuesday	64.8	62.1	56.3	56.4	58.5	60.3	42.9	56.5	57.7
Wednesday	65.6	65.4	58.2	58.5	58.8	60.4	45.9	58.0	59.1
Thursday	63.7	64.8	60.1	58.3	59.2	61.2	44.7	58.4	59.2
Friday	61.4	59.7	57.1	57.6	58.6	60.5	54.2	61.2	58.7
Saturday	58.5	53.1	51.9	53.7	54.7	60.1	57.5	56.7	54.9
Sunday	59.5	49.8	48.9	46.0	50.1	53.2	52.9	48.9	49.2

TABLE 1-7: Indian Hotel Industry by Star Category – Sources of Reservations

Source of Advance Reservations

COMPOSITION	2002-2003								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
Number of responses:	29	37	50	261	158	55	27	72	689
Chain CRS (Central Reservation System)	16.4%	14.0%	5.9%	3.3%	2.0%	1.0%	14.4%	0.9%	4.3%
Direct Enquiry/ Hotel Representative	43.0	44.2	48.9	59.6	58.2	69.7	32.3	63.0	57.0
Global Distribution System (GDS)	4.8	1.5	1.5	1.0	0.8	0.7	7.2	0.9	1.4
Hotel/Chain Web Site	5.7	3.4	4.0	5.3	5.1	1.4	7.2	3.2	4.6
Travel Agent & Tour Operator	16.4	19.1	23.5	18.7	20.3	14.8	28.2	18.4	19.3
Other online reservation systems	6.6	3.7	3.5	2.1	1.5	0.1	1.7	2.1	2.2
Other websites	1.4	1.2	1.5	1.9	1.7	1.5	5.9	2.4	2.0
Others	5.7	13.1	11.2	8.2	10.4	11.0	3.2	9.1	9.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 1-8: Indian Hotel Industry by Star Category – Marketing Media**Marketing Media - Percentage of Hotels Using Each Media**

COMPOSITION	2002-2003								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
Number of responses:	30	38	50	263	163	51	28	76	699
Direct Mail	93.3%	100.0%	92.0%	80.2%	72.4%	62.8%	96.4%	67.1%	78.8%
Hotel web site	100.0	94.7	90.0	70.7	57.7	31.4	82.1	44.7	66.4
Loyalty card program	93.3	81.6	46.0	25.9	13.5	13.7	32.1	9.2	27.9
Merchandising	33.3	36.8	20.0	19.8	9.2	15.7	32.1	6.6	17.6
Other Internet site	80.0	55.3	52.0	46.0	47.9	25.5	75.0	31.6	46.9
Outdoor Advertising	53.3	76.3	66.0	70.0	54.0	62.8	78.6	39.5	62.1
Print Advertising	100.0	100.0	94.0	89.7	91.4	76.5	96.4	85.5	90.3
Promotions	93.3	100.0	80.0	63.5	57.1	43.1	92.9	34.2	63.0
Radio Advertising	20.0	21.1	18.0	6.1	4.3	3.9	10.7	2.6	7.6
Telemarketing	70.0	79.0	62.0	42.6	27.6	25.5	42.9	34.2	41.5
TV Advertising	40.0	60.5	20.0	24.7	25.8	15.7	32.1	19.7	26.3

TABLE 1-9: Indian Hotel Industry by Star Category – Payment Methods**Payment Methods Used**

COMPOSITION	2002-2003								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
Number of responses:	29	35	48	266	167	56	28	72	701
Cash Sales	16.0%	24.6%	28.9%	45.4%	59.3%	67.9%	34.6%	66.0%	48.8%
Credit Card Sales	42.1	34.7	32.5	30.1	25.7	19.3	24.8	18.9	27.7
Credit Sales (Other than Cards)	40.0	38.9	36.3	23.4	14.3	12.7	40.2	14.5	22.5
Electronic Fund Transfer	1.9	1.8	2.3	1.1	0.7	0.1	0.5	0.6	1.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Credit Cards Used

COMPOSITION	2002-2003								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
Number of responses:	29	38	46	234	139	38	24	46	594
American Express	26.4%	22.5%	19.2%	11.2%	9.2%	5.8%	13.9%	7.6%	12.3%
Diners Club	8.9	8.3	8.2	6.5	4.6	6.0	5.1	6.1	6.3
Mastercard/Eurocard	28.8	30.8	32.0	38.0	38.9	40.9	29.6	39.4	36.8
Visa	35.2	36.5	37.7	39.5	42.9	43.2	46.0	42.4	40.5
Other	0.6	1.9	3.0	4.9	4.5	4.1	5.5	4.5	4.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Average Credit Card Commission

COMPOSITION	2002-2003								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
Number of responses:	28	37	42	217	130	36	28	40	558
American Express	3.3%	3.4%	3.5%	3.0%	2.5%	1.9%	3.4%	2.5%	2.9%
Diners Club	2.4	2.6	2.0	1.8	1.3	1.0	1.5	1.1	1.7
Mastercard/Eurocard	1.7	1.8	2.0	2.2	2.9	2.5	2.0	2.3	2.3
Visa	1.7	1.9	2.0	2.2	2.8	2.3	2.0	2.3	2.3

TABLE 1-10: Indian Hotel Industry by Star Category – Technology & Environmental Issues

Technology in Hotels - Percentage of Hotels Using Each Technology

COMPOSITION	Five-Star								2002-2003
	Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	All India Average
Number of responses:	30	37	50	246	139	45	25	59	631
Accounting System	100.0%	97.3%	92.0%	89.4%	92.1%	95.6%	96.0%	89.8%	91.9%
Call Accounting System	73.3	75.7	68.0	52.4	48.2	40.0	44.0	27.1	51.5
Central Reservation System (CRS)	60.0	56.8	40.0	19.5	12.2	13.3	56.0	5.1	23.3
Electronic Keycard	70.0	56.8	24.0	16.7	10.8	6.7	16.0	3.4	18.9
Energy Management System	50.0	32.4	36.0	13.8	7.2	8.9	16.0	5.1	15.9
Internet/E-Mail	93.3	97.3	96.0	85.8	69.1	73.3	100.0	64.4	81.6
Internet/Website	96.7	89.2	90.0	73.6	54.0	42.2	88.0	47.5	68.5
Intranet System	46.7	59.5	44.0	25.6	18.0	22.2	56.0	6.8	27.6
Local Area Network (LAN)	90.0	97.3	80.0	58.1	39.6	22.2	56.0	20.3	53.4
Management Information System (MIS)	76.7	78.4	74.0	49.2	35.3	22.2	48.0	25.4	46.9
Point of Sale System for Food and Beverage	90.0	94.6	80.0	60.6	44.6	22.2	52.0	22.0	55.3
Property Management System	76.7	73.0	64.0	39.0	20.9	4.4	44.0	8.5	35.7
Yield Management System	23.3	32.4	26.0	15.9	6.5	4.4	16.0	5.1	14.1
Other	30.0	24.3	8.0	6.9	6.5	8.9	8.0	0.0	8.6

Environmental Issues - Percentage of Hotels Monitoring Quantitative Performance

COMPOSITION	Five-Star								2002-2003
	Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	All India Average
Number of responses:	26	37	47	232	138	43	21	57	601
Air (External Emissions)	84.6%	62.2%	46.8%	40.5%	26.1%	16.3%	38.1%	15.8%	36.8%
Air (Indoor Air Quality)	80.8	62.2	46.8	44.8	29.0	25.6	33.3	21.1	39.9
Community Interaction	73.1	70.3	48.9	34.1	20.3	18.6	38.1	21.1	33.8
Energy Consumption (Electricity)	100.0	94.6	97.9	96.6	92.8	97.7	85.7	94.7	95.3
Energy Consumption (Gas)	96.2	91.9	91.5	88.8	80.4	76.7	76.2	70.2	84.5
Energy Consumption (Oil)	100.0	83.8	89.4	77.2	65.2	58.1	57.1	57.9	72.9
Fresh Water Quality	100.0	94.6	85.1	75.4	67.4	53.5	71.4	50.9	72.6
Noise (External)	57.7	64.9	48.9	39.2	30.4	23.3	47.6	17.5	37.4
Noise (In House)	61.5	70.3	53.2	48.3	37.0	34.9	52.4	24.6	44.9
Solid Waste Disposal	57.7	48.7	51.1	37.1	26.1	18.6	33.3	21.1	34.3
Solid Waste Production (Quality)	73.1	51.4	46.8	22.8	10.9	4.7	33.3	3.5	23.1
Solid Waste Production (Segregation)	84.6	64.9	53.2	31.9	19.6	9.3	52.4	10.5	32.1
Solid Waste Production (Volume)	69.2	62.2	57.5	34.5	24.6	14.0	42.9	12.3	33.9
Staff Training in Environmental Issues	80.8	67.6	61.7	48.7	29.7	23.3	57.1	28.1	44.4
Use of Chemicals (House Keeping)	92.3	81.1	72.3	76.7	69.6	46.5	76.2	59.7	71.9
Use of Chemicals (Maintenance)	88.5	83.8	70.2	66.0	55.8	39.5	71.4	50.9	62.9
Use of Pesticides and Herbicides (Dry Rations)	53.9	43.2	36.2	30.2	19.6	18.6	38.1	19.3	28.5
Use of Pesticides and Herbicides (Green Groceries)	61.5	40.5	31.9	33.2	18.8	18.6	38.1	24.6	29.8
Use of Pesticides and Herbicides (Horticulture / Gardens)	88.5	73.0	55.3	53.5	39.9	34.9	66.7	26.3	49.8
Use of Pesticides and Herbicides (Inside Building)	84.6	70.3	66.0	60.8	46.4	34.9	71.4	43.9	56.4
Use of Pesticides and Herbicides (Pest Control)	100.0	83.8	83.0	81.5	69.6	53.5	85.7	61.4	76.0
Use of Pesticides and Herbicides (Public Area)	84.6	73.0	61.7	63.4	50.0	30.2	66.7	42.1	57.4
Waste Water Quality	88.5	78.4	66.0	36.2	23.2	9.3	47.6	12.3	36.6
Waste Water Volume	92.3	73.0	61.7	43.1	30.4	20.9	61.9	24.6	42.9
Water Consumption	96.2	89.2	91.5	87.5	73.2	81.4	90.5	68.4	82.9

2. Indian Hotel Industry – Hotel Size & Chain Affiliated vs. Independent

In this section, we have analysed the hotels according to their number of rooms and have also shown a comparison between Chain Affiliated hotels and Independent hotels. The hotels have been classified into three categories: those with less than 50 rooms, those with between 50 and 150 rooms, and those with over 150 rooms.

- **Table 2-1:** presents a typical facilities analysis including rooms configuration, F&B outlets, and a breakdown of trained and total employees;
- **Table 2-2:** presents financial information of chain affiliated hotels vs. independent hotels;
- **Table 2-3:** presents financial information of hotels according to hotel size;
- **Table 2-4:** presents market data including market segmentation, guest analysis and the country of origin of guests;
- **Table 2-5:** presents a monthly and daily occupancy analysis;
- **Table 2-6:** presents the sources of reservations;
- **Table 2-7:** presents the marketing media most widely used by hotels;
- **Table 2-8:** presents an analysis of payment methods and the use of credit cards;
- **Table 2-9:** presents the technology used and environmental issues measured by hotels.

Section Highlights

The majority of responses in survey for 2002-03 were from smaller properties with 684 hotels in the less than 50 rooms category. This was followed by 312 hotels in the 50 to 150 rooms category and 41 hotels in the more than 150 rooms category. The numbers of responses have increased in the less than 50 rooms category from 669 responses in 2001-02 to 684 responses in 2002-03. Of the total 1,037 useable responses, 87 hotels had chain affiliations and 950 hotels were independent hotels.

Some key highlights of the survey when analyzed by room size and chain affiliation are as follows:

- Average occupancy for hotels with more than 150 rooms was 61.7%; 50 to 150 rooms was 56.0% and less than 50 rooms was 52.9%. In all three categories, average occupancy increased over the level of the previous year.
- Chain affiliated hotels, which constituted 8% of the respondents, had an occupancy of 54.5% and an average room rate of Rs 2,881. In comparison, independent hotels had an occupancy of 54.8% with an average rate Rs 1,744. The difference in average rate may be mainly due to the fact that most chain hotels are in three-star and above category hotels.
- In 2002-03, the average rate for hotels with more than 150 rooms was Rs 3,259; 50 to 150 rooms was Rs 1,742 and less than 50 rooms was Rs 939. In 2001-02, the average rate was Rs 3,724, Rs 1,740 and Rs 1,063, respectively, for the three categories. This shows that, for the more than 150 rooms category, the average rate declined in 2002-03 over the previous year's level.
- The average number of rooms per hotel in the larger properties was 237, while hotels in the 50 to 150 rooms segment had an average of 77 rooms per hotel. Hotels in the less than 50 rooms segment had an average of 30 rooms per hotel.
- Electronic fund transfer as a payment method increased in all sizes of hotels with the highest increase in the more than 150 rooms category (2.5%).
- The average number of rooms per hotel in the chain affiliated properties was 94, while hotels in the independent segment had an average of 48 rooms per hotel.
- As expected, the domestic business traveller comprised 37.9% of the independent hotel market. Foreign guests comprised 32.1% of the chain affiliated hotel market as against 22.1% of the independent hotel market.
- Large hotels enjoy economies of scale and thus are better positioned to earn higher profits. Net income on a percentage of total revenue basis was highest for hotels with more than 150 rooms at 30.7%. For hotels with 50 to 150 rooms, it was at 20.6% and for those with less than 50 rooms, it was at 13.8%.
- 75.6% of hotels with an inventory of above 150 rooms had a training department, compared to 30.1% of hotels with an inventory between 50 and 150 rooms and 11.8% of hotels with an inventory of below 50 rooms.
- Hotels with an inventory of above 150 rooms registered a higher percentage of foreign travellers (45.2%) than hotels with an inventory between 50 and 150 rooms (23.4%) and hotels with an inventory below 50 rooms (21.0%).
- 7.1% of chain affiliated hotels had used online reservation system as a source of reservations as compared to 1.6% for independent hotels.

TABLE 2-1: Indian Hotel Industry – Hotel Size & Chain Affiliation: Facilities Analysis and Staffing

Typical Room Profile of an Average Hotel

COMPOSITION		Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
Number of responses:		684	312	41	87	950
Air-Conditioned	Single	1.7	5.6	72.2	17.9	4.6
	Double	15.1	48.7	136.8	61.6	27.1
	Suites	2.6	5.4	18.0	7.0	3.8
Non-Air-Conditioned	Single	1.3	3.0	3.6	0.9	2.0
	Double	8.2	13.0	7.0	6.1	9.9
	Suites	0.9	1.4	0.0	0.5	1.0
Total Average Rooms		29.8	77.0	237.5	94.0	48.4

Average Number of Food & Beverage Outlets Per Hotel

COMPOSITION		Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
Number of responses:		549	285	41	83	792
Restaurant		1.3	1.7	3.2	2.1	1.5
Bar		0.6	0.8	1.5	1.0	0.7
Others		0.5	0.8	0.8	0.8	0.6
Total		2.4	3.3	5.5	3.9	2.7

Average Number of Total Employees Per Hotel (Permanent / Contract / Full Time / Part Time)

COMPOSITION		Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
Number of responses:		639	280	37	83	873
Managers	Male	2.3	8.4	30.6	15.2	4.2
	Female	0.3	1.3	9.5	3.3	0.7
Supervisors	Male	3.6	12.1	62.0	21.4	7.1
	Female	0.4	1.7	13.9	4.1	1.1
Staff	Male	27.7	81.8	266.7	117.7	46.6
	Female	1.7	6.3	26.5	8.8	3.6
Total		36.0	111.5	384.8	170.6	63.2
Average Number of Employees Per Room		1.2	1.5	1.6	1.8	1.3

Average Number of Trained Employees Per Hotel

COMPOSITION		Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
Number of responses:		333	175	25	59	474
Managers		82.1%	86.4%	84.6%	89.1%	82.9%
Supervisors		72.8	75.2	76.5	78.0	73.2
Staff		50.3	56.5	68.5	55.7	52.9
Total Average Trained Employees		68.4	72.7	76.6	74.3	69.7
Total Average Un-Trained Employees		31.6	27.3	23.4	25.7	30.3
Hotels with Training Department		11.8%	30.1%	75.6%	49.4%	17.2%

* Trained employees includes those with a minimum one year certificate course in an educational institute and may include those with short term (in-house) training.

TABLE 2-2: Indian Hotel Industry – Chain Affiliated vs. Independent: Financial Report (2002-2003)

	Chain Affiliated			Independent			All India Average 2002-2003		
Number of responses:	57			360			417		
Average Total Rooms Per Hotel:	109			59			66		
Average Occupied Rooms Per Hotel:	21,962			11,731			13,129		
Average Occupancy Per Hotel:	54.5%			54.8%			54.8%		
Average Rate Per Hotel:	Rs2,881			Rs1,744			Rs2,004		
COMPOSITION	Percentage of Revenue	Amount Per Available Room	Amount Per Occupied Room	Percentage of Revenue	Amount Per Available Room	Amount Per Occupied Room	Percentage of Revenue	Amount Per Available Room	Amount Per Occupied Room
REVENUE									
Rooms	49.8%	Rs578,340	Rs2,881	51.3%	Rs346,186	Rs1,744	50.8%	Rs398,802	Rs2,004
Food & Beverage	31.1	361,255	1,800	31.5	212,183	1,069	31.3	245,970	1,236
Banquet & Conferences	9.3	108,520	541	8.7	58,516	295	8.9	69,850	351
Telephone & Other	2.8	32,318	161	2.4	16,188	82	2.5	19,844	100
Minor Operated*	3.4	39,932	199	2.5	16,616	84	2.8	21,901	110
Rental & Other Income	3.6	41,989	209	3.7	24,652	124	3.6	28,581	144
Total	100.0	1,162,350	5,791	100.0	674,341	3,397	100.0	784,949	3,945
DEPARTMENTAL EXPENSES									
Rooms	19.4	111,894	557	21.3	73,838	372	20.7	82,462	414
Food & Beverage	59.6	279,740	1,394	58.2	157,539	794	58.7	185,236	931
Telephone & Other	38.8	12,534	62	56.6	9,156	46	50.0	9,921	50
Minor Operated*	66.8	26,677	133	61.5	10,214	51	52.7	11,547	58
Rental & Other Income	0.7	305	2	10.6	2,622	13	7.3	2,097	11
Total	37.1	431,151	2,148	37.6	253,369	1,276	37.4	293,662	1,476
DEPARTMENTAL INCOME	62.9	731,202	3,643	62.4	420,973	2,121	62.6	491,286	2,469
OPERATING EXPENSES									
Administrative & General	9.1	105,349	525	7.7	51,790	261	8.5	66,328	333
Management Fee	2.6	30,071	150	2.2	14,853	75	2.3	18,302	92
Marketing	3.8	44,112	220	2.9	19,372	98	3.2	24,980	126
Franchise Fees	0.5	5,872	29	0.5	3,639	18	0.5	4,145	21
Property Operations & Maintenance	7.1	82,606	412	6.8	46,031	232	6.9	54,321	273
Energy	12.6	146,767	731	12.1	81,689	412	12.3	96,439	485
Total	35.7	414,777	2,067	32.2	217,375	1,095	33.4	262,117	1,317
HOUSE PROFIT	27.2	316,426	1,577	30.2	203,598	1,026	29.2	229,169	1,152
FIXED EXPENSES									
Property Taxes	1.3	14,494	72	1.1	7,285	37	1.1	8,919	45
Insurance	0.8	9,560	48	0.8	5,126	26	0.8	6,131	31
Other Fixed Expenses	0.3	3,889	19	1.5	10,163	51	1.1	8,740	44
Rent	2.3	27,026	135	0.8	5,159	26	1.3	10,115	51
Total	4.7	54,970	274	4.1	27,731	140	4.3	33,905	170
NET INCOME**	22.5%	Rs261,456	Rs1,303	26.1%	Rs175,867	Rs886	24.9%	Rs195,264	Rs981

* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

** Net Income is before depreciation, interest payments and taxes

TABLE 2-3: Indian Hotel Industry – Hotel Size: Financial Report (2002-2003)

COMPOSITION	2002-2003				2002-2003				2002-2003			
	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	All India Average	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	All India Average	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	All India Average
Number of responses:	223	162	32	417	223	162	32	417	223	162	32	417
Average Total Rooms Per Hotel:	31	82	234	66	31	82	234	66	31	82	234	66
Average Occupied Rooms Per Hotel:	5,580	16,217	50,109	13,129	5,580	16,217	50,109	13,129	5,580	16,217	50,109	13,129
Average Occupancy Per Hotel:	52.9%	56.0%	61.7%	54.8%	52.9%	56.0%	61.7%	54.8%	52.9%	56.0%	61.7%	54.8%
Average Rate Per Hotel:	Rs939	Rs1,742	Rs3,259	Rs2,004	Rs939	Rs1,742	Rs3,259	Rs2,004	Rs939	Rs1,742	Rs3,259	Rs2,004
	Percentage of Revenue				Amount Per Available Room				Amount Per Occupied Room			
REVENUE												
Rooms	50.5%	51.2%	50.5%	50.8%	Rs170,712	Rs345,910	Rs696,911	Rs398,802	Rs939	Rs1,742	Rs3,259	Rs2,004
Food & Beverage	37.7	31.4	29.9	31.3	127,635	211,699	412,342	245,970	702	1,066	1,929	1,236
Banquet & Conferences	5.4	10.1	8.7	8.9	18,227	67,871	119,867	69,850	100	342	561	351
Telephone & Other	1.4	2.1	3.2	2.5	4,682	13,826	44,134	19,844	26	70	206	100
Minor Operated*	1.0	2.5	3.4	2.8	3,249	17,060	47,281	21,901	18	86	221	110
Rental & Other Income	4.0	2.8	4.3	3.6	13,656	18,752	59,303	28,581	75	94	277	144
Total	100.0	100.0	100.0	100.0	338,160	675,117	1,379,840	784,949	1,861	3,400	6,454	3,945
DEPARTMENTAL EXPENSES												
Rooms	29.0	20.0	19.4	20.7	49,461	69,222	135,239	82,462	272	349	633	414
Food & Beverage	67.2	59.5	55.7	58.7	97,940	166,445	296,484	185,236	539	838	1,387	931
Telephone & Other	141.2	62.7	34.2	50.0	6,609	8,662	15,082	9,921	36	44	71	50
Minor Operated*	174.1	94.2	37.4	52.7	5,656	16,061	17,662	11,547	31	81	83	58
Rental & Other Income	16.8	13.7	1.8	7.3	2,289	2,563	1,080	2,097	13	13	5	11
Total	47.9	38.9	33.7	37.4	161,954	262,954	465,547	293,662	891	1,324	2,177	1,476
DEPARTMENTAL INCOME	52.1	61.1	66.3	62.6	176,206	412,164	914,292	491,286	970	2,076	4,276	2,469
OPERATING EXPENSES												
Administrative & General	9.7	9.0	7.1	8.5	32,798	60,817	97,290	66,328	180	306	455	333
Management Fee	1.4	2.0	3.1	2.3	4,045	13,250	40,074	18,302	22	67	187	92
Marketing	2.5	3.4	3.2	3.2	8,273	22,632	44,159	24,980	46	114	207	126
Franchise Fees	0.3	0.3	0.7	0.5	1,119	2,244	10,227	4,145	6	11	48	21
Property Operations & Maintenance	6.9	7.2	6.7	6.9	23,285	48,855	91,829	54,321	128	246	429	273
Energy	13.6	13.9	10.6	12.3	45,936	93,578	146,760	96,439	253	471	686	485
Total	34.3	35.8	31.4	33.4	115,456	241,377	430,338	262,117	635	1,216	2,013	1,317
HOUSE PROFIT	17.8	25.2	34.9	29.2	60,750	170,786	483,953	229,169	334	860	2,263	1,152
FIXED EXPENSES												
Property Taxes	1.0	0.9	1.4	1.1	3,350	5,917	19,221	8,919	18	30	90	45
Insurance	0.5	0.7	0.9	0.8	1,813	4,654	12,624	6,131	10	23	59	31
Other Fixed Expenses	1.7	1.7	0.5	1.1	5,636	11,619	6,419	8,740	31	59	30	44
Rent	0.8	1.3	1.4	1.3	2,767	8,822	19,019	10,115	15	44	89	51
Total	4.0	4.6	4.2	4.3	13,566	31,013	57,284	33,905	75	156	268	170
NET INCOME**	13.8%	20.6%	30.7%	24.9%	Rs47,185	Rs139,774	Rs426,670	Rs195,264	Rs260	Rs704	Rs1,996	Rs981

* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

** Net Income is before depreciation, interest payments and taxes

TABLE 2-4: Indian Hotel Industry – Hotel Size & Chain Affiliation: Market Data

Market Segmentation

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain	
				Affiliated	Independent
Number of responses:	380	214	29	62	561
Airline Crew	0.4%	1.2%	8.3%	2.6%	0.8%
Business Traveller - Domestic	37.1	39.9	30.6	35.8	37.9
Business Traveller - Foreign	6.0	8.2	19.4	12.6	6.8
Complimentary Rooms	2.3	2.0	1.6	1.9	2.2
Domestic - Tourists/Leisure FIT	23.4	16.9	6.6	16.7	20.8
Foreign - Tourists/Leisure FIT	8.8	7.6	7.1	8.0	8.4
Meeting Participants (Less than 100 Attendees)	3.6	4.4	6.4	3.0	4.1
Meeting Participants (Over 100 Attendees)	4.3	4.5	6.2	4.7	4.4
Tour Groups - Domestic	7.1	6.0	3.4	3.7	6.9
Tour Groups - Foreign	4.8	5.6	6.4	8.1	4.8
Other	2.3	3.7	3.8	2.8	2.9
Total	100.0	100.0	100.0	100.0	100.0

Guest Analysis

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain	
				Affiliated	Independent
Number of responses:	441	244	35	71	649
Domestic Guests	78.8%	76.5%	54.7%	67.9%	77.9%
Foreign Guests	21.2	23.5	45.3	32.1	22.1
Total	100.0	100.0	100.0	100.0	100.0
Total Business Guests	54.5%	59.7%	71.8%	61.3%	57.1%
Total Leisure Guests	45.5	40.3	28.2	38.7	42.9
Total	100.0	100.0	100.0	100.0	100.0
Avg. Stay of Domestic Guests (Days)	3.0	3.3	4.0	2.3	2.7
Avg. Stay of Foreign Guests (Days)	2.7	2.6	2.1	3.0	3.2
Avg. Stay of Business Guests (Days)	2.2	2.0	2.0	2.1	2.6
Avg. Stay of Leisure Guests (Days)	1.9	2.0	1.9	2.0	2.4
Percentage of Repeat Guests	47.6%	49.7%	46.5%	42.8%	48.8%

Country of Origin of Guests

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain	
				Affiliated	Independent
Number of responses:	266	177	28	54	417
ASEAN*	5.8%	7.2%	7.7%	7.2%	6.4%
Australia	3.4	3.4	2.7	3.6	3.3
Canada	3.7	2.5	2.1	1.9	3.4
Caribbean	0.4	0.4	0.2	0.2	0.4
China	1.4	1.6	1.4	1.7	1.5
France	6.2	6.9	4.0	7.0	6.3
Germany	8.3	8.2	6.0	8.9	8.0
Japan	4.2	6.7	7.0	8.6	4.9
Middle East	5.7	3.8	6.7	2.3	5.4
Other European	9.9	7.6	7.8	8.2	9.0
Russia	2.3	4.3	2.2	6.4	2.6
SAARC**	10.4	10.2	5.8	5.0	10.7
South Africa	2.0	2.1	1.1	1.2	2.1
UK	16.8	15.1	19.9	15.1	16.5
USA	13.5	13.2	13.4	13.4	13.4
Other	6.0	6.7	12.0	9.3	6.3
Total	100.0	100.0	100.0	100.0	100.0

* ASEAN: Association of South East Asian Nations

** South Asian Association for Regional Co-operation - India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives

TABLE 2-5: Indian Hotel Industry – Hotel Size & Chain Affiliation: Monthly & Daily Occupancy

Average Monthly Occupancy					
COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
Number of responses:	380	228	36	70	574
January	57.0%	63.4%	68.5%	67.3%	59.0%
February	55.9	63.1	70.8	67.9	58.2
March	51.8	54.7	60.8	57.2	52.8
April	53.1	56.2	57.5	55.1	54.4
May	58.4	56.9	51.9	53.8	58.0
June	54.8	52.2	42.5	48.7	53.8
July	48.7	50.2	44.7	47.4	49.2
August	49.9	53.0	50.3	51.7	51.0
September	50.5	54.1	53.7	53.4	51.7
October	56.0	58.6	58.4	56.7	57.1
November	58.6	61.5	64.3	61.7	59.7
December	63.2	66.2	64.9	66.2	64.2
Average Daily Occupancy					
COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
Number of responses:	294	185	32	54	457
Monday	53.9%	57.2%	58.1%	58.3%	55.0%
Tuesday	55.8	60.1	61.6	62.4	57.1
Wednesday	56.9	61.7	63.7	64.2	58.5
Thursday	57.3	61.4	64.0	63.7	58.7
Friday	57.9	59.6	60.7	61.9	58.3
Saturday	54.7	55.2	56.3	55.6	54.9
Sunday	48.3	49.5	55.7	52.2	48.8

TABLE 2-6: Indian Hotel Industry – Hotel Size & Chain Affiliation: Sources of Reservation

Source of Advance Reservations					
COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
Number of responses:	415	240	34	73	616
Chain CRS (Central Reservation System)	3.0%	5.9%	8.7%	10.7%	3.5%
Direct Enquiry/ Hotel Representative	59.1	54.4	50.8	48.0	58.1
Global Distribution System (GDS)	1.4	1.1	3.9	2.3	1.3
Hotel/Chain Web Site	4.9	4.3	4.0	5.9	4.5
Travel Agent & Tour Operator	18.7	21.0	15.1	17.9	19.5
Other Online Reservation Systems	1.5	3.1	3.2	7.1	1.6
Other Websites	2.2	1.5	1.8	1.1	2.1
Others	9.2	8.7	12.6	7.0	9.5
Total	100.0	100.0	100.0	100.0	100.0

TABLE 2-7: Indian Hotel Industry – Hotel Size & Chain Affiliation: Marketing Media**Marketing Media - Percentage of Hotels Using Each Media**

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
Number of responses:	426	236	37	73	626
Direct Mail	74.7%	84.3%	91.9%	94.5%	77.0%
Hotel Website	58.9	75.9	91.9	87.7	63.9
Loyalty Card Program	18.5	37.3	75.7	65.8	23.5
Merchandising	15.3	19.9	29.7	31.5	16.0
Other Internet Site	44.1	48.3	70.3	56.2	45.9
Outdoor Advertising	60.3	66.5	54.1	71.2	61.0
Print Advertising	88.7	91.5	100.0	98.6	89.3
Promotions	54.5	73.3	94.6	93.2	59.4
Radio Advertising	5.2	9.3	24.3	17.8	6.4
Telemarketing	35.7	49.2	59.5	56.2	39.8
TV Advertising	23.5	30.1	35.1	30.1	25.9

TABLE 2-8: Indian Hotel Industry – Hotel Size & Chain Affiliation: Payment Methods**Payment Methods Used**

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
Number of responses:	429	237	35	72	629
Cash Sales	56.0%	40.3%	18.8%	31.1%	50.8%
Credit Card Sales	25.1	30.2	43.6	32.8	27.2
Credit Sales (Other than Cards)	18.1	28.5	35.1	35.0	21.0
Electronic Fund Transfer	0.9	1.0	2.5	1.1	1.0
Total	100.0	100.0	100.0	100.0	100.0

Credit Cards Used

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
Number of responses:	345	213	36	69	525
American Express	9.3%	15.1%	24.7%	18.9%	11.4%
Diners Club	5.6	7.3	7.2	8.1	6.1
Mastercard/Eurocard	38.4	35.5	28.8	31.6	37.5
Visa	42.5	38.0	35.4	37.8	40.8
Other	4.3	4.1	3.9	3.7	4.3
Total	100.0	100.0	100.0	100.0	100.0

Average Credit Card Commission

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
Number of responses:	323	201	34	64	494
American Express	2.6%	3.2%	3.3%	3.1%	2.9%
Diners Club	1.4	2.0	2.3	2.2	1.6
Mastercard/Eurocard	2.5	2.1	1.8	1.9	2.4
Visa	2.5	2.0	1.8	1.9	2.3

TABLE 2-9: Indian Hotel Industry – Hotel Size & Chain Affiliation: Technology & Environmental Issues

Technology in Hotels - Percentage of Hotels Using Each Technology

Room Size	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
Number of responses:	372	224	35	74	557
Accounting System	90.6%	93.3%	97.1%	91.9%	91.9%
Call Accounting System	43.6	60.7	77.1	62.2	50.1
Central Reservation System (CRS)	14.8	34.4	42.9	46.0	20.3
Electronic Keycard	10.0	25.0	74.3	37.8	16.3
Energy Management System	9.1	22.8	42.9	24.3	14.7
Internet/E-Mail	75.8	88.8	97.1	94.6	79.9
Internet/Website	59.7	79.5	91.4	90.5	65.5
Intranet System	19.9	36.6	51.4	41.9	25.7
Local Area Network (LAN)	36.6	75.9	88.6	81.1	49.7
Management Information System (MIS)	33.1	67.4	62.9	74.3	43.3
Point of Sale System for Food and Beverage	40.3	75.9	82.9	82.4	51.7
Property Management System	19.6	56.7	71.4	68.9	31.2
Yield Management System	8.9	21.9	20.0	23.0	12.9
Other	5.9	8.5	37.1	21.6	6.8

Environmental Issues - Percentage of Hotels Monitoring Quantitative Performance

Room Size	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
Number of responses:	350	216	35	69	532
Air (External Emissions)	27.7%	45.4%	74.3%	55.1%	34.4%
Air (Indoor Air Quality)	30.0	50.9	71.4	63.8	36.8
Community Interaction	23.4	44.9	68.6	60.9	30.3
Energy Consumption (Electricity)	93.7	97.7	97.1	100.0	94.7
Energy Consumption (Gas)	81.4	88.0	94.3	94.2	83.3
Energy Consumption (Oil)	62.9	85.2	97.1	95.7	69.9
Fresh Water Quality	66.0	79.6	94.3	89.9	70.3
Noise (External)	30.6	43.5	68.6	56.5	35.0
Noise (In House)	36.9	53.7	71.4	65.2	42.3
Solid Waste Disposal	27.4	40.7	62.9	52.2	32.0
Solid Waste Production (Quality)	12.6	33.3	65.7	42.0	20.7
Solid Waste Production (Segregation)	21.4	43.1	71.4	55.1	29.1
Solid Waste Production (Volume)	24.3	44.0	68.6	53.6	31.4
Staff Training in Environmental Issues	33.1	57.9	74.3	73.9	40.6
Use of Chemicals (House Keeping)	66.0	79.6	82.9	81.2	70.7
Use of Chemicals (Maintenance)	55.1	71.3	88.6	79.7	60.7
Use of Pesticides and Herbicides (Dry Rations)	21.7	36.1	48.6	39.1	27.1
Use of Pesticides and Herbicides (Green Groceries)	23.1	36.6	54.3	42.0	28.2
Use of Pesticides and Herbicides (Horticulture / Gardens)	48.5	70.6	84.9	72.5	46.8
Use of Pesticides and Herbicides (Inside Building)	51.7	70.2	82.9	72.5	54.3
Use of Pesticides and Herbicides (Pest Control)	69.1	85.2	88.6	87.0	74.6
Use of Pesticides and Herbicides (Public Area)	47.7	69.0	82.9	73.9	55.3
Waste Water Quality	23.7	49.1	88.6	59.4	33.7
Waste Water Volume	31.4	54.2	88.6	66.7	39.9
Water Consumption	76.3	91.7	94.3	92.8	81.6

3. Indian Hotel Industry - Seven Major Cities

In this section, we have presented the operating profiles and financial data for different categories of hotels in seven major cities: New Delhi, Mumbai, Kolkata, Pune, Chennai, Bangalore and Goa. In certain cities and for certain star categories, we were unable to fulfil the minimum data requirement of at least four hotels in each representation and have reflected this as 'ID' (insufficient data). With the exception of very few, most cities had insufficient data in individual star categories; therefore, we have combined star categories to enable the information to be summarised. However, in doing so we have been careful to combine star categories which are broadly similar.

- In terms of occupancy Bangalore was the market leader among the seven major cities. Bangalore's five-star deluxe, five-star and four-star properties had 70.8% occupancy and Bangalore's three-star and two-star properties had 70.7% occupancy.
- Five-star deluxe and five-star properties in Delhi achieved the highest average rate of Rs 4,319. Goa's five-star deluxe and five-star properties enjoyed the highest net income (41.7%) as a percentage of revenue, followed by five-star deluxe, five-star and four-star hotels in Bangalore (31.2%).
- Delhi's five-star deluxe and five-star hotels had the highest total average rooms at 250.6. Delhi's five-star deluxe and five-star hotels and Goa's five-star deluxe and five-star hotels had the highest average number of employees per room at 2.2.
- Electronic fund transfer as a payment method has increased in metro cities with Goa's four-star and three-star hotels at 11.4%, Mumbai's five-star deluxe and five-star hotels at 5.9% and Delhi's five-star deluxe and five-star hotels at 3.7%.
- Pune's three-star, two-star and one-star properties had the highest number of average stay of business guests (3.2 days). Goa's four-star and three-star properties had the highest number of average stay of leisure guests (4.8 days).
- Five-star deluxe and five-star hotels in Delhi had the highest percentage of foreign guests (62.5%), followed by five-star deluxe, five-star and four-star hotels in Bangalore (48.9%). Also, Bangalore's five-star deluxe, five-star and four-star hotels had the highest foreign business traveller at 39.9%.

TABLE 3-1: Indian Hotel Industry - Seven Major Cities: Facilities and Guest Analysis**Typical Room Profile of an Average Hotel**

		New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
COMPOSITION		Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One-Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star & Two-Star	Three-Star & Two-Star	Five-Star Deluxe & Four- Star	Three-Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three-Star
Number of responses:		7	11	12	11	35	43	8	23	6	22	6	17	7	17	7	15
Air-Conditioned	Single	126.4	31.4	2.3	86.0	10.2	4.1	24.0	1.9	16.2	2.1	44.0	3.4	55.6	1.5	29.9	0.0
	Double	99.3	54.4	14.0	107.7	48.1	22.0	68.4	19.4	86.7	14.0	131.8	47.1	94.0	33.8	105.0	74.7
	Suites	24.9	2.3	0.6	18.9	5.6	2.9	7.8	2.8	7.0	2.4	17.2	8.5	15.3	7.8	17.0	3.9
Non-Air-Conditioned	Single	0.0	1.3	6.5	0.0	0.1	0.2	0.6	4.3	0.0	1.3	0.0	5.1	0.0	5.8	0.0	0.0
	Double	0.0	1.0	5.9	0.0	0.9	0.8	2.5	9.6	0.0	13.6	0.0	6.4	0.0	18.1	0.0	3.4
	Suites	0.0	0.0	0.6	0.0	0.0	0.3	0.0	0.1	0.0	1.3	0.3	0.5	0.0	0.4	0.0	0.0
Total Average Rooms		250.6	90.3	29.9	212.6	65.1	30.4	103.3	38.0	109.8	34.7	193.3	71.0	164.9	67.4	151.9	81.9

Average Number of Food & Beverage Outlets Per Hotel

		New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
COMPOSITION		Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One-Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star & Two-Star	Three-Star & Two-Star	Five-Star Deluxe & Four- Star	Three-Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three-Star
Number of responses:		7	11	8	11	30	29	8	14	6	16	6	17	7	16	5	14
Restaurant		3.6	1.5	0.9	3.0	1.5	0.9	2.1	1.2	2.7	1.1	3.7	1.5	3.0	1.7	3.6	1.9
Bar		1.3	0.8	0.4	1.2	1.0	0.8	0.9	0.6	1.2	0.5	1.5	0.9	1.1	0.7	2.0	1.8
Others		1.1	0.6	0.4	0.6	0.8	0.4	0.4	0.7	1.5	0.7	0.8	0.9	1.7	1.0	0.8	0.6
Total		6.0	2.8	1.6	4.7	3.2	2.1	3.4	2.6	5.3	2.3	6.0	3.3	5.9	3.4	6.4	4.4

Guest Analysis

		New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
COMPOSITION		Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One-Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star & Two-Star	Three-Star & Two-Star	Five-Star Deluxe & Four- Star	Three-Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three-Star
Number of responses:		7	8	6	11	27	40	7	16	6	20	6	14	7	15	7	14
Domestic Guests		37.5%	78.2%	84.4%	57.1%	71.4%	70.9%	80.7%	75.3%	73.2%	88.3%	62.8%	74.6%	51.1%	86.3%	56.5%	53.9%
Foreign Guests		62.5	21.8	15.6	42.9	28.6	29.1	19.3	24.7	26.8	11.7	37.2	25.4	48.9	13.7	43.5	46.1
Total		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total Business Guests		71.7%	70.3%	82.5%	79.9%	70.1%	62.6%	67.7%	56.3%	85.8%	81.4%	79.2%	59.7%	86.7%	71.7%	44.0%	27.6%
Total Leisure Guests		28.3	29.7	17.5	20.1	29.9	37.4	32.3	43.8	14.3	18.6	20.8	40.4	13.3	28.3	56.0	72.4
Total		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Avg. Stay of Domestic Guests (Days)		2.0	2.6	1.3	1.6	3.3	3.3	3.0	3.0	2.0	3.0	1.8	2.6	2.0	3.0	3.0	3.2
Avg. Stay of Foreign Guests (Days)		3.0	2.4	1.7	2.1	3.1	3.1	3.2	3.2	3.0	3.8	3.0	3.2	2.8	2.9	9.3	12.3
Avg. Stay of Business Guests (Days)		2.1	1.5	2.1	1.4	2.2	2.3	1.9	1.2	2.3	3.2	2.0	2.1	2.4	2.7	2.2	1.7
Avg. Stay of Leisure Guests (Days)		1.8	0.7	0.3	1.3	1.9	2.0	1.9	0.8	1.8	2.6	2.6	2.4	1.5	1.9	4.0	4.8
Percentage of Repeat Guests		50.0%	52.3%	47.6%	38.3%	53.3%	55.0%	49.0%	56.3%	63.5%	60.5%	52.3%	61.9%	36.0%	60.1%	21.3%	33.0%

TABLE 3-2: Indian Hotel Industry - Seven Major Cities: Staffing**Average Number of Total Employees Per Hotel (Permanent / Contract / Full Time / Part Time)**

		New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
COMPOSITION		Five-Star Deluxe & Five-Star	Four-Star & Three- Star & One-Star	Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star & One-Star	Two-Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two- Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two- Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star
Number of responses:		6	8	11	11	32	41	8	20	6	22	6	16	7	17	6	14
Managers	Male	40.2	8.8	1.6	34.9	7.9	1.6	17.5	2.4	19.2	2.2	24.7	7.5	29.4	6.6	31.8	10.0
	Female	14.3	1.0	0.3	11.7	1.5	0.2	7.3	0.3	4.3	0.5	4.5	0.7	11.0	0.8	8.7	2.2
Supervisors	Male	86.0	15.3	1.3	63.9	11.4	3.0	27.3	3.5	26.0	3.0	45.8	17.8	38.9	12.6	38.3	9.0
	Female	27.7	2.9	0.1	12.6	1.9	0.3	4.4	0.4	3.5	1.4	7.7	1.6	9.6	1.3	9.3	3.3
Staff	Male	304.7	116.6	16.4	244.7	85.2	27.0	125.1	22.5	131.0	19.2	249.2	83.8	205.3	93.5	214.0	79.5
	Female	31.2	9.6	0.4	21.6	5.3	0.9	9.3	0.9	11.5	1.1	17.0	5.6	20.7	9.4	32.5	12.2
Total		504.0	90.4	20.0	389.6	101.0	32.9	190.8	29.8	195.5	27.3	348.8	116.9	314.9	124.2	334.7	116.2
Average Number of Employees Per Room		2.2	1.4	0.6	1.9	1.6	1.1	1.6	0.9	1.8	0.8	2.0	1.5	1.9	2.1	2.2	1.5

Average Number of Trained Employees Per Hotel

		New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
COMPOSITION		Five-Star Deluxe & Five-Star	Four-Star & Three- Star & One-Star	Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star & One-Star	Two-Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two- Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two- Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star
Number of responses:		5	10	4	5	15	18	7	11	5	13	6	10	6	11	4	13
Managers		84.2%		66.7%	79.4%	82.7%	87.0%	85.1%	93.9%	97.1%	86.5%	100.0%	93.8%	81.1%	91.4%	95.5%	70.4%
Supervisors		78.7		66.7	68.4	67.4	59.6	81.4	79.6	90.1	63.6	83.2	85.8	76.6	78.0	87.4	67.8
Staff		65.6		39.7	52.7	48.5	53.8	52.7	49.5	58.2	55.4	71.3	62.7	57.5	72.0	80.3	48.9
Total Avg. Trained Employees		76.2		57.7	66.8	66.2	66.8	73.1	74.3	81.8	68.5	84.8	80.8	71.7	80.5	87.7	62.4
Total Avg. Un-Trained Employees		23.8		42.3	33.2	33.8	33.2	26.9	25.7	18.2	31.5	15.2	19.2	28.3	19.5	12.3	37.6
Hotels with Training Department		100.0%		0.0	81.8%	14.3%	7.0%	62.5%	8.7%	83%	9.1%	100%	35.3%	100.0%	29.4%	85.7%	33.3%

* Trained employees includes those with a minimum one year certificate course in an educational institute and may include those with short term (in-house) training.

TABLE 3-3: Indian Hotel Industry - Seven Major Cities: Financial Report - Percentage of Revenue

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three-Star	Two-Star & One-Star	Five-Star Deluxe & Five-Star	Four-Star & Three-Star	Two-Star & One-Star	Five-Star Deluxe, Four-Star & Three-Star	Two-Star & One-Star	Five-Star & Four-Star	Three-Star & One-Star	Five-Star Deluxe, Four-Star & Three-Star	Five-Star & Four-Star	Three-Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three-Star	
Number of responses:	7	5	ID	9	14	25	7	7	5	11	6	7	7	5	7	8
Average Total Rooms:	251	55		195	64	29	111	29	110	30	193	76	165	70	152	91
Average Occupied Rooms:	60,064	10,126		45,338	12,686	6,149	24,772	6,693	25,852	5,840	38,448	18,239	38,671	18,035	32,944	19,685
Average Occupancy:	66.4%	50.1%		64.3%	57.2%	61.6%	60.8%	64.8%	66.8%	56.8%	61.7%	65.5%	70.8%	70.7%	64.4%	58.7%
Average Rate:	Rs4,319	Rs2,044		Rs3,423	Rs1,867	Rs1,384	Rs2,673	Rs418	Rs2,046	Rs836	Rs3,114	Rs1,431	Rs3,817	Rs1,703	Rs2,977	Rs1,134
REVENUE																
Rooms	51.4%	54.1%		60.6%	68.0%	76.2%	51.2%	74.3%	53.8%	66.2%	48.2%	46.7%	56.6%	49.4%	41.0%	47.9%
Food & Beverage	31.7	38.7		25.6	23.2	16.0	30.4	18.0	20.2	22.3	29.1	34.3	25.6	20.4	40.1	43.5
Banquet & Conferences	4.9	1.3		6.8	4.4	3.2	12.1	3.4	18.7	4.3	14.6	14.0	8.1	26.7	6.6	1.0
Telephone & Other	3.2	1.3		3.0	1.2	1.4	2.2	1.3	2.3	1.4	3.6	2.7	4.9	0.3	0.9	1.0
Minor Operated*	5.5	0.4		2.3	1.0	0.2	2.4	0.0	0.2	0.2	2.8	1.1	2.7	0.0	4.2	2.2
Rental & Other Income	3.4	4.3		1.8	2.3	3.0	1.8	3.1	4.6	5.5	1.6	1.2	2.2	3.2	7.2	4.4
Total	100.0	100.0		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
DEPARTMENTAL EXPENSES																
Rooms	19.6	21.5		15.6	25.4	27.4	24.4	24.9	13.0	29.2	20.7	18.8	15.5	12.0	25.2	32.6
Food & Beverage	64.9	59.2		64.7	80.2	74.2	61.9	87.0	61.4	100.1	45.4	51.9	62.8	54.3	34.0	66.3
Telephone & Other	32.4	130.0		48.5	169.2	140.2	69.6	228.8	47.9	90.5	25.7	63.1	26.3	393.4	63.6	87.2
Minor Operated*	27.3	387.9		86.6	262.3	272.4	58.0	146.2	176.1	155.3	29.9	165.8	47.9	386.2	45.0	147.5
Rental & Other Income	2.6	46.2		6.6	37.4	20.2	2.5	144.4	2.8	7.1	7.9	19.3	2.2	0.0	0.0	2.8
Total	36.4	40.4		33.9	44.8	38.2	41.8	44.4	32.6	48.0	31.7	37.6	32.6	32.9	28.7	49.3
DEPARTMENTAL INCOME	63.6	59.6		66.1	55.3	61.8	58.2	55.6	67.4	52.0	68.3	62.4	67.4	67.1	71.3	50.7
OPERATING EXPENSES																
Administrative & General	6.7	14.8		10.8	7.3	10.6	9.4	11.7	8.4	6.6	6.1	9.4	6.6	7.0	6.2	9.1
Management Fee	3.3	0.8		1.7	1.6	0.8	1.4	5.0	2.4	1.8	2.6	1.6	4.2	1.1	2.6	0.1
Marketing	2.5	0.8		3.9	3.4	1.8	5.3	3.1	3.3	1.4	3.0	2.6	4.0	0.8	3.9	3.4
Franchise Fees	1.5	0.0		0.4	0.1	0.4	0.0	0.1	0.5	1.2	0.7	0.9	0.1	0.0	0.6	0.2
Property Operations & Maintenance	7.7	10.3		6.6	9.1	9.0	7.4	6.4	11.1	5.2	5.6	6.2	6.1	24.4	5.8	3.9
Energy	10.5	14.3		10.1	15.2	17.0	15.1	11.6	11.6	6.8	14.3	15.4	9.4	9.7	9.5	12.4
Total	32.1	41.0		33.6	36.6	39.6	38.5	37.9	37.3	22.9	32.3	36.1	30.4	42.9	28.6	29.0
HOUSE PROFIT	31.5	18.7		32.6	18.6	22.3	19.7	17.6	30.1	29.0	36.0	26.4	37.1	24.2	42.7	21.6
FIXED EXPENSES																
Property Taxes	1.4	0.8		1.7	1.1	1.9	1.5	2.2	1.4	1.0	1.0	1.1	2.4	1.1	0.2	0.1
Insurance	0.7	0.3		0.9	0.6	0.3	0.6	0.3	0.2	0.4	2.3	0.6	0.7	0.2	0.7	0.3
Other Fixed Expenses	0.1	1.4		0.2	1.6	2.2	0.1	2.0	3.6	3.2	1.2	0.4	0.8	1.4	0.0	0.1
Rent	2.4	1.3		0.6	3.2	0.6	1.4	0.5	0.2	0.5	1.2	0.1	1.9	0.5	0.1	0.5
Total	4.6	3.8		3.3	6.5	4.9	3.5	5.0	5.5	5.1	5.7	2.1	5.9	3.1	1.0	0.9
NET INCOME**	26.9%	14.9%		29.2%	12.1%	17.3%	16.2%	12.7%	24.6%	23.9%	30.3%	24.3%	31.2%	21.0%	41.7%	20.7%

* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

** Net Income is before depreciation, interest payments and taxes

TABLE 3-4: Indian Hotel Industry - Seven Major Cities: Financial Report – Amount Per Available Room

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three-Star	Two-Star & One-Star	Five-Star Deluxe & Five-Star	Four-Star & Three-Star	Two-Star & One-Star	Five-Star Deluxe, & Three-Star	Two-Star & One-Star	Five-Star, & Four-Star	Three-Star, & Two-Star & One-Star	Five-Star Deluxe, & Four-Star	Three-Star & Two-Star	Five-Star Deluxe, & Four-Star & Two-Star	Five-Star & Three-Star	Five-Star Deluxe & Five-Star	Four-Star & Three-Star
Number of responses:	7	5	ID	9	14	25	7	7	5	11	6	7	7	5	7	8
Average Total Rooms:	251	55		195	64	29	111	29	110	30	193	76	165	70	152	91
Average Occupied Rooms:	60,064	10,126		45,338	12,686	6,149	24,772	6,693	25,852	5,840	38,448	18,239	38,671	18,035	32,944	19,685
Average Occupancy:	66.4%	50.1%		64.3%	57.2%	61.6%	60.8%	64.8%	66.8%	56.8%	61.7%	65.5%	70.8%	70.7%	64.4%	58.7%
Average Rate:	Rs4,319	Rs2,044		Rs3,423	Rs1,867	Rs1,384	Rs2,673	Rs418	Rs2,046	Rs836	Rs3,114	Rs1,431	Rs3,817	Rs1,703	Rs2,977	Rs1,134
REVENUE																
Rooms	Rs1,035,270	Rs377,685		Rs797,567	Rs371,755	Rs293,772	Rs596,622	Rs96,832	Rs479,878	Rs161,296	Rs619,251	Rs343,400	Rs895,357	Rs440,004	Rs645,742	Rs244,872
Food & Beverage	637,771	270,213		336,667	126,510	61,671	354,094	23,399	180,410	54,288	374,135	251,818	404,406	182,003	630,838	222,175
Banquet & Conferences	98,506	8,712		89,341	23,936	12,202	141,562	4,391	167,046	10,591	187,167	103,219	128,844	237,691	103,918	5,332
Telephone & Other	63,518	8,905		39,348	6,602	5,224	25,880	1,648	20,874	3,519	46,394	20,177	77,036	2,848	14,599	5,055
Minor Operated*	109,968	2,624		29,812	5,238	907	27,641	59	2,060	571	36,295	7,920	42,375	352	66,053	11,208
Rental & Other Income	68,634	30,348		23,951	12,514	11,702	20,423	4,000	40,915	13,470	20,923	8,588	34,558	28,404	113,608	22,657
Total	2,013,670	698,486		1,316,680	546,555	385,479	1,166,220	130,328	891,183	243,734	1,284,160	735,124	1,582,580	891,302	1,574,760	511,300
DEPARTMENTAL EXPENSES																
Rooms	203,236	81,117		124,205	94,351	80,348	145,603	24,112	62,445	47,136	128,316	64,555	138,946	52,962	162,673	79,863
Food & Beverage	477,691	165,070		275,736	120,654	54,802	306,872	24,166	213,438	64,916	254,921	184,125	335,012	228,032	249,830	150,823
Telephone & Other	20,596	11,576		19,086	11,171	7,322	18,020	3,772	10,002	3,183	11,909	12,727	20,228	11,203	9,288	4,409
Minor Operated*	30,047	10,177		25,804	13,738	2,472	16,043	87	3,628	886	10,836	13,132	20,304	1,361	29,721	16,535
Rental & Other Income	1,786	14,016		1,570	4,683	2,367	502	5,777	1,147	952	1,662	1,654	750	0	0	639
Total	733,357	281,955		446,401	244,597	147,310	487,040	57,913	290,661	117,073	407,643	276,192	515,239	293,558	451,511	252,269
DEPARTMENTAL INCOME	1,280,310	416,531		870,283	301,958	238,169	679,182	72,416	600,522	126,661	876,521	458,932	1,067,340	597,745	1,123,250	259,031
OPERATING EXPENSES																
Administrative & General	135,565	103,356		142,248	39,811	40,697	109,337	15,313	74,808	16,078	78,348	69,006	104,149	62,122	97,132	46,472
Management Fee	66,228	5,303		22,785	8,947	3,154	16,281	6,509	21,167	4,484	32,702	11,667	66,165	9,957	41,090	274
Marketing	50,030	5,580		51,423	18,432	6,737	61,235	4,044	29,209	3,319	39,010	19,403	62,824	6,848	61,879	17,218
Franchise Fees	29,191	0		5,048	576	1,567	0	178	4,537	2,823	9,428	6,391	1,820	0	9,781	960
Property Operations & Maintenance	154,966	71,756		86,836	49,456	34,780	85,948	8,296	98,771	12,761	72,085	45,226	97,033	217,347	90,776	19,852
Energy	210,523	100,058		133,358	83,016	65,507	176,501	15,073	103,796	16,461	182,938	113,268	148,755	86,057	149,947	63,555
Total	646,502	286,051		441,698	200,238	152,442	449,301	49,413	332,288	55,926	414,511	264,961	480,746	382,331	450,605	148,331
HOUSE PROFIT	633,812	130,480		428,585	101,720	85,727	229,880	23,002	268,235	70,735	462,011	193,972	586,592	215,414	672,641	110,700
FIXED EXPENSES																
Property Taxes	28,888	5,624		21,933	6,250	7,115	17,287	2,921	12,819	2,357	12,949	8,197	37,947	9,842	3,037	676
Insurance	14,434	2,010		11,163	3,168	1,221	7,077	347	1,857	973	28,851	4,162	11,716	1,532	11,099	1,368
Other Fixed Expenses	1,011	9,982		2,770	8,518	8,413	714	2,579	31,799	7,827	15,916	2,820	13,280	12,201	211	353
Rent	47,503	9,063		7,939	17,609	2,250	15,694	624	2,178	1,231	15,622	376	30,047	4,298	1,280	2,410
Total	91,837	26,679		43,806	35,546	18,998	40,771	6,470	48,653	12,389	73,338	15,555	92,990	27,872	15,627	4,807
NET INCOME**	Rs541,975	Rs103,801		Rs384,780	Rs66,174	Rs66,729	Rs189,109	Rs16,533	Rs219,582	Rs58,347	Rs388,672	Rs178,417	Rs493,602	Rs187,542	Rs657,014	Rs105,894

* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

** Net Income is before depreciation, interest payments and taxes

TABLE 3-5: Indian Hotel Industry - Seven Major Cities: Financial Report: Amount Per Occupied Room

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three-Star	Two-Star & One-Star	Five-Star Deluxe & Five-Star	Four-Star & Three-Star	Two-Star & One-Star	Five-Star Deluxe, Four-Star & Three-Star	Two-Star & One-Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five-Star & Three-Star	Four-Star & Two-Star	Five-Star Deluxe, Five-Star & Three-Star	Four-Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three-Star
<i>Number of responses:</i>	7	5	ID	9	14	25	7	7	5	11	6	7	7	5	7	8
Average Total Rooms:	251	55		195	64	29	111	29	110	30	193	76	165	70	152	91
Average Occupied Rooms:	60,064	10,126		45,338	12,686	6,149	24,772	6,693	25,852	5,840	38,448	18,239	38,671	18,035	32,944	19,685
Average Occupancy:	66.4%	50.1%		64.3%	57.2%	61.6%	60.8%	64.8%	66.8%	56.8%	61.7%	65.5%	70.8%	70.7%	64.4%	58.7%
Average Rate:	Rs4,319	Rs2,044		Rs3,423	Rs1,867	Rs1,384	Rs2,673	Rs418	Rs2,046	Rs836	Rs3,114	Rs1,431	Rs3,817	Rs1,703	Rs2,977	Rs1,134
REVENUE																
Rooms	Rs4,319	Rs2,044		Rs3,423	Rs1,867	Rs1,384	Rs2,673	Rs418	Rs2,046	Rs836	Rs3,114	Rs1,431	Rs3,817	Rs1,703	Rs2,977	Rs1,134
Food & Beverage	2,661	1,462		1,445	635	290	1,587	101	769	281	1,881	1,049	1,724	704	2,908	1,028
Banquet & Conferences	411	47		383	120	57	634	19	712	55	941	430	549	920	479	25
Telephone & Other	265	48		169	33	25	116	7	89	18	233	84	328	11	67	23
Minor Operated*	459	14		128	26	4	124	0	9	3	183	33	181	1	304	52
Rental & Other Income	286	164		103	63	55	92	17	174	70	105	36	147	110	524	105
Total	8,401	3,780		5,650	2,745	1,815	5,226	562	3,799	1,263	6,457	3,063	6,747	3,450	7,259	2,367
DEPARTMENTAL EXPENSES																
Rooms	848	439		533	474	378	652	104	266	244	645	269	592	205	750	370
Food & Beverage	1,993	893		1,183	606	258	1,375	104	910	336	1,282	767	1,428	883	1,152	698
Telephone & Other	86	63		82	56	34	81	16	43	16	60	53	86	43	43	20
Minor Operated*	125	55		111	69	12	72	0	15	5	54	55	87	5	137	77
Rental & Other Income	7	76		7	24	11	2	25	5	5	8	7	3	0	0	3
Total	3,059	1,526		1,916	1,228	694	2,182	250	1,239	607	2,050	1,151	2,197	1,136	2,081	1,168
DEPARTMENTAL INCOME	5,341	2,254		3,735	1,516	1,122	3,043	312	2,560	657	4,407	1,912	4,550	2,313	5,178	1,199
OPERATING EXPENSES																
Administrative & General	566	559		610	200	192	490	66	319	83	394	288	444	240	448	215
Management Fee	276	29		98	45	15	73	28	90	23	164	49	282	39	189	1
Marketing	209	30		221	93	32	274	17	125	17	196	81	268	27	285	80
Franchise Fees	122	0		22	3	7	0	1	19	15	47	27	8	0	45	4
Property Operations & Maintenance	646	388		373	248	164	385	36	421	66	362	188	414	841	418	92
Energy	878	542		572	417	309	791	65	442	85	920	472	634	333	691	294
Total	2,697	1,548		1,895	1,006	718	2,013	213	1,416	290	2,084	1,104	2,050	1,480	2,077	687
HOUSE PROFIT	2,644	706		1,839	511	404	1,030	99	1,143	367	2,323	808	2,501	834	3,101	512
FIXED EXPENSES																
Property Taxes	121	30		94	31	34	77	13	55	12	65	34	162	38	14	3
Insurance	60	11		48	16	6	32	1	8	5	145	17	50	6	51	6
Other Fixed Expenses	4	54		12	43	40	3	11	136	41	80	12	57	47	1	2
Rent	198	49		34	88	11	70	3	9	6	79	2	128	17	6	11
Total	383	144		188	179	89	183	28	207	64	369	65	396	108	72	22
NET INCOME**	Rs2,261	Rs562		Rs1,651	Rs332	Rs314	Rs847	Rs78	Rs936	Rs302	Rs1,954	Rs743	Rs2,104	Rs726	Rs3,029	Rs490

* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

** Net Income is before depreciation, interest payments and taxes

TABLE 3-6: Indian Hotel Industry - Seven Major Cities: Market Data**Market Segmentation**

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One-Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star
Number of responses:	6	6	6	8	25	39	8	12	4	18	5	12	7	12	6	13
Airline Crew	6.0%	0.0%	0.2%	8.7%	3.1%	0.4%	2.6%	0.3%	0.0%	0.0%	9.6%	0.6%	1.5%	0.7%	2.3%	1.3%
Business Traveller - Domestic	31.9	49.2	48.3	23.2	38.4	51.0	58.7	43.8	51.5	51.2	43.8	37.4	40.3	52.3	8.1	17.7
Business Traveller - Foreign	31.8	10.3	7.5	20.0	16.0	14.0	8.3	7.2	22.9	7.2	22.7	14.8	39.9	5.9	3.1	5.9
Complimentary Rooms	1.7	0.2	1.0	1.1	1.7	1.4	1.3	3.6	3.6	0.5	0.7	2.7	0.9	2.6	1.2	2.7
Domestic - Tourists/Leisure FIT	2.0	7.5	12.8	8.9	10.8	14.5	9.7	18.4	6.1	18.2	8.7	12.9	3.3	11.5	6.8	22.5
Foreign - Tourists/Leisure FIT	6.4	9.0	13.3	6.0	10.5	10.2	7.2	11.3	1.0	4.4	7.7	6.5	5.2	1.5	14.3	21.0
Meeting Participants (Less than 100 Attendees)	1.8	4.5	3.3	12.0	5.7	1.9	1.0	5.3	0.6	5.5	0.1	4.2	0.3	8.0	15.6	3.2
Meeting Participants (Over 100 Attendees)	6.6	5.5	0.0	9.9	2.6	0.8	4.7	1.9	14.0	8.3	3.4	0.8	4.6	8.1	13.2	4.9
Tour Groups - Domestic	2.1	5.7	4.2	0.4	2.8	3.2	2.5	5.3	0.3	2.8	0.6	4.5	0.3	6.3	6.4	9.4
Tour Groups - Foreign	4.0	3.1	3.0	2.0	3.7	1.1	2.8	1.5	0.1	1.1	1.0	3.2	3.3	1.7	13.9	11.5
Other	5.6	5.1	6.3	7.9	4.8	1.6	1.2	1.4	0.0	0.7	1.7	12.3	0.4	1.5	15.1	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Country of Origin of Guests

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One-Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star
Number of responses:	7	6	4	8	20	31	8	10	4	11	4	9	6	8	6	13
ASEAN*	7.1%	4.7%	5.0%	8.7%	8.1%	5.9%	5.3%	1.9%	5.6%	3.3%	13.1%	22.9%	8.8%	12.5%	1.0%	4.4%
Australia	3.3	1.6	2.3	6.5	2.9	3.0	2.1	2.4	3.6	5.0	3.6	2.2	2.2	6.1	1.4	1.5
Canada	5.2	2.3	1.8	2.8	4.4	4.7	1.3	5.1	1.1	3.4	1.4	2.0	0.8	4.4	1.4	1.4
Caribbean	0.2	0.1	0.0	0.0	0.6	1.2	1.6	0.1	0.3	0.0	0.1	0.0	0.9	0.4	0.0	0.0
China	1.9	0.9	0.5	2.7	1.2	1.6	2.0	2.3	2.4	1.1	1.2	2.3	2.1	2.2	0.1	0.2
France	5.7	3.6	11.0	1.8	4.5	3.2	2.5	4.4	2.3	4.7	3.3	4.4	4.1	2.3	2.6	0.5
Germany	5.5	3.7	7.0	7.6	6.1	6.3	4.9	4.5	9.8	8.8	3.8	4.7	11.5	5.9	8.1	7.4
Japan	5.2	9.0	7.8	4.8	2.7	2.3	7.0	5.2	11.5	6.1	5.4	1.9	8.2	9.4	2.1	1.6
Middle East	3.8	2.2	1.3	3.5	7.4	18.5	1.1	1.7	1.9	10.5	6.2	5.3	2.0	6.1	3.2	0.8
Other European	4.3	9.6	15.5	7.0	5.7	9.0	6.1	1.4	7.0	4.6	9.7	5.2	10.7	5.7	7.6	18.5
Russia	4.2	4.3	4.0	1.0	9.4	2.3	2.7	0.2	12.2	2.5	0.6	1.8	3.3	4.4	4.8	15.6
SAARC**	2.5	26.4	14.8	7.4	5.2	8.9	41.3	53.1	5.7	7.5	12.8	15.0	2.1	6.0	1.0	0.8
South Africa	3.0	1.8	4.3	2.4	4.8	3.3	0.3	0.6	1.5	0.9	0.9	3.6	1.2	5.0	0.5	0.6
UK	11.9	8.9	13.8	19.0	15.3	13.7	8.5	6.2	16.7	8.6	9.7	7.7	11.4	10.3	52.5	34.2
USA	19.3	11.4	5.3	13.1	12.8	8.7	9.0	7.3	14.8	24.1	11.1	12.1	23.8	16.6	3.9	4.9
Other	17.1	9.5	5.8	11.9	8.8	7.5	4.3	3.6	3.7	9.1	17.4	8.9	7.0	2.8	9.9	7.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

* ASEAN: Association of South East Asian Nations

** South Asian Association for Regional Co-operation - India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives

TABLE 3-7: Indian Hotel Industry - Seven Major Cities: Monthly & Daily Occupancy**Average Monthly Occupancy**

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe, Four- Star & Three- Star	Two-Star & One-Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star & Two-Star	Three-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star
Number of responses:	7	8	6	11	25	38	7	19	6	15	6	12	6	14	7	13
January	74.4%	61.3%	43.9%	77.9%	71.7%	70.0%	63.7%	63.7%	63.4%	61.5%	66.2%	72.1%	81.9%	75.6%	81.6%	77.7%
February	83.7	67.0	46.9	76.3	68.6	66.7	63.3	61.4	63.5	59.8	73.0	69.4	82.5	76.0	81.3	81.0
March	69.1	52.0	48.5	66.6	61.6	61.6	51.6	52.5	57.3	54.5	61.8	58.7	72.5	58.2	66.6	67.0
April	65.1	59.3	39.5	59.6	60.4	62.0	51.4	48.7	63.2	59.5	57.8	57.5	73.3	64.2	59.6	57.9
May	54.7	53.2	37.8	55.1	58.3	59.5	51.7	48.7	65.8	63.3	52.8	55.9	73.0	72.9	52.5	50.8
June	40.0	45.9	35.9	46.3	55.3	58.0	46.2	48.4	55.4	59.4	40.5	61.7	57.3	69.7	49.9	42.6
July	49.3	49.9	37.7	48.7	56.8	62.3	50.7	47.7	62.7	56.2	49.7	60.9	68.7	68.3	41.3	32.9
August	55.3	44.8	39.0	52.9	60.2	62.5	49.9	50.6	67.4	57.3	54.0	62.9	67.6	70.6	57.5	38.3
September	64.4	48.5	45.9	54.8	58.7	59.4	55.9	52.5	58.1	59.8	56.7	60.4	73.0	68.4	58.4	49.7
October	79.3	51.2	54.7	60.2	59.2	62.0	47.7	54.6	62.2	58.5	55.4	64.4	76.7	67.9	61.1	62.6
November	80.0	57.0	54.8	64.2	58.3	61.9	52.5	60.8	61.4	61.4	62.3	63.6	75.3	74.2	75.9	76.9
December	75.6	53.5	48.2	73.3	66.6	72.7	67.2	64.5	65.6	63.6	57.7	73.4	72.8	77.1	77.9	84.7

Average Daily Occupancy

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe, Four- Star & Three- Star	Two-Star & One-Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star & Two-Star	Three-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star
Number of responses:	6	6	6	9	24	32	6	13	5	10	6	11	7	12	5	6
Monday	70.2%	67.0%	45.0%	58.6%	65.7%	63.0%	59.3%	62.9%	64.0%	61.1%	62.2%	60.5%	78.1%	64.5%	59.2%	62.5%
Tuesday	72.7	67.8	54.5	60.1	67.0	67.2	65.0	63.6	65.0	61.2	64.1	63.8	86.1	71.0	58.2	63.7
Wednesday	72.7	74.7	54.2	64.7	67.6	67.9	71.7	63.2	71.0	60.9	65.0	62.6	86.7	75.7	58.2	63.3
Thursday	70.5	70.5	56.0	62.8	68.1	66.5	71.8	57.0	72.6	56.1	65.4	65.3	83.1	75.2	62.8	66.7
Friday	61.8	63.2	46.7	62.9	61.6	62.0	63.5	55.4	69.4	62.1	58.5	59.8	68.1	73.9	73.6	74.2
Saturday	54.0	52.8	32.8	56.4	52.3	49.9	53.2	62.2	61.8	60.9	50.8	47.7	59.6	64.3	75.6	75.0
Sunday	58.7	39.2	26.3	52.8	50.8	53.7	51.3	52.5	52.6	56.5	53.5	43.6	63.0	50.9	66.6	70.8

TABLE 3-8: Indian Hotel Industry - Seven Major Cities: Sources of Reservation**Source of Advance Reservations**

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star
Number of responses:	6	6	6	11	24	38	8	15	6	17	6	15	6	14	7	14
Chain CRS (Central Reservation System)	8.3%	1.5%	1.7%	8.2%	3.5%	1.0%	1.3%	1.2%	6.7%	0.2%	11.5%	1.7%	17.5%	0.4%	8.4%	0.7%
Direct Enquiry/ Hotel Representative	60.3	61.8	70.0	56.9	52.9	61.4	64.8	68.6	57.7	84.1	69.4	67.5	52.2	70.7	26.8	33.6
Global Distribution System (GDS)	5.3	4.2	0.0	2.0	3.4	1.3	1.4	1.5	2.2	0.0	6.7	1.1	7.0	0.2	2.3	0.0
Hotel/Chain Web Site	1.6	6.2	0.0	1.5	7.6	4.7	4.3	8.9	2.2	1.5	4.0	2.7	11.9	1.9	4.6	4.7
Travel Agent & Tour Operator	10.3	18.2	8.0	6.1	14.9	15.0	16.5	14.3	6.2	8.4	4.2	9.3	5.5	18.0	29.6	48.6
Other Online Reservation Systems	7.4	0.0	0.0	1.7	1.3	0.7	4.0	0.3	8.0	0.0	2.6	10.3	3.8	2.5	14.9	2.3
Other Websites	0.7	0.3	1.8	0.1	3.1	1.5	2.2	1.0	0.3	0.3	1.0	1.8	0.3	2.7	1.9	2.5
Others	6.0	7.8	18.5	23.5	13.4	14.5	5.8	4.1	16.8	5.6	0.7	5.5	1.8	3.6	11.6	7.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 3-9: Indian Hotel Industry - Seven Major Cities: Marketing Media**Marketing Media - Percentage of Hotels Using Each Media**

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star
Number of responses:	7	8	4	11	23	35	7	15	6	18	6	14	7	14	7	15
Direct Mail	100.0%	87.5%	75.0%	100.0%	87.0%	77.1%	85.7%	66.7%	100.0%	61.1%	100.0%	78.6%	100.0%	85.7%	100.0%	93.3%
Hotel Website	100.0	50.0	75.0	90.9	78.3	65.7	100.0	53.3	100.0	33.3	100.0	64.3	100.0	78.6	100.0	93.3
Loyalty Card Program	100.0	12.5	0.0	81.8	34.8	8.6	57.1	6.7	100.0	22.2	83.3	14.3	85.7	28.6	71.4	6.7
Merchandising	71.4	25.0	0.0	0.0	17.4	8.6	42.9	6.7	33.3	5.6	33.3	7.1	14.3	35.7	14.3	20.0
Other Internet Site	85.7	37.5	25.0	54.6	60.9	51.4	85.7	20.0	83.3	16.7	33.3	35.7	57.1	35.7	57.1	53.3
Outdoor Advertising	71.4	37.5	25.0	72.7	34.8	40.0	57.1	46.7	83.3	55.6	83.3	50.0	71.4	50.0	71.4	73.3
Print Advertising	100.0	87.5	25.0	100.0	69.6	82.9	100.0	80.0	100.0	83.3	83.3	92.9	100.0	92.9	100.0	100.0
Promotions	100.0	37.5	75.0	100.0	52.2	42.9	71.4	60.0	100.0	44.4	100.0	57.1	100.0	64.3	85.7	86.7
Radio Advertising	42.9	0.0	0.0	27.3	13.0	2.9	57.1	0.0	33.3	5.6	16.7	0.0	85.7	14.3	0.0	20.0
Telemarketing	100.0	0.0	0.0	72.7	60.9	34.3	57.1	40.0	66.7	38.9	83.3	57.1	71.4	50.0	14.3	46.7
TV Advertising	57.1	0.0	0.0	27.3	17.4	11.4	14.3	26.7	16.7	16.7	50.0	14.3	28.6	7.1	42.9	20.0

TABLE 3-10: Indian Hotel Industry - Seven Major Cities: Payment Methods**Payment Methods**

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star
Number of responses:	7	8	5	10	24	38	8	17	6	18	5	12	7	13	6	14
Cash Sales	17.7%	45.1%	75.0%	17.7%	32.0%	53.5%	38.6%	62.9%	20.9%	57.8%	13.5%	37.0%	11.9%	32.9%	15.7%	27.3%
Credit Card Sales	54.8	34.0	13.6	39.1	32.4	28.6	38.3	23.6	42.5	26.2	47.4	40.0	57.0	33.7	29.8	20.9
Credit Sales (Other than Cards)	23.7	20.9	11.4	37.4	35.6	17.8	21.0	13.5	35.9	16.0	38.0	22.9	31.0	33.4	52.3	40.4
Electronic Fund Transfer	3.7	0.0	0.0	5.9	0.0	0.0	2.1	0.0	0.8	0.0	1.2	0.1	0.2	0.0	2.2	11.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Credit Cards Used

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star
Number of responses:	7	6	ID	11	24	32	8	9	6	11	6	11	7	12	7	14
American Express	26.4%	19.1%		23.5%	17.2%	9.0%	13.2%	6.7%	22.4%	4.1%	25.6%	15.5%	32.6%	5.8%	18.9%	10.6%
Diners Club	11.9	12.5		9.5	12.5	6.6	9.7	8.2	11.0	3.5	9.3	10.1	11.2	6.4	4.5	3.8
Mastercard/Eurocard	26.1	32.3		33.3	34.6	38.0	45.2	36.8	26.8	45.9	29.8	28.6	25.5	44.2	29.8	31.8
Visa	33.8	28.0		33.1	31.4	43.2	30.4	45.6	36.6	32.1	33.5	37.1	30.6	41.9	46.2	52.5
Other	1.9	8.2		0.7	4.3	3.3	1.5	2.8	3.3	14.5	1.8	8.7	0.2	1.7	0.6	1.4
Total	100.0	100.0		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Average Credit Card Commission

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Five-Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star
Number of responses:	6	6	ID	10	26	32	8	8	5	15	6	11	7	9	7	15
American Express	3.2%	3.6%		3.4%	3.7%	3.3%	3.6%	2.0%	3.3%	2.7%	3.2%	3.3%	3.3%	3.5%	3.2%	3.4%
Diners Club	2.4	3.1		2.2	2.2	1.9	2.7	2.0	2.3	1.4	2.6	2.0	2.4	1.8	2.3	1.6
Mastercard/Eurocard	1.6	2.2		1.7	2.0	2.1	1.7	2.5	1.4	2.5	1.8	1.9	1.7	1.9	2.0	2.3
Visa	1.6	2.2		1.7	2.0	2.2	1.9	2.5	1.4	2.0	1.7	1.9	1.7	1.9	2.0	2.3

TABLE 3-11: Indian Hotel Industry - Seven Major Cities: Technology & Environmental Issues**Technology in Hotels - Percentage of Hotels Using Each Technology**

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One-Star	Five- Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star
No. of responses:	7	6	10	11	27	31	7	13	6	17	6	13	7	11	7	15
Accounting System	100.0%	100.0%		100.0%	92.6%	90.3%	85.7%	100.0%	100.0%	94.1%	83.3%	84.6%	100.0%	81.8%	100.0%	93.3%
Call Accounting System	71.4	83.3		81.8	63.0	51.6	57.1	38.5	66.7	52.9	100.0	53.9	85.7	45.5	71.4	66.7
Central Reservation System (CRS)	57.1	16.7		36.4	22.2	9.7	28.6	15.4	50.0	5.9	83.3	30.8	57.1	18.2	28.6	20.0
Electronic Keycard	85.7	0.0		81.8	25.9	12.9	57.1	0.0	66.7	23.5	100.0	30.8	57.1	27.3	71.4	13.3
Energy Management System	57.1	0.0		27.3	11.1	6.5	28.6	0.0	0.0	5.9	83.3	23.1	71.4	9.1	14.3	13.3
Internet/E-Mail	100.0	100.0		100.0	88.9	87.1	100.0	76.9	100.0	64.7	100.0	100.0	100.0	90.9	85.7	86.7
Internet/Website	100.0	66.7		72.7	77.8	64.5	85.7	46.2	100.0	47.1	100.0	76.9	100.0	72.7	100.0	93.3
Intranet System	71.4	0.0		36.4	18.5	19.4	14.3	0.0	83.3	5.9	50.0	23.1	85.7	9.1	14.3	20.0
Local Area Network (LAN)	100.0	50.0		100.0	59.3	41.9	85.7	30.8	100.0	41.2	83.3	76.9	100.0	63.6	100.0	80.0
Management Information System (MIS)	71.4	33.3		63.6	48.2	25.8	71.4	30.8	66.7	17.7	100.0	76.9	71.4	54.6	57.1	86.7
Point of Sale System for Food and Beverage	71.4	50.0		100.0	66.7	41.9	71.4	7.7	100.0	35.3	100.0	76.9	100.0	54.6	71.4	80.0
Property Management System	85.7	16.7		72.7	37.0	22.6	71.4	7.7	66.7	23.5	100.0	69.2	85.7	54.6	42.9	60.0
Yield Management System	28.6	0.0		18.2	18.5	6.5	28.6	0.0	16.7	5.9	16.7	23.1	28.6	0.0	14.3	26.7
Other	14.3	0.0		36.4	11.1	0.0	28.6	0.0	33.3	11.8	50.0	7.7	42.9	9.1	14.3	0.0

Environmental Issues - Percentage of Hotels Monitoring Quantitative Performance

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One-Star	Five- Star, & Four Star	Three-Star, Two-Star & One-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe, Five- Star & Four- Star	Three- Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star
No. of responses:	7	5	10	11	24	31	6	11	6	15	6	13	7	12	7	14
Air (External Emissions)	85.7%	20.0%		63.6%	50.0%	19.4%	50.0%	18.2%	33.3%	6.7%	50.0%	61.5%	100.0%	50.0%	28.6%	35.7%
Air (Indoor Air Quality)	85.7	0.0		54.6	41.7	19.4	66.7	27.3	33.3	26.7	66.7	53.9	100.0	41.7	28.6	64.3
Community Interaction	100.0	20.0		36.4	37.5	19.4	66.7	18.2	83.3	13.3	83.3	38.5	71.4	33.3	28.6	35.7
Energy Consumption (Electricity)	100.0	100.0		90.9	95.8	96.8	83.3	90.9	100.0	100.0	100.0	100.0	100.0	100.0	100.0	92.9
Energy Consumption (Gas)	85.7	100.0		90.9	83.3	71.0	83.3	63.6	100.0	100.0	100.0	92.3	100.0	91.7	100.0	85.7
Energy Consumption (Oil)	100.0	40.0		72.7	62.5	61.3	83.3	45.5	100.0	73.3	100.0	84.6	100.0	83.3	100.0	85.7
Fresh Water Quality	100.0	60.0		100.0	75.0	71.0	66.7	72.7	83.3	60.0	100.0	84.6	100.0	75.0	100.0	100.0
Noise (External)	57.1	0.0		45.5	41.7	19.4	33.3	18.2	33.3	20.0	66.7	69.2	100.0	41.7	28.6	42.9
Noise (In House)	71.4	60.0		45.5	54.2	32.3	66.7	27.3	33.3	20.0	66.7	61.5	100.0	41.7	28.6	78.6
Solid Waste Disposal	42.9	20.0		36.4	33.3	22.6	66.7	36.4	33.3	0.0	66.7	61.5	71.4	33.3	57.1	50.0
Solid Waste Production (Quality)	85.7	20.0		27.3	37.5	12.9	16.7	0.0	33.3	6.7	83.3	46.2	57.1	33.3	57.1	35.7
Solid Waste Production (Segregation)	85.7	40.0		54.6	45.8	19.4	33.3	9.1	66.7	13.3	83.3	46.2	71.4	41.7	57.1	57.1
Solid Waste Production (Volume)	85.7	40.0		54.6	33.3	9.7	33.3	36.4	50.0	20.0	83.3	61.5	42.9	41.7	57.1	71.4
Staff Training in Environmental Issues	100.0	40.0		45.5	58.3	19.4	66.7	27.3	66.7	33.3	100.0	76.9	71.4	58.3	57.1	50.0
Use of Chemicals (House Keeping)	100.0	40.0		63.6	79.2	58.1	66.7	63.6	83.3	40.0	83.3	76.9	100.0	91.7	71.4	92.9
Use of Chemicals (Maintenance)	85.7	0.0		81.8	62.5	51.6	66.7	45.5	83.3	33.3	83.3	76.9	100.0	75.0	85.7	100.0
Use of Pesticides and Herbicides (Dry Rations)	57.1	0.0		36.4	37.5	16.1	16.7	18.2	33.3	26.7	66.7	38.5	71.4	33.3	42.9	50.0
Use of Pesticides and Herbicides (Green Groceries)	42.9	0.0		45.5	33.3	19.4	33.3	9.1	33.3	20.0	66.7	38.5	71.4	33.3	42.9	50.0
Use of Pesticides and Herbicides (Horticulture/Gardens)	100.0	0.0		72.7	33.3	35.5	50.0	27.3	16.7	20.0	100.0	38.5	85.7	66.7	57.1	71.4
Use of Pesticides and Herbicides (Inside Building)	85.7	20.0		63.6	58.3	48.4	66.7	27.3	33.3	26.7	100.0	69.2	85.7	66.7	57.1	71.4
Use of Pesticides and Herbicides (Pest Control)	100.0	60.0		72.7	75.0	67.7	83.3	72.7	100.0	60.0	100.0	92.3	85.7	75.0	85.7	92.9
Use of Pesticides and Herbicides (Public Area)	85.7	0.0		63.6	54.2	48.4	66.7	18.2	33.3	53.3	100.0	61.5	85.7	75.0	57.1	78.6
Waste Water Quality	85.7	40.0		90.9	33.3	16.1	33.3	18.2	33.3	6.7	100.0	84.6	100.0	33.3	100.0	71.4
Waste Water Volume	100.0	40.0		63.6	37.5	16.1	50.0	27.3	33.3	13.3	83.3	92.3	85.7	33.3	85.7	85.7
Water Consumption	100.0	60.0		90.9	91.7	80.7	83.3	90.9	83.3	86.7	83.3	100.0	100.0	91.7	100.0	100.0

4. Indian Hotel Industry - Twelve Other Cities

In this section, we continue to highlight market trends in 12 cities, namely, Ahmedabad, Cochin, Jaipur, Hyderabad, Lucknow, Bhopal, Indore, Thiruvananthapuram, Shimla, Udagamandalam (Ooty), Udaipur, and Agra. Due to inadequate responses from Vishakapatnam and Varanasi we could not cover these markets. However, we have covered Lucknow and Bhopal.

As in Section 3, in certain cities and for certain star categories, we are unable to show the minimum data requirement of at least four hotels in each representation and have reflected this as 'ID'.

With the exception of very few, most cities had insufficient data in individual star categories; therefore, we have combined star categories to enable the information to be summarised. However, in doing so, we have been careful to combine star categories which are broadly similar.

- Hyderabad's four-star and three-star hotels had the highest percentage of domestic guests (94.5%) followed by Bhopal's four-star, three-star and two-star hotels (93.6%).
- Hyderabad's four-star and three-star hotels had the highest percentage of repeat guests at 72.5%.
- Jaipur's five-star deluxe, five-star and heritage hotels had the highest percentage of foreign guests at 50.3%.
- December and January appear to be the busiest months for most hotels across all cities with the exception of Shimla and Ooty, where May and June are the busiest months.
- Four-star, three-star and two-star hotels in Jaipur achieved the highest occupancy among the twelve cities at 65.3%. Also, the same combination of hotels in Jaipur registered highest net income (24.7%) as a percentage of revenue.
- Three-star and two-star hotels in Udaipur achieved the lowest (among the twelve cities) average rate (Rs 621) and five-star deluxe, five-star and heritage hotels in Jaipur achieved the highest (among the twelve cities) average rate (Rs 2,254).
- Hyderabad's four-star and three-star hotels had the highest percentage of domestic business travellers (76.3%) and Jaipur's five-star deluxe, five-star and heritage hotels had the highest percentage of foreign business travellers (12.4%).

TABLE 4-1: Indian Hotel Industry - Twelve Other Cities: Facilities and Guest Analysis**Typical Room Profile of an Average Hotel**

		Ahm'bad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION		Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dix, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:		9	13	8	9	6	7	7	12	10	9	7	8	6
Air-Conditioned	Single	2.7	2.0	1.4	1.3	16.0	0.6	4.0	2.7	1.2	0.0	0.0	6.0	0.7
	Double	35.3	33.5	49.5	68.3	58.0	26.0	28.0	42.4	34.6	0.0	8.1	27.1	43.3
	Suites	3.9	6.1	7.3	4.4	5.0	6.4	2.7	2.8	4.8	0.0	0.7	1.8	1.8
Non-Air-Conditioned	Single	0.1	1.6	0.0	1.4	1.7	2.6	0.0	1.0	0.3	2.0	1.3	0.0	1.0
	Double	2.9	3.4	0.0	5.2	18.5	9.9	2.1	1.5	8.5	30.2	44.9	7.3	4.3
	Suites	0.0	0.2	0.0	0.0	0.7	0.6	0.0	0.0	2.0	5.3	11.0	0.1	0.0
Total Average Rooms		44.9	46.7	58.1	80.8	99.8	46.0	36.9	50.4	51.4	37.6	66.0	42.3	51.2

Average Number of Food & Beverage Outlets Per Hotel

		Ahm'bad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION		Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dix, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:		9	12	7	9	5	6	7	12	10	7	7	6	6
Restaurant		1.2	1.5	1.4	1.4	1.6	1.0	1.1	2.0	1.6	1.1	1.4	1.5	1.5
Bar		0.2	0.6	0.9	0.8	0.8	1.2	0.7	0.7	0.7	0.6	0.6	0.7	0.8
Others		0.9	0.3	0.7	0.7	0.8	0.2	1.7	1.4	0.6	0.3	0.4	0.0	1.2
Total		2.3	2.4	3.0	2.9	3.2	2.3	3.6	4.1	2.9	2.0	2.4	2.2	3.5

Guest Analysis

		Ahm'bad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION		Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dix, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:		6	13	7	6	5	6	5	11	10	7	5	7	5
Domestic Guests		87.7%	67.4%	49.7%	76.3%	94.5%	90.6%	93.6%	85.8%	68.8%	84.4%	78.2%	64.6%	59.8%
Foreign Guests		12.3	32.6	50.3	23.7	5.5	9.4	6.4	14.2	31.2	15.6	21.8	35.4	40.2
Total		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total Business Guests		83.7%	45.9%	39.6%	19.0%	77.4%	77.3%	84.0%	83.3%	51.4%	36.8%	23.0%	45.9%	9.3%
Total Leisure Guests		16.3	54.1	60.4	81.0	22.6	22.7	16.0	16.7	48.6	63.3	77.0	54.1	90.8
Total		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Avg. Stay of Domestic Guests (Days)		1.0	1.8	2.1	2.3	3.0	1.7	2.3	4.2	2.4	2.3	2.2	1.8	1.0
Avg. Stay of Foreign Guests (Days)		2.0	2.0	2.2	1.8	4.0	1.0	1.5	3.0	4.5	2.0	2.0	1.8	1.3
Avg. Stay of Business Guests (Days)		2.0	2.3	1.6	1.6	2.5	3.0	2.5	5.0	2.0	1.3	1.8	1.3	1.0
Avg. Stay of Leisure Guests (Days)		2.0	1.3	1.1	0.9	2.5	1.7	1.2	1.9	4.6	2.0	2.2	1.6	1.4
Percentage of Repeat Guests		65.0%	34.5%	16.0%	46.4%	72.5%	68.2%	57.5%	69.1%	44.2%	32.8%	38.0%	24.5%	31.3%

TABLE 4-2: Indian Hotel Industry - Twelve Other Cities: Staffing**Average Number of Total Employees Per Hotel (Permanent / Contract / Full Time / Part Time)**

		Ahm'bad	Cochin	Jaipur		Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra
COMPOSITION		Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dlx, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:		8	12	7	7	6	4	6	10	10	9	7	8	6
Managers	Male	2.9	4.8	9.0	9.4	10.5	1.8	4.8	5.6	4.3	1.1	3.7	1.8	5.5
	Female	0.8	0.9	1.0	0.3	0.7	0.8	0.5	0.7	0.6	0.4	0.9	0.4	0.0
Supervisors	Male	5.9	9.0	8.1	8.9	11.2	2.8	10.3	17.9	6.6	1.9	4.7	2.8	6.3
	Female	0.9	1.5	1.1	1.3	3.3	0.5	1.0	1.4	0.6	0.4	0.6	0.0	0.7
Staff	Male	47.0	54.3	60.9	74.7	89.5	29.8	74.2	62.3	46.7	26.3	43.7	19.3	49.3
	Female	7.8	8.5	1.0	1.1	13.5	0.5	1.0	0.6	7.7	0.7	6.9	0.9	1.3
Total		65.1	79.1	81.1	95.7	128.7	36.0	91.8	88.5	66.5	30.9	60.4	25.0	63.2
Average Number of Employees Per Room		1.5	1.7	1.4	1.3	1.2	1.2	2.4	2.0	1.5	1.0	1.2	0.6	1.1

Average Number of Trained Employees Per Hotel

		Ahm'bad	Cochin	Jaipur		Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra
COMPOSITION		Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dlx, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:		10	10	4	5	10	10	4	7	9	5	4	7	5
Managers			97.5%	85.6%	79.1%			95.6%	69.0%	94.4%	100.0%	100.0%	100.0%	85.0%
Supervisors			90.0	77.7	52.8			81.4	67.1	88.9	90.0	91.7	73.2	83.6
Staff			76.6	77.2	67.9			71.9	32.7	55.7	69.9	56.2	57.8	28.6
Total Avg. Trained Employees			88.0	80.2	66.6			83.0	56.3	79.7	86.6	82.6	77.0	65.8
Total Avg. Un-Trained Employees			12.0	19.9	33.4			17.0	43.7	20.3	13.4	17.4	23.0	34.3
Hotels with Training Department			7.7%	50.0%	22.2%			0%	41.7%	30%	0%	28.6%	25.0%	16.7%

* Trained employees includes those with a minimum one year certificate course in an educational institute and may include those with short term (in-house) training.

TABLE 4-3: Indian Hotel Industry - Twelve Other Cities: Financial Report - Percentage of Revenue

	Cochin	Jaipur	Bhopal	Indore	Thiruv'puram	Shimla	Udaipur
COMPOSITION							
<i>Number of responses:</i>	8	4	8	4	9	8	5
Average Total Rooms:	46	61	74	37	46	52	41
Average Occupied Rooms:	9,240	10,555	17,078	7,849	10,470	9,905	7,051
Average Occupancy:	55.7%	40.2%	65.3%	60.6%	64.7%	57.5%	48.1%
Average Rate:	Rs1,305	Rs2,254	Rs948	Rs887	Rs923	Rs996	Rs621
REVENUE							
Rooms	43.5%	55.6%	57.4%	37.9%	32.2%	39.7%	72.0%
Food & Beverage	36.7	34.0	22.4	49.2	35.1	46.4	23.5
Banquet & Conferences	13.9	2.2	10.8	7.2	24.3	6.7	3.5
Telephone & Other	1.6	1.9	2.4	1.7	1.4	2.0	0.3
Minor Operated*	1.4	1.0	1.5	0.2	3.2	0.4	0.0
Rental & Other Income	3.0	5.3	5.4	3.9	3.9	4.8	0.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
DEPARTMENTAL EXPENSES							
Rooms	20.4	17.6	22.0	18.8	46.3	16.2	28.5
Food & Beverage	66.4	60.0	67.3	64.2	64.6	64.0	62.4
Telephone & Other	64.7	69.1	109.0	102.6	63.2	90.3	259.1
Minor Operated*	92.8	76.8	142.2	171.3	19.8	174.2	0.0
Rental & Other Income	9.5	10.9	0.0	0.0	4.0	4.0	43.5
Total	45.1	34.1	39.8	45.4	54.9	43.1	41.6
DEPARTMENTAL INCOME	54.9	65.9	60.2	54.6	45.1	56.9	58.4
OPERATING EXPENSES							
Administrative & General	10.3	10.0	7.8	8.5	5.4	12.0	9.6
Management Fee	0.4	0.1	0.3	0.6	0.6	1.1	2.0
Marketing	1.5	10.3	3.4	3.9	2.2	0.9	2.4
Franchise Fees	0.0	0.1	0.4	0.3	0.1	0.0	0.0
Property Operations & Maintenance	5.3	6.3	4.4	6.7	3.4	5.9	4.3
Energy	15.6	15.4	16.5	13.4	10.8	14.0	12.7
Total	33.2	42.2	32.7	33.5	22.5	33.8	31.1
HOUSE PROFIT	21.7	23.7	27.5	21.1	22.5	23.1	27.3
FIXED EXPENSES							
Property Taxes	0.3	0.6	1.8	0.8	1.0	1.6	0.9
Insurance	0.2	0.7	0.4	0.5	0.4	0.4	1.1
Other Fixed Expenses	0.0	0.6	0.1	1.5	0.7	0.9	4.9
Rent	1.7	1.0	0.5	10.2	0.1	0.2	0.3
Total	2.2	2.8	2.7	12.9	2.2	3.0	7.1
NET INCOME**	19.5%	21.0%	24.7%	8.2%	20.3%	20.1%	20.2%

* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

** Net Income is before depreciation, interest payments and taxes

NB: Inadequate financial data was available for Ahmedabad, Hyderabad, Lucknow, Agra and Ooty, therefore they were omitted from the table.

TABLE 4-4: Indian Hotel Industry - Twelve Other Cities: Financial Report – Per Available Room

	Cochin	Jaipur	Bhopal	Indore	Thiruv'puram	Shimla	Udaipur
COMPOSITION	Four-Star & Three-Star	Five-Star Dlx, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
<i>Number of responses:</i>	8	4	8	4	9	8	6
Average Total Rooms:	46	61	74	37	46	52	41
Average Occupied Rooms:	9,240	10,555	17,078	7,849	10,470	9,905	7,051
Average Occupancy:	55.7%	40.2%	65.3%	60.6%	64.7%	57.5%	48.1%
Average Rate:	Rs1,305	Rs2,254	Rs948	Rs887	Rs923	Rs996	Rs699
REVENUE							
Rooms	Rs260,807	Rs388,469	Rs219,957	Rs189,490	Rs207,994	Rs190,232	Rs121,687
Food & Beverage	220,183	237,400	85,884	246,007	227,144	222,627	39,757
Banquet & Conferences	83,500	15,376	41,485	36,109	157,020	32,280	5,988
Telephone & Other	9,650	13,245	9,364	8,483	9,207	9,727	543
Minor Operated*	8,386	6,812	5,912	1,116	20,576	1,689	0
Rental & Other Income	17,678	37,233	20,847	19,293	25,072	22,862	946
Total	600,204	698,535	383,449	500,498	647,012	479,417	168,922
DEPARTMENTAL EXPENSES							
Rooms	53,260	68,261	48,396	35,687	96,375	30,855	34,704
Food & Beverage	201,700	151,751	85,726	181,041	248,210	163,157	28,547
Telephone & Other	6,246	9,155	10,210	8,707	5,814	8,783	1,407
Minor Operated*	7,781	5,233	8,408	1,912	4,077	2,942	5,235
Rental & Other Income	1,681	4,041	0	0	1,005	913	412
Total	270,669	238,441	152,739	227,347	355,481	206,650	70,305
DEPARTMENTAL INCOME	329,536	460,094	230,710	273,151	291,530	272,767	98,617
OPERATING EXPENSES							
Administrative & General	61,940	69,739	29,780	42,320	34,934	57,546	16,263
Management Fee	2,569	731	1,107	3,211	4,044	5,118	3,453
Marketing	8,940	71,841	12,936	19,680	14,511	4,235	4,054
Franchise Fees	0	518	1,358	1,701	622	0	33
Property Operations & Maintenance	31,811	44,041	16,886	33,456	21,686	28,133	7,263
Energy	93,772	107,845	63,412	67,136	70,024	66,960	21,399
Total	199,032	294,714	125,479	167,503	145,820	161,992	52,465
HOUSE PROFIT	130,504	165,380	105,231	105,648	145,710	110,775	46,152
FIXED EXPENSES							
Property Taxes	1,760	3,833	6,961	3,816	6,471	7,772	1,510
Insurance	1,381	4,592	1,421	2,361	2,481	1,730	1,786
Other Fixed Expenses	114	4,135	340	7,463	4,551	4,262	8,222
Rent	10,015	6,612	1,779	51,020	782	779	543
Total	13,269	19,171	10,501	64,660	14,285	14,543	12,062
NET INCOME**	Rs117,235	Rs146,208	Rs94,730	Rs40,988	Rs131,425	Rs96,232	Rs34,090

* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

** Net Income is before depreciation, interest payments and taxes

NB: Inadequate financial data was available for Ahmedabad, Hyderabad, Lucknow, Agra and Ooty, therefore they were omitted from the table.

TABLE 4-5: Indian Hotel Industry - Twelve Other Cities: Financial Report – Per Occupied Room

	Cochin	Jaipur	Bhopal	Indore	Thiruv'puram	Shimla	Udaipur
COMPOSITION							
	Four-Star & Three-Star	Five-Star Dlx, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star
<i>No. of responses:</i>	8	4	8	4	9	8	6
Average Total Rooms:	46	61	74	37	46	52	41
Average Occupied Rooms:	9,240	10,555	17,078	7,849	10,470	9,905	7,051
Average Occupancy:	55.7%	40.2%	65.3%	60.6%	64.7%	57.5%	48.1%
Average Rate:	Rs1,305	Rs2,254	Rs948	Rs887	Rs923	Rs996	Rs699
REVENUE							
Rooms	Rs1,305	Rs2,254	Rs948	Rs887	Rs923	Rs996	Rs699
Food & Beverage	1,102	1,378	370	1,152	1,007	1,166	228
Banquet & Conferences	418	89	179	169	696	169	34
Telephone & Other	48	77	40	40	41	51	3
Minor Operated*	42	40	25	5	91	9	0
Rental & Other Income	88	216	90	90	111	120	5
Total	3,004	4,054	1,653	2,343	2,870	2,511	970
DEPARTMENTAL EXPENSES							
Rooms	267	396	209	167	427	162	199
Food & Beverage	1,010	881	370	848	1,101	855	164
Telephone & Other	31	53	44	41	26	46	8
Minor Operated*	39	30	36	9	18	15	30
Rental & Other Income	8	23	0	0	4	5	2
Total	1,355	1,384	658	1,065	1,577	1,082	404
DEPARTMENTAL INCOME	1,649	2,670	995	1,279	1,293	1,429	566
OPERATING EXPENSES							
Administrative & General	310	405	128	198	155	301	93
Management Fee	13	4	5	15	18	27	20
Marketing	45	417	56	92	64	22	23
Franchise Fees	0	3	6	8	3	0	0
Property Operations & Maintenance	159	256	73	157	96	147	42
Energy	469	626	273	314	311	351	123
Total	996	1,710	541	784	647	848	301
HOUSE PROFIT	653	960	454	495	646	580	265
FIXED EXPENSES							
Property Taxes	9	22	30	18	29	41	9
Insurance	7	27	6	11	11	9	10
Other Fixed Expenses	1	24	1	35	20	22	47
Rent	50	38	8	239	3	4	3
Total	66	111	45	303	63	76	69
NET INCOME**	Rs587	Rs848	Rs408	Rs192	Rs583	Rs504	Rs196

* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

** Net Income is before depreciation, interest payments and taxes

NB: Inadequate financial data was available for Ahmedabad, Hyderabad, Lucknow, Agra and Ooty, therefore they were omitted from the table.

TABLE 4-6: Indian Hotel Industry - Twelve Other Cities: Market Data

Market Segmentation													
	Ahm'bad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION	Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dix, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:	5	12	6	5	5	5	4	9	9	6	5	6	4
Airline Crew	4.2%	0.8%	0.3%	0.0%	0.1%	0.0%	0.0%	0.3%	1.0%	0.2%	0.0%	0.2%	1.5%
Business Traveller - Domestic	40.0	36.8	13.5	40.4	76.3	68.2	73.8	56.0	22.4	6.3	4.0	13.0	16.5
Business Traveller - Foreign	6.4	3.9	12.4	2.2	3.5	2.0	2.5	9.8	2.9	0.7	1.6	3.5	9.0
Complimentary Rooms	3.8	1.3	1.2	4.2	0.1	2.0	2.8	4.6	2.1	1.7	1.6	3.5	2.3
Domestic - Tourists/Leisure FIT	6.6	20.2	30.6	16.0	6.2	10.9	2.8	6.7	22.1	51.3	50.8	37.8	20.0
Foreign - Tourists/Leisure FIT	4.2	15.3	15.7	11.0	1.3	6.2	2.8	2.9	13.2	2.0	14.2	15.0	17.3
Meeting Participants (Less than 100 Attendees)	10.6	2.5	6.0	7.6	2.3	3.1	4.8	3.2	4.2	3.0	1.8	5.5	2.0
Meeting Participants (Over 100 Attendees)	6.6	3.7	3.2	5.2	3.4	2.2	2.8	9.7	2.1	3.0	2.6	1.7	5.3
Tour Groups - Domestic	6.2	8.8	1.8	7.2	5.9	1.0	4.0	5.8	9.9	28.7	16.0	11.3	15.8
Tour Groups - Foreign	0.2	6.1	15.0	5.8	0.2	1.2	4.0	0.0	13.8	0.7	6.4	8.2	8.0
Other	11.2	0.6	0.4	0.4	0.6	3.2	0.0	1.1	6.2	2.5	1.0	0.3	2.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Country of Origin of Guests

Country of Origin of Guests													
	Ahm'bad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION	Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dix, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:	4	9	6	ID	ID	ID	4	6	8	ID	5	7	4
ASEAN*	8.3%	5.2%	4.4%				6.3%	2.2%	3.1%	8.8%	1.2%	6.1%	
Australia	2.5	5.9	2.4				2.5	1.0	3.0	7.2	2.9	9.0	
Canada	2.5	2.7	2.5				1.5	4.2	3.4	3.5	2.8	2.5	
Caribbean	0.0	0.0	0.1				0.0	0.0	0.9	0.2	0.1	0.5	
China	3.3	1.5	1.4				7.5	0.7	1.3	2.2	0.6	1.8	
France	5.5	7.2	13.6				3.8	5.5	4.8	8.3	11.7	6.8	
Germany	7.5	10.7	7.1				2.0	4.3	5.4	10.2	14.3	18.5	
Japan	3.8	5.5	8.3				16.5	2.5	5.9	3.8	3.2	11.0	
Middle East	4.3	4.1	4.5				1.0	0.3	4.8	6.4	0.9	3.3	
Other European	5.5	14.4	8.4				2.0	2.5	8.6	5.2	19.6	10.3	
Russia	1.3	1.2	0.7				2.0	2.0	0.8	2.2	0.2	2.3	
SAARC**	21.5	3.7	7.6				34.3	3.8	4.9	7.2	2.3	5.4	
South Africa	1.8	3.2	2.1				1.3	0.0	2.2	5.6	0.5	1.3	
UK	12.0	20.0	19.8				5.5	30.5	28.8	11.4	15.4	11.8	
USA	17.0	12.8	8.8				5.5	30.3	13.7	10.0	17.7	6.5	
Other	3.5	2.0	8.4				8.5	10.2	8.6	7.5	6.7	3.2	
Total	100.0	100.0	100.0				100.0	100.0	100.0	100.0	100.0	100.0	100.0

* ASEAN: Association of South East Asian Nations

** South Asian Association for Regional Co-operation - India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives

TABLE 4-7: Indian Hotel Industry - Twelve Other Cities: Monthly & Daily Occupancy**Average Monthly Occupancy**

	Ahmbad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION	Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dix, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
<i>Number of responses:</i>	6	11	6	7	4	6	4	9	9	8	7	7	5
January	76.0%	73.9%	60.5%	79.6%	75.8%	68.8%	59.0%	61.4%	72.1%	34.5%	44.7%	44.6%	43.3%
February	70.8	64.8	62.4	74.1	76.3	67.7	66.0	63.4	66.8	32.3	36.8	43.8	49.1
March	60.2	52.7	59.5	65.0	68.3	64.0	57.0	58.0	58.7	36.8	36.9	40.3	45.8
April	62.0	59.0	42.3	54.2	70.0	59.7	59.8	63.1	57.3	45.1	68.9	28.8	30.6
May	65.7	61.5	23.9	45.7	70.8	59.5	55.3	67.6	54.9	79.8	82.7	28.4	26.8
June	59.0	52.4	17.6	43.2	68.5	61.7	59.3	66.1	45.7	86.4	57.6	28.5	24.0
July	61.5	49.0	23.5	45.2	70.8	57.8	54.3	60.0	43.8	48.0	46.4	29.1	24.7
August	66.3	57.2	38.9	54.2	74.3	57.5	49.0	62.6	53.9	35.5	39.6	34.8	28.0
September	67.3	54.3	37.7	59.0	68.5	60.3	52.0	64.2	58.3	39.6	49.1	29.3	30.6
October	66.3	59.3	51.8	64.8	73.8	65.5	58.8	65.2	62.6	55.4	54.1	47.8	40.0
November	73.3	72.2	62.3	75.4	72.3	68.2	55.0	64.7	69.3	49.9	55.9	57.7	47.7
December	79.8	75.7	61.0	79.1	78.3	69.2	58.0	70.2	75.0	53.9	68.9	58.6	46.1

Average Daily Occupancy

	Ahmbad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION	Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dix, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
<i>Number of responses:</i>	6	9	ID	ID	4	5	4	7	7	4	5	ID	ID
Monday	58.3%	56.0%			72.5%	60.0%	62.0%	56.9%	54.6%	40.0%	34.0%		
Tuesday	68.3	62.2			75.0	67.6	62.0	61.9	56.1	37.5	31.2		
Wednesday	74.7	63.1			76.3	68.6	61.8	66.3	60.8	41.3	32.2		
Thursday	73.8	61.3			76.8	67.0	62.0	65.7	60.0	42.5	35.0		
Friday	61.3	53.6			68.8	60.6	54.0	61.9	58.1	66.3	55.4		
Saturday	55.0	48.2			58.8	54.0	43.5	55.7	54.7	80.0	73.4		
Sunday	45.5	47.4			53.8	44.0	38.3	41.9	46.4	53.8	46.0		

TABLE 4-8: Indian Hotel Industry - Twelve Other Cities: Sources of Reservation**Source of Advance Reservations**

	Ahm'bad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION	Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dix, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:	6	13	4	7	5	6	5	11	9	8	7	7	6
Chain Central Resvn. Sys.	0.5%	13.1%	12.5%	2.0%	0.0%	0.0%	2.0%	0.0%	11.4%	0.0%	2.6%	0.0%	10.0%
Direct Enquiry/ Hotel Rep.	68.3	31.9	45.0	42.9	83.4	72.8	71.4	68.6	51.9	31.4	36.4	43.6	32.5
Global Distribution Sys. (GDS)	0.2	0.0	3.8	0.0	0.0	0.0	1.0	0.0	0.0	0.1	0.0	2.9	0.8
Hotel/Chain Web Site	6.3	6.9	8.3	4.7	2.4	4.2	3.2	4.6	6.1	7.6	9.7	11.4	5.5
Travel Agent & Tour Operator	10.8	33.1	23.8	27.0	8.2	10.8	13.2	9.4	21.4	35.6	37.0	23.6	34.2
Other Online Resvn. Sys.	0.5	1.9	2.5	0.0	3.6	4.2	0.0	0.8	0.1	0.0	4.4	0.7	1.3
Other Websites	1.2	1.9	0.5	0.1	0.0	1.7	3.0	0.8	1.8	4.0	1.2	3.3	4.5
Others	12.2	11.3	3.8	23.3	2.4	6.3	6.2	15.8	7.2	21.3	8.7	14.6	11.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 4-9: Indian Hotel Industry - Twelve Other Cities: Marketing Media**Marketing Media - Percentage of Hotels Using Each Media**

	Ahm'bad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION	Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dix, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:	6	13	5	7	4	6	5	10	9	8	7	7	5
Direct Mail	100.0%	92.3%	80.0%	100.0%	75.0%	50.0%	80.0%	90.0%	77.8%	87.5%	85.7%	85.7%	100.0%
Hotel Website	83.3	92.3	80.0	85.7	50.0	0.0	80.0	40.0	66.7	87.5	71.4	71.4	80.0
Loyalty Card Program	33.3	53.9	60.0	71.4	50.0	0.0	0.0	20.0	44.4	0.0	42.9	14.3	60.0
Merchandising	16.7	53.9	40.0	14.3	25.0	16.7	20.0	10.0	33.3	0.0	0.0	14.3	40.0
Other Internet Site	100.0	92.3	80.0	57.1	50.0	16.7	40.0	30.0	44.4	50.0	14.3	42.9	80.0
Outdoor Advertising	66.7	92.3	40.0	71.4	25.0	33.3	40.0	80.0	77.8	62.5	71.4	71.4	60.0
Print Advertising	100.0	100.0	100.0	100.0	100.0	100.0	100.0	90.0	100.0	87.5	85.7	100.0	80.0
Promotions	66.7	84.6	60.0	85.7	50.0	50.0	100.0	60.0	77.8	62.5	71.4	57.1	80.0
Radio Advertising	0.0	7.7	20.0	0.0	0.0	0.0	0.0	30.0	0.0	0.0	0.0	0.0	20.0
Telemarketing	66.7	46.2	60.0	57.1	50.0	16.7	80.0	60.0	44.4	50.0	28.6	14.3	60.0
TV Advertising	66.7	15.4	60.0	28.6	0.0	50.0	40.0	30.0	44.4	12.5	14.3	0.0	80.0

TABLE 4-10: Indian Hotel Industry - Twelve Other Cities: Payment Methods**Payment Methods**

	Ahm'bad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION	Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dix, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:	7	12	6	7	5	6	5	11	9	6	7	7	5
Cash Sales	29.3%	32.3%	28.2%	49.4%	54.0%	55.0%	38.0%	45.6%	44.4%	78.2%	43.1%	51.5%	54.4%
Credit Card Sales	35.7	38.7	27.7	21.6	29.0	33.0	35.0	32.6	28.2	14.2	34.1	29.6	17.6
Credit Sales (Other than Cards)	35.0	24.0	43.3	29.0	17.0	12.0	27.0	20.8	22.2	5.2	22.6	18.1	28.0
Electronic Fund Transfer	0.0	5.0	0.8	0.0	0.0	0.0	0.0	1.1	5.1	2.5	0.1	0.7	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Credit Cards Used

	Ahm'bad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION	Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dix, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:	6	11	5	5	10	6	4	9	9	7	6	7	6
American Express	7.2%	14.6%	22.2%	15.1%		21.0%	12.5%	6.7%	7.9%	14.7%	6.8%	9.9%	20.8%
Diners Club	12.0	6.5	13.5	4.5		0.0	4.3	6.8	6.4	1.4	10.3	4.3	4.5
Mastercard/Eurocard	41.3	34.0	26.3	28.7		41.0	38.5	47.2	39.1	41.4	39.5	40.0	15.0
Visa	35.8	40.1	36.1	50.1		36.3	44.8	30.0	45.2	31.0	40.0	39.6	41.3
Other	3.7	4.8	2.0	1.7		1.7	0.0	9.3	1.4	11.4	3.3	6.3	18.3
Total	100.0	100.0	100.0	100.0	0.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Average Credit Card Commission

	Ahm'bad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION	Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dix, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:	6	9	5	6	6	4	9	8	5	5	7	5	
American Express	3.9%	3.2%	3.5%	3.6%		3.3%	3.8%	2.8%	2.0%	2.0%	2.2%	3.3%	3.9%
Diners Club	2.1	2.5	1.9	2.4		0.0	1.6	2.2	1.8	0.6	1.0	1.5	2.9
Mastercard/Eurocard	1.8	1.9	1.7	2.0		2.8	1.9	2.2	2.1	2.5	2.4	2.8	3.0
Visa	1.8	1.7	1.8	2.0		2.3	1.9	2.2	2.1	2.5	2.4	2.7	3.0

TABLE 4-11: Indian Hotel Industry - Twelve Other Cities: Technology Issues

Technology in Hotels - Percentage of Hotels Using Each Technology

	Ahm'bad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION	Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dlx, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:	8	12	4	7	4	ID	5	10	8	7	6	6	4
Accounting System	100.0%	91.7%	100.0%	71.4%	100.0%		100.0%	100.0%	75.0%	85.7%	83.3%	100.0%	100.0%
Call Accounting System	87.5	66.7	100.0	57.1	50.0		20.0	60.0	25.0	42.9	66.7	16.7	25.0
Central Reservation System (CRS)	62.5	33.3	100.0	14.3	0.0		20.0	0.0	12.5	42.9	16.7	0.0	0.0
Electronic Keycard	37.5	8.3	50.0	57.1	25.0		40.0	10.0	12.5	0.0	0.0	0.0	0.0
Energy Management System	25.0	16.7	75.0	14.3	25.0		0.0	10.0	12.5	14.3	16.7	0.0	25.0
Internet/E-Mail	75.0	100.0	100.0	85.7	100.0		60.0	70.0	75.0	100.0	83.3	100.0	100.0
Internet/Website	87.5	91.7	100.0	100.0	75.0		40.0	60.0	62.5	100.0	66.7	50.0	50.0
Intranet System	50.0	41.7	75.0	42.9	50.0		20.0	30.0	37.5	14.3	0.0	33.3	75.0
Local Area Network (LAN)	62.5	83.3	75.0	100.0	75.0		80.0	60.0	87.5	42.9	33.3	50.0	50.0
Management Information System (MIS)	62.5	83.3	100.0	71.4	75.0		40.0	30.0	37.5	28.6	33.3	33.3	50.0
Point of Sale System for F&B	62.5	91.7	100.0	71.4	75.0		80.0	60.0	37.5	42.9	50.0	16.7	50.0
Property Management System	25.0	58.3	100.0	71.4	100.0		20.0	20.0	37.5	14.3	33.3	0.0	50.0
Yield Management System	25.0	58.3	75.0	28.6	25.0		40.0	0.0	25.0	28.6	16.7	0.0	0.0
Other	12.5	0.0	25.0	0.0	0.0		0.0	30.0	0.0	0.0	0.0	0.0	0.0

Environmental Issues - Percentage of Hotels Monitoring Quantitative Performance

	Ahm'bad	Cochin	Jaipur	Hyderabad	Lucknow	Bhopal	Indore	Thiruv'puram	Shimla	Ooty	Udaipur	Agra	
COMPOSITION	Four-Star & Three-Star	Four-Star & Three-Star	Five-Star Dlx, Five-Star & Heritage	Four-Star, Three-Star & Two-Star	Four-Star & Three-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star, Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Three-Star & Two-Star	Four-Star, Three-Star & Two-Star
Number of responses:	6	13	ID	6	5	4	5	10	8	7	6	6	4
Air (External Emissions)	50.0%	15.4%		16.7%	20.0%	25.0%	40.0%	20.0%	75.0%	28.6%	66.7%	33.3%	50.0%
Air (Indoor Air Quality)	50.0	23.1		50.0	40.0	0.0	40.0	40.0	75.0	28.6	50.0	33.3	50.0
Community Interaction	16.7	46.2		0.0	20.0	0.0	20.0	30.0	62.5	14.3	66.7	16.7	25.0
Energy Consumption (Electric)	100.0	100.0		83.3	100.0	100.0	100.0	100.0	100.0	71.4	100.0	100.0	75.0
Energy Consumption (Gas)	100.0	84.6		83.3	80.0	100.0	100.0	80.0	100.0	71.4	83.3	66.7	75.0
Energy Consumption (Oil)	66.7	84.6		83.3	80.0	50.0	100.0	70.0	62.5	57.1	83.3	66.7	75.0
Fresh Water Quality	50.0	92.3		66.7	60.0	50.0	60.0	70.0	87.5	42.9	83.3	83.3	75.0
Noise (External)	33.3	30.8		33.3	40.0	0.0	40.0	20.0	62.5	14.3	66.7	33.3	50.0
Noise (In House)	33.3	38.5		50.0	20.0	25.0	60.0	40.0	87.5	0.0	66.7	33.3	50.0
Solid Waste Disposal	33.3	46.2		33.3	40.0	50.0	40.0	50.0	50.0	0.0	50.0	33.3	0.0
Solid Waste Production (Quality)	33.3	23.1		16.7	20.0	0.0	0.0	30.0	0.0	14.3	33.3	0.0	25.0
Solid Waste Production (Segregation)	33.3	30.8		33.3	20.0	0.0	20.0	30.0	12.5	14.3	50.0	0.0	25.0
Solid Waste Production (Volume)	33.3	30.8		16.7	20.0	0.0	20.0	30.0	25.0	28.6	50.0	50.0	50.0
Staff Training in Environmental Issues	50.0	38.5		16.7	60.0	0.0	20.0	40.0	75.0	14.3	66.7	83.3	50.0
Use of Chemicals (House Keeping)	66.7	92.3		83.3	60.0	25.0	60.0	70.0	100.0	42.9	100.0	100.0	75.0
Use of Chemicals (Maintenance)	66.7	61.5		83.3	80.0	25.0	60.0	60.0	62.5	42.9	50.0	66.7	50.0
Use of Pesticides and Herbicides (Dry Rations)	50.0	15.4		16.7	0.0	25.0	0.0	20.0	37.5	14.3	33.3	16.7	50.0
Use of Pesticides and Herbicides (Green Groceries)	50.0	23.1		16.7	20.0	0.0	20.0	40.0	37.5	14.3	33.3	33.3	50.0
Use of Pesticides and Herbicides (Horticulture / Gardens)	50.0	46.2		66.7	60.0	25.0	60.0	50.0	87.5	14.3	83.3	16.7	50.0
Use of Pesticides and Herbicides (Inside Building)	50.0	53.9		83.3	0.0	50.0	60.0	40.0	62.5	42.9	83.3	16.7	50.0
Use of Pesticides and Herbicides (Pest Control)	66.7	92.3		83.3	80.0	50.0	60.0	60.0	75.0	42.9	100.0	66.7	75.0
Use of Pesticides and Herbicides (Public Area)	50.0	46.2		83.3	40.0	50.0	60.0	50.0	75.0	42.9	83.3	50.0	50.0
Waste Water Quality	50.0	46.2		50.0	40.0	25.0	20.0	30.0	25.0	14.3	33.3	33.3	50.0
Waste Water Volume	50.0	46.2		50.0	40.0	0.0	20.0	20.0	37.5	14.3	50.0	66.7	25.0
Water Consumption	83.3	100.0		83.3	100.0	50.0	60.0	90.0	100.0	42.9	100.0	66.7	100.0



Hotel Analysis Worksheet

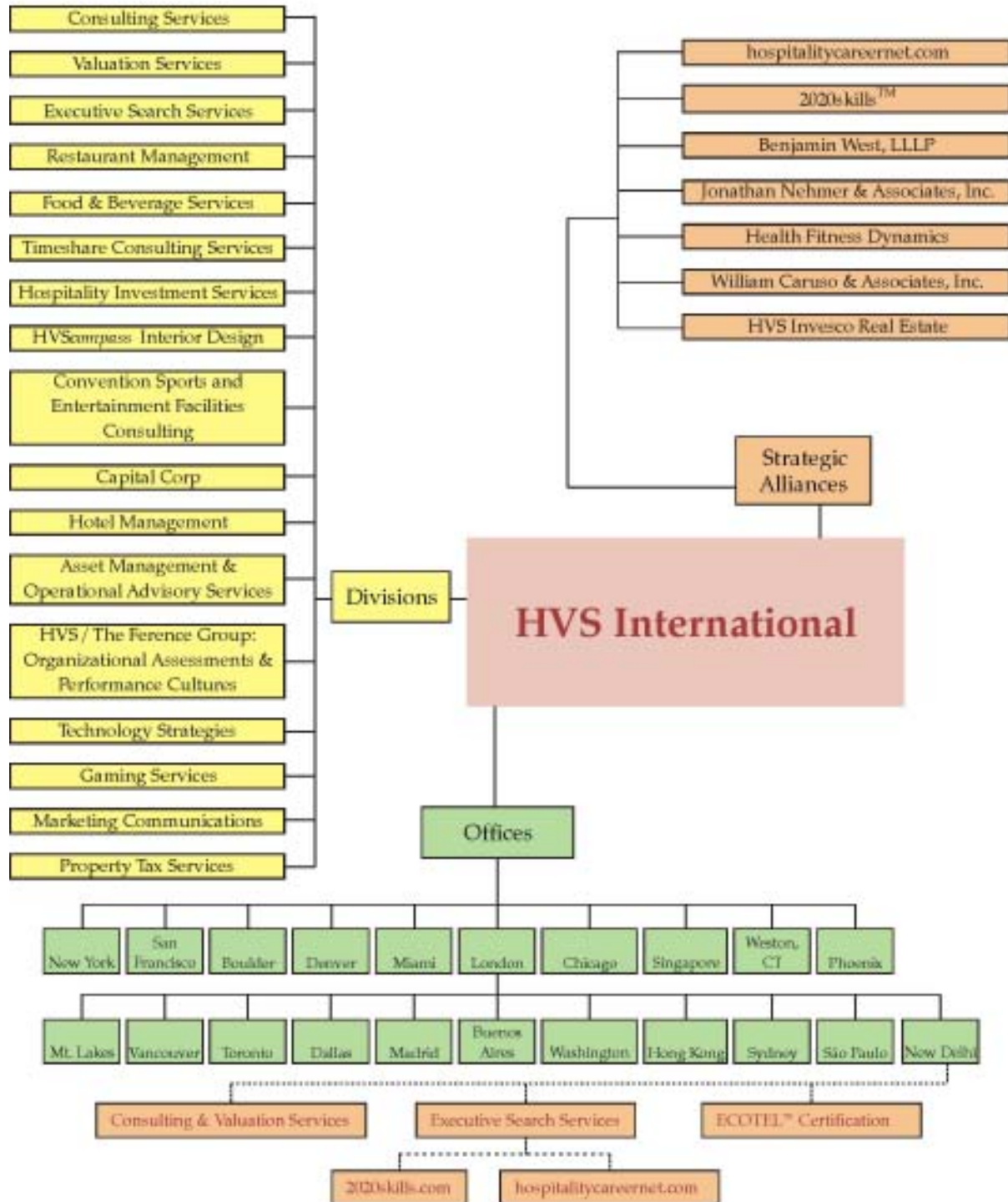
Hoteliers can analyse their financial data, compare it with their competitors and accordingly prepare their future strategies and budget with the help of the following table:

COMPOSITION	Your Hotel	Comparison 1	Comparison 2	Comparison 3
Average Total Rooms Per Hotel:				
Average Occupied Rooms Per Hotel:				
Average Occupancy Per Hotel:				
Average Rate Per Hotel:				
REVENUE				
Rooms				
Food & Beverage				
Banquet & Conferences				
Telephone & Other				
Minor Operated*				
Rental & Other Income				
Total				
DEPARTMENTAL EXPENSES				
Rooms				
Food & Beverage				
Telephone & Other				
Minor Operated*				
Rental & Other Income				
Total				
DEPARTMENTAL INCOME				
OPERATING EXPENSES				
Administrative & General				
Management Fee				
Marketing				
Franchise Fees				
Property Operations & Maintenance				
Energy				
Total				
HOUSE PROFIT				
FIXED EXPENSES				
Property Taxes				
Insurance				
Other Fixed Expenses				
Rent				
Total				
NET INCOME**				

* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

** Net Income is before depreciation, interest payments and taxes

HVS International at a Glance



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*"What do you do when a nation's name is
in your name?"*

You get busy living up to the nation's dreams.

You stop asking, "Why must I?"

*You become the only airline to rip out seats to
accommodate that frail grandmother
on a stretcher.*

*You work 200 hours non-stop to evacuate
fellow countrymen because they are stranded
in an alien country.*

*You fly in the face of cyclones,
earthquakes and floods, in Bhuj or Orissa.*

You have to.

Because if you don't, who will?"



 **इंडियन एयरलाइन्स**
Indian Airlines

We have a nation to live up to