## **Research Paper**

## Management



# Gradual Development of Hotel Industry in India: A Close Look on History

## **Sudipta Kumar Pal**

## Senior Lecturer (Front Office & Tourism Studies) Guru Nanak Institute of Hotel Management, Kolkata

BSTRACT

The pathway to future is constructed on the base of history. Study of history, therefore, is essential in respect to shape the future and history of Indian hotel industry is no exception. Knowledge and understanding of factual history provide confidence on the subject and make us proud of our glorious past. Sometimes history plays the central attraction in some forms of tourism, such as historical tourism, cultural tourism, archaeological tourism etc. Study of gradual development of hotel industry in India, thus, is inevitable and beneficial to all involved with this industry.

### **KEYWORDS**

Hotel industry, history, group of hotels, hospitality

#### THE 17th - 18th CENTURY

The history of Indian hotels goes back to the Colonial Era and started with the European aggression in the 17th century. The early hotels in India were mostly established and operated by the foreign rulers to cater to the colonizers and later officials of the British Raj. During the British rule, western styled luxurious hotels started coming up in important cities like Calcutta (Kolkata) and Bombay (Mumbai), subsiding earlier inns and taverns. The Albion Hotel, Mac Farlanes Hotel, MacLean's Hotel, Victory Hotel were famous in the country during the 18th century.

#### THE 19th CENTURY

The real development and growth of organized hotels started in Calcutta, the Capital city of the British Raj, during the 19th century. According to records, an Englishman, by the name of John Spence, established the Spence's Hotel (Wellesley Place, 1830), which was one of the first hotels in Calcutta, as well as in Asia. The hotel was introduced to cater to the growing number of visitors coming to Calcutta from Britain and other parts of Europe and India. As the Government encroached on office buildings around the area, the Spence's Hotel was shifted from its original location at the crossing of Esplanade Row (West) and Government Place (West) to Wellesley Place.

The Auckland Hotel (Old Court House Street, 1840) was founded by a British confectioner, David Wilson, and named after the then Governor General of India, Lord Auckland. The hotel was opened with 100 rooms and a department store on the ground floor. During its heyday, this elite hotel was also known as the "Jewel of the East" and the "Savoy of the East". Later on, it was renamed as the Great Eastern Hotel in 1865 and became the first hotel in India to be fully electrified. Another Englishman, John Wakson, opened his Esplanade Hotel (Calcutta, 1871) after he had earned huge fortune as a silk merchant. He was believed to be the architect and builder of the 130 rooms' hotel, assisted by some qualified supervisors from England. Another prestigious property of Calcutta, the Grand Hotel (Chowringhee Road, 1911) was established by an American, Arathoon Stephen. Built with a successful fusion of classical Victorian and traditional Indian style, this 209 rooms' hotel soon became a popular spot amongst the European and American population of Calcutta. Later on, the hotel was acquired by the Oberoi Group and renamed as The Oberoi Grand in 1938.

Bombay always remained the commercial capital of the country and development of hotels in the city was contemporary. The Hope Hall Family Hotel (Mazagaon, 1837) served as the principal hotel in Bombay for many years. The next milestone was the Victoria Hotel (Bombay, 1840), established by a Par-

see landlord, Pallanjee Pestonjee. This westernized luxurious hotel was better known as the British Hotel and was famous for its excellent food, beverage and management. The business was successful and eventually the property was moved to a better premise on Clare Road and later on another hotel was opened in Fort, Bombay. Another successful hotel of that era, the Watson's Hotel (Kala Ghoda, 1864), was established by a British silk draper and mercer, John Watson. It was opened as an exclusive "whites-only" hotel and was the most expensive and impressive hotel in the city. This five-storied hotel included 150 well-appointed guest rooms, lobby, restaurant and a bar at the ground level. The hotel also had a large atrium, originally used as a ballroom, with a glass skylight. It was the first place in India to screen the Lumière Brothers'cinématographe invention in 1896. After the Watson's, came the Byculla Hotel (Byculla, 1871), the Great Western Hotel (Dockyard Road, 1883), the Majestic Hotel (Regal Circle, 1890) and the Green's Hotel (Apollo Bunder, 1890). The Great Western building was once the residence of the Governor of Bombay, while the other three buildings were earlier mansion-flats, which afterwards were converted to hotels.

Delhi expanded rapidly from the late 19th century onwards and soon emerged as the commercial capital of the north. The (Maiden's) Metropolitan Hotel (Civil Lines, 1894) was jointly run by two Englishmen, the Maiden brothers. On 12th December 1911, King-Emperor George V declared New Delhi as the new Capital of British India. As the capital grew, new hotels, like The Imperial (Janpath, 1936), The Fonseca (Mansingh Road, 1942), The Claridges (Aurangzeb Road, 1950) came up in New Delhi.

Sanatoria, resorts and hotels started developing at hill stations in British India from the early 19th century. The upland hills were the only places that offered cool weather during the tropical summer and escape from diseases of the Indian sub-continent and were thus found desirable by members of the ruling imperial British Raj. The development of these hill stations happened in two phases during the colonial age. The first phase was identified as the pioneering phase of building military cantonments and health resorts from 1820 till 1857. The second phase, from 1857 to 1880, included the flourishing of hill stations for i) their recreational nature, ii) their alternative function as summer capitals of the Empire and iii) as educational places for children of the British rulers. Shimla, Ooty, Mussoorie, Mahabaleswar, Darjeeling, Nainital, Kodaikanal, Dharmashala, Mount Abu, Matheran, Dalhousie, Shillong, Ranikhet and Munnar are few such hill stations that developed during the colonial era and still continue to be the very popular tourist destinations even after years of independBy end of the 19th century, there were many western-styled hotels in South India also, such as the Connemara (Madras), the Imperial, the Albany, the New Woodland, the Elphinstone, the Napier, the Pandyan (Madurai), the Bangalore International, the West End (Bangalore), the Savoy, the Ritz (Hyderabad), the Palm Beach (Visakhapatnam) etc.

#### THE 20th CENTURY

The beginning of the 20th century brought in new and proud developments to the Indian hospitality industry as the visionaries of Indian origin started investing in hotels business. It was pioneered by the legendary industrialist and "Father of Indian Industry" - Jamsetji Nusserwanji Tata. He incorporated the Indian Hotels Company Ltd. (IHCL), known as the Taj Hotels Resorts and Palaces, to open its flagship property, the Taj Mahal Palace (Apollo Bunder, Bombay, 1903), leaving an everlasting landmark in the Indian hospitality industry. This 225 rooms' hotel came up as an architectural wonder and was the first hotel in India established by an Indian for Indians. Eventually the Palace needed some extra rooms to grow and so the 20 storied Tower wing was constructed in 1973 beside the Palace, demolishing the earlier Green's Hotel. It added additional 340 rooms to make it complete as the Taj Mahal Palace & Tower with total 565 guest rooms. Since then, the organization emerged as a leading hotel chain in India and abroad. The Taj Group today owns and operates 93 hotels in 55 locations across India and 16 international hotels in the Maldives, Malaysia, Australia, United Kingdom, United States of America, Bhutan, Sri Lanka, Africa and the Middle East, employing about 13,000 people globally. Taj hotels are classified under the brand names of Taj (luxury full-service hotels, resorts and palaces), Taj Exotica (resorts and spas), Taj Safaris (wildlife lodges), Vivanta by Taj Hotels & Resorts (stylish and sophisticated), The Gateway Hotel (upscale or mid-market full service hotels and resorts) and Ginger (economy hotels).

The Oberoi Group of hotels was founded by a great visionary and ambitious hospitality entrepreneur, Rai Bahadur Mohan Singh Oberoi. He acquired his first property in Shimla, when he bought the Hotel Carlton in 1934 and subsequently renamed it as the Clarke's Hotel after its former owner Ernest Clarke. Four years later, he took over the Grand Hotel (The Oberoi Grand) in Calcutta on lease and was able to buy the property outright in 1943. The hotel gained immense popularity during the World War II (1939 - 1945) and was fondly referred to as the "Grande Dame of Chowringhee" for offering the ultimate elegant services in the "City of Joy". As a part of acquisition process of the Associated Hotels of India Ltd. from its then owner John Feletti in 1944, Oberoi acquired the Cecil Hotel in Shimla, where he had started his hospitality career 22 years back as a young and energetic front desk staff under manager Ernest Clarke. He established the Oberoi Hotels Pvt. Ltd. in 1946 and later on, the East India Hotels Ltd. (EIHL), known as the Oberoi Hotels & Resorts, in Calcutta in 1956. Another feather in the cap was The Oberoi InterContinental (New Delhi, 1965), which was the first modern five-star

luxury hotel in the country introducing prominent departmentalization in hotel operations. Soon he became the first Indian to run the country's largest and finest hotel chain. He was awarded with Padma Bhushan, one of the highest Indian civilian awards, in 2001. Presently, the Oberoi Group operates 28 hotels across six countries (Egypt, India, Indonesia, Mauritius, Saudi Arabia and United Arab Emirates), two Nile Cruisers and one Backwater Vessel in Kerala, employing more than 12,000 people worldwide. Oberoi hotels are divided under two exclusive brands, Oberoi (luxury full-service hotels) and Trident (urban five-star hotels). The Group is also engaged in flight catering, airport restaurants, travel and tour services, car rentals, project management and corporate air charters.

The Indian hotel industry has become international with the flagship brands of the Taj and Oberoi Group of Hotels. Significant contributions from numerous other standalone and group of hotels have supported the industry to grow even bigger and richer. Among them, the followings have created their own niche market in India:

- Clarks Group of Hotels (U. P. Hotels Ltd.), founded by Late Babu Brijpal Das and Shri L. P. Gupta, pioneer property -The Clarks Varanasi (Varanasi, 1949)
- The Park Hotels (Apeejay Surrendra Park Hotels Ltd.), founded by Surrendra Paul, pioneer property - The Park Kolkata (Calcutta, 1967)
- 3. HHI Group of Hotels (Hindustan Hotels International Ltd.), founded by DK Jaiswal, pioneer property Hotel Hindustan International (Calcutta, 1969)
- 4. ITC Hotels (ITC Ltd.), founded by ITC Ltd., pioneer property -ITC Welcomgroup Hotel Chola(Madras, 1975)
- Jaypee Hotels (Jaiprakash Associates Ltd.), founded by Jaiprakash Gaur, pioneer property Jaypee Siddharth (New Delhi, 1981)
- The Leela Palaces Hotels and Resorts (Hotel Leelaventure Ltd.), founded by Capt. C.P. Krishnan Nair, pioneer property - The Leela Kempinski (Mumbai, 1987)
- The Lalit Suri Hospitality Group (Bharat Hotels Ltd.), founded by Lalit Suri, pioneer property The Lalit New Delhi (New Delhi, 1988)

#### **CONCLUSION:**

Not only Indian brands, many international hospitality organizations have invested in India, too, considering its growing market potential and increasing buying capacity. As a result, Indian hotel industry has gradually grownup over the years to attain its present stage, which has been possible by aggregate effort of industrialists, visionaries, industry experts and favorable government policies and support. Today, traditional Indian hospitality and many Indian hotel brands are well known and appreciated around the globe, though the industry has to walk miles before it reaches the peak of its potential and desired level of maturity at par with the developed countries of the world

#### **REFERENCES**

1. Tewari, J.R. (2009). Hotel Front Office: Operations and Management, India: Oxford University Press. | 2. Kasavana M.L., Brooks, R.M. (1998) Front Office Procedures, USA: Educational Institute, American Hotel & Motel Association. | 3. Sacareau, I. (2007). Himalayan hill stations from the British Raj to Indian tourism, European Bulletin of Himalayan Research 31: 30-30. | 4. Taj Group. (2012). ABOUT US - HISTORY OF THE TAJ. Retrieved from http://www.tajhotels.com/about-taj/company-information/history-of-taj. html | 5. EIH Ltd. (2015). About US > History. Retrieved from http://www.eihltd.com/about\_eih/milestones.asp |