



**Horwath HTL**

*Hotel, Tourism and Leisure*

**INDUSTRY REPORT**

# India: Time for Reflection

**APRIL 2021**



**A Plea: Please give Hotel industry staff priority for vaccines. They are at the front-line, actively helping the fight against Covid-19.**

Spring has sprung a spiked surprise, second year running. And sadly caught us napping again. Lockdowns abound, soaring hopes have been negated; frustration and despair are rising – in different measures and pressures, depending on a person’s station in life, and business responsibility.

In 2020, it was a challenge to be endured and overcome; in 2021, it threatens to be an energy-sapper. We assumed we had it beaten; that the raging waves in Europe and America were continent bound. As a people, we failed to distinguish between boldness and over-confidence; fearlessness and carelessness – the differences between these positive and negative behaviour aspects are stark, and no amount of spin can dilute the impact. When these negative behavioural aspects become a collective pattern, the results are damaging. We are paying the price of the resultant indiscipline and extravagance of behaviour.

Let me be clear that I am not attributing such naivety to our industry, but to the community at large. Hotels, resorts and restaurants responded to demand – for the large part, they were careful but some sections did allow business opportunities and cash flow needs to permit dilutions.

Having struggled all on their own for several months, hotels, restaurants and bars picked up whatever revenue succour they could get from renewed demand. It is well nigh impractical to discipline or curtail people who are coming to you for recreation and relaxation; the guests’ sense of entitlement (rising with authority) is impossible to curtail.

To put a number or time-period to this second wave would be futile – a gut feel that this may have a shorter span, is only an inner belief, possibly even a hope. The words of Mahatma Gandhi give confidence, and direction – “I have found that life persists in the midst of destruction. Therefore there must be a higher law than that of destruction”.

The country is vast, with varied timing and intensity of impact; overall recovery can only be hoped before onset of the monsoons. And yet, the recovery will likely be speedy although we may see diluted spending power to some extent – not at the top, but certainly in the middle. The last few months have affirmed that the will and need to travel has not diminished; the desire and joy of celebration has not reduced; that people seek change, and have propensity to spend. Most importantly, larger numbers of Indians have woken up to India, and its attractions.



### The industry has made several changes in the last year – some temporary, some long lasting.

Unfortunately, on a wider scale, changes are more procedural and even opportunistic. But in the quiet of the mind, we need to make a more fundamental change – we need to inculcate Humility; while also having a seemingly opposite attribute of Pride. This attitudinal change is required at all levels, and across all sectors and segments of the Hotel, Tourism and Leisure industry.

Humility is not servility or meekness; nor subservience or submissiveness. Pride is not arrogance and ego. Let's look at some possibilities:

- Pride recognises that India has many attractions; Humility acknowledges that India must effectively compete with other international destinations – on price, quality, tourist infrastructure and visitor experience
- Pride in our heritage, culture and diversity; humility to recognise that these need proper packaging and facilitation to draw visitors
- Pride in our hospitality; humility to deliver this consistently and with genuineness
- Pride in brand standards; humility to create value and efficiency
- Pride as owners and operators; humility to act with mutuality, respect and trust

- Pride as consultants and advisors; humility of fairness and genuineness in advice
- Pride in architectural and ID skills; humility to blend these with operating practicality
- Pride of being a valued guest in a hotel; humility to treat hotel staff with respect
- Pride of being a hotel employee; humility to constantly endeavour to learn and deliver quality
- Pride of having and using luxury and premium hotels and services; humility to recognise their relevance, contribution and value
- Pride of developing hotels and unique features; humility to recognise that sustainability is paramount, not commercial interest
- Pride of doing your very best, your all; humility to accept that there is a power above, that things go wrong only for an obvious or deep reason.
- Truly delivering Atithi Devo Bhava is humility; merely talking the concept without substantive delivery is misplaced pride, even ingratitude to the principle.

The examples are many and endless – something for each person to analyse for oneself; for each entity to develop for its people.

We are in the midst of a crisis, partially wrought by misplaced arrogance. Sooner than later, the tide will turn and we will see brightness – whether this will be lasting sunshine or quick yield psychedelic lights, is up to us. If this crisis does not engender a deep change within us, it is an opportunity lost.

**Humble Pride creates lasting joy.  
Humbled Pride can be devastating.**

## Author



**Vijay Thacker**  
*Managing Director*  
Horwath HTL India  
vthacker@horwathhtl.com  
+91 22 6631 1480

With over 35 years of experience, Vijay Thacker, a veteran in hospitality and tourism consulting, often guides his clients to take calculated risks and measures. His experience comprises transaction, valuation and advisory services to privately-owned and listed companies, banks and private equity groups based in India and abroad along with being a speaker at professional seminars in India and internationally.

Vijay has extensive consulting experience of over 35 years in the Hotels, Tourism and Leisure sector. He has undertaken, supervised and directed professional work comprising feasibility studies for hotels, resorts, serviced apartments, branded residences and sports facilities, concept planning for hotel chains, valuations for hotels and hotel sites, management contracts, strategy plans, bid structures and advice, systems reviews and litigation support. He has carried out professional work in over 110 cities in India and for 20 international projects, including several projects in the Middle East. Some assignments handled involved projects with large development potential of 1,000 plus acres.

Vijay has provided several services including due diligence investigations, transaction and tax structuring, joint venture agreements, transaction documentation reviews, valuations and transaction negotiations. He has also worked on restructuring exercises, systems and process manuals, operating reviews, conversion of accounts to US, UK, International GAAP. Clients served comprise Indian and multinational companies, with target businesses / operations in India and in several international markets.

Vijay has led and participated in valuation exercises for M&A transactions, intercompany transfers, brand and goodwill valuations, asset acquisition transactions and for bids submission purposes

## Horwath HTL

At Horwath HTL, our focus is one hundred percent on hotel, tourism and leisure consulting. Our services cover every aspect of hotel real estate, tourism and leisure development.

Our clients choose us because we have earned a reputation for impartial advice that will often mean the difference between failure and success. Each project we help is different, so we need all of the experience we have gained over our 100-year history.

We are a global Brand with 47 offices, who have successfully carried out over 30,000 assignments for private and public clients. We are part of Crowe Global, a top 10 accounting and financial services network. We are the number one choice for companies and financial institutions looking to invest and develop in the industry.

We are Horwath HTL, the global leader in hotel, tourism and leisure consulting

### Our Expertise:

- Hotel Planning & Development
- Hotel Asset Management
- Hotel Valuation
- Health & Wellness
- Transactional Advisory
- Expert Witness & Litigation
- Tourism & Leisure
- Hospitality Crisis Management

### Horwath HTL India

11105 Embassy Centre,  
207 Nariman Point  
Mumbai, 400 021, India



# Horwath HTL

*Hotel, Tourism and Leisure*

## **AFRICA**

Rwanda  
South Africa

## **ASIA PACIFIC**

Australia  
China  
Hong Kong  
India  
Indonesia  
Japan  
Malaysia  
New Zealand  
Singapore  
Thailand

## **EUROPE**

Andorra  
Austria  
Croatia  
Cyprus  
Germany  
Greece  
Hungary  
Ireland  
Italy  
Netherlands  
Poland  
Portugal  
Russia  
Serbia  
Spain  
Switzerland  
Turkey  
United Kingdom

## **LATIN AMERICA**

Argentina  
Brazil  
Chile  
Dominican Republic  
Mexico

## **MIDDLE EAST**

UAE & Oman

## **NORTH AMERICA**

Atlanta  
Denver  
Los Angeles  
Miami  
Montreal  
New York  
Norfolk  
Orlando  
Toronto