

# MYSTIC EAST

...an unexplored horizon

A bi-monthly magazine by HRAEI | Vol 2 | Issue 5 | September - October 2016

**COVER STORY**

## THE GREAT MRP DEBATE

**3 COURT VERDICTS: HOTELS AND RESTAURANTS  
CAN SELL WATER AND BEVERAGES ABOVE  
MAXIMUM RETAIL PRICE AT TABLES**





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Rather than deep discounting, hotel aggregators must have solid processes in place



Dear Fellow Members,

When some of our members signed up with hotel aggregators — such as Oyo rooms—little did they know the move would impact their business or goodwill. Deep discounting and unrealistic promise made by these entities to customers often put hotels in trouble. The aggregators, however, quickly 'downgrades' a hotel through a questionable 'star system rating' whenever a guest posts a nasty feedback on the hotel. The customer is impressed by the aggregators' 'efficient' action but the hotel loses trust in the market.

This is a reason why over 200 hotels backed out of deals with OYO Rooms and Zo Rooms shifting to rival camps (say, Wudstay and Vista Rooms). The trend proves the hotel owners, on principle, are okay with the concept of aggregation but irked by the high-handedness of specific operators.

Apart from imposing the odd rating system, members do not receive timely payments from some aggregators. Also customers booked by them often fail to show up. As a result rooms pledged by the hotels stay unsold, depriving loyal customers.

Rather than deep discounting, these new age entities must have credible processes in place. It's time they grow up fast. Only the fittest is going to survive the tough competition in the new domain.

**Sudesh Poddar**  
President, HRAEI

# MYSTIC EAST

A BI-MONTHLY MAGAZINE BY HRAEI  
Vol 2 | Issue 5 | September - October 2016

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## THIS ISSUE OF MYSTIC EAST CONTAINS 56 PAGES INCLUDING COVER AND BACK COVER

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## SECRETARY'S MESSAGE



To prevent card frauds  
the front desk must  
request all check  
in guests to keep  
multiple identity cards  
ready



Dear fellow members,

The recent incidents of credit and debit card fraud across the country make hotels and restaurants extremely vulnerable to financial heist.

The threat comes from identity thieves who use legitimate an individual's personal information to fraudulently apply for credit cards.

According to hospitality fraud prevention consultants, the only truly reliable way for the front desk personnel to prevent these crimes is to request all guests checking in to keep more than one identity card ready (say, a driver's license) in case of card transaction. Unfortunately, few hotels require this procedure, or if they do, enforcement is lax.

For added security, the front desk staff should carefully tally the name on the arriving guest's alternative ID card with that on the credit card and the reservation information stored in the hotel's system.

Credit card criminals will sometimes claim that they don't have an additional form of identification. If this occurs, the best policy for hotels is to decline the credit card and accept cash only.

In addition, it is essential that all employees carefully follow the credit card companies' transaction processing procedures—to avoid being stuck with fraudulent charges for failing to take adequate precautions against guests bearing stolen or counterfeit cards. Better safe, than be sorry later.

A handwritten signature in black ink, appearing to read 'Pranav Singh'.

**Pranav Singh**  
Secretary, HRAEI

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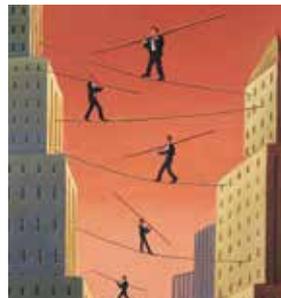
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# JW MARRIOTT KOLKATA AIMS TO MAKE THE CITY A TOP MICE AND WEDDING DESTINATION



**H**OPING to come up with five more properties across India by the year end, US-based hospitality chain JW Marriott threw open its first property in east India in Kolkata on November 3. The property with a 13,000 sq ft banquet -largest in their existing eight properties across India -is being positioned as their best wedding destination in the country.

Marriott is also coming up with another property -Fairfield in Kolkata's eastern fringes New Town alongside Courtyard in Siliguri. Coming up with one of their moderate tier brands in Guwahati is also on their expansion radar.

Bullish about the eastern India market, the Kolkata launch is just a stepping stone for Marriott to spread the brand in the east. "Kolkata has been having a good market growth and did not have too many new options. But with the government's stability and eastern India being the gateway to northeast India and Asian countries, we are upbeat about the market here," said Neeraj Govil, area vice president, South Asia, Marriott International.

Every Marriott property in the country will be incorporated with a bridal studio. The Kolkata property is already booked with 35 weddings scheduled to take place at the premises between November and March. Targeting high-end corporates, the average room tariff at the hotel ranges between Rs 8,000 to Rs 10,500. The 281-room property would be launched in three phases, with the first phase having 191 rooms which will be launched next month. The other phases will be launched by the end of the fiscal year.

Source: The Economic Times

# Breaking the glass ceiling

US-based hospitality chain JW Marriott recently threw open the doors of its luxury property in the metropolis -- the first in the eastern region. Ranju Alex, the General Manager of JW Marriott Kolkata, and Multi Property Vice President East India, successfully executed the colossal project well before its deadline. Before getting into the shoes of GM in the Kolkata hotel, she had been the GM of the the Goa Marriott Resort & Spa.. An alumna of IHM Kolkatta, she joined Marriott International in the year 2010 after being the officiating GM at the Oberoi Grand Hotel, Kolkata. She is also a keen advocate of women in leadership in all spheres of life and commerce. She spoke to Mystic East in an exclusive interview. Excerpts:



**There used to be a taboo in our country regarding women working in hotels. A lot has changed and we are now waking up to the need to have more women working in the hospitality sector**

**Q. JW Marriott finally begins its journey in eastern India. How does it feel after successful planning and execution?**

It is a very heady feeling with excitement, euphoria, optimism and a rush of adrenalin. I am extremely proud of the fact that we delivered on time and that too with a lot of style. We are now Kolkata's and West Bengal's only super luxury destination and hope that we will enjoy a lot of support and patronage.

**Q: Marriott Kolkata opens its doors at a crucial moment when the Marriott-Starwood surpassed the Taj group (IHCL) to be the largest hotel chain? Any comments on this?**

It is a matter of pride for each of us to be associated with a company which is the world's biggest name [in the hospitality sector]. We now have 5700 hotels spread over 110 countries. It is a win-win situation for both the guests as well as the associates. We are extremely buoyant about these joint forces in the market.

**Q: What is the USP of your hotel?**

The USP of the hotel is the team coupled with an exemplary product. It is a very 'lethal' combination and we hope that we become market leaders because that is what we deserve!

**Q: Where does it stand in comparison to the other competitors in the category in Kolkata? Will the opening of the new hotel start a price war among the five star hotels?**

With the largest banquet hall in the city, we can now expect Kolkata to be a MICE destination. This will attract a lot of business and keep the hotels busy. In my opinion, it is not always true that an increase in supply decreases the demand. At times, an increase in supply generates additional demand!

**Q: You are back in Kolkata after some time. How does it feel now?**

Kolkata has always been home for me. I have a knack of returning to the city every time I leave it. I am completely in love with Kolkata and nothing can ever change that. I love the people, the food, the warmth and the sentiment of this city.

**Q: You have been born and brought up in Bengal. Does this offer you an advantage while working in Kolkata?**

A: It definitely helps that I can speak, read and write fluent Bengali. I can speak about Bengali food and culture with a passion which comes only if you have lived in that society. I always maintain that though I am a Bihari by birth, I am a Bengali by heart, soul and mind!



**Q: According to news reports your hotel has special focus on wedding receptions. Is this strategy working?**

It is working extremely well . With a banquet as large as 38000 square feet , it is only natural that we cater to large weddings and that is exactly what is working with us.

**Q: What are you planning to do to cater to the MICE category?**

Marriott International is extremely strong with this segment of business. We have a service design which caters to the MICE segment very well. The product of tis hotel is extremely conducive to the MICE business

**Q: What were the challenges you faced while executing this project?**

To be very frank it has been a very smooth ride for us. Marriott

International has very stringent brand standards which need to be followed . That leaves very little ambiguity during execution and makes the project experience much easier

**Q: Why are there too few women in your profession in India? What would you do to inspire more women to join?**

Hotels demand long hours because our guests are arriving at all hours . This specially happens when you are just starting out in your career and that is when most women drop out into their home keepers or an alternate career. Moreover there used to be a certain taboo in our country regarding women working in hotels. A lot has changed in the past two decades and we are now waking up to the need to have more women working in hotels. Women have a natural charm and grace which fits well for this profession . Marriott International has taken a lot of steps to ensure that more women join our workforce !



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## FSSAI checks up on hotels, restaurants



**C**ONTROVERSIES such as the temporary ban on Nestle’s Maggi instant noodles appear to have had a bearing on the hospitality sector, with the food regulator stepping up inspections of hotels and restaurants to assess compliance with safety norms.

The Food Safety and Standards Authority of India (FSSAI) has increased its surprise checks and audits on hotels, restaurants and caterers to check hygiene levels and food quality. Even five-star hotels are under the scanner and have had food safety officials carry out surprise inspections

of their restaurants, hoteliers and restaurateurs said, in a report by The Economic Times.

“The number of checks has gone up. We have had recent surprise checks in our hotel in Gurgaon and east Delhi and even in locations such as Hyderabad and Indore to check the quality of food,” said Rajeev Janveja, Corporate Chef, Lemon Tree Hotels.

Food safety has been in public focus since last year, when FSSAI banned the sale of Nestle’s Maggi noodles in the country for containing contaminants, although the order was eventu-

ally revoked. Nestle maintained at the time that the product was safe.

“After the Maggie issue, FSSAI has become really active. There are a lot of surprise audits and raids being conducted at five-star restaurants with food safety officers visiting to check inventory, processes, hygiene levels and the licence to operate. A lot of hotels and QSRs (quick service restaurants) are under the scanner of the regulator,” said Vinay Garodiya, executive director — fraud investigation and dispute services at EY.

FSSAI, which operates under the health ministry, is required to regulate and monitor the manufacture, processing, distribution, sale and import of food so as to ensure safe and wholesome food. Its tasks include the licensing and registration of food business. The regulator did not immediately respond to an email from ET.

“There can be massive adulteration in the packaged products that we buy and it’s in everybody’s interest to comply with these checks,” said a restaurateur on condition of anonymity. “Large hotel players were never this worried about food safety until now, but going ahead, they will have to think aloud on this. Till now, food safety has been managed by a particular chef in a facility and there needs to be a central team which monitors end-to-end food safety compliance and standards,” Garodiya added.

Somnath Dey, Executive Assistant Manager - F&B, Hyatt Regency Delhi, said FSSAI has always been a vigilant and well respected body that checks regularly on food quality and ensures the highest of standards in its kitchens.

Source: The Economic Times

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## Kerala liquor ban hits MICE business and tourism in the state

**A**S feared by the tourism industry stakeholders selling their varied products at the prestigious Kerala Travel Mart, the major concern of buyers has turned out to be the restrictions on consumption of alcohol in tourism destinations.

A majority of the buyers, who have been to Kerala and the KTM on several occasions, wanted to know whether there's any shift in the liquor policy. The 2016 edition of the biannual KTM is the first after the implementation of new excise policy. Though the operators here cited the new government's tourism-friendly stance, this is not enough to rescue the MICE business, which has been severely hit.

"Promises are not enough. If the government does not do it, Kerala, will definitely lose out completely to other destinations like Sri Lanka," said Ranjini Nambiar, CEO of Bengaluru-based Footloose Yatra Consultants. Ranjini, who handled a huge volume of MICE business to Kerala from the IT sector in Bangalore in the past, no more looks at the state as a meetings and incentives destination.

"Inbound tourism in Gujarat has been hit by prohibition. I used to bring conferences and meetings to Kerala before but the liquor restrictions have now put an end to it," said Arpan G, a tour operator from Gujarat, who has shifted his MICE business to places like Goa and Coorg.

Though the foreign operators do not have much to do with MICE business, the lifestyle of their clients who enjoy a drink with dinner or meals often at spots outside the 'bar counter limits' is worrying them.

"We have been to the KTM twice before, and we have been aware of the current liquor policy. We are worried, because our people on holidays like to



have a drink with dinner," said Gary Tree, from Kerala Connections Limited, a UK-based tour operator, which has Kerala as its main destination. "If you are on a holiday you might want to relax with a drink, especially if you are in a remote beach area. We now advise our clients to check whether the property has alcohol license before they go, as most of them don't like to go to hotels, which doesn't have such options. If the state is going to be dry, tourism is going to be affected," he added.

It's not just the restrictions on hard liquor in several properties that's affecting tourism, according to Jaison Anithanam, the general manager of Karma Group, which has a boutique property in Kumarakom. "Our guests are mainly foreigners, and they are not coming for holidays to get drunk. But that's part of their meal, and they would like to get it served by poolside or in their room or other scenic spots inside the property. But restrictions put them off and it's difficult for us to explain and make them understand about such petty restrictions," he pointed out.

"It's a concern, and people, especially the foreigners, are asking whether they would be lifted," said E M Najeed, president of the Confederation of Kerala Tourism Industry. However, the newcomers are not aware of such restrictions. "They will come to know only when they start sending people here and get the feedback. They are here in search of new products and new destinations," he added.

The KTM, of course, is witnessing a mix of newcomers and old-timers on almost an equal proportion, and many in the former group, do not consider such restrictions can affect tourism in Kerala. "I can understand the reasons and social issues behind liquor restrictions here. It might slightly affect inbound tourism, but not in a big way, as you have very good products," said Alex Skafi from Germany-based AMS Sportsmarketing.

Jagoda Jedrzejowska of Planet Escape, a first-timer from Poland, holds Yoga and Ayurveda as better alternatives to drinks for relaxation here. "People can still travel and explore, and any ban on liquor will not affect my clients," she asserted.

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## 94% Indians prefer free Wi-Fi at hotels



**E**XPEDIA, a full service Online Travel Agent (OTA), released the results of the 2016 Hotel Etiquette Report, an analysis of behavior and preferences of Indians while booking hotels highlighting that 94% of Indians obsessed with social media prefer a free Wi-Fi connection at a hotel, while 37% are unwilling to pay for the same.

“The Hotel Etiquette survey highlights some interesting facts about preferences of Indian travel-

ers while booking a hotel. According to the survey, the most preferred medium of booking a hotel amongst 35% Indians is a desktop/laptop/computer followed by mobile app on smartphone/tablets used by 29% while 14% travellers book through mobile web using smartphone/tablets. It is interesting to note that 89% Indians consider hotel reviews as very/somewhat important while choosing a hotel. As Indian travellers are evolving, 77% consider the ability

to earn and redeem reward points on their bookings as important,” said Manmeet Ahluwalia, Marketing Head, Expedia India.

The survey was conducted amongst the males and females of India and highlights interesting findings regarding their preferences while booking a hotel of their choice. The survey was conducted online in the month of August by GFK Custom Research, North America on 1,014 randomly selected adults.

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**ECO HOTELS**

# TOUCH OF **GREEN**

With huge growth in the hospitality sector in big cities and smalltown India, the need of the hour is the creation of sustainable designs and construction of green hotels



As more and more international hotel chains foray into the Indian market the Indian hospitality industry has witnessed several revolutionary concepts. One idea deals with the awareness to construct eco-friendly hotels with the use of sustainable designs and environment-friendly raw materials. However, not many hotels across India have adopted such eco-friendly measures within their property's basic elements.

An eco-friendly hotel's development needs to begin from the moment of conceptualisation (of the property) to the incorporation stage, when the eco-friendly items are included in the hotel's construction. Beyond this, hotels can implement environmental-

**The inclusion of green modifications needs to be an intrinsic part of the hotel's design — right from the point when the blueprints are designed to when they are implemented**



ly conducive products in day-to-day operations. Here, we aim to focus on the design and construction of green hotels.

## **Sustainable design**

It is vital to ensure eco-conservation in hospitality projects. According to a General Manager of an upcoming five-star hotel in Kolkata, the development of an eco-friendly hotel begins from the stage at which the land for the hotel is selected. "It is essential to conserve the surrounding land and its vegetation while developing the hotel. One classic example in this category is a property in Eastern Bypass in Kolkata," he says.

The inclusion of green modifications needs to be an intrinsic part of the hotel's design — right from the initial stage. Thus, from the point when the blueprints are designed to when they are implemented, every stage needs to employ green designs. "The designing of an eco-friendly hotel begins from day one of the hotel's design," states a leading developer of hotels in Bhubaneswar.

In hotels, the biggest load on energy consumption falls upon the public areas and kitchens. Thus, care should be taken when designing these spaces. Hotels can use a common kitchen for all its F&B outlets. This will reduce the energy consumption. About 70 per cent of energy is consumed in the hotel's public areas. These areas should be designed to ensure minimum technology usage. Today, hotels implement high ceilings and double glaze ceilings in the lobby areas, which help to maintain a steady temperature within the hotel. This helps bring down the energy consumption, as well. The hotel façade can be treated similarly.

On the other hand, sustainable designs should not be restricted only to the hotel building; they should cover the area around the building, as well. Developers need to maintain the eco-



► Eco-friendly hotels use environment-friendly materials

# Seven exciting destinations



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# ECO HOTELS



## ► Engineered wood, cane furniture and double glaze glasses are often used

logical balance in the surrounding environment. It is essential to protect the natural and agricultural vegetation around the property. Besides, it is essential to ensure access to public transportation systems around the hotel. This will reduce the use of automobiles. Creation of alternative transport is an efficient measure that can be implemented by hotels.

After the hotels are effectively designed, eco-friendly raw materials can be used in the hotel's development. Eco-friendly bricks and autoclaved aerated concrete (for external wall structure), reusable laundry bags and wooden hangers can be used in the hotel's construction and its interiors to aid eco-friendly practices within the property. "Concrete and steel are substances that cannot be replaced. Hence we use materials like jute car-

pets, engineered wood, cane furniture, double glaze glasses and efficient light fixtures for the Marriott hotels," says the manager.

Green designs, which begin from sustainable design and use of eco-friendly raw materials, also include the application of various eco-friendly systems like efficient sewage systems, cooling systems, energy conservation, rain water harvesting and the use of bio-degradable materials in the rooms. The use of eco-friendly paints and fabrics is also on the rise. These often depend on the property's location. "City hotels usually face additional hurdles when it comes to using eco-friendly materials, as compared to resort properties," he says.

According to a leading US based architecture firm specialising in the hospitality industry, some of the

materials utilised in environmentally friendly (sustainable) designs are recycled content carpeting and carpet pad; recycled content ceramic tile; pervious paver systems for outdoor areas; vegetative roofs (Green roofs); rapidly renewable materials such as cork and bamboo; low VOC products for sealants and paints; recycled concrete used as aggregate and high efficiency glazing, etc.

Other items that contribute to a sustainable design include regionally produced materials (materials made within 500 miles from the building); covered parking; proximity to public transportation; a shuttle bus to the transportation line; parking for hybrid cars or carpools; recycling rooms to sort trash; low water use shower heads and toilets; use of energy efficient compact fluorescent fixtures



► It is essential to conserve the surrounding land and its vegetation

## Getting Leed

The LEED certification process can be tedious, time-consuming, and costly, but the benefits of this certification outweigh the costs tenfold when you look at the long term effects on the environment, the human health element, and your hotel's bottom line. Let's take a look at the steps towards becoming LEED certified:

- **Step One:** Begin the process by registering your LEED project online and submitting an application fee.
- **Step Two:** After you are registered, the hotel must assemble a project team to demonstrate the sustainability of its property through documentation. The USGBC provides forms to enter in the information about the hotel's eco-initiatives, procedures and characteristics. The hotel itself decides on the time frame that it would like to use to gather the documentation and put together the full application. This process can take anywhere from six months up to two years.
- **Step Three:** Once all of the documentation has been collected and the forms completes, the LEED application can be submitted online along with a second fee that is reflective of the size and complexity of the property and project.

and LED light, and capturing rainwater for irrigation.

Initiatives to ensure green hotel construction should come from the government, as well. In the US, it is compulsory for every hotel building (like any other building) to be 'Leadership in Energy and Environmental Design' (LEED) certified. Under this certification, hotel buildings are required to meet strict standards for every aspect; from recycling to water efficiency.

Awareness about such certification seems to be increasing among the Indian hotels. Most of the upcoming hotels seek LEED certification. Several



► **Natural greens are an added advantage to a green property**

LEEDS projects across India are under construction, states the US Green Building Council website.

### **Cost of construction**

One of the major blocks before green hotel developers is the increase in overall project cost. According to the US architecture firm, the construction of an eco-friendly hotel increases development costs by up to eight to twelve per cent. However, the savings of the energy bills in the long run makes the investment eventually cost-effective.

The availability of raw materials remains another primary concern. Easy availability of construction materials will ensure that additional hotels are built under this segment. Five years ago, access to such raw materials was rare, but today, the number of manu-

facturers has increased. This has resulted in the reduction of prices.

Also, with limited service hotels and business hotels observing a growth spurt, the construction of eco-friendly materials will have an upper hand. “Limited service hotels help to conserve energy. However, it is difficult to maintain this conservation in hotels associated with service and luxury,” opines an expert. Although this construction form has not gained considerable ground in the Asian market, it is soon expected to grow. Several hotel chains are looking to introduce such designs to match international norms. With Government initiatives pushing the need for such development, real estate developers and hoteliers can come together to develop sustainable designs, and thus ,contribute to society at large.

## **Categories**

There are seven different categories in which your hotel has the opportunity to earn points. These categories are as follows:

- Sustainable Sites
- Water Efficiency
- Energy & Atmosphere
- Materials & Resources
- Indoor Environmental Quality
- Innovation in Operations
- Regional Bonus Points

Source: USGBC

**HE**

# HOTEL ESTEEM



Premium Room

## HOTEL ESTEEM

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# HOTEL GREAT WESTERN



## HOTEL GREAT WESTERN

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Adjacent to Apeejay House & Park Hotel

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# CELEBRATING CUISINE

Due to its diversity in culture, India has several religious festivals. Restaurants usually conduct food festivals during these religious festivities to target a large section of the audience.

**K**ITCHEN emanates the aromas of a different cuisine from the one that it usually cooks. The restaurant decks itself up, and the service staff don a different appearance. One does not have to delve deep into the mystery, since it simply means that the restaurant is busy conducting a food festival. However, a layman may well ask as to what is the process involved, and why the restaurant feels the need to conduct a food festival? Is it just a marketing gimmick, or does it really help the restaurant staff as well?

## Pre-event planning

Every food festival requires a minimum of two months planning. The first step in the planning of a food fest is the type of cuisine to be served, and the food promotion's duration. The choice of a cuisine is pivotal, and

**Every food festival requires a minimum of two months planning. The first step in the planning of a food fest is the type of cuisine to be served, and the duration of food promotion**

the decision to exhibit a particular cuisine during a food festival needs to be made after conducting thorough market research. The restaurant has to be aware of the target clientele. It is also essential to keep the time of the year in mind, when deciding to conduct a food festival. For instance, one cannot conduct a food festival which serves hot and spicy cuisine, during the summer season. Thus, one needs to adapt the cuisine according to the weather conditions.

Due to its diversity in culture, India has several religious festivals. These are good occasions to conduct food festivals. Restaurants usually conduct food festivals during religious festivities to target a particular segment of the audience. "People usually like to eat out and celebrate during festive occasions. It is the ripe time to conduct food festivals of that region. For instance, one can conduct a Bengali food festival during



that the cuisine represents. However, the promotion's intensity also depends upon the represented cuisine. For instance, during the Durga Puja the restaurant and the adjoining areas must be decorated with themes of the puja. Similarly, during the Diwali lamps and other key elements must be displayed to create an authentic ambience. However, strong on-the-face themes with creation of monuments and structures are passé.

Every cuisine has a unique defining element, which is the use of essential local ingredients for the cuisine's preparation. Today, guests are also knowledgeable about the cuisine's authenticity. This means that restaurants need to take special note of this fact. Thus, hotels and restaurants need to source for the right ingredients to ensure the quality of the cuisine.

Besides the ingredients, the restaurants also need to bring in expert Chefs in the particular cuisine, while conducting a food fest. This may also extend the planning stage of the food festival. While conducting the fest with a celebrated or an international Chef, restaurants may need to schedule the food fest in accordance with the dates given by the Chef. Thus, restaurants may sometimes need to schedule the food fest about six months in advance. Often, the restaurant may decide on conducting a food festival on a cuisine that may not be familiar to the in-house Chefs. Hence, it becomes essential for the hotel to bring in the talent specialising in the cuisine. Food festivals also provide an opportunity for the restaurant's staff to experiment.

“One must not to forget about

the local guests and our own local cuisine as foreigners guests also want to taste the local cuisine,” informs Pranay Kumar Singh, Executive Sous Chef at Swissotel Kolkata.

On the other hand, most Chefs and food and beverage managers now find niche raw materials easily accessible due to the increase in the number of suppliers and their distribution network. There are several suppliers today, who can readily provide raw materials to conduct the food festivals. It requires around a week for acquisition and imports.

A close co-ordination between the Executive Chef of the hotel or the restaurant and the guest Chef helps in the creation of a successful menu. The restaurant usually provides a brief to the guest Chef on the requirements and expectations from the food fest. It also provides the guest Chef with a thorough market study. This co-ordination is essential to ensure a perfect blend of the guest Chef's expertise with the Executive Chef's market knowledge.

## Marketing

One of the main reasons for conducting food festivals is to establish a strong brand value for the restaurant. An effective food festival also ensures creation of a client base for the restaurant. While conducting a food festival targeting a particular segment or religious element of the society, the marketing team focuses on extensive promotions in the areas of the city which have people from that segment.

Effective use of the media, as well as marketing to the hotel's in-house guests help increase footfalls in the restaurant during a food fest. Placing in-room tents and flyers along with the restaurant's bills



► Few five-star hotels have a strong focus on regional cuisine



► Among popular Indian regional cuisines Rajasthani is a clear winner

are some of the methods used by restaurants to increase awareness about the food festival. While internal marketing begins about 15 days prior to the festival, marketing to the regular clientele usually takes place for a week or two days. The success of a food festival's marketing strategy is not only calculated by the revenue generated by the hotel, but also with the publicity received by the hotel.

Hotels and restaurants conduct food festivals on a regular basis experimenting with the cuisines and the market. Over a period of time, some of the cuisines have become extremely popular in the Indian market from the restaurants' as

well as from the consumer's perspective. This encourages new entrants in the industry to safely conduct food festivals that showcase these cuisines and gain efficient branding.

According to the industry, among the popular cuisines which prove to be successful amongst the Indian regional cuisines, Rajasthani emerges as a clear winner. Besides, one can also conduct a food fest serving the region's local cuisine. On the other hand, the market for international food festivals is of a very uneven nature. Though Italian, Continental and Asian cuisines appear to be some of the most popular cuisines, while

conducting food festivals, their level of complexity strongly depends on each individual market.

"Italian cuisine has been in Delhi for a considerable period of time. On the other hand, it is relatively new for the Amritsar market. Hence, a basic Italian food fest might work better in Amritsar, but while conducting it in Delhi, it is essential to bring in exclusive aspects in the food or the promotions. For instance, one can call a Michelin Star Chef," suggests an expert in international cuisine.

### Boons

Conducting a food festival can turn out to be a valuable experience for

the staff of the restaurant. Primarily, working with an external Chef usually helps nurture the in-house Chefs' talent. This helps bring in new ideas as well as innovative experimentation with the cuisine. It also makes the restaurant staff aware of the developing trends within the industry. This can then be incorporated by the hotel themselves. Working with an international Chef also brings in the perspective of the international F&B segment and style of operations. Some hotels also conduct training sessions with the Chefs for their staff members prior to the promotion. This ensures familiarisation and bonding of the guest Chef and internal staff, aiding smooth operations during the food festival.

Besides, having an effective food fest can also earn brownie points for the restaurant. A successful food fest helps in the creation of new clientele for the restaurant, besides establishing its brand value. Though a food festival may incur a considerable amount of investment, the footfalls that the restaurant receives (as well as the mileage generated through publicity), helps generate revenue for the restaurant.

Today, food festivals have gone beyond showcasing the cuisines with new trends developing within the industry. The concept of food festivals has grown exponentially according to the market. Hotels and restaurants are constantly striving to introduce new promotions to attract new guest clientele as well as offering something different to the existing clientele. Some of the developing trends within the industry are:

### **Niche cuisine**

Globally (as well as in India), consumers are becoming more aware

of the cuisines and their tastes. With an increase in the number of well travelled Indians, restaurants are constantly trying to deliver something unique to the consumers. This makes them delve deeper into the intricacies of a cuisine, and present that to the guests. Thus, restaurants are conducting food festivals focusing on one particular region of the international cuisine, and presenting rare dishes from that area. On the other hand, restaurants are also experimenting with new cuisines to conduct food festivals.

### **Guest Chef food festivals**

Food festivals are also conducted to showcase the cuisine, essentially focussing on the guest Chef. Here, the centre of attraction is the invitee Chef who displays his culinary skills during the festival. This also helps the hotel staff to learn from celebrated Chefs. Hotels are now trying to bring in celebrity and award winning Chefs within the restaurant to conduct these

**Food festivals are an effective way of testing the market acceptability of a cuisine. It helps to educate the market and the industry about the cuisine; also generates revenue and increases footfalls**

festivals. Such food festivals may display a concoction of cuisines from across the world in the menu; original or developed recipes of the guest Chef, or mainly display cuisine from his area of expertise and region. To conduct a sushi promotion, restaurants can bring in a Japanese Chef who specialises in that segment of the cuisine. Thus, skill based importance enhances the food festival's motive.

Often, the restaurants also look beyond presenting a particular cuisine. Restaurants conducting food festivals of Far Eastern or Continental cuisine are strongly gaining popularity within the Indian market.

### **Beverage festivals**

Going beyond cuisines, restaurants shift the centre stage to beverages. For example, varieties of beer, wine, single malts, vodka and rum are now showcased along with the cuisines that are most likely to be paired by it. This may sometimes be restricted to appetisers, or it may present several courses of cuisines. This format is particularly popular at wine dinners where a range of wines are introduced, each to be served with a different course of meal.

Food festivals remain an effective way of testing the market acceptability of a cuisine. It also helps to educate the market as well as the industry about the cuisine, besides generation of revenue and footfalls for the restaurant. Besides just serving a cuisine at a food fest, restaurants focus on marketing a total experience of the region being showcased to the guests — one of the main reasons for the concept's popularity. "People may not be able to visit the region of the cuisine's origin, and thus get driven to experience an element of it in the food festivals," states Ajai Punj .



# 'We must keep on adapting new trends'

## Q & A



**Mr Pranay Kumar Singh**, Executive Chef at Swissotel Kolkata, has been at the helm of kitchen affairs at the Kolkata hotel since 2011. Courtesy his job and extensive travels, he is always looking to try something new. The Executive Chef started his culinary journey with Indian food and now loves to explore international cuisine. He spoke to Mystic East in an exclusive interview which includes his plan for an elaborate menu for the upcoming festival season. Excerpts

### What inspired you to be chef?

I had seen a chef cooking roomali roti in the television when I was in school. It was so fascinating and started taking interest in things culinary. My first attempt at cooking something happened a few years later when I made I made onion fritters or Pyaz Ke Pakode at home. However, I had no clue about hotel management until I was in Class 11. My elder brother told me about it and I thought of joining a course in the early 1990s after I finished Class 12 board exams.

### Where did you study your art?

I completed my diploma in hotel management from IHM Bhubaneswar followed by postgraduate diploma in Kitchen Management from prestigious Oberoi Centre of Learning and Development.

### What was your first assignment?

In my first assignment I participated in All India Students Chefs Compe-

tion, an annual contest organized by IHMCTAN, New Delhi (Ministry of Tourism, Government of India). There were three of us responsible for continental cuisine.

### What was the first meal you cooked had at Swissotel?

That was the day when I had just relocated from Cochin, Kerala. I cooked Kozhi Kurumulagu--chicken cooked with freshly ground black peppercorn and shallots. Also I cooked Prawn Moilee (an Anglo-Indian side dish), Lime and Dijon smeared sea bass with vegetable spaghetti and caper beurre blanc.

### Where have you eaten out in Calcutta? Do you have any favourite?

Definitely in most of the star hotels compared to standalone restaurants. However, Bodega (a Mexican restaurant in Park Street) and The Grid (a continental hotel in Topsia) is the current favourite.



**Name a star chef you look up to.**

Chef Robin Gill at The Manor(UK), Chef Grant Achatz at Alinea(U-SA), Chef Virgilio Martínez Véliz at central restaurant (Lima, Peru). I admire them for their innovation and presentation of dishes which inspires me and always motivate to do more .

**You're in Calcutta at a time when the next two years will see new star hotels opening up... do you have a vision with that in mind?**

The challenge is to serve excellent food, provide best personal service keeping guest expectations in mind and maintain your position on the top. We have to keep on adapting new trends, changing dynamics of the industry and keep us active and alive. It also gives you an opportunities to learn and grow with them.

**Do you think star hotels should focus more on traditional cuisine?**

There is nothing as such. We should focus on both regional and continental the cuisines (regional as well as continental). We do both regional Indian as well as international food promotions. As we have guests from different nationalities, we must take care of their requirements. Definitely not to forget

**The challenge is to serve excellent food, provide best personal service keeping guest expectations in mind and maintain your position on the top**



about the local guests and our own local cuisine as foreigners guests also want to taste the local cuisine.

**What is you plan for the upcoming festival season?**

Since Durga Puja is the biggest festival, the menu was created keeping this fact in mind. This is time we focus on our regional local cuisine and comes out with a plan to offer our best to our diners so that it is a memorable experience for them. We are planning the vegetarian menu with equal enthusiasm as we make the non vegetarian menu. We decide something new every year. We offer buffet at Cafe Swiss (our coffee shop)

and a set menu at our Indian specialty restaurant –Durbari.

This year we shall be serving the dishes in terracotta pots. Usually the menu consists of Lamb, Fish, Prawn, Chicken ,vegetables, cottage cheese, potatoes and selection of desserts.

We offer welcome drinks at the coffee shop whereas it is included in meal at Durbari.

Following is a sample menu:

Kacha aamer ros (roasted raw mango drink with freshly ground spices)

**Vegetarian:** Kumro phuler bora (fried pumpkin flower), Mocha nar-koler chop (deep fried banana flower with coconut), Chana aam kasundi paturi (Cottage cheese marinated with raw mango and mustard, steamed in banana leaf)

**Non vegetarian:** Topse bhaja (Fried topse fish dusted with poppy seed and semolina), Jamindari murgi fry (Herbs marinated pan fried chicken), Kakra chingri bhapa (Steamed crab and prawn meat

▼ **Chef's touch: Spiced quail; Poppy seeds crusted beetroot galette; Spiced mackerel**





## COVER STORY

# WATER WOES

Hotels and restaurants do not sell just a bottle of water or beverage, but service and ambience to their patrons. Hence three court orders allow hotels to sell water and drinks above MRP at tables

**I**MAGINE this. It's an afternoon at the peak of summer in the outskirts of a city in the countryside. The mercury's crossed 48 degrees and there's an acute water shortage. You are a travelling salesman looking for some decent water to drink in the heat and dust.

An hour's search reveals a small kirana shop where the ageing Lala shows you a ray of hope. Not only does he nod to say 'yes' but rummages around for a mineral water bottle of some obscure brand in a heap of grocery items. But then you find the water is far from chilled. Also the 'best before' date on the bottle looks smudged.

You are also suspicious of the seal of the bottle. Finally, when you take a sip from the bottle it tastes odd. As you have already broken the seal the shopkeeper refuses to entertain any complaints regarding its quality. You leave the place with a nasty experience and a bitter taste in mouth and take the dusty road.

A few hours later, as you step inside the periphery of the city, you spot a star hotel. As you get into the restaurant the food and beverage staff greets you with a smile. The piped tune of

instrumental music and the air-conditioned inside soothe your body and mind. You admire the tastefully done embroidery on the upholstery while you sit on the tender sofa and stretch your weary legs.

The waiter comes to your table. You curse the weather outside to open up a chat. He chips in with notes on the local news. When you order a bottle of mineral water mentioning your favourite brand he replies in an affirmative. Then he asks whether you need your water super-chilled or slightly chilled. You opt for the second option as your body is yet to cool down. He brings you the bottle and then pours it in a beautiful glass. You take a sip and it feels like heaven.

You order lunch impressed by the service and ambience in the hotel. You savour your meal and ask for the bill. Among other things the price of water is mentioned on it. You almost ignore the fact that you've been charged Rs 50 for the bottle of water.

Yes it's more than double the 'maximum retail price' (MRP) mentioned on the crimp of the bottle. But you don't mind at all because you know you are paying for the service—the waiter's service and the pleasing am-

biance—not just the product. Also the cost of storage and chilling is added to this.

The MRP plus service debate in the hospitality business is a longstanding one that surfaces time and again in the news media. The latest episode opened when the Consumer Affairs Minister Ram Vilas Paswan said, "Charging above MRP is violation of the law. But we still see at airports, multiplex and hotels, that packaged water is sold at more than the MRP.

This needs to be stopped." The minister seems to have said this at an event commemorating 47th World's Standards Day. According to one news report the minister apparently also said, "We have sufficient power to take action against violators and we will take action if consumers file complaints in this regard. There is penalty and even jail term for violators."

## An old debate and the law

The report created a big confusion as many customers at hotels and restaurants started demanding soft drinks and bottled water at MRP. Says T.S. Walia, a past President at Federation of Hotel and Restaurant Associations of India (FHRAI), the



► **To remove ambiguity hotels must keep an option of serving non-bottled water**

apex body of hotels and restaurants in the country, “The confusion seems to have surfaced because report was run without appropriate verification. As per the present law, there is no such legal stricture that can prosecute a hotel or restaurant for the sale of either packaged drinking water or aerated drinks or any such commodity above the MRP while being served in the premises i.e, inside Hotels and Restaurants.”

The law of the land clearly mentions that as regards the packaged drinking water is concerned, the customers/patrons to hotels and restaurants are served with the food, soft drinks and packaged drinking water as per their requirement. The nature of the transaction between a hotelier or restaurateur and his customer is one essentially of service and not that of sale and purchase. This has been held by a Constitution Bench of the Hon’ble Supreme Court in *State of H.P. v. Associated Hotels of India* re-

ported in (1972) 1 SCC 472. To similar effect is the Supreme Court decision in the case of *Northern India Caterers v. Lt. Governor of Delhi* reported at 1979 (1) SCR 557.

There was a second case at the Kerala High Court (KHC). Specifically on the issue of charging higher price than MRP by a restaurant/hotel/club on packaged commodities, the Kerala High Court in the case of *Taj Kerala Hotels and Resorts Ltd. Vs. Union of India & Ors.* reported in 2013 (3) KHC 149, quashed the notices issued under the Standards of Weights and Measures Act 1976, hereinafter referred to as “SWM Act” as well as the Standard of Weights and Measures (Packaged Commodities) Rules 1977, a predecessor to the Legal Metrology Act, 2009 and the rules framed thereunder holding that “charging prices for soft drinks in excess of MRP printed on the packaging, during the service of customers in hotels and restaurants does not violate any of the provisions

of the SWM Act as this does not constitute a sale or transfer of these commodities by the hotelier or restaurateur to its customers.”

Likewise the Delhi High Court too in the case of *Delhi Gymkhana Club Ltd. v. Union of India*, reported in ILR (2009) V Delhi 169, following inter alia the aforementioned judgments of the Hon’ble Supreme Court, allowed the writ petition holding that the provisions of the SWM Act and the SWM Rules were not applicable to the provisions of refreshments and beverages by the Delhi Gymkhana Club to its members and guests.

In addition, the Legal Metrology Act, 2009 and the Rules framed thereunder do not cover the supply of food and drinks, served by the Hotels and Restaurants to their customers/patrons/guests.

It is also seen from the rule 18 of the Legal Metrology (General) Rules, 2011 that the same applies only to “any sale of any commodity in packed



► **Hotels offer you an ambience, not just packaged drinking water**

form at a price exceeding the retail sale price thereof” [Emphasis supplied]; it does not rightly cover a transaction, the nature of which is not a sale but a service.

### **Apex court's response**

Last year the Supreme Court had sought response from the Centre on whether a hotel or a restaurant can charge for a bottle of drinking water more than the maximum retail price (MRP) marked on the container with reference to the issue raised before the apex court by the FHRAI.

A bench headed by Justice Dipak Misra issued notice to the Department of Consumer Affairs, Controller of Weights and Measures, and others on an appeal filed by the Association seeking setting aside of the division bench of the Delhi High Court's February order.

The HC bench while disposing of the appeals filed by the government had kept the question of law, which was decided by its single judge, open for adjudication in any fresh proceedings under the new law. It had also held that the single judge's March 2007 order “shall not be a precedent”

in any case even if the concerned provisions of the old (repealed law) and the new law were identical.

The HC bench's order had nullified the binding effect of Justice Vikramjit Sen's 2007 order that ruled that hotels and restaurants in the Capital can sell bottled mineral water over and above the MRP to customers who visit them and enjoy their other services facilities. Sen had observed that “the customer does not enter a hotel or a restaurant to make a simple purchase of the bottled water. It may well be that a client will order nothing beyond a bottle of water or a beverage, but his direct purpose in doing so would clearly be to enjoy the ambience available therein and to ordering of any article for consumption.”

The Association told the apex court that the HC bench's decision had “grossly undermined the sanctity and integrity of the judicial/adjudicatory process.

It said that irreparable harm and injury will be caused to its members if the Centre is permitted to commence proceedings under the Legal Metrology Act 2009 without allowing its

members to rely on 2007 judgement.

Senior counsel Harish Salve argued that charging prices for mineral water in excess of MRP during the service does neither violate the provisions of the Standards of Weights and Measures Act/ the Packaged Commodities Rules nor the new law. “There is an element of service, so MRP can't apply,” he said.

### **Archaic MRP rule**

The fixed MRP is an archaic and dysfunctional mechanism in India that hurts both retailers and the consumers it seeks to protect.

The maximum retail price that is printed on all packaged commodities that consumers purchase was introduced in 1990 by the Ministry of Civil Supplies, Department of Legal Metrology, by making an amendment to the Standards of Weights and Measures Act (Packaged Commodities' Rules) (1976). It was meant to prevent tax evasion and protect consumers from profiteering by retailers. Before the amendment, manufacturers could print either the maximum retail price (inclusive of all taxes) or the retail price (local taxes extra). When producers opted for the latter method, it was found that retailers often charged more than the locally applicable taxes. Thus, the amendment was made to introduce the compulsory printing of MRP on all packaged commodities.

While the intention to protect consumers in a pre-liberalised India can be lauded, continuing the system today does not make any sense. The practice of MRP in India is unique, archaic and dysfunctional. India is perhaps the only country in the world to have such a system, where it is punishable by law to charge a price higher than the printed maximum retail price. In most countries, the system of having a universally enforceable printed price is viewed as being akin to price fixing and is thus prohibited as being anti-competitive.

## Dysfunctional system

More often than not, the rule of MRP is breached rather than honoured. First, the MRP applies only to commodities and not services. Second, most essential commodities are not packaged and, thus, do not fall under the MRP rule. Fruits, vegetables, rice, pulses, and so on are always sold 'loose' and the retailer thus has the freedom to choose the price, based on his costs and the demand and supply for those commodities. Third, even packaged commodities are not usually sold at MRP. It is not uncommon to pay a price much higher than the MRP in movie theatres, high-end restaurants, tourist locations, airports and railway stations. Fourth, many shops charge for 'services' that are not covered by the MRP, for instance, you often have to pay a premium, a 'cooling charge', when you buy cold bottled water or soft drinks. Fifth, producers sometimes print an MRP so ridiculously high that the product can be sold at an actual price that is up to 90 per cent discounted, thereby making the printed MRP redundant in its ability to signal value. Firecrackers and automobile spare parts are the most obvious example of this.

## Crackdown offices

The onus of checking whether products are being sold at a rate higher than the printed MRP lies with the state legal metrology department officials. There have been a few instances of much-publicised crackdowns in various cities, but normally, it leads to rent-seeking among these officials.

## Unfair rule

The MRP, by providing a focal point for retailers, becomes a de facto uniform price and creates retail price collusion. Thus, MRP often ends up hurting the very consumers it sought to protect.

"More often than not, the rule of MRP is breached rather than honoured."

## KEY VERDICTS

1. The nature of the transaction between a hotelier or restaurateur and his customer is one essentially of service and not that of sale and purchase. (1972) 1 SCC 472 and 1979 (1) SCR 557
2. Charging prices for soft drinks in excess of MRP printed on the packaging, during the service of customers in hotels and restaurants does not violate any of the provisions of the Standards of Weights Measures (SWM) Act, 1976, as this does not constitute a sale or transfer of these commodities by the hotelier or restaurateur to its customers. 2013 (3) KHC 149
3. The SWM Act and the SWM Rules were not applicable to the provisions of refreshments and beverages in hotels, restaurants and clubs ILR (2009) V Delhi 169

One justification that is often given in defence of MRP is that it is meant to protect consumers in remote locations who do not have the choice to go to different stores in search of the right price. While MRP aims to establish uniform prices, irrespective of whether it is in a commercial urban area or a remote village in the Western Ghats, the result is often damaging to both retailers and consumers. Retailers in remote locations and in villages often have to bear high transportation costs, which they cannot pass on to the end consumer, since they are legally not allowed to charge a price higher than the MRP. They, therefore, end up making losses. In order to avoid this, they choose not to stock many products, thereby reducing the choice available to consumers in these locations. If, however, they were allowed to determine their own price, they would factor in the transportation costs and charge a slightly higher price than what the MRP

presently dictates. Eventually, seeing that there is a demand for these products and that a retailer is making super-normal profits, more shops will open up in that area. When the demand from retailers increases, wholesalers and manufacturers will create better facilities for distribution.

Another important defence for maintaining the MRP system is that it eliminates information asymmetry and provides a benchmark to illiterate consumers. However, with increasing penetration of Internet-enabled smart phones, it is not hard to imagine an app that can collate different retail prices from a particular location. In the beginning, the government can devote some of the huge resources it currently spends on enforcing MRP to develop a mechanism for dissemination of information. Gradually, given its utility, many private players will develop apps that will provide information on different retail prices.

Finally, it has to be asked whether it should be the right, or even the duty, of manufacturers to set the price at which a product will be sold to the end user. In doing so, the manufacturer gets to decide the profit margins of the retailer, which is essentially contradictory to a free market system.

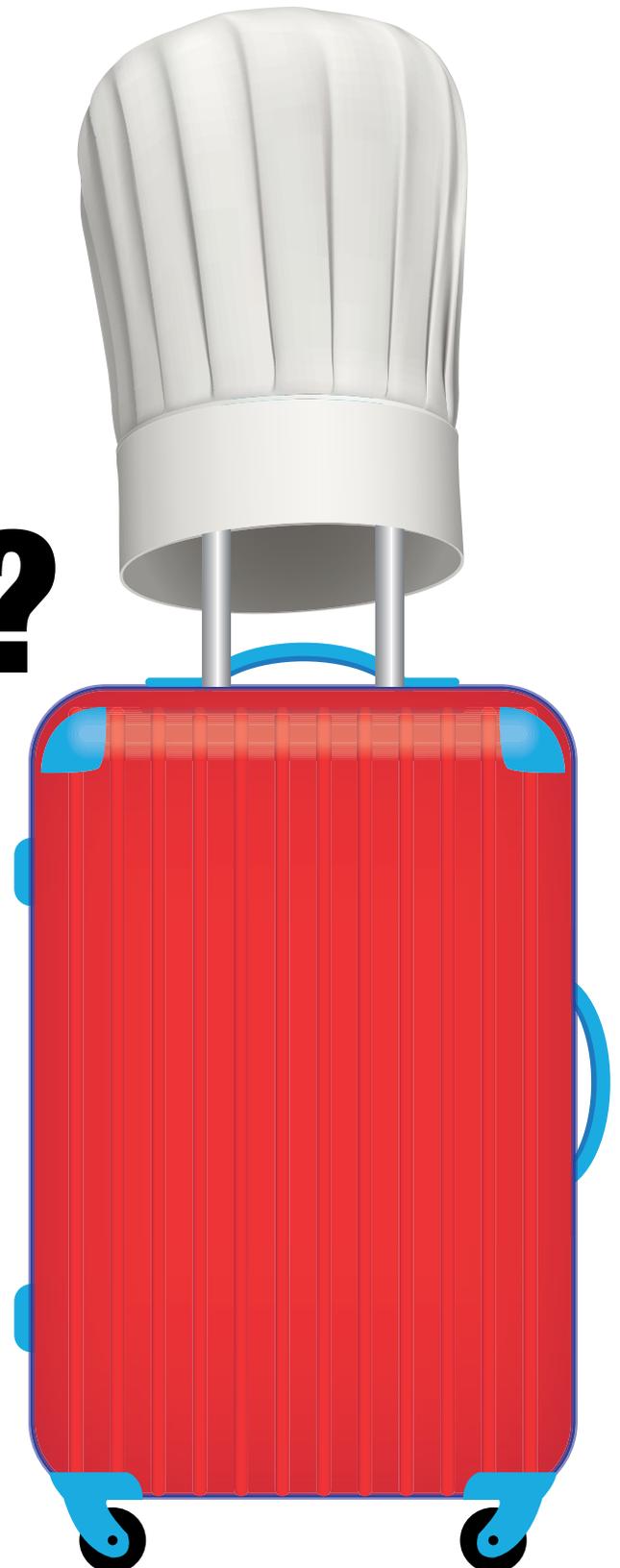
Just as a consumer has the right to buy a product at a particular price, the retailer should have a right to sell his product at any price. If he charges a higher price, the customer is free to go to another store. Retail density in India is high enough for the market mechanism to function properly, as the OECD 2007 Report on India notes. Even in places that do not have high retail density, if retailers charge very high prices in the absence of an MRP, other retailers will soon enter the market and the resulting competition will eventually reduce prices.

The MRP system has existed in India without being questioned for too long now. It is time to give free markets a chance.

INTERACTION

# Hello, what's cooking?

Today, it's very common to see chefs interacting with the restaurant's guests. As the practice becomes prevalent in India we track its advantages to the restaurants





► Ensuring chef-guest interaction has become an important criteria while recruiting new chefs

**W**ITH the constantly evolving nature of Indian hospitality, the Chef's role has also undergone a makeover. Today, the Chef is more proactive. He comes over to the table, speaks with the guests, understands their priorities, comes up with suggestions and presents a meal.

The phenomenon is encouraged by hotels as well as the standalone restaurants. More particularly, food and beverage managers encourage their restaurant chefs to interact with guests. It is an interesting fact that the industry is becoming extremely conscious of the need for this direct

interaction between the Chef and the guest. India's hospitality players have inculcated this practice as an essential part of in the training process of Chefs.

Today, employers have also made note of bringing in more proactive and extrovert Chefs into the team to help initiate the practice among employees. Ensuring Chef-guest interaction has become an important criteria while recruiting new chef employees within organisations.

### **Rewriting the Chef's role**

Prior to the implementation of this practice, most Chefs were confined

to the kitchens. Due to this, most of the interaction with guests was done by the waiting staff. This resulted in misunderstandings. Thus, it became essential for the Chef to interact directly with the guests to ensure that the guest's requirements were correctly met.

With the emergence of the trend of Chef-guest interaction, most guests directly communicate their requirements to the Chef, who with his own expertise customises the menu to suit their needs. "Rather than a steward or a manager convincing the guest to try a particular food, suggestive selling practiced by the Chef has more effect



on the guests,” says Pranay Singh, Executive Sous Chef, Swissotel, Kolkata . This also adds an extra ‘wow factor’ to the food and service, adds Chef Singh. “The Chef can also answer questions put forth by the guest that the waiter or the steward staff can’t answer,” adds Nisar Ahmed, Corporate Chef, Mayfair Hotels & Resorts, Bhubaneswar.

### Interactions

While it is difficult for Chefs to interact with guests during peak hours, most Chefs try to find a way to solve the problem. As a chef at a five-star hotel in Kolkata says, “I always en-

## Chef-guest interactions adds that extra ‘wow factor’ to the food and service section of a restaurant

courage my Sous Chefs to visit the guests. Once the practice is inculcated, it will help them to manage both jobs efficiently.” This exposure is very essential for the Sous Chefs who can then use it to their advantage when they progress in the industry.

This also proves to be very helpful for the restaurant, as the guest saves time deciding on his choice of food. The Chef proves to be more helpful than the menu card, since the guest can discuss his likes and dislikes.

“The Chef helps in setting the restaurant’s image and standards,” says T.S. Walia, a former President,

# INTERACTION

FHRAL. “He can also befriend the guest, make him feel comfortable in the restaurant and help him have a good meal.” Besides, most Chefs believe that the uniform being primary, it is also their knowledge about the food being served that instills confidence in the guests. This in turn aids the restaurant’s growth. The practice also helps meet the clients’ diverse needs.

## The new-age food

Today, eating out has become more of an experience for guests rather than merely a necessity. Restaurants strive hard to make this experience an enriching one to help the restaurant’s growth. Initiating Chef-guest interaction is an essential tool for the same. “The hospitality industry is all about catering to people. Unless the Chef interacts with his guests, he will not realise the needs and desires of the guests,” adds Walia.

Contemporary cooking styles have helped in the growth of this practice. Most Chefs also believe that with more interactive culinary practices emerging in the industry, the scope for Chef-guest interaction has gained a boost. “Flambé, tandoor and teppanyaki prepared in front of guests also helps in maintaining transparency,” says Ahmed. He feels that this can be also considered as a form of Chef-guest interaction. In addition, such activities helps in boosting the Chefs’ confidence. Besides boosting sales, this also helps provide a memorable experience to guests.

Display kitchens were earlier confined to just the display of food. Today, the trend in display kitchens is about how Chefs explains the food’s intricacies, which helps provide an overall experience. This can also be extended to buffet meals, where the Chefs can spend time explaining the meals’ essentials to inquisitive guests.

“This also helps in showcasing the Chefs’ professional skills,” says Singh.

## The F&B perspective

It is often observed that the restaurant or the food and beverage (F&B) manager encourages Chefs to speak to the guests. This is primarily done to boost the restaurant’s sales. This brings up queries such as why this role can’t be filled in by the restaurant manager.

“The Chef and the restaurant go hand in hand. The Chef represents the food and thus, when the Chef asks or suggests the guests to try out something different, the guest agrees to it,” says a General Manager, of a five-star hotel in Calcutta.

## Boost sales

There are several pros to this interaction. Suggestive styling of the food and repeat clientele are the main outcomes of this phenomenon, which leads to increase in sales. It can help the guest have an enriching experience in the restaurant. This will in turn make him eager for his next visit.

Successful Chef-guest interactions will ensure a good number of repeat clientele to the restaurant and can help build a loyalty base for the restaurant. This will also help establish the brand image of both the restaurant and the Chef. Thus it elevates the overall image of the restaurant.

Chef-guest interaction also proves to be of great help for the Chefs and the restaurant as a whole to learn about the guests’ preferences. This helps create a database to record the likes and dislikes of the guests, which could later help ensure customised service to the guests during consecutive visits.

## Ground reality

Feedback derived from Chef-guest interaction also proves to be extremely helpful in making necessary changes in the restaurant’s menus. Changes include the introduction of new dish-



► An effective interaction can boost the chef’s confidence



► **Feedback from guests helps the chef refine his recipes and change the restaurant's menus**

es in the menu as well as redesigning the menu.

However, the practice is yet to attract the attention of most restaurateurs in the country. With the evolving hospitality industry, it is also essential for the industry to adapt these measures to help in the growth of the restaurant's popularity. "As a customer in restaurants, I have rarely observed Chefs talking to guests, discussing the menu and making suggestions. Indian Chefs are not as extrovert as they should be," mentions Walia.

"Strangely, I have observed that Asian Chefs find it much easier to interact with foreign clientele than

**Successful chef-guest interactions will ensure a good number of repeat clientele to the restaurant and can help build a loyalty base for the restaurant**

the Indian guests," informs a Kolkata-based chef of foreign origin. He also adds that efficient training is essential to make the Chefs more confident in interacting with the guests. This will help raise the bar as well as help in the emergence of more celebrity Chefs and Indian signature restaurants in the global market.

Today, the Indian guest is more aware of Indian hospitality than ever before. He is well travelled and more open to changes and innovative strategies. Thus, after watching the extensive Chef-guest interaction taking place worldwide, it's but natural that he'll expect the same from Indian Chefs as well.

CONTROVERSY

# CLASH OF CLANS



Not all hotel owners are happy with budget hotel aggregators like Oyo Rooms. As the love-hate relationship between the two entities continue these 'new age booking agents' are undergoing a course correction. Hoteliers are also learning to co-exist with them

**A**T the recently concluded Annual General Meeting of Hotel and Restaurants Association of Eastern India (HRAEI) many of the members expressed dissatisfaction over the tie-ups with the some hotel aggregators.

“When some of our members signed up with budget hotel aggregators -- such as, Oyo rooms-- they did not realise that this move would impact their business and goodwill,” says Sudesh Poddar, President, HRAEI. “And all these have happened because of high-handedness if these new age operators.”

“Deep discounting (actually undercutting), introduction of day/hour use segments and unrealistic promises made in their websites and apps often jeopardise normal operation of hotels,” added T.S. Walia, a senior member of HRAEI.

“The aggregators, however, discovered a devious way to solve the problem. Whenever customers express their dissatisfaction or post negative reviews they quickly 'downgrade' the hotels through a suspicious 'star system rating,” adds Poddar. When a hotel loses stars it affects its business and also impacts its reputation, but least affects the aggregator. On the contrary, the unsuspecting customer is impressed by the aggregators' 'stringent' system.

According to a report in The Economic Times over 200 properties signed out of OYO Rooms and Zo Rooms dissatisfied with the service across the country. Even though it may sound just a small proportion among thousands of hotels, it may just be the beginning of a mass exodus unless the loopholes are plugged in time. However, according to the ET report, some of those who snapped ties with Oyo and Zo shifted to rivals such as Wudstay, Vista Rooms or Treebo Hotels. The trend proves that these hotel owners haven't stopped believing in the benefits of being associated with

an aggregator. “This shows that some of our members are not happy with some particular operators and their high-handedness meted out to them.”

Another grouse of members is over the fact that aggregators often do not pay hotel owners in time. Some rooms pledged by them sometimes remain unsold, depriving a genuine and loyal customers. This leaves a deep impact on loyalty of old customers.

According to another report in ET in June this year a Mumbai-based advisory firm has dragged OYO Rooms to the Delhi High Court for failing to make a payment. Noesis Capital Advisors, a hospitality advisory firm, has filed a winding-up petition against Oravel Stays, the company that owns OYO Rooms, on April 26 this year. A winding-up petition is filed to recover dues by forcing an insolvent company into compulsory liquidation.

The petition - a copy of which has been reviewed by ET - claims that OYO Rooms failed to pay Rs 1,50,39,575 to Noesis. The petition asks "why the company be not wound up". The hospitality advisory firm has claimed that the \$400-million startup has failed to make the payment despite using their services during the scaling-up phase of the venture.

"OYO availed services of Noesis through an exclusive, noncompete contract. Mid-way through the term of the agreement, we found evidence that Noesis was in breach of agreement and terminated their services. We also sent them a legal notice to recover dues paid in good faith. That matter is presently sub-judice," a spokesperson wrote in an email responding to a questionnaire from ET, which could not independently verify the contents of OYO's notice.

Noesis' website says that it is into hospitality advisory and helps with entry strategy, site selection, feasibility and equity finance. The firm offers "a complete cycle of broad-based services across a wide range of hospi-

**Whenever customers express their dissatisfaction or post negative reviews on a hotel's service, aggregators quickly 'downgrade' the hotels through a suspicious star rating system**



# CONTROVERSY



## ► 15X year-on-year growth sounds too good to be true

tality, retaining the specialist skills, attention to detail, and quality of service." An email questionnaire sent to Noesis by the newspaper did not elicit any response.

OYO Rooms, which is one of the fastest growing startups in India and the biggest one in the hospitality space, is on an expansion spree. The hotel room aggregator recently partnered with multi-service payment solutions company ItzCash. Additionally, OYO Rooms has started offering holiday packages to its customers, which include local sightseeing and transportation.

According to the LinkedIn profile of people working with Noesis, the advisory was instrumental in OYO Rooms' pan India expansion.

"(Noesis) Approached clients and pitched (OYO Rooms') benefits, successfully signed properties in about 16 cities, added more properties to the existing portfolio in south India and ensured proper servicing and after-sales support," says a LinkedIn profile of a business development executive at Noesis.

### **Allegation**

An allegation by Sumanth in NextBig-

What, a website that tracks the development of startups in India, raised a question whether Oyo Rooms is a startup equivalent of a Ponzi scheme. The article was also posted on the social site LinkedIn. The question was raised after investor SoftBank released its quarterly report that contained an update summarizing the state of state of Oyo Rooms, the Indian startup in which it had famously invested \$100m late last year.

The slide contained the a graph claiming that Oyo has grown 15X year-on-year in the last one year. Ritesh Agarwal, the CEO of Oyo Rooms, released a statement claiming that this 15X growth implied that the company has delivered 2.3 million booked room-night transactions in the first quarter of 2016 - this translates to more than 766,000 rooms a month.

"All of this would have been fine if not for one little fly in the ointment," wrote Sumanth. A little less than a year back, Oyo had released a similar statement claiming that it was booking "400,000 rooms a month"! So Sumanth, claimed, Oyo was either "exaggerating" the numbers then or they are doing so now.

What makes this even more inter-

esting is a similar graph that SoftBank had inserted in an earlier report where Oyo was said to have grown a mind-boggling 34X times year-on-year with 895,000 rooms per quarter (approximately 10,000 rooms per night) for the Oct-Dec 2015 quarter.

But this graph is interesting for one more reason—rather than "booked room nights", it speaks of "used room nights". Therein lies the tale of how Oyo is, in all probability, the startup equivalent of a Ponzi scheme!

This post was followed by a second one after it evoked a number of reactions with dozens of hotel owners, former Oyo employees and partners writing in to share their own experiences with Oyo. Although some of the posts were really shocking, the author refrained from using the public reactions as he didn't have the means to corroborate them.

Quite expectedly Ritesh Agarwal, the CEO of Oyo Rooms, too reacted. However, Ritesh didn't answer any of the questions raised in Sumanth's first post. Providing data would have definitively answered the doubts and questions posed. Instead the response resorted to righteous indignation as Ritesh wrote "When someone questions our intent and integrity, it infuriates us". Sumanth found this reaction a bit surprising because it was not the first instance of someone asking tough questions of Ritesh. There was already a long list of former partners, vendors, employees and even mainstream media journalists who had accused Ritesh and co of far worse.

He accused the post of containing "half-baked theories and insufficient data...We have always seen ourselves as a hotel chain".

This is surprising because until May this year Oyo had been a hotel aggregator and service provider rather than a hotel chain in any sense of the term. The filings made by Ritesh in RoC and contrast that to his public pronouncements. In the statement

it's not mentioned that it's a hotel chain but indicates it's an aggregator like its competitors Zo Rooms, Stayzilla, Wudstay, Ziprooms, Treebo and so on.

In other words, the principal (and only) business activity of the company is providing booking services related to tourism - specifically functioning as a travel agent.

According to Sumanth a look at its latest financial statement where the only items listed as operations is "sales of services", nothing related to hotels in any form or manner. Yet it flummoxes him why Ritesh wants to portray Oyo as a hotel chain when it is nothing of the sort and misrepresenting this to all and sundry?

### Minimum guarantee

When the hotel owners were delighted to get an upfront minimum guarantee from OYO Rooms—not only were they derisked from unused inventory, they got paid in advance which greatly helped working capital requirements.

But it created two specific types of perverse incentives for hotel owners.

Firstly, now that they were paid in advance, they were under no pressing obligation to maintain the hotel to the standards that Oyo aspired towards—after all, even if they gave poor-quality rooms to Oyo's customers, what is the worst that Oyo could do? They couldn't terminate the agreement or even if they did, they wouldn't get their investment back. So, a cursory search of any of the hotel review sites will show you a great number of complaints from consumers who got stuck with pathetic rooms that they booked through Oyo.

Secondly, the minimum guarantee was an unexpected bonus in another way. Since Oyo rarely picked up the entire inventory of a hotel and because the hotels themselves hardly had any type of dashboard that would show details of walk-ins, hotel owners could give out rooms that Oyo

has already paid for to their direct customers! While in theory Oyo monitored inventory usage, in practice, they had close to zero visibility. This would often lead to situations where customers who would book rooms on Oyo finding the hotel refusing to honor the booking by claiming that they were overbooked. Again, one can see numerous examples of customer complaints of this nature on the hotel review sites.

This essentially meant that both the benefits—standardized room quality and predictability—that Oyo touted as its core value propositions were completely frittered away. Oyo had basically shot itself in the foot.

While this was a bad thing, there was something even worse.

Oyo would buy rooms at say Rs. 1,999 per night—the only way it could make any money was if it sold the same room to a customer for Rs.2,000 or more. Not only did Oyo discover that this was easier said than done, especially during lean and off-peak seasons where uptake was very low but they also realized (rather belatedly?) that these rooms have zero inven-

tory value! If a night passed without being used, the entire Rs.1,999 was down the drain with nothing to show for it.

But if they could sell a room even for Rs. 1 per night, they could at least count this as a "used room night". Of course, this wouldn't make much of a difference to their revenue figures but what if they could bandy this as a metric that is shown growing up and to the right?

This imperative kicked off the fire sale—not only did Oyo offer rooms at severely discounted prices (losing as much as Rs. 1,000 on each room night as per some estimates), they literally gave away rooms for next to free! There are well-traveled stories that Oyo grew so desperate to shore up this metric that their representatives went out to local colleges and handed out coupons in the parking lot to any student couple who could use the room for as little as one hour for a session of "joint studies"! This one-hour type of booking also meant that they could potentially turn over multiple bookings per day and further boost their used room nights count (of course, some hotels refused to honor such bookings while others weren't so puritanical).

Now, if you are thinking that all of this is fine (maybe unethical on multiple fronts but not illegal) but how exactly does it constitute a Ponzi?

Let's take a step back and revisit what the metric "booked room night" means. It implies a transaction where a hotel room night was booked. But nowhere does this guarantee or explicitly say that the room was booked by an actual customer. So a minimum guarantee paid upfront is also technically a room booking in itself!

So we have a potential situation where Oyo could be selling zero rooms but could still tout a huge count for booked room nights because...they are buying the rooms! This essentially means that they could be touting

**The principle  
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### ► Quick profits or customer loyalty? A difficult choice indeed

traction not on the basis of SKUs that they sell but those that they buy — a bizarre turn of events that gives the phrase “buying traction” a completely new spin! This also means that forget about having negative gross margins, we could potentially be looking at a situation where a product has a negative selling price!

Admittedly, there is no way to know for sure whether the numbers reported by Oyo fall in this hoary category but the point is that Oyo is now reporting vanity metrics that can stage-managed and gamed in any which way they choose and quite easily at that. While vanity metrics are bad for a number of reasons, in most cases, they are at least directionally correct but in this case, there is hardly any correlation.

#### **Rebuttal**

It was good that Ritesh Agarwal took

no time in reacting to the two-part series posted by Sumanth. Even though the post went viral in hours, Ritesh’s rebuttal came in time to reverse the tide of negative comments. He wrote a letter to his colleagues that was posted on the Internet by daze.info.

#### **Dear Friends,**

Many of you have expressed your anger and frustration since a post about OYO appeared on LinkedIn last evening. We have been criticized before and I am sure we will face criticism again in the future. However, by questioning our integrity and intent using presumptive half-baked theories and insufficient data the author has insulted more than 2,200 of us who are working day and night to realize our shared dreams.

It has taken a lot of sweat, a lot of

pain and many sacrifices from all of us to get OYO to where we are today. We have amazing customers who love us, a great technology platform, one of the best teams in the start-up ecosystem, loyal partners who work with us side by side, strong investors and a business that’s growing month on month with positive take rates and a clear path to profitability — calling all this a ‘Ponzi scheme’ is just preposterous!

We are here to solve a really difficult problem for the Indian budget travelers, and we are proud of what we have achieved already. OYO has started a revolution — from the largest OTAs to more than 20 start-ups across the globe, there are many who are trying to build another OYO.

Our customers love our product and our services. They love us be-

cause we take end-to-end responsibility for guest experience. Starting from selecting hotels, standardizing the infrastructure, training staff and using technology to drive ease of use, we have always seen ourselves as a hotel chain. More than 600 of our colleagues are working incessantly to shoulder this responsibility in the 179 cities we operate in. “I enjoyed my stay at OYO” or “I booked an OYO” are common references these days. And this is what brings each one of us to the office every day!

Not only are we growing fast, we are also growing strong! Our take rates have improved significantly and are now positive across the network including minimum guarantees (less than 3% of our business now). Our pricing team is continuously improving algorithms to maximize revenues while driving target take rates. Only ignorance or a strong desire to malign can lead to the use of a term like “Ponzi scheme” in the above context.

Our consumer app is game-changing – a simple three-click booking process, relevant content, turn by turn directions, in-app ordering service, choice of hotels at almost every location and so on. This app is fundamentally changing consumer behavior – our customers are now booking more and more OYOs closer to check-in time, a trend earlier seen only in the taxi aggregator space.

More than 99.5% of our guests get exactly what they book. This is made possible by our partner hotel mobile app that ensures real-time synchronization of room inventory. Our partners also are making more money and are getting better returns on their assets because of OYO. With more than 5,700 OYOs on our network now, we have lost fewer than 2% hotels ever – most let go after consistently failing to deliver a predictable guest experience.

Like any evolving start-up, we have made our fair share of mistakes. Noth-



► **For hotel aggregators the new business is akin to tightrope walking**

**They are realising that rather than deep discounting, having solid processes in place is more important for surviving the competition**

ing hurts us more than a guest undergoing a bad experience. We have always stood up to take responsibility and then worked tirelessly to build OYO, one great experience at a time. Many times I have personally apologized to the customer. Each mistake hurts me, but I am not ashamed of my mistakes, as I am yet to hear of an entrepreneur who can claim to have succeeded without making mistakes.

As a company, we are always open to constructive criticism but when someone questions our intent and integrity, it infuriates us all. Your reaction is a reminder of how passionate we are about OYO and how closely we are bound together in our mission. If there is one thing I know, it is that naysayers and detractors increase our resolve to create the world’s most loved hotel brand. Keep building team!

### **Cheers, Ritesh**

So now it’s upto the readers to decide what’s true. However, as we go to press we learnt that Oyo as well as other new aggregators, however, are learning from the mistakes of the big players and going for course correction.

It goes without saying that for small hotels, for whom filling up several unoccupied rooms was a constant struggle, fortunes have changed almost overnight after the arrival of aggregators. Now rooms fill up, often with the same customers making a repeat appearance, and business is sometimes grow manifold. However, under-cutting and deep discounting often take them back to square one. Occupancy doesn’t convert into even thin profits.

However, now the aggregators are introducing better procedures that benefit both the customer and the hotel owner. Says Poddar, “They are realising that rather than deep discounting, having solid processes in place is more important for surviving the competition in the long run.”

# THE LAND OF FORESTS

Political stability, bountiful flora and fauna, rich tribal culture and pilgrimages make Jharkhand an attractive tourism destination for both domestic and foreign travellers



**T**HE state of Jharkhand registered more than 385 per cent increase in foreign tourist visits between 2012 and 2014, revealed a recent Union tourism ministry's data. Jharkhand's foreign tourist growth was unprecedented, particularly when arrivals in Bihar declined by 24 per cent and West Bengal witnessed an increase of just 12 per cent.

Though Jharkhand is blessed with immense natural and cultural beauty, political instability, Maoist threat and poor budget allocation were major obstructions to tourism growth, experts said. Nonetheless, a steady rise in foreign tourist visits is being witnessed since 2011. Merely 3,111 foreign tourists had visited Jharkhand in 2001. That number rose to 1.54 lakh in 2014. Similarly, arrival of domestic tourists also increased 73 times in the last 15 years. Around 4520 domestic tourists visited Jharkhand in 2001, which increased to 3.30 lakh in 2014.

According to travel guide book Lonely Planet the exact reasons for Jharkhand's growing popularity are unclear, but one likely factor is the improving security situation. The

most popular destination for tourists is the city of Ranchi, famous for its waterfalls, but growing numbers of travellers are making the sacred ascent of Parasnath Hill, crowned by a temple marking the spot where 20 of the 24 Jain tirthankars (divine teachers) are said to have achieved moksha, or liberation from the cycle of death and rebirth. Betla (Palamau) National Park in the west of the state is also seeing growing numbers of visitors for its healthy population of wild elephants and rarely-seen tigers.

## History

The state of Jharkhand was carved out of the southern part of Bihar on November 2000. The state comprises 24 districts Chhotanagpur Plateau endowed with bountiful nature and mineral resources. The Land of Forests, as Jharkhand is famously called, is heaven for nature lovers. The state has an unparalleled beauty with majestic hills, scenic waterfalls, rich greenery and colourful culture of various ethnic communities.

Given the number of scenic spots the state has tourism is gradually



**The state has an unparalleled beauty with majestic hills, scenic waterfalls, rich greenery and colourful culture of various ethnic communities**



► **Road to Hazaribagh: Tourism sector in the state needs aggressive marketing to publicise its bountiful scenic beauty**

turning into a major revenue earner. It also provides income generation opportunities in primary, secondary and tertiary sectors. It may be pointed out that in a short duration after the formation of the state, the government of Jharkhand has taken some concrete steps to promote and develop tourism in the state.

The strengths and assets of Jharkhand clearly are pilgrimage, cultural tourism, heritage, eco-tourism, adventure tourism and wellness. Land locked by Bihar, Orissa, West Bengal, Madhya Pradesh and

Uttar Pradesh, the state has a total area of 79,714 square kilometers which is dominated by villages.

When Jharkhand was a part of Bihar, the region its rich mineral deposits were exploited by the then state administration. Little attempt, what so ever, was made to promote the natural beauty that was so bountiful here. The rich forests, the beautiful hills, the lush green ambience, the pleasant weather and the variety in vegetation.

What ever tourism was taking place it was in the name of religion.

So Baidyanath Dham the famous temple of Lord Shiva and Parasnath the seat of Jain Tirthankar Parshwanath were the two most celebrated tourist attractions that attracted largely religious crowd. Baidyanath Dham for the Hindus and Parasnath for the Jains. There was no attempt to promote pleasure or vacation tourism. In fact, few were aware that the region had tremendous potential for eco-tourism, the in thing today.

With the formation of the new state the founders of the new state focused on tourism as a potential revenue earner. They gradually realised that the tourism sector in the state needs an aggressive marketing strategy to publicise its bountiful scenic beauty.

### **Pilgrimages Galore**

Parasnath situated some 45 kilometers from the industrial township of Dhanbad attracts Jain devotees from the entire globe. However the interesting fact is that it is a fantastic site for pleasure tourism as well. The seat of famous Jain Tirthankar Parshwanath, the place has temples of all the Jain Tirthankars situated at the top

of the hills, a group of hillocks that attracts crowds loving hiking and adventure seeking trekkers in big numbers.

For the families, too, the place has tremendous attraction. So from tranquility and divine peace to mundane pleasure, the place is a hot spot. With some effective marketing it can become an internationally acclaimed tourist attraction.

Baidyanath Dham, the famous abode of Lord Shiva, is also well known with the seat of one of the twelve jyotirlingas of the Hindu god. This is situated in Deoghar town which is well connected with rail as well as road. However, apart from pilgrimage, it is a beautiful place for pleasure tourism.

There are two very famous abodes of the Goddess Kali in the state that attract devotees from all over India. Maithan near Dhanbad and Rajrappa near Ramgarh are two very important pilgrimages that have a tremendous potential for pleasure tourism.

Near Dhanbad, around a distance of 25 kilometers there is a small town Nirsa. In Pandra village of this town



► **Parasnath, the seat of Jain Tirthankar Parshwanath, draws thousands of pilgrims from India and abroad**

there is Kapileshwar temple that has a history of thousands of years. This temple of Lord Shiva is also called Panch Pandeshwar temple as it is supposed to be built by Pandavas (famous five brothers of the epic Mahabharata according to Hindu Mythology). The legend goes that the Pandavas spent some time here during their forced exile after the famous defeat in the great gamble with Duryodhana. This temple has five Shiva lingas established by the five Pandava brothers.

There is another important Pilgrim site near Topchachi some 30 kilometers away from Dhanbad.

This is the Mazar (Grave) of a Pir (saint) called Baba Hazrat Abdul Shah. Many people flock here seeking boon from the deceased saint. Though Baba was a muslim the devotees who throng here every day cut across religion. With a bit of market-

ing this place can be developed in to a popular site.

In fact, there are several such places, which have a long history and were built by legendary rulers.

Basukinath, near Baidyanath Dham is another important place that attracts pilgrims who come to Baidyanath Dham. This also is a temple of Lord Shiva. In fact, Shiva and Durga temples are more common in the region and the erstwhile rulers built these temples taking into account the popular psychology of the people. The interesting thing is that these sites are situated in remote areas and can become important centers for pleasure tourism given the ambience. Most of the famous temples are surrounded by beautiful hills or are atop a hill or near a river or in a forest.

With a lot of packaging and marketing they can easily become centers of

tourist attraction. Tourist attractions sites of the state can be classified into six categories in Jharkhand.

Some of the key destinations of the state are as following:

1. Religious Places – Baidyanath-Dham, Parasnath, Rajrappa, Maithan, Basukinath, Lilori sthan, Shakti Mandir, etc.
2. Pleasure or Sightseeing Sites – Parasnath, Basukinath, Trikut hill, Nandan hill, Maithan Dam, Panchet Dam, Tilaiya Dam, Rajrappa, Ramgarh, Hundru falls, Jonha falls, Usri falls, GautamDhara, Dimna Lake, Dasham falls, Topchanchi, Masanjore Dam, etc.
3. Health resorts/retreats – Netarhat, Ramgarh, Ghamaria, Parasnath, Angada, Ghatshila, Hazaribagh, etc.
4. Wild life/forests – Ghatshila, Hazaribagh, Koderma, Chaibasa, Gumla etc.



► **Jonha Falls, near Ranchi, is fascinating after monsoon**

5. Eco-tourism – Netarhat, Hazaribagh, Chaibasa, Ghatshila, Rajmahal hills etc.

6. Miscellaneous – Central Mining Research Station, Indian School of Mines, Indian Lac Research Institute, BIT Mesra, BIT Sindri, Coal Mines, Forests etc.

The places mentioned above are already popular and with aggressive marketing these can grow into well-known national tourist sites. Apart from these there are lesser-known sites that can be developed into important sites with the help of customized marketing.

Generally, it is effective to market a particular site as a package i.e. offering different things to different class of tourists. For example, Parasnath. This hill complex can be packaged as a site for pilgrimage, heritage, eco-tourism, health resort, adventure

**When Jharkhand was a part of Bihar, the region's rich mineral deposits were exploited by the then state administration**

etc. Most of the sites in Jharkhand are of this category.

Apart from these sites for different classes of tourists, Jharkhand, contrary to popular belief is not just barren, hilly and fruitless forests. It is culturally very rich and if the right packaging is provided the state can be an attractive destination for cultural tourism. In addition heritage sites depicting life and styles of indigenous people, the tribals, can be developed. Folk songs and Folk dances of Jharkhand are significant culturally and can compete with the other popular dances like Kathakali And Bharatnatyam, etc., of Southern India. The 'Chhou' Dance ceremonially inaugurated on the last day of Chaitra (a month in the Hindu Calendar coinciding with March-April) is a case in point. This dance is performed at the open courtyards attached to shrines of village Gods.

The state has some thing to offer to the historians, the naturalists, the anthropologists as well as the Indologist. The region is extremely important from anthropological point of view. The basic population comprises four principal groups, viz., the Bhumij, who call themselves Sardar, the Mura, generally known as Mundas, the Santhal, and, the Kurmi, known also as Mahato or Kurma Kshatriya.

They are all independent groups of people who in most cases show cultural affinities.

The Mura worship the Sun God in the name of Sing Bonga, the same God who is worshipped as Dharam by the Bhumij. Sing Bonga is the Supreme God with the Mura. There are other Gods like Marang Buru, the Mountain God.

The state government is taking concrete steps to capture discerning tourists. The boom period of tourism is here and it is trying to catch up with the mood and wallet of the middle class whose propensity for fun and enjoyment, pleasure and ad-



► Pilgrim's trail: Rajrappa is prominent religious place

venture is growing by the hour.

## What Needs to be Done

The tourism product is different from other products. A tourism product is the combination of tourism services and offerings being provided by the different constituents of the tourism industry. The landscape, lush greenery, wildlife adventure, stay in hotel, traveling, festival, tradition and culture of the host country/destination, etc. constitute the invisible and intangible structure of the tourism product. These must be identified and properly classified.

The government of Jharkhand has been studying the prospects of tourism in a scientific way. The following issues are important :

- Understanding the tourist needs, wants, tastes and attitudes
- Achieving sustainable growth in tourist arrivals
- Increasing tourist traffic during lean seasons
- Attempting to increase the length of stay of tourist
- Dispersing tourist to new destinations and

- Enhancing image and popularity, etc of tourism destinations.

So the government's focus is on marketing to a well-defined group of potential customers. Identifying them and then positioning its tourism destinations to them is the strategy that is being followed.

## Action areas

The following ground realities should be kept in mind about the state.

- Inadequate & poor quality of infrastructure
- Carrying capacity by air, road and railways
- Clean and comfortable lodging facilities at reasonable prices
- Trained guides and Tourist Amenities of international standard
- Adequate entry points
- Positive image building abroad
- The need to preserve the heritage and natural resources
- Safe and secure tourism.

The future action programme should revolve around creating adequate infrastructure of international standard

to make arrivals easy and a pleasurable experience.

## Need For A Thrust

For years, Jharkhand was projected as a land of Jungle, tribals, minerals, ancient temples, and backward culture. It is time to redesign the tourism packages and explore new areas.

But the important point is that the policy makers will have to consider a variety of approaches to ensure that the state is showcased properly. The state needs to be positioned properly and in this endeavour the support of travel agents, tour operators, travel writers, representatives of travel and hospitality industry associations, experts in the tourists and cultural sectors, diplomats, journalists and other opinion leaders is crucial. Effective positioning depends on a number of factors that together determine the attractiveness of the tourist destination. Positioning must promise the benefit the customer will receive, create the expectation and offer a solution to the customer's problem.

The state government needs to go for development of new sites, facelift of existing sites and sprucing up the hospitality arrangement. Attempts are on in this regard but lot more needs to be done. Already

the state government has initiated steps to develop a beautiful park at the mining town of Kiriburu

in West Singhbhum on the lines of the famous Jubilee Park of Jamshedpur. Similarly Akarshani

Devi temple at Saraikela in Kharsawan district is being developed on lines of Vaishno Devi temple.

These efforts are going to pay rich dividends. However, careful planning and organizing is required

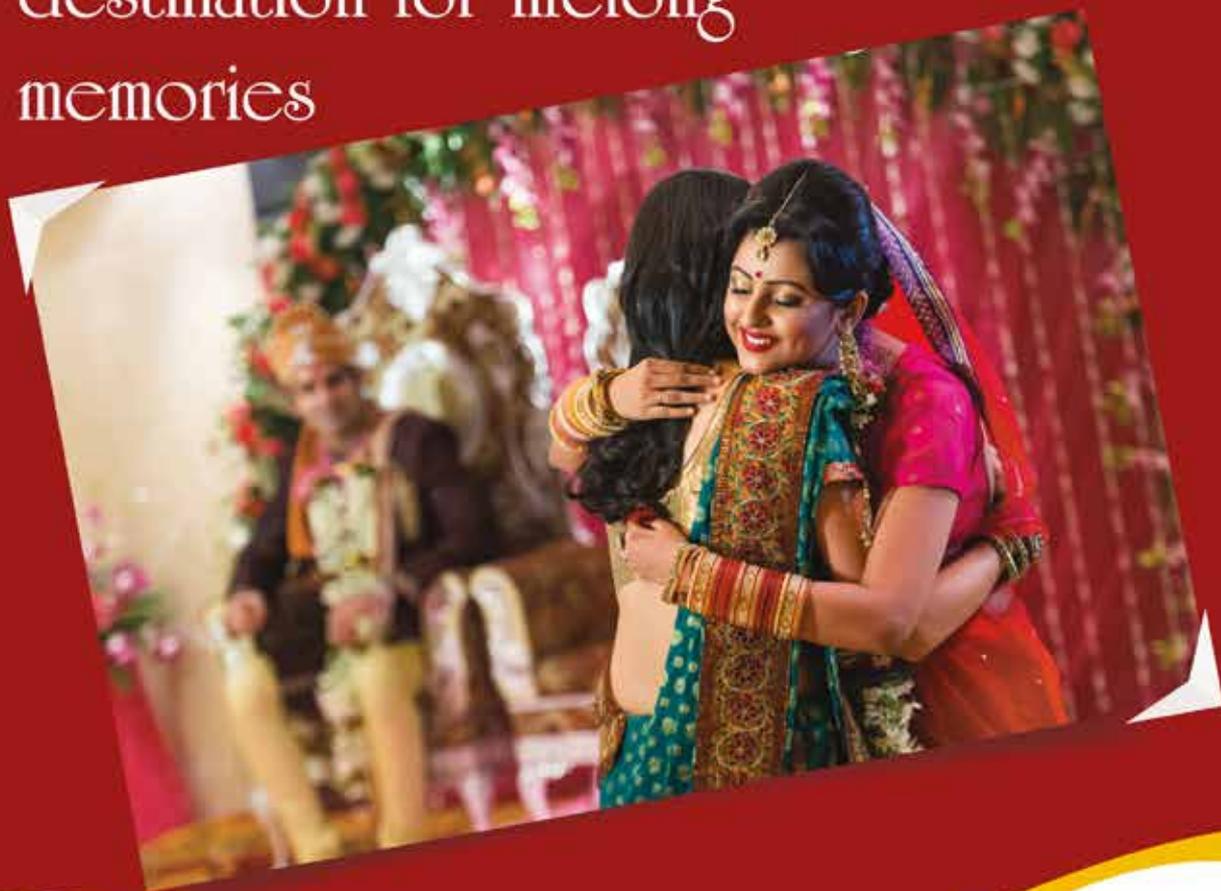
for effective management and exploitation of tourism potential is to be achieved.

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