

INDUSTRY REVIEW PROJECT (IRP) Report

Industry: Accommodation and Food Service

Submitted in partial fulfillment of the requirements for the award of the

Degree of Bachelor of Business Administration

Of CHRIST (Deemed to be University)

By

Deshna Jain 2120321

Joel Jomon 2120343

Mohit Jain 2120345

Under the guidance of

Dr MANU K S

Assistant Professor



CHRIST
(DEEMED TO BE UNIVERSITY)
BENGALURU · INDIA

School of Business and Management

CHRIST (Deemed to be University)

BENGALURU

2022-2023

DECLARATION

We, Students **Deshna Jain , Joel Jomon , Mohit Jain** hereby declare that the project report, titled **“Industry Review Project - Accommodation and Food Service”** submitted to CHRIST (Deemed to be University), in partial fulfillment of the requirements for the award of the Degree of Bachelor of Business Administration is a record of original research work done by us during 2021 - 2022 under the supervision and guidance of **Dr MANU K S (Assistant Professor)**, School of Business and Management and it has not formed the basis for the award of any Degree/ Diploma/ Associate ship/ Fellowship or other similar title of recognition to any candidate of any University.

Date:

Place: Bengaluru

Deshna Jain (2120321)

Joel Jomon (2120343)

Mohit Jain (2120345)

CERTIFICATE

This is to certify that the project report, titled “**Industry Review Project Accommodation and Food Service**” submitted to CHRIST (Deemed to be University), in partial fulfillment of the requirements for the award of the Degree of Bachelor of Business Administration, is a record of original research work done by **Deshna Jain , Joel Jomon , Mohit Jain**, during the period 2021 - 2022 of their study in the School of Business and Management at CHRIST (Deemed to be University), Bengaluru, under my supervision and guidance and the project report has not formed the basis for the award of any Degree/ Diploma/ Associate ship/ Fellowship or other similar title of recognition to any candidate of any University.

Date:

Place: Bengaluru

Dr Manu K S

Assistant Professor

School of Business and Management

Dr Amalanathan S

Head

School of Business and Management

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Deshna Jain (2120321)

Joel Jomon (2120343)

Mohit Jain (2120345)

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CHAPTER I

INTRODUCTION TO THE INDUSTRY

1.1 Accommodation & Food service industry

The performance of the tourism economy is intimately correlated with the labor-intensive sector of lodging and food services. With its numerous businesses and high employment rates, it is crucial to the majority of economies. Small and medium-sized businesses predominate, and it is characterised by seasonality, part-time work, and casual employment.

The industry of lodging and food services includes businesses that offer travellers short-term lodging as well as prepared meals, snacks, and beverages for immediate consumption. Many times, the same business offers both lodging options and food and beverage options. These facilities might also offer other leisure services. For illustration, hotels can provide visitors and members of the public any of the following services: Hotels for example can provide any of the following services to guests and members of the public – accommodation, restaurant, bar, laundry, gym, swimming, spa, casino, golf etc..

1.2 EVOLUTION OF THE INDUSTRY

Travel has existed for as long as there has been humankind. The people of our prehistoric civilizations travelled far in quest of food and shelter. Before monasteries made the decision to construct one, there were no specifically designed accommodations for travelers. As a result, accommodation services were born. Inns first appeared in the late 1700s. The only purpose of inns was to provide a place for travelers to rest and eat along the side of the road. The germs of the contemporary hospitality facility were sown throughout this period. Here is how the accommodations changed throughout time.

19th Century: Indulgence of Luxury Into the Evolution of Hospitality Industry

However, accommodations no longer merely consisted of bedding and sleeping quarters. They started giving the travellers food and beverages. Hotels were created as a result. Hotels grew in sophistication, offering nicer accommodations and dining spaces.

20th Century: Beginning of Modern Hospitality Era

Despite being more or less ingrained in the culture, hospitality has become a booming commercial sector. Many people are approaching architectural design firms with the goal of changing hotel architecture by introducing ever-more amenities. The well-connected road system made intercity travel more convenient. These elements encouraged the development of motels. The idea of the motel was favourably embraced, and as time went on, their population increased dramatically.

21st Century: Technological Integrations in the Evolution of Hospitality Industry

The conventional hospitality industry has developed into what it is now, but it all began with just giving people a place to sleep. The consumer has always been the focus, despite all the changes the industry experienced. It is continuously developing to get better. The hotels really soared to new heights in the new century. The 21st century saw the construction of some of the tallest hotels.

1.3 Industry growth rate and turnover

Marriott International, the Indian Hotels Company Limited (including brand Ginger), Radisson Hotel Group, ITC Hotels, Accor Hotels, Hyatt Hotels, Sarovar Hotels, Intercontinental Hotels Group, Lemon Tree Hotels, and Oberoi Hotels & Resorts were the principal hotel brands present in India in 2018. Between FY 2017 and FY 2018, the main hotels in India had a rise in occupancy rate (the percentage of days for which rooms are booked in a given period) of about 65% as a result of rising demand from business and leisure travelers and a slowdown in the nationwide addition of new hotel rooms.

1.4 Top five Players

Are you looking for a list of India's top 5 accommodation and food services companies? India has a large number of hospitality businesses that are fostering the expansion of this industry. The hospitality sector encompasses a wide range of industries, including those involved in event organising, cruise lines, transportation, the tourism sector, accommodation, and theme parks. A multi-billion dollar industry supports it. Leisure time and discretionary spending are essential for the success of the hospitality sector. It is made up of numerous organisations, including direct

operations and facilities maintenance. The following is a list of the top five hospitality businesses in India:

- Hyatt Hotels Corporation
- HLV Ltd (Hotel Leela Venture)
- InterContinental Hotels Group
- Marriott International India Pvt Ltd
- Radisson Blu Hotels

1.5 Government Regulations and Policies

The management of licenses and permits for the lodging and food services sector is done by state or territorial governments. The authorizations and permits you could want include:

- preparing and/or selling food
- selling and/or consumption of alcohol
- starting an accommodation business
- building accommodation facilities
- erecting/displaying signage
- restricted trading days
- outdoor dining
- playing video/sound recordings
- Disposal of waste.

CHAPTER II

COMPANY PROFILE

2.1 COMPANY I: MAHINDRA HOLIDAYS AND RESORTS INDIA

2.1.1 About

Club Mahindra Holidays is a provider of hospitality in India. It is a part of the Mahindra Group and offers timeshare-based family vacations. The Mahindra Group's Leisure and Hospitality division includes Mahindra Holiday & Resorts India Limited (MHRIL). Its primary product is vacation ownership, and its leading brand is "Club Mahindra." MHRIL primarily provides family vacations through memberships in vacation ownership clubs for a duration of over 25/10 years.

In the year 1998, the company's status was converted to public limited. Currently, the corporation runs and oversees more than 100 resorts around the world, 71 of which are in India.

Mahindra Group, the parent firm of MHRIL, is a global enterprise worth US\$19 billion. In more than 100 nations around the world, the main corporation has 2 lakh employees.

Year of Establishment: September 27, 1996; 26 years ago

2.1.2 No. of. Employees and Brief Profile of Key Executives

Mahindra employs over 2,56,000 people across 100 countries.

Kavinder Singh

Chief Executive Officer; Director; Managing Director Executive Board Since: 2014

Vivek Khanna

Chief Operating Officer Senior Management Since: 2019

2.1.3 Corporate Governance

The internal practises and policies of a corporation are the foundation of good corporate governance. While corporate governance concerns are similar throughout businesses, each business needs its own set of governance guidelines. The following parts will outline the values that will direct our actions and how we will run our enterprises. These come from our determination to advance the country without compromising our core principles or our unwavering commitment to corporate integrity. These guidelines concentrate on topics that, in our opinion at MHRIL, are critically vital to the governance process. A Corporate Governance Cell that will monitor the execution of these Policies and its compliance must be established by the Board of Directors of MHRIL and report to the Chairman of the Board. The Cell is also tasked with evaluating the effectiveness of these Policies and recommending changes to make them more contemporary. The guiding concepts must be fully grasped and put into action at every level within the Company for this project to be effective. This code must be followed in its entirety. Internally developed procedures that are straightforward and understandable would control how these concepts are used. The condition sine qua non for continuing growth and prosperity is good governance.

2.1.4 Total share capital (for 5 years) (Table 1)

Period	Instrument	Authorized Capital	Issued Capital	- P A I D U P -		
From To		(Rs. Crore)	(Rs. Crore)	Shares (no's)	Face Value	Capital
2021-2022	Equity Share	300	199.85	199,848,116	10	199.85
2020-2021	Equity Share	150	132.92	132,923,744	10	132.92
2019-2020	Equity Share	150	132.92	132,923,744	10	132.92
2018-2019	Equity Share	150	132.9	132,899,744	10	132.9
2017-2018	Equity Share	150	132.76	132,759,494	10	132.76

2.1.5 Share Holding Pattern and Major Shareholder

See historical increases and decreases in holdings for Mahindra Holidays & Resorts India Ltd. by FII, DII, MF, Institutional, Promoter, and individual shareholders.

Promoters' ownership fell from 67.20% to 67.08% in the third quarter of 2022.

FII/FPI holdings climbed from 4.91% to 5.07% in the third quarter of 2022, and the number of FII/FPI investors rose from 44 to 61.

Mutual Funds' holdings fell from 9.11% to 7.94% in the third quarter of September 2022.

In the third quarter of September 2022, there were 4 mutual fund schemes. Institutional investors' holdings declined from 14.57% to 13.38%.

2.1.6 Major Competitors & Their Unique Products

In the market, a number of companies are vying for the same group of consumers. The top 4 rivals of Club Mahindra Holidays are listed below:

1. Sterling Holidays
2. Hyatt
3. Starwood
4. Wyndham Vacation Ownership

2.1.7 USP:

Membership that allows for whenever needed access to stays at a variety of resorts. The goal is to interact with the members and increase lifetime value while they are still members. Utilizing data and best-in-class analytics, the single focus is on creating a comprehensive understanding of the consumer, including their needs, tastes, and preferences. The Company's I product portfolio, (ii) thoughtfully developed service offerings, and (iii) successful member engagement procedures and programmes all show the effects of this strategy. These skills have been applied throughout time to improve operational and financial performance by driving product and season upgrades, generating referrals, raising resort revenues, and increasing collection efficiency. Improvement of "Member Life Time Value" Go Zest for millennials, Club Mahindra (CMH25) for young families, and Bliss for people 50 and older make up MHRIL's whole product portfolio, which addresses all important life-stage segments. This enables the business to promote its goods to consumers at various phases of life.

2.1.8 No of Subsidiaries (Indian and International)

The corporation had 33 subsidiaries, 2 joint ventures, and 1 associate company as of March 31, 2022. 265,980 people are members, and there are 4,568 rooms available at 84 resorts. In 2021–2022, it increased the accommodation inventory by 385 rooms on a gross basis.

2.1.9 Global/Indian Headquarters (Registered & Corporate Office Address)

Registered Office

Mahindra Holidays & Resorts India Limited

Mahindra Towers, 2nd Floor, 17/18, Patullos Road, Mount Road, Chennai – 600 002, Tamil Nadu, India

+91 (044) 3504- 1000

Corporate Office

Mahindra Holidays & Resorts India Limited

Mahindra Towers, 1st Floor, "A" Wing,
Dr. G M Bhosle Marg, P.K. Kurne Chowk,
Worli, Mumbai - 400 018.

2.1.10 Mergers and Acquisitions, Licensing, Collaborations & Strategic Alliances.

Mahindra Holidays & Resorts India reported that the Company completed the appropriate procedures on September 02, 2015, to increase its stake through its foreign company to 83.20% in HCR. HCR and HCR Management Oy, Finland, became subsidiaries of the Company as a result of this transaction.

The travel arm of Mahindra Holidays and Resorts India Ltd., Club Mahindra Travel (CMT), has the honour of being granted IATA accreditation as of July 1st, 2008. He just started Club Mahindra. Members can use travel as a full travel planner, which makes their vacation memorable. Travel, doing business as Club Mahindra, is authorised to do so by Mahindra Holidays & Resorts India Ltd. (CMT).

In the upcoming two to three years, Mahindra Holidays & Resorts India Ltd. expects to increase hotel inventory by at least 1,000. In order to generate a major increase in room inventory over the next few years, the company is considering greenfield initiatives, expansion of current facilities, acquisition, and lease options. The expansions are planned through a combination of greenfield projects, including one on a beach close to Ganpati Phule in Maharashtra, as well as projects to expand its resorts in Kandaghat (Himachal Pradesh) and Puducherry.

2.1.11 Reasons for success

The 5C framework

they were able to weather turbulent times thanks to the 5C framework, which stands for Compassion, Creative Restlessness, Customer Connect, Conserve, and Capability. Resilience was also made possible by Mahindra Holidays' distinctive business strategy and its status as a debt-free company.

Pristine locations

The corporation launched 10 new resorts in order to provide customers with more recent locations and relatively undiscovered experiences. These resorts, which can be found in Jaipur (Rajasthan), Arookutty (Kerala), Assonora (Goa), Port Blair, Havelock, and Neil Islands (Andaman and Nicobar Islands), Netrang (Gujarat), Alibaug (Maharashtra), Ranthambore and Mount Abu (Rajasthan), among other locations, offer special experiences like lush greenery, a miniature water-themed park with a lazy river, adventure, etc.

No one covers India like Club Mahindra

There is little question that no one covers India like Club Mahindra, with properties in mountains, islands, heritage cities, beaches, forests, and backwaters. Club Mahindra is also present throughout India with over 70 resorts.

2.1.12Market capitalization

The market capitalization of a publicly listed corporation is the value of its outstanding shares. The market value of Mahindra Holiday shares is Rs. 5,300.86 Cr. Its market cap rank in the tourism and hospitality sector is 12.

2.2 COMPANY II: ITC HOTELS LIMITED (ITCHL)

The Indian Tobacco Company (ITC) started with the manufacturing of cigarettes, and over time it expanded to other sectors, including stationary, FMCG goods, and agribusiness. Today, it is India's most modern packing facility. The company started its hotel division in 1975 by purchasing a hotel in Chennai and renamed as the "ITC-Welcomgroup Hotel Chola". The idea of adding value for the country was at the heart of ITC's decision to enter the hotel industry. ITC selected the hotel industry due to its potential for high levels of foreign exchange earnings, the development of tourism infrastructure, and the creation of significant amounts of direct and indirect jobs. Since then, ITC's hotel division has developed to become a leader in the industry, with more than 100 owned and managed facilities distributed throughout India.

The company's motivation for entering the hospitality sector with the 'Welcom group was simple and clear: to build tourist infrastructure and generate massive volumes of foreign exchange for the country. ITC Limited's agenda included direct and indirect job creation, which began in 1975 with the purchase of a hotel in Chennai renamed ITC Welcomgroup Hotel Chola. Since then, ITC Hotels has grown to become India's second-largest hotel chain, with over 115 hotels in 80 destinations and hotels in major cities such as Delhi, Bangalore, Mumbai, Ahmadabad, Kolkata, Agra, Jaipur, Aurangabad, Jodhpur, and its headquarters in ITC Green Centre in Gurgaon.

The Luxury Collection, WelcomHotels and Sheraton, Welcom Heritage, and Fortune are its four distinct brands. The brand is known for its distinctive taste in culture and heritage, blending India's vivid cultures from Traditional to modern, from North to South and East to West into its several divisions.

ITC hotels are known in the hospitality industry for pioneering the concept of 'Responsible Luxury,' which incorporates sustainable, eco-friendly practices. As a result, they disseminate the information that the luxury they provide does not cost the environment anything and thus focus towards sustainable practises.

2.2.1 Key Executives

Nakul Anand- Executive Director

Nakul Anand is serving as the wholetime Director on the Board of ITC with effect from January 3, 2011. He oversees the Hospitality, Travel and Tourism Businesses of ITC.

Anil Chadha - Divisional Chief Executive

Anil Chadha is the current Divisional Chief Executive of ITC's Hotels business. He was appointed this role on September 30, 2021. Prior to that he was the Chief Operating Officer of the business since December 2019.

2.2.2 Share capital

Balance Sheet - ITC Ltd. (Table 1)

Rs (in Crores)

Particulars	Mar'22	Mar'21	Mar'20	Mar'19	Mar'18
Liabilities	12 Months	12 Months	12 Months	12 Months	12 Months
Share Capital	2548.66	2937.40	3251.40	3223.80	1220.43
Reserves & Surplus	58850.91	56067.22	60777.76	54725.99	50179.64
Net Worth	61399.57	59004.62	64029.16	57949.79	51400.07
Secured Loan	5.28	5.63	5.63	7.89	.00
Unsecured Loan	.00	.00	.00	.00	11.13
TOTAL LIABILITIES	61404.85	59010.25	64034.79	57957.68	51411.20
Assets					
Gross Block	31596.69	29222.17	26144.37	22717.26	18595.00
(-) Acc. Depreciation	8376.08	7047.34	5626.82	4230.86	3029.01
Net Block	23220.61	22174.83	20517.55	18486.40	15565.99
Capital Work in Progress	2466.18	3333.47	2780.20	3401.36	5025.58
Investments	27282.27	26997.09	30630.61	26578.00	23397.22
Inventories	9997.77	9470.87	8038.07	7587.24	7237.15
Sundry Debtors	1952.50	2090.29	2092.00	3646.22	2357.01
Cash and Bank	3877.94	4001.53	6843.27	3768.73	2594.88
Loans and Advances	6295.23	3512.28	4333.66	6329.97	6203.48
Total Current Assets	22123.44	19074.97	21307.00	21332.16	18392.52
Current Liabilities	13445.18	12243.99	10938.84	11682.36	10808.96
Provisions	242.47	326.12	261.73	157.88	161.15
Total Current Liabilities	13687.65	12570.11	11200.57	11840.24	10970.11

NET CURRENT ASSETS	8435.79	6504.86	10106.43	9491.92	7422.41
Misc. Expenses	.00	.00	.00	.00	.00
TOTAL ASSETS(A+B+C+D+E)	61404.85	59010.25	64034.79	57957.68	51411.20

2.2.3 Corporate governance

ITC defines Corporate Governance as a systemic process by which companies are supposed and controlled to increase their wealth-generating capacity. ITC believes the governance process should ensure that large corporations use the vast majority of societal resources to satisfy stakeholders' aspirations and societal expectations. This conviction is reflected in the Company's strong commitment to the "triple bottom line," namely the conservation and development of the nation's economic, social, and environmental capital. The structure, systems, and processes of ITC's Corporate Governance are associated with two core principles:

- (i) Management has the executive freedom to drive the enterprise forward without undue restraints
- (ii) The freedom of management provided should be exercised within a practical accountability framework.

2.2.4 Mergers and Acquisitions, Collaborations & Strategic Alliances.

ITC Ltd, a prominent player in the paperboard, hotels, and tobacco industries, announced plans to combine its two other hotel operations and its 72% subsidiary, ITC Hotels Ltd, on Friday. The company's subsidiaries, ITC Hotels, Ansal Hotels, and Bay Islands Hotels (an ITC Hotels fully owned subsidiary), will be up for consideration by the board as part of the company's merger. ITC Ltd. is "proactively examining" acquisition opportunities in the fast-moving consumer goods (FMCG) industry to create new development pillars, and it will keep looking at other hotel industry structure options for value generation.

Some of the brands and companies that ITC has collaborated with are

Mementos

Welcomhotel

Storii

Fortune Hotels

WelcomHeritage Hotel

ITC and Maple Leaf join forces strategically to add pop-up cards to the Expressions product line. ITC's Greeting Cards Business has formed a strategic agreement with Maple Leaf, the top pop-up card producer in the nation, in a significant bid to increase its market share.

ITC Limited and Starwood Properties & Resorts declared that contracts to prolong their current alliance for 11 ITC Luxury Collection hotels and 1 Sheraton property had been signed.

The multi-conglomerate from Kolkata, which runs hotels under the brands ITC and Welcome, also stated that it is looking into international markets for its hospitality sector.

2.3 Company III: Indian Hotels Company Limited (IHCL)

2.3.1 Company Profile

Warm Indian hospitality and top-notch service are offered by a variety of brands and companies under the umbrella of the Indian Hotels Company Limited (IHCL) and its subsidiaries. These include Ginger, which is reinventing the lean luxury market, Vivanta with its portfolio of premium hotels that are sophisticated, SeleQtions, a named collection of hotels, and Taj, the brand that epitomises iconic hospitality.

Jamsetji Tata, the founder of the Tata Group, founded the company, which debuted in 1903 with the opening of The Taj Mahal Palace in Bombay. IHCL manages 195 hotels, including 40 that are currently under construction, on 4 continents, in 12 countries, and in more than 80 locations worldwide.

According to market value, The Indian Hotels Company Limited (IHCL) is one of the largest Indian hospitality companies in South Asia. The main listing is on the BSE and NSE.

No. of. Employees and Brief Profile of Key Executives

Indian Hotels Company Ltd. (IHCL) employs over 33,000 employees

2.3.2 Key Executives

Mr. Puneet Chhatwal

Managing Director & Chief Executive Officer

On November 6, 2017, Mr. Puneet Chhatwal became the Managing Director and Chief Executive Officer of The Indian Hotels Company Limited (IHCL). He has nearly four decades of leadership experience in renowned hotel chains in Europe and North America. He is a worldwide professional.

IHCL has embarked on a journey of re-imagination under his direction to achieve sustainable profitable growth. As the Chairman of the National Committee of Tourism and Hospitality, CII and President of Hotel Association of India, Mr. Chhatwal also represents the industry's dominant voice in India.

Mr. Giridhar Sanjeevi

Executive Vice President and Chief Financial Officer

Giridhar Sanjeevi holds an MBA from IIM Ahmedabad and is a Chartered Accountant (An All India Ranker) (class of 1987). In a 30-year career, Giri has established a broad career in finance and business, spanning several industries, including consumer goods, financial services, retail, and pharmaceuticals, as well as several regions, including Asia and Europe.

2.3.3 Corporate Governance

The Indian Hotels Company Limited is a Tata Company and practises corporate governance as a way of life (IHCL). The ethics of corporate governance have a long history, and many of these practices were already in existence before they were required. This is where the philosophy of corporate governance gets its inspiration. The Company strives to promote long-term value development for all stakeholders while maintaining integrity, upholding social commitments, and adhering to regulatory requirements. They think that profitability and a sense of responsibility towards all stakeholders must go hand in hand because they are a company with strong principles and dedication. The business concept of the company includes this as a key component. As a means

of putting the theory into practice, the cardinal principles of independence, accountability, responsibility, transparency, trusteeship, and disclosure are used for Corporate Governance

The Tata Business Excellence Model, the Tata Code of Conduct, the Tata Code for Prevention of

Period	Instrument	Authorized Capital	Issued Capital	- P A I D U P -	Face Value	Capital
FromTo		(Rs. cr)	(Rs. cr)	Shares (nos)		
2021-2022	Equity Share	200	142.05	1,420,399,602	1	142.04
2020-2021	Equity Share	200	118.93	1,189,258,445	1	118.93
2019-2020	Equity Share	200	118.93	1,189,258,445	1	118.93
2018-2019	Equity Share	200	118.93	1,189,258,445	1	118.93
2017-2018	Equity Share	200	118.93	1,189,258,445	1	118.93

Insider trading, and the Tata Code of Corporate Disclosure Practices are all adhered to as a way to drive excellence for tracking progress on long-term strategic objectives, further strengthening the philosophy of corporate governance.

2.3.4 Total Share Capital for 5 Years (Table 2)

Name	Last Price	Market Cap.	Sales	Net Profit	Total Assets
		(Rs. cr.)	Turnover		
Indian Hotels	312.65	44,408.79	2,003.34	-34.45	9,042.30
Westlife Food	774.4	12,075.70	0.45	-0.42	488.46
EIH	178.05	11,134.61	860.86	-118.21	3,141.75
Sapphire Foods	1,379.95	8,768.55	1,398.15	24.81	1,096.06
Chalet Hotels	364.15	7,465.98	480.8	-70.15	3,840.39

2.3.5 Share Holding Pattern and Major Shareholder (Table 3)

Holder's Name	No of Shares	% Share Holding
No Of Shares	1420399602	100%
Promoters	542425341	38.19%
Foreign Institutions	214044362	15.07%
Banks Mutual Funds	318859457	22.45%
Central Govt	1784819	0.13%
Others	39078288	2.75%
General Public	203150820	14.30%
Financial Institutions	101056515	7.11%

2.3.6 USP:

Service Philosophy

Their distinctive service philosophy, which draws inspiration from traditional Indian hospitality, has been refined over a century. Their focus is on giving each customer a unique experience and giving them a strong sense of place. To deliver on the brand promise and remain current, their experience requirements are periodically improved.

Extensive Sales & Marketing

The global sales teams for Indian Hotels Company Limited are spread across 12 locations in India and abroad. They are in charge of increasing sales across all IHCL brands. Teams with extensive experience and solid ties to corporate clients, travel consortiums, travel management firms, meeting incentive providers, conference planners, and third-party websites. Weddings and other social events are the focus of a specific crew. Key wholesalers, tour operators, travel agencies, and luxury travel specialists are the focus of the travel industry sales.

Integrated Loyalty Programme

One of the most profitable and esteemed loyalty programmes, Taj InnerCircle, has recently moved into Tata Neu, a dynamic platform that combines many Tata brands into a potent app. It has a universal interface, a single currency, increased consumer value, and a digital first approach. Customers can earn and spend neucoins on various brands.

2.3.7 Subsidiaries

The Indian Hotels Company Limited, the largest Indian-owned firm with a hospitality concentration in South Asia, constantly redefines prospects for the benefit of all its stakeholders. IHCL's innovative leadership is supported by a strong 115-year tradition, with companies spanning from iconic luxury to premium and affordable stopovers as well as in-flight food. New efforts from

IHCL in urban leisure, service retail, and concept travel are a part of this organization's progress continuously recrafted for future generations. 'IHCL, through all its vivid brands,' - Taj, SeleQtions, Vivanta, The Gateway, Ginger, Expressions, and TajSATS - believes in adding passion to the process.

2.3.8 Mergers and Acquisitions, Licensing, Collaborations & Strategic Alliances

The Indian Hotels Company Limited (IHCL), the largest hospitality company in South Asia, has announced the signing of a legally binding agreement for the purchase of the remaining 14.28% equity holding from the Nanda family in ELEL Hotels and Investments Limited (ELEL). By the end of 2021, IHCL will own a 100% leasehold interest in the iconic Sea Rock hotel site. In addition to international hotels, the company also has long-term leases or licences for hotels in India.

By 2025, the Group intends to have 300 operational hotels, adding one new property per month. The company will keep growing and enhancing its footprint in major travel hub cities all over the Indian subcontinent.

While Ginger's expansion will be primarily supported by operational leases, this will also involve a combination of management contracts for Taj, SeleQtions, and Vivanta hotels. By releasing funds through partnerships for long-term growth, they will continue to invest in strategic assets. For its homestay brand, the group also intends to have 500 properties.

2.3.9 Diversification Plans

The Ahvaan 2025 plan includes gourmet meal delivery to homes, luxury home stays, club memberships, and food and beverage innovations across hotel brands. By FY26, IHCL wants to have 300 hotels in its portfolio, a 33% Ebitda margin, and a 35% contribution to Ebitda via new enterprises and management fees. The fastest-growing hospitality company in India, IHCL has signed more than 100 hotels and opened more than 40 hotels in the last five years. By expanding its diverse brand portfolio across its traditional and new businesses, Ahvaan 2025 will further accelerate IHCL's profitable growth.

Its iconic and most powerful logo Taj, Paathya, an enterprise main ESG+ framework, and a robust consciousness on virtual may be the important thing enablers in this journey. The employer will now no longer input any enterprise which gives margins decrease than 35%. The emphasis may be on sustained sales growth, price optimisation and operational excellence. It will in addition toughen the stability sheet with a focal point on loose cash-flows and being a zero-net-debt employer.

2.3.10 Reasons for success

Strong sales and marketing: The company's worldwide operations had been supported with the aid of using a sturdy income and advertising community that still consists of its worldwide income workplaces in diverse locations. IHCL has an efficient reservation community that consists of a National Call Centre with toll unfastened number that gives unified get entry to to statistics to ability visitors and nicely as facility for making reservations. The company's modern internet site has been presented the Best Travel Online Campaign world-huge withinside the Web Marketing Association's 2005 Internet Advertising Competition, the finest occasion for web builders and entrepreneurs every year.

Innovative product ideas: The business enterprise has sought to pursue innovative product thoughts to de risk its enterprise. These consist of luxurious serviced apartments that have been first released and examined in Mumbai after which prolonged to its residences in Dubai and London and Jiva Spas which might be now a part of numerous global Taj resorts.

Marketing alliances: IHL has entered into strategic tie-ups with different gamers withinside the enterprise for the advertising of its residences. Currently IHL has advertising alliances with Raffles Hotels and Resorts, Shilla Hotels and Resorts and CC Africa. Such alliances now no longer simplest permit for go advertising of resorts with alliance partners, however additionally permit individuals of corresponding loyalty programmes to avail of unique facilities and privileges at collaborating resorts. In addition, numerous partnerships were entered into with global and home airways for go promotions with key clients and bundle tours.

CHAPTER III

INDUSTRY ASSESSMENT

The hospitality industry never closes and is open all year long, and its peak season is generally during long weekends, provincial and national holidays, and weddings. The Indian hospitality business is gradually nearing tech-driven guest experiences, chatbot services, and an automated ecosystem, having made a dramatic turn in the years from smart room keys to smartphone applications.

An article by inc42.com states that in terms of growth, a projection by JLL's quarterly hospitality sector analysis, India's hotel industry recorded a 169.4% increase in RevPAR (revenue per available room) in Q3 2021 compared to Q3 2020 (July-September). Furthermore, the sector recorded a 122.9% q-o-q increase in RevPAR in Q3 2021 compared to Q2 2021, owing to a robust rebound in leisure demand following the relaxation of travel restrictions during the second wave of the pandemic.

3.1 The factors affecting this industry are as follows:

High Seasonality: The hotel industry in India typically faces high demand from October to April and low demand from June to August. For Indian hotels, the quarter from December to March generates 60% of the year's income. As hotels attempted a variety of tactics to promote occupancy during the ostensibly lean period, previous

Labour-intensive: The hotel business places a premium on labour quality and employs skilled, semi-skilled, and unskilled people both directly and indirectly. Because branded international hotels have entered the Indian market and are devoted to success in various categories, hotel companies in India must reassess their workforce requirements by strengthening their human management abilities.

Fragmented: The Indian hotel industry is highly fragmented due to the large number of small, unorganised players that account for a significant portion of the market.

Brand Value and Goodwill: Social media has grown tremendously in recent years and will continue to grow. Despite its rapid and effective communication advantages, social media also poses threats and opportunities to operators. Brands would benefit from the clarity of social media rather than its ambiguity since it would call attention to any inconsistencies in service delivery and provide a rapid and improved channel between the firm providing the service and the end customer.

Literacy and Knowledge: People and skill are another critical factor that helps or hinders success—the ability to foster creativity. The State of Hospitality 2022 covers the industry's current employment and skill shortages and the steps to address them. As a result, education and training providers must support these difficulties. We are aware of the current generation's ability to learn and unlearn, as well as their rapid learning rate, which allows them to reinvent themselves constantly. Our educators are responsible for providing children with the tools they need to overcome these challenges. The hospitality and tourism industries have sometimes taken the lead or innovated. It takes smart people, talent ahead of the curve, and leaders with new ideas.

Growth Trajectory: During the pandemic, demand for hospitality and tourism fell drastically, but it is fast recovering as more possibilities emerge abroad. Throughout the recession, a similar situation prevailed. Of course, certain countries may continue to observe local repercussions due to changes in employment markets and consumer travel patterns. However, when economic conditions are generally favourable, people want to travel. To respond, hospitality and tourism experts must first understand where the growth is, where people travel, and why.

Penetration Pricing: Given the availability of accessible rooms, penetration pricing would be a prudent technique for dealing with it. Prices for services and commodities are purposely set lower to get a larger market share. As the market share increases, so does the price. Among all pricing approaches, the psychological process yields the best results since it is a strategy in which businesses capitalise on client emotions because they believe that sentiments inspire customers more than reason and logic. In this situation, hospitality firms would charge according to their original plan but in a way that gave clients the psychological impression that they were paying a lower amount (Indian Hotels in Delhi).

Inflation: As prices and inflation have risen, tips have risen steadily as well, but since May 2021, the growth of tip percentages has slowed. The industry is one of those that is directly impacted by socio-economic changes. Food prices will rise, wage costs will rise, and there will be a labour shortage.

Gross Domestic Product: Between 2019 and 2028 in India, the sector is anticipated to increase at an average yearly growth rate of 10.35%. The government has recently made some significant investments, advancements, and assistance for the tourism and hospitality sector.

In May 2022, there were 423,701 foreign tourist arrivals (FTAs), an increase of 2,043.7% from the 19,765 FTAs in May 2021.

Employment: Investments in hotels boost employment across the economy as a whole as well as in the travel, leisure, and hospitality sectors. The sector of the hotel industry that contributes most to employment is midscale hotels. The tourism, leisure, and hospitality industries as a whole generate the most jobs at economy-scale hotels. The strongest positive effects on local labour markets come from midscale hotels, which is in line with middle-out economics' claims.

National Income: The tourism and hospitality sector is growing strongly and contributes 7.5% of the nation's GDP thanks to a steadily expanding middle class and rising disposable income. In India, the hospitality industry is predicted to develop at a CAGR of 16.1% from 2017 to 2022, reaching Rs 2,796.9 thousand crore. The services sector includes a wide range of activities, and the hospitality industry is a significant direct and indirect employer. The industry is the largest net foreign exchange earner for the nation and draws the highest FDI (Foreign Direct Investment) inflow. Additionally, it makes a sizable contribution to state and federal indirect tax collections, which come primarily from the VAT, Service Tax, and Luxury Tax.

Economic Growth: The hospitality sector includes numerous subsectors that offer both lodging and food services. Although the hospitality sector has experienced rapid expansion, it still faces significant difficulties, such as antisocial conduct. The hospitality sector must conduct itself according to the appropriate standards anticipated in business, just like any other sector. The hospitality and tourism sector needs to be efficient and self-regulatory in order to benefit inner cities. Both the public and private sectors need to make appropriate investments in the sector.

CHAPTER IV

INDUSTRY & COMPANY ANALYSIS

4.1 SWOT Analysis for Mahindra

Strengths

1. A membership base of over 1,43,000 customers.
2. 40+ resorts located over the globe
3. Because of strong advertising, brand awareness is fairly high.
4. New, less-traveled, and unknown locales (e.g., Ashtamudi in Kerala)
5. High Brand Recall

Weaknesses

1. The brand's infrastructure and service quality are not consistent.
2. Customer satisfaction with company practises surrounding hotel reservations is not always high
3. Continual political unrest in the nation

Opportunities

1. The Incredible India campaign has had a favourable impact on the number of tourists from abroad visiting India. There ought to be programmes at Club Mahindra for foreigners.
2. Domestic travel is rising in India despite declining spending power

Threats

1. Global powerhouses in the hospitality industry are expanding into all markets and serving all market sectors.
2. The company's equity capital may be affected by the current economic climate.

4.2 ITC Hotels

Strengths

The strengths of ITC Hotels look at the key aspects of its business which gives it competitive advantage in the market. Some important factors in a brand's strengths include its financial position, experienced workforce, product uniqueness & intangible assets like brand value. Below are the Strengths in the SWOT Analysis of ITC Hotels:

1. Flagship hotels division of ITC Hotels
2. Awarded best employer in Asia in hospitality sector
3. Association with hospitality giant Starwood Hotels
4. High brand recall and popularity
5. Exclusivity and innovation in services with over 100 hotels pan India
6. Business as well as leisure hotel chains like ITC - Luxury Collection Hotels, Welcom Hotel Sheraton Hotels, Fortune Hotels & Welcom Heritage Hotels
7. Increasing bottom line and an Aspirational brand

Weaknesses

The weaknesses of a brand are certain aspects of its business which are it can improve to increase its position further. Certain weaknesses can be defined as attributes which the company is lacking or in which the competitors are better. Here are the weaknesses in the ITC Hotels SWOT Analysis:

1. Limited global presence in comparison to other major hotel chains
2. A large number of competitors means a small market share.

Opportunities

In this sector the opportunities can lie in geographic expansion, product improvements, better communication etc. Following are the opportunities in ITC Hotels SWOT Analysis:

1. Growing market and tourism industry
2. Foreign Tourists Arrival constantly growing
3. Novel traveling concepts like Ecotourism, Medical Tourism

Threats

The threats for any business can be factors which can negatively impact its business. Some factors like increased competitor activity, changing government policies, alternate products or services etc. can be threats. The threats in the SWOT Analysis of ITC Hotels are as mentioned:

1. International chains like Ritz Carlton, Novotel are entering India
2. Economy fluctuations affect tourism

4.3 SWOT for IHC

Strengths

- Consistent Highest Return Stocks over Five Years - Nifty500
- Good quarterly growth in the recent results
- Growth in Quarterly Net Profit with increasing Profit Margin (YoY)
- Company with Low Debt
- Company reducing Debt
- Company with Zero Promoter Pledge
- FII / FPI or Institutions increasing their shareholding

Weakness

- High Interest Payments Compared to Earnings (127.4% returns for Nifty 500 over 6.5 years)

- Companies that Declared Results in Past One Week, Showing Declining Net Profit YoY OR QoQ
- High PE with Negative ROE
- Decline in Net Profit with falling Profit Margin (QoQ)

Opportunity

- Brokers upgraded recommendation or target price in the past three months (8.4% returns for Nifty 500 over 0.3 years)
- High Momentum Scores (Technical Scores greater than 50) 319.5% returns for Nifty 500 over 5.1 years

Threats

- Changing demographics
- Trade Relation between US and China
- Shortage of skilled human resources

5. Porter's Five Force Model of Accommodation and Food Service

- **Entry Barriers**

The substantial initial expenditure required by the hotel business presents a particular barrier to entry for new entrants. We shall talk about how the internet has lowered this entry barrier in the section on threat of substitutes. The ability of a hotel to distinguish itself based on location is a crucial barrier (like ocean-facing etc.)

- **Threat of substitutes**

Typically, there are several hotels close by wherever there is a hotel. They come at different price levels and offer a range of amenities and services. Try searching for a hotel in Cancun on Expedia or Costco; you'll find a list of a wide range of accommodations, from modest B&Bs to all-inclusive resorts to exotic hotels on the same street. Internet has also increased the threat of substitutes, luring new rival businesses like Air BnB. Given its importance, existing hotels must have a presence online.

- Bargaining Power of Suppliers

I don't think this poses a serious threat to the hotel sector. The ageing population, millennial migration, the hotel industry's general success in filling unfilled positions, and supplier risk mitigation at all levels could all pose specific concerns.

- Bargaining Power of Customers

Consumers that travel frequently are well informed buyers. Finding the most affordable option and conducting research online is now quite simple. The "middle-man" that was once required to book travel services has also been eliminated thanks to the internet. The internet's development and the rise of informed consumers have recently changed the balance of power in favour of the final consumer.

- Rivalry among existing competitors

In the hotel business, competition is strong. Online hotel searches by clients help to level the playing field and minimise discrepancies between rivals. Customers almost always search for the optimum combination of pricing and facilities. Customers choose alternative locations as a result of having more options and information available if doing so fits within their budget and differs from their original itinerary.

CHAPTER V

FINDINGS & SUGGESTIONS

5.1 Findings

- The accommodation and food service industry is something that is established from the 19Th century and is still going strong
- The industry is an evergreen industry who cater to all income groups and provide services to everyone who is ready to avail it
- All the three companies that we studied showed various USPs which ensures that everyone who has different wants and needs can find it easily with so many options available
- Extremal factors like currency exchange rate, government regulations and climatic conditions indirectly decide the footfall at this industry
- Growing living standards and changes in taste and preferences encourage customers to sample the industry's facilities and services ranging from food to accommodation to other amenities.

5.2 Suggestions

- As individuals and their requirements evolve, it is critical to continuously improving it in order to remain relevant.
- A highly competitive industry with a large number of enterprises, some of which we have mentioned in the study.
- Another option would be to overcome all of the weaknesses and threats identified in our SWOT analysis and ensure that they are eliminated in order to attain more success.
- Covid-19 was an example of an unpredictable circumstance, and as a people-centric sector, it should endeavour to seek for alternatives in order to be prepared for additional similar uncertainty.
- A significant percentage of their revenue is generated through corporate tie-ups, meetings, and business summits held at their location.
- Wedding seasons occur 2-3 times every year. Aside from that, the long weekends and holiday season serve as a boon to this sector, as they indicate maximum brand recognition and revenue creation.

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