

CHAPTER 6

HOTELS IN PANCHGANI

- 6.a - Location of Hotels
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Five Hills.
- 6.c - Organisation and Management of Hotels.

Chapter 6HOTELS IN PANCHGANI : -

Hotels constitute the most important segment of infrastructure facilities for promoting tourism. An increasing trend of domestic tourism has caused several small and medium sized hotels to spring up. Hotel industry is perhaps one of the most important endeavour to promote tourism. Tourism and hotel industry have become complimentary to each other. Hotel industry is a necessity for tourism while it is fully dependent on tourism.

There are good number of hotels in Panchgani, however they are not approved hotels but most of them provide amenities of modern life. All the hotels get a satisfactory business in Panchgani hill station. Hotels in Panchgani remain opened all the year round. The hotellers get winter and summer season with full flourishment. In rainy season, number of tourists visiting Panchgani are less but due to residential schools, parents come to meet their wards, so even in rainy season the hotellers get the business. Following are the small and medium sized hotels.

Medium Sized Hotels : -

- 1) Hotel Aman,
- 2) Hotel Natraj,

- 3) Hotel Ark Palace
- 4) Hotel Gitanjali
- 5) Hotel Aishwarya
- 6) MFDC's Hotel Five Hills
- 7) Hotel Pan Hill
- 8) Hotel Malas
- 9) Hotel Ill-Palazoo
- 10) Hotel Prospects
- 11) Hotel Ambassador
- 12) Hotel Garden
- 13) Hotel Panchali
- 14) Hotel Simla.

Small Sized Hotels : -

- 1) Purohit's Holiday Home
- 2) Western Hotel
- 3) Hotel May Flower
- 4) Hotel Sonu Palace
- 5) Hotel Enfield
- 6) Hotel Krishna Villia
- 7) Suvidha Lodge
- 8) Gujarathi Lodge
- 9) Surati Lodge

- 10) Hotel Grange (Air India Home)
- 11) Hotel Zerros
- 12) Hotel Mid-town.

There are fourteen medium sized hotels in Panchgani which are providing well facilities. Their turnover is large one as they are having a good hotel buildings and all other facilities. The lodging and boarding rates of medium sized hotels are higher than the small sized hotels. The lodging charges of hotels vary from hotel to hotel. MTDC's Hotel Five Hills rates remain fixed for the whole year. Lodging charges range from Rs.200 to Rs.400 per head depending on the type of room. In the summer season and mostly in the months of November and May, the rates of hotels are higher in comparison with rates of MTDC hotel and other small sized hotels rates.

The turnover of the medium sized hotels is more as compared to small sized hotels. The cost of building of a one hotel range from Rs.10 to Rs.20 lakhs, requiring a working capital of Rs.50,000/- per month, The medium sized hotels in Panchgani are having almost all facilities of modern life so they get more business than the small sized hotels.

The most of the hotels in Panchgani have been established after independence. Following is the table showing emergence

of hotels in Panchgani hill station.

<u>Year</u>		<u>Number of Hotels</u>
1920 to 1930	:	02
1930 to 1940	:	NIL
1940 to 1950	:	01
1950 to 1960	:	03
1960 to 1970	:	04
1970 to 1980	:	07
1980 to 1990	:	09
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It shows that the period between 1980 to 1990, about nine hotels are established. The existence of Dharmashalas

of various communities might have restricted the growth of hotels before independence. But now due to effective increase in number of tourists, more and more hotels are being set up to absorb the tourists.

6.a : - Location of Hotels : -

All the hotels in Panchgani are located within a range of one and a half kilometer. The hotels in Panchgani are nearer to the station or main road. As this town is located on hill top, the geographical location of the hotels is at different areas of the hills at a walking distance from bus station.

Initially the hotels were located near the station or main road but with the expansion of the town, the hotels are set up wherever they get a suitable land. The hotels established after 1985 are rather away from the station and some of them are not on the main road.

Tourists coming with their own vehicles care more for the privacy and peace and give preference to those hotels which are away from the main road or market place. The newly established hotels show a trend of being set up quite away from the market place. But still there is no wide dispersal of hotels in Panchgani hill station.

6.b : - Maharashtra Tourism Development Corporation's -
Hotel Five Hills.

Maharashtra Tourism Development Corporation Limited., an autonomous body is one of the most active government organisation promoting tourism. It is a public sector undertaking run under the control and superintendance of the government of Maharashtra, Tourism ministry. Holiday resorts are administered by the MTDC mainly with the idea of enabling the domestic middle class to enjoy budget holidays. It provides tourists with still greater facilities , more hotels and camping sites.

Initially, M.T.D.C. started it's information centre and lodging at Panchgani in the year 1978. Now, M.T.D.C has set up Hotel Five Hills in June 1984. The hotel Five Hills is run on commercial lines like other private hotels. The hotel has 64 attached rooms with 150 lettable beds. The charges of the lodging are Rs.180 per room (with two beds), for single occupancy, it charges Rs.125 per day. Additional person or children above six years are charged at the rate of Rs.50 per day. The check out time is 12.00 noon. M.T.D.C allows tourists to stay even in tents. Tents are supplied by M.T.D.C on hire basis. The tents are located in the premises of the hotel and outside also. It charges Rs.50 per tent in hotel premises and Rs.15 per

tent in outside area. It also supplies ruck-sacks charging Rs.5 per ruck-sack per day.

The hotel's tariff can not change even in peak season as other hotels do. Therefore, tourists prefer M.T.D.C's hotel Five Hills for their stay in Panchgani hill station. The hotel has common T.V and V.C.R. M.T.D.C runs restaurant and beer bar. The boarding charges are variable according to the dishes and their varieties. The hotel provides both vegetarian and non vegetarian food. The tourists are allowed to take their meal outside.

According to the Manager of the hotel, the selling price of the food service is fixed as follows.

Selling Price = Food Cost + Labour Cost + Overhead Cost + Profit.

The extent of each by a percentage is as follows.

Selling Price = Food Cost + Labour Cost + Overhead Cost + Profit.

100 % = 40 % + 20 % + 20 % + 20 % .

It expects to get net profit margin of 20 % in restaurant and this seems to be quite reasonable. M.T.D.C's hotel Five Hills does not get profiteering like other hotels.

Since 1984, there has been Panchgani-Bombay and Bombay-Panchgani bus run via Mahad by M.T.D.C. The bus operates for eight months in a year. It is normally closed from 15 th June

to 30th September. The charges are rather more than state transport buses but less than private travel agency buses. M.T.D.C also runs Panchgani darshan bus for a alternative day, the charges for the darshan bus are Rs.15 per tourist.

The reservation of the hotel is available at the following places.

- 1) The Manager, Hotel Five Hills,
M.T.D.C Ltd; Panchgani, 412 805.
Telephone- 301.
- 2) Senior Regional Manager,
Regional Office, Central Building,
I Barrack, Pune 411 001.
Telephone- 668867, 669168.
- 3) M.T.D.C. Ltd; Tour Division,
CDO Hutments, Madame Cama Road,
Bombay- 400 020.
Telephone- 2026713, 2027284, 2027762.

In addition, reservation is also available at some district places.

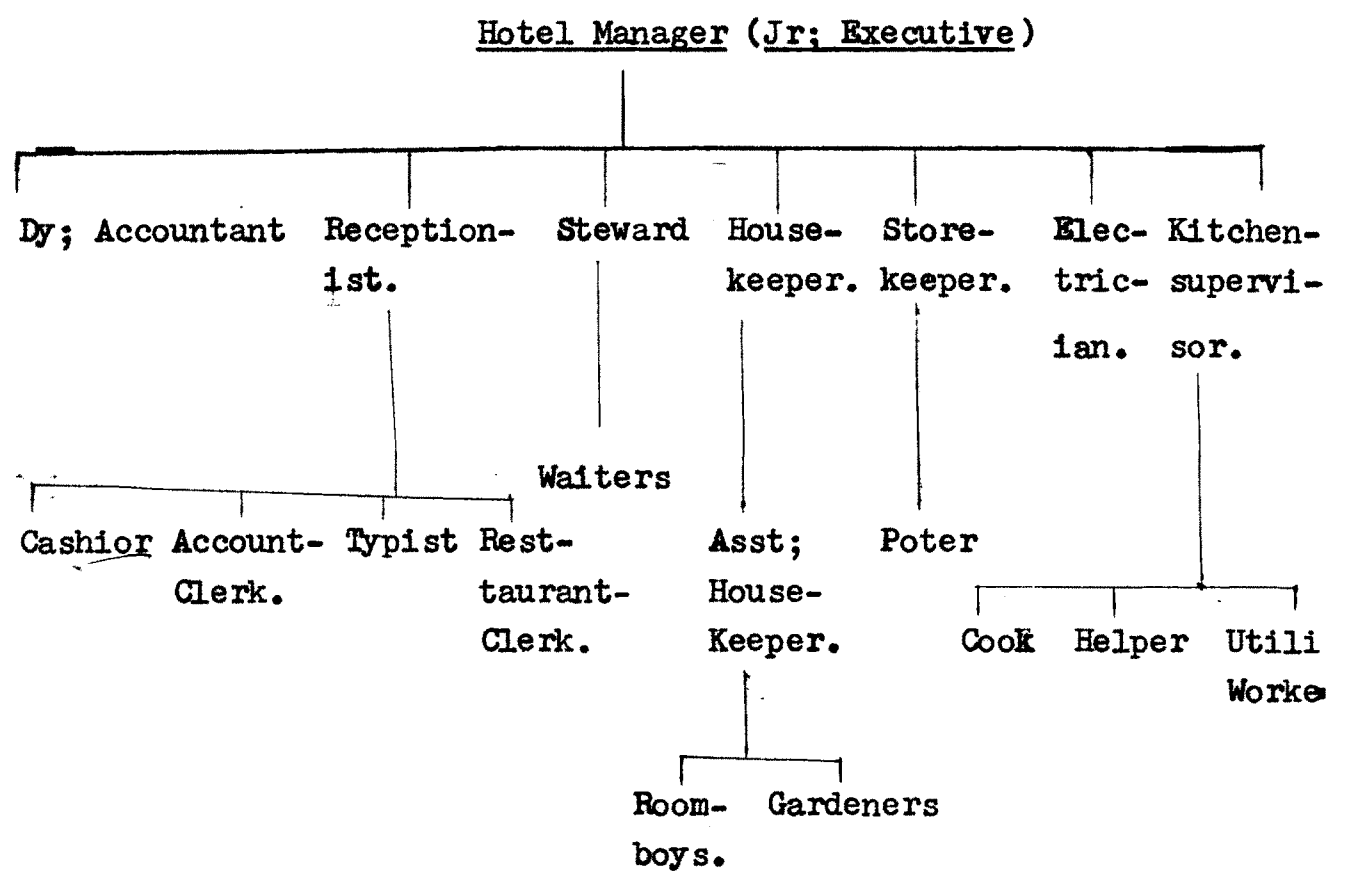
M.T.D.C's Organisation Chart : -

The hotel Five Hills has a total staff of 32 employees. The pay scales are given according to the government rules.

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Hotel's Organisation Chart



During the year 1990-91 (1 st April 1990 to 31 st March-1991) 19,599 tourists have resided in the hotel. About 55 % tourists come from Bombay, 15 % from Poona, 10 % are from the rest of the cities in Maharashtra, 10 % are from Gujarath state and 10 % tourists are from other states.

The Income of the Hotel (From 1-4-90 to 31-3-91)

<u>Particulars</u>	<u>Income (Rs)</u>
1) Lodging Income :	12,90,170
2) Restaurant Income :	6,22,119
3) Beer Bar Income :	53,655
4) Miscellaneous Income :	36,225

<u>Total</u> :-	20,02,169

The hotel gets more margin of profit from lodging, it's expenditure during the year was Rs.9,58,563/- and therefore the profit earned during the year was Rs.10,43,606/-.

M.T.D.C's Rules for Tourists : -

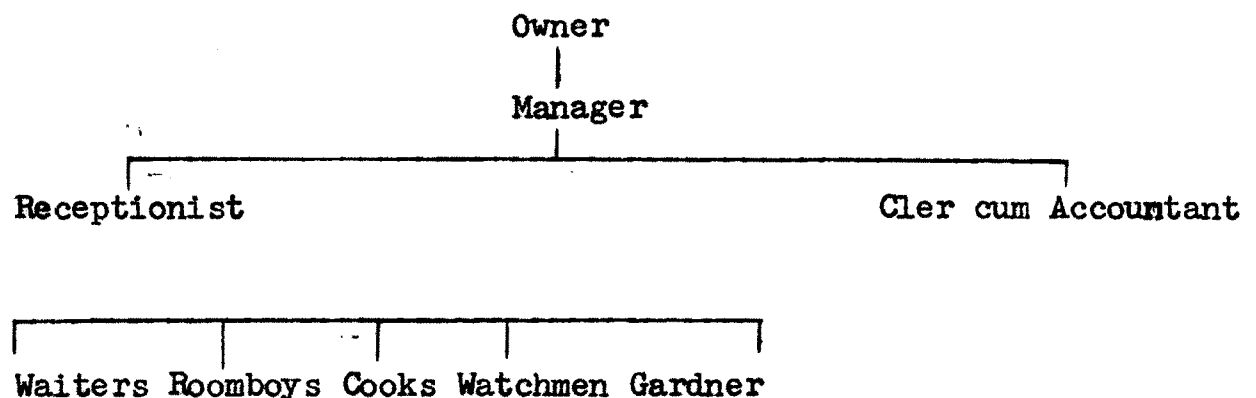
First of all, tourists have to obtain room rate slip from reception. The accommodation charges are separate from restaurant charges. They have to be paid in Cash and cheques are not accepted. Meals and other dishes are available on La Carte

basis in a restaurant. Check out time is 12.00 noon. Tourists are requested to lock the door rooms while going out or going to bed and not to leave the key in the key hole or key board. The management reserves to itself the absolute right of admission to any tourists in the hotel premises. Cooking on stove in the room is strictly prohibited. Tourists are requested to observe the rules and regulations from time to time in respect of registration, alcoholic drinks etc.

6.C : - Organisation and Management of Hotels :

The hotels in Panchgani are not big as compared to hotels in Bombay or Poona city. The hotels in Panchgani are not so big and therefore the hotels do not have complicated organisation problems.

Organisation Chart : -



It seems from the above table that the Manager of the hotel is directly responsible to the owner of the hotel. The Manager is in charge of supervision over the staff working in the hotel. Even though, all the supervision is vested with the Manager, the Manager is not supposed to take the major decisions and the Manager simply works within the framework laid down by the owner himself.

Tourists in the hotels are generally received by the Receptionists who are responsible to the Manager. The reception counter is wholly managed by the Receptionist. Receptionist also attends to the telephone calls. Besides this, the names of the tourists are entered into the Register by the Receptionist. Receptionist also leads tourists to the allotted rooms and looks after the requirements and comforts of the tourists.

The clerk cum Accountant who generally works under the supervision of the Manager looks after all the accounting matter and important clerical work too. Preparation of lodging and boarding bills, hotels daily, monthly and yearly statements of accounts are also prepared by the Clerk cum Accountant.

The other staff of the hotel which includes waiters, room-boys, cooks, gardeners and watchmen usually work under the supervision of the Receptionists. Such staff has to provide various services to the customers according to the instructions

given by the Receptionists or sometimes by Managers. This service staff has to provide prompt services to the tourists to attract more and more tourists for the hotelling business.

The small hotels in Panchgani do not have good management structure. There is no such specialisation and the person actually on duty has to receive and serve the tourists irrespective of whether he is Manager, Clerk or Servant. Even the Owner of the hotel is required to perform activities when there is much more rush of tourists. During summer season, the Manager and hotel owners perform the purchasing of vegetables in the market and therefore the specialisation and division of work can only be seen only in medium sized hotels.