

PROJECT ON HOTEL AND RESORT

AUGUST 2009 | OPM PROJECT

SNEHA AGARWAL | EPGDM 4 | ROLL -23

1. PRODUCT

ABOUT THE PROJECT

To set up a Hotel cum Resort having all the modern facilities in an area of 20 Acres in Jaipur, Rajasthan.

TOURISM AND HOSPITALITY INDUSTRY AT A GLANCE

It is boom time for India's Tourism and Hospitality sector. Driven by a surge in business traveler arrivals and a soaring interest in India as a tourist destination, for the previous years has been the best year till date, with foreign visitor arrivals reaching a record 3.92 million, resulting in international tourism receipts of US\$ 5.7 billion.

Boom time!

According to global hotel and hospitality consulting firm, HVS International, the strong performance in tourist arrivals in 2005 can be attributed to a strong sense of business and investment confidence in India inspired by:

- India's strong GDP performance
- Strengthening of ties with the developed world, and
- Opening of sectors of the economy to private sector/ foreign investment.

The efforts made by the Ministry of Tourism & Culture in the last few years have had a salutary effect on India's tourism industry.

- Foreign tourist arrivals are expected to witness a growth of 78 % in the coming years.
- Growth in foreign exchange earnings is expected to be of the order of 122 %.
- As per estimates, on an average, about 3.1 million additional jobs per year have been created directly and indirectly in the tourism sector in the last four years.

India is fast emerging as one of the most enticing destinations for the global leisure traveller. The Incredible India campaign has also been a huge success.

An economic growth engine

As an engine for economic growth, the tourism and hospitality sector cuts across the rural-urban divide, and bridges economic boundaries. According to The World

Travel & Tourism Council's 2006 Travel and Tourism Economic Research, the travel and tourism sector in India is expected to generate a total demand of US\$ 53,544.5 million of economic activity in 2006, accounting for nearly 5.3 % of GDP and 5.4 per cent of total employment.

According to the report, the sector is expected to grow at a rate of 8.4 per cent in 2006 and by 8 per cent per annum, in real terms, between 2007 and 2016.

Growth in the tourism and Growth in the tourism and hospitality sector						
	GD P	Employment	Visitor Exports	Personal T&T	Capital Investment	Government Expenditure
Real Growth)	7 .8%	1.4%	10.9%	6.9%	8.3%	7.7%
(Outlook for the next 10 years)	6 .6%	1.0%	7.8%	6.7%	7.8%	6.1%

Source: The World Travel & Tourism Council,

2. PROCESS/STEPS

Following are the necessary steps required to construct a world class Hotel & Resort.

- Acquisition of Land
- Feasibility Study.
- Market and financial analysis and projections
- Financial Closures by Banks or Investors.
- Finalization of the Layout
- Completion of site survey, design of plant buildings, auxiliary & ancillary buildings, mechanical utilities, electrical services and system.
- Planning for enabling works, like construction waterlines, power lines and sewerage, office, labour camp; go down, communication facility etc.
- Approach and Internal Roads
- Employee Hiring Process
- Marketing

3. LOCATION ADVANTAGES

Udaipur or Jaipur of Rajasthan will be the Suitable Location for putting up a world class hotel and resort and also the safest state in India in terms of Law & Order.



- ❖ It offers to its tourists a safe and secure environment.
- ❖ It is also very easily accessible by Air, Train and Road. It is also the leading tourist Destination State of India will start getting International Chartered Flights in view of extended Airport run way of Jaipur Airport. Many International Chartered flights are operating from Jaipur Airport. Rajasthan is going to make headway in the area of spiritual tourism, eco tourism, health tourism and rural tourism. Heritage tourism, which is one of the strengths of Rajasthan Tourism, is going to be strengthened further.
- ❖ Efforts are also being made to facilitate shooting of films in Rajasthan. According to him, Rajasthan is one of the most favoured destinations of film industry.
- ❖ Rajasthan continues to be one of the most favourite tourism destinations in the world witnessing an unprecedented growth of more than 50 percent in domestic and foreign tourist influx.
- ❖ With a record arrival of more than 6 lakh foreign tourists and 125 lakh domestic tourists during the year 2003, Rajasthan has been one of the most popular destinations for all.
- ❖ On one hand the beautiful sands of Jaisalmer saw the footprints of over 1.32 lakh domestic visitors while the City of Lakes, Udaipur enthralled more than 1.5 lakh foreign tourists with its capturing landscapes of serene waters and green hills.
- ❖ The charm of Mt. Abu and the sculptures of Dilwara continue to reign over the hearts of travelers with the number of arrivals being more than a lakh.
- ❖ The potential of Eco-tourism and wild life viewing has also grown with a constant increase in number of vacationers visiting Sariska, Bharatpur, Siliserh, Sawai Madhopur and other parts of the state.

Advantages of Hotel and Resort Setup in Rajasthan

The Government of Rajasthan has accorded a high priority to attract private investment in tourism sector.

- ❖ To facilitate the investors, appropriate amendments have been made in the relevant rules for conversion and allotment of land in rural and urban areas. It has facilitated the conversion and allotment of land for setting up of tourism units in the state by private sector initiative.

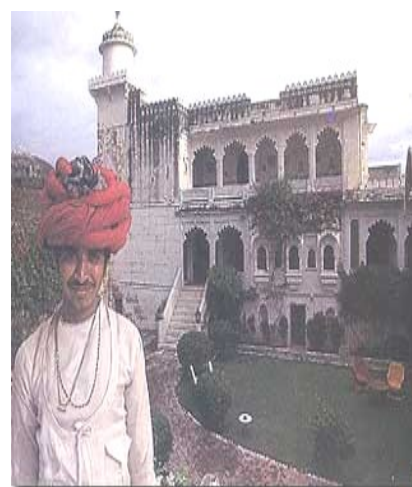


- ❖ A Land Bank has been set up in RTDC/DTAC to provide land.
- ❖ A Ropeways Act is also in place and rules for implementation of ropeway projects under private sector participation are being finalized

INVESTMENT IN RAJASTHAN TOURISM SECTOR

The investment requirements in providing efficient support infrastructure for these tourist circuits are estimated at Rs. 18377 million. A further Rs. 1541 million would be required for coming years for developing accommodation facilities. The estimated sector-wise investment requirement is presented in the following table:

Sector	Estimated Investment (Rs. Million)
Accommodation	6116
Transportation/ Airports	4496
Roads	3779
Power Supply	1668
Sewerage	1305
Water Supply	586
Telecommunication	430
Sites	240
Wildlife Sanctuaries	140
En Route Facilities	43
Training Institute	39
Site Interpretation Facilities	1077
Total	19918



Source: Master plan for development of tourism

FAIRS – FESTIVALS AND CULTURAL PROGRAMMES

The Fairs and festivals of Rajasthan are the example of State's lively cultural heritage. Through the organization of these fairs and festivals and cultural programmes, attracting tourist makes tourism promotion. They have a great appeal for tourists. Department by organizing the world known annually fairs and festival, tends to promote the prosperous cultural heritage of State.

MICE (Meetings, Incentives, Conventions and Exhibitions)

The Rajasthan Meetings, Incentives, Conventions and Exhibitions market is one of the exciting and the fast growing one. Trends indicate that travel agents, tour operators, hotel companies, cruise companies are all eyeing the Rajasthan MICE market as one with great potential for future growth..

FILM LOCATIONS

Rajasthan is a film maker's delight! The land has lush green forests and wetlands as opposed to its pure sand deserts. Add to it, the aroma of history and architecture that surrounds the state. People live in the timeless tradition and have kept their bygone era alive. Colour reflects in every fold of life and its picturesque locations. This attracts Film Units, Script Writers and Directors from all over the world to come & shoot in Rajasthan.

Every film maker of Bollywood has at least one song dance sequence shot in front of the Monuments and Forts of Rajasthan. Scenes requiring the royal flavour can never miss the City palace of Jaipur or Umaid Bhawan of Jodhpur.

INCENTIVES

New Tourism Units such as Hotels/Lodging Houses

Particulars	Incentives
Exemption in Luxury Tax:	100% exemption of Luxury Tax for a period of 7 years.
Exemption in Stamp Duty:	50% exemption in stamp duty for a period of 7 years
Other Incentives:	a. 50% exemption of entertainment tax for seven years; b. 50% exemption of electrical duty for seven years; c. 50% exemption from conversion charge; and/or d. 50% exemption from mandi tax for seven years.
Interest Subsidy to tourism	5% Interest subsidy and wage /employment subsidy would

Units such as Hotel, Motel etc.: be made available to eligible investor during the operative period of the scheme. An additional interest subsidy of 1% shall be made available to SC/ST Entrepreneurs.

4. LAYOUT PLANNING

The following are the proposed layout required for the Hotel and Resort:

Hotel

Rooms & Suites

The hotel will be of stylish, comfortable, well-furnished and air-conditioned rooms with contemporary luxury and gracious service.



Banquet and Conference

The Hotel will have a banquet hall with a capacity of 150 and 400 for parties, banquet hall also be used for exhibitions/events. The banquet hall is very essential for the hotel and will be done in a western concept. There will be 1 conferencing hall for business meeting, conference and gathering etc. the hall will be equipped with all the modern conferencing aids.



Restaurant and Bar

The hotel will be having 2 nos. of restaurant, a Lounge Bar and a coffee shop, which will be offering a choice of continental, Chinese and variety of food from Indian cuisine, with live piano music, and one open restaurant with the above amenities for the outside visitors.



The bar will be well stocked with best of spirit and wine where guests can spend their time with gossiping watching television.



Other Facilities in hotel

Travel Desk

The hotel will also have a Travel Desk, which will help visitors to gather information and sketch a tour for visiting the tourist place.

Pick up Facility

The hotel will also having a Pick up facility, the company will be buying vehicles to pick the guests from the suitable place.

Business Center

The business center is equipped with the latest office automation equipment to provide secretarial services and allied services like courier services, E-mail services, Telecommunication services and other support services.

Currency Exchange Facility

The hotel will also provide the currency exchange facility to overseas guests.

Resort Complex

Cottages

The Resort will be having good nos. of cottages with a refreshing mix of style and spacious elegance, our guest rooms and suites will be offering peace and tranquility as well as the comforts of modern day living.



Ayurveda Centre

The resort will be having a Ayurveda center. Ayurveda is the alternative medicine of Indian tradition, originated in ancient times. It is a natural healing science for cure, prevention or rejuvenation of the body, based on the use of herbs or herbal medicines.



Kids Arena and Board Games

The Resort Complex will be having a separate area for the kids; Kids Arena for children to have fun and play all



the time while visiting the Resort.

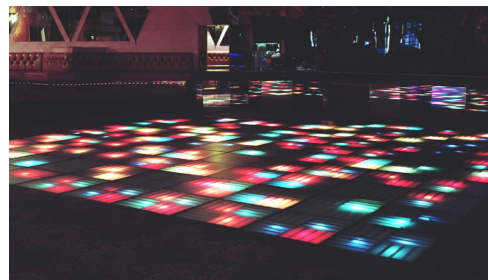
The Resort will be having an area for board games, which will provide additional options for the guests to spend excellence time in the Resort.

Banquet and Conference

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Lounge Bar

The resort will be having a Music Lounge & Weekend Disco Theque - Equipped with the latest sound & a Light system, the disco is for those who are young at heart. The zeal to dance & enjoy is a welcome thought. A disco night on every weekend will be arranged.



GYMNASIUM

A gymnasium will be surrounded by state of the art equipment from the Life Fitness, USA, the World's undisputed leader in Gym Equipment. Equipment will be is available to tone up body muscles and rejuvenate. Visitors can sweat out superfluous body fat and discover the fresh self within.



SWIMMING POOL, JACUZZI, SPA, AND STEAM SAUNA

A swimming pool, which is also an important part of the club. The swimming pool facility is a must for any club and thus it will be instrumental for the popularity of the club. It will be 1 of the



main basis of marketing the club facilities. There will also a small nearby kid's swimming pool. There will be a juice and snack bar along with the swimming pool to add to the service provisions.

Garden

In the proposed project there is also a beautiful and decorated Marriage Garden and its well kept gardens infuses a breath of fresh air and fill both young and old with vitality, which will be provided on rent for the Marriage Purpose or Big Parties. The capacity of the garden will be around 1000 people with huge car parking capacity.

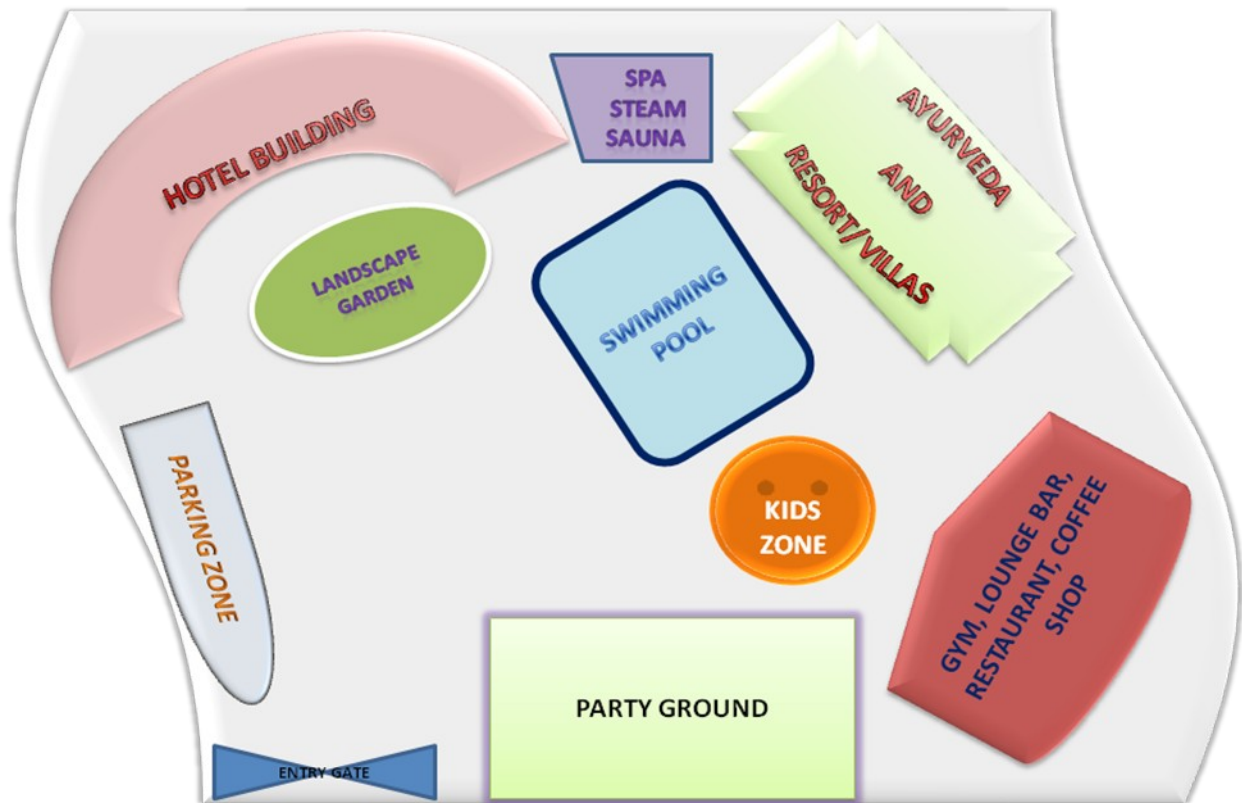


5. CAPACITY PLANNING

Following are the Capacities Planned for the Hotel and Resorts

HOTEL	No
Types of Rooms	
- Standard	22
- Deluxe	14
- Suite	04
- Villas	10
Banquet Hall	01
Restaurant	02
Lounge Bar	01
Coffee Shop	01
Gymnasium	01
Kids Arena	01
Ayurveda Centre	01
Administrative Office	01
Laundry	01
Staff Quarters	01

Proposed Layout



6. PRODUCTION AND OPERATION PLANNING

<u>Year</u>	<u>% Capacity Utilization</u>
1 st year	50%
2 nd year	60%
3 rd year	80%
4 th year	85%

- There will be a high demand in peak season (Oct – Mar).
- As Rajasthan is one of the major Tourist destination of India different kind of travelers all around the world land here for festivals, heritage visits etc in peak seasons.
- Corporate Seminars
- Individual celebration events, Marriages etc.

7. Quality Requirement

The nature of consumer tastes and preferences is changing. A number of trends have emerged that influence tourist lifestyles, and leisure and tourism choices –

- Focus on increasing personal needs;

- More active travel participation;
- More emphasis on historical holiday;
- Increasing need for pleasure and food at one place
- Variety in entertainment in one place

At present there are many resorts both big and as well as small and the demand is immense therefore, to cater to this outgrowing demand; there is imperative need for setting up more number of amusement parks and focus on more on Corporate Tours.

8. Quality Assurance and Quality Control Plan

Quality assurance, or **QA** for short, refers to planned and systematic production processes that provide confidence in a product's suitability for its intended purpose. It is a set of activities intended to ensure that products (goods and/or services) satisfy customer requirements in a systematic, reliable fashion. QA cannot absolutely guarantee the production of quality products, unfortunately, but makes this more likely. Two key principles characterize QA: "fit for purpose" (the product should be suitable for the intended purpose) and "right first time" (mistakes should be eliminated). QA includes regulation of the quality of raw materials, assemblies, products and components; services related to production; and management, production and inspection processes. It is important to realize also that quality is determined by the intended users, clients or customers, not by society in general: it is not the same as 'expensive' or 'high quality'. Even goods with low prices can be considered quality items if they meet a market need. The Industrial Revolution led to a system in which large groups of people performing a similar type of work were grouped together under the supervision of a foreman who

Quality control emphasizes testing of products to uncover defects, and reporting to management who make the decision to allow or deny the release. Whereas quality assurance attempts to improve and stabilize production, and associated processes, to avoid, or at least minimize, issues that led to the defects in the first place. To prevent mistakes from arising, several QA methodologies are used. However, QA does not necessarily eliminate the need for QC: some product parameters are so critical that testing is still necessary. QC activities are treated as an integral part of Total quality management.

Using this Quality Plan to monitor and control quality by:

- ❖ Analyzing Issues
- ❖ Issues rectification process to be set.
- ❖ Identifying the quality control tasks needed to control quality
- ❖ Creating a Quality Control Plan, by scheduling the control activities
- ❖ Listing the quality assurance activities required to assure quality
- ❖ Building a Quality Assurance Plan, by creating an activity schedule.