

Industry Insight

Indian Hotels

October-2008

Cygnus

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SYNOPSIS

The hotel and restaurant industry of India was Rs. 658.89 billion during 2007-08, according to Cygnus estimates. Travel & Tourism Industry of India was valued at US\$35.73 billion in 2007, contributing 3.56% to India's GDP. The number of foreign tourists arriving to India reached 5.08 million compared with 4.45 million in the year 2006, showing growth of 14.16%. India's share in international tourist arrivals at global level gradually improved from 0.46% in 2004 to 0.49% in 2005 and further to 0.52% in 2006 and 0.56% in 2007. The number of domestic tourists in India was 526.57 million compared with 461.76 million in 2006, showing growth of 14.03%. There are 1,437 hotels approved and classified by the Ministry of Tourism, Government of India, with a total capacity of 84,327 hotel rooms as on December 31, 2007. Indian hotel industry is currently adding about 60,000 quality rooms, which are expected to be ready by 2012.

The report starts with the global hotel industry to give a perspective of the Indian hotel industry in the global context. The report covers hotels industry structure, trends in growth of industry turnover, major players, regulations, demand-supply scenario, growth drivers, issues and challenges, critical success factors and foreign direct investment trends from Indian perspective. It also gives a glimpse of proposed investments by domestic and foreign players in the hotel industry of India. The report also covers various emerging concepts in India such as service apartments, spas, medical tourism, wildlife resorts, cruise tourism, adventure tourism etc. An analysis of the industry performance is made on critical business parameters like occupancy rates, revenue per available room (RevPAR) and average room rates (ARR) and comparisons have been made with global trends. The report also analyses the performance of the industry across major markets, and profiles the major players in the industry.

The report will be useful for hotel & restaurant players, real estate companies interested in venturing into hotel business, commercial and investment banks, business analysts, consultants, investors and hotel management colleges and students.

No. of Pages: 133

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