RNI NO.DELENG/2003/09193

TODAY'S TRAVELLER
Newswire
newswirenet.in

Point your mobile at this image to view our site

THE INTERNATIONAL TRAVEL NEWSPAPER OF INDIA

Vol. 12 No. 3
March 2014

Weak economy widens bridge between hospitality stakeholders

Despite an overt disconnect between hotel operators and developers, stakeholders are buoyant on the sector's long-term prospects…

Kamal Gill

With no economic revival in sight and the over-riding sentiments within the hospitality industry at a low, there seems to be a palpable disconnect between hotel operators and developers. The sentiment was apparent at the recently concluded Hotel Investment Forum India (HIFI) 2014. Cautious optimism was, however, expressed as deliberations at the conclave veered around tackling the current crisis that the industry was in, rather than setting goals for the future.

Lack of clarity and predictability in terms of government policies, and unwanted environmental activism has created roadblocks at every level for the sector. Stakeholders, however, are buoyant on industry's long-term prospects being promising, as the fundamentals and outlook look strong.

FROM THE DEVELOPERS PRESPECTIVE

Arjun Aggarwal, Director & CEO Bhartiya City Developers Pvt. Ltd.

Q: How attractive are hotels as long term investments in India? What are the expected returns over a 20-year and 30-year period? When do you expect to break even?

A: Both tourism and business travel is increasing in India and there is a growing shortage of hotel rooms. We see strong fundamentals because operating margins are high and owners are making money. This economy can absorb a lot of rooms and I am not at all concerned in the medium term or long term that India, as a market place, will be oversupplied. The hotel segment is attractive because it's a growing economy and the demand for hotel rooms tends to match GDP growth roughly in the world today. In India, it is a relatively high margin business because labour cost is relatively lower as compared to the West.

Arjun Aggarwal

Q: What do you look for when choosing a hotel operator? What are your expectations from the operator and the relationship?

A: Every hotel project and site is unique. Every brand and operator has their own niche and strengths. However, not every brand or operator can be suitable. It is therefore crucial for us as developers to find an operator that will be the right fit for the project. The choice of an operator must add value to development and contribute to its success through its image, branding, reservation networks and global profile. The success of property is dependent on the ability of the operator to successfully market the brand name and at the same time ensure an optimal investment return to the developer as well as the management company. We expect excellence in sales and marketing and in financial management and reporting. A further area of excellence required of a hotel operator is the delivery of profitability ahead of market averages over a sustained period of time.

Q: What are the friction points between hotel developers and operators that lead to a mismatch between expectations and returns?

A: In most of the cases, operator and developer deal with each other, where the developer invests in the property and the operator runs the property. Operators and developer have different perceptions of risks and rewards of business. Put simply, in the current market, the initial project developer is taking a disproportionate share of the risk inherent in the venture. Many believe that hotel operators simply want to ensure a guaranteed financial return and don't place enough emphasis on maximising either short-term cash flow or long-term site value. Deciding on the right operator and negotiating a fitting hotel management agreement can have a significant long-term impact on the hotel's financing, profitability and asset value.

Q: In the current difficult economic scenario, would the option of a franchise be better than management?

A: The major advantage in hiring a management company is that it can provide established, functional methods and procedures that constitute a complete system capable of handling the complex job of operating a hotel. Well-established brands bring the status of prestige to an asset. They serve as a source of strategic advantage and create financial value. Their ability to generate cash flows via relatively higher room rates and profit margins, their efficient and extensive

Continued on page 6

CAPA: 3 Indian carriers expected to post combined losses of over US$1.2 bn

According to the CAPA India Monitor report Jan 2014, in the Sept 2013 quarter, Indian airlines collectively lost over US$500 million. The Dec 2013 quarter, usually the strongest, is expected to have resulted in a further US$175-250 million in the red, excluding one-off adjustments.

Newswire Bureau

According to South Asia's leading Aviation Knowledge Practice- CAPA India Aviation Outlook report for the FY2015, three Indian carriers – Air India, Jet Airways and SpiceJet are expected to post combined losses in excess of US$ 1.2 billion in FY2014. The reports also said that this figure could rise higher as a weak outlook for March could trigger further promotional pricing.

The CAPA India Aviation Outlook, which is published annually said that Air India is once again expected to incur the largest loss at close to US$700 million, although this represents an improvement of approximately 20 per cent year-on-year in local currency terms.

The report said that Jet Airways and SpiceJet are likely to report record losses. In addition to their losses, Air India and Jet Airways are also likely to be impacted by travel agency defaults which have reached US$40 million.

GoAir is expected to end the year with a break-even result or a modest profit. IndiGo will be the only carrier to report full year profitability but this too will be significantly lower than the CAPA's earlier estimates.

As on 31 March 2013, the total accumulated losses of the airline industry over the previous seven years had risen to US$8.6 billion. Industry debt had climbed to US$12.6 billion, however, the full service carriers – Air India, Jet Airways and Kingfisher – accounted for 94 per cent of this.

Start-up carriers expected to place downward pressure on yields and risks will peak for some carriers in FY2015. India's incumbent carriers can expect no respite on the competitive front heading into FY2015 with several new carriers expected to launch operations. Apart from AirAsia India and Tata-SIA, a further 2-3 start-ups are reportedly awaiting licences to commence national and regional operations.

Indian carriers expected to order up to 400 aircraft this year in addition to those already on the order books. However some carriers may face challenges in raising funding for the acquisitions.

At the end of 2013 Indian carriers had approximately 350 aircraft on order. By the end of FY2015 this is likely to have swelled to over 700 aircraft, which may be converted from an operating to finance lease.

General aviation continues to be neglected with no clear signs of improvement despite the fact that the number of general aviation (GA) aircraft in India is larger than the scheduled fleet;

Continued on page 2

Continued from page 1

Weak economy widens bridge between hospitality stakeholders

sales network, make them highly desirable and sought-after as partners. The benefits of retaining a professional hotel management company usually far outweigh the alternative.

Tharun Giri, Managing Director, The Windflower Resorts and Spa

Q: How attractive are hotels as long term investments in India? What are the expected returns over a 20-year and 30-year period? When do you expect to break even?

A: Robust economic growth in earlier part the past decade has helped boost the size of the middle-income population. In turn, this has fuelled the propensity to travel and generated new demand for better quality accommodation and infrastructure. It is true that hotels do expose investors to operating risks. We believe that correctly planned investments of hotels both in terms of pricing and sensible design can deliver stable income over the medium to long term. More than number of years taken to breakeven, we believe that the moment you achieve in an occupancy excess of a 50 percent consistently we breakeven.

Tharun Giri

Q: What do you look for when choosing a hotel operator? What are your expectations from the operator and the relationship?

A: We at the moment, own, operate and manage all our resorts and hope to continue to do so going into the future. We haven't examined using an operator. If there was something I would expect from an operator, it would be that they ask for realistic investments considering the rising costs and large amount of supply coming into India.

Q: What are the friction points between hotel developers and operators that lead to a mismatch between expectations and returns?

A: I think the friction points arise from a very simple issue, the lack of focus on the fundamental basics. By studying the underlying fundamentals pertaining to hotel performance, one can customize strategies to suit investor preferences. It's when there is a mismatch between numbers projected and achieved versus the investment made and the ideal investment does the problem start to arise. This is the case also with guest satisfaction and service delivery standards, the promises should match the expectations. Planning and understanding the fundamentals of the investment returns, guest satisfaction requirements and also the long term strategy for the health of the asset are critical to have a good relationship. Sometimes it helps to listen to local investors to understand what doesn't and does work in the city, local knowledge is not to be discounted.

Q: In the current difficult economic scenario, would the option of a franchise be better than management?

A: Again, we don't use operators and have our own brand, so we don't look into this. But, this said, I think companies like ours that manage a couple of assets, find that we can bring tremendous value to the table in terms of development ability, HR, and best practices for guest services, finance and also costing. Sales and marketing is one of the most important aspects to this and here is when a management contract really helps, we have been able to turn around one asset by bring in a process driven setup. We also have given a better understanding to the owner on rationalising his future hospitality investments.

Deval Tibrewalla, CEO & Director, Hotel Polo Towers, Polo Grounds, Shillong

Q: How attractive are hotels as long term investments in India? What are the expected returns over a 20-year and 30-year period? When do you expect to break even?

A: I think that long term investments in the hotel sector will be a good idea provided the developer can manage his/her cost of funds. Even though we are at the peak of the interest rate cycle now, even at its lowest, the cost of funds in India is not conducive to hotel investment, even long term.

Q: What do you look for when choosing a hotel operator? What are your expectations from the operator and the relationship?

A: The operator should have a "real" sales presence apart from just a functional website. The major expectation would be to increase sales without disproportionate increase in costs.

Deval Tibrewalla

Q: In the current difficult economic scenario, would the option of a franchise be better than management?

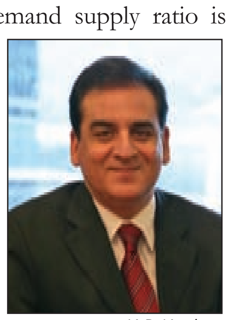
A: For a company with nearly 3 decades of hotel experience like the Hotel Polo Towers Group, we would prefer franchise since we ourselves can add the value which a management company would.

FROM THE OPERATORS PRESPECTIVE

K. B. Kachru, Chairman, Carlson Rezidor Hotel Group, South Asia

Q: How is the hospitality market shaping in 2014-15 in terms of new hotel development in India? Is there room for growth or is the supply: demand ratio out of alignment?

A: The hospitality industry is a cyclical business like any other sectors; it goes through the usual highs and lows. The demand supply ratio is leaning towards the supply side and hence investors are cautious in the saturated markets. Having said that, it is important to note that demand has not slowed down and continues to go upwards, thereby reinforcing that the demand supply equilibrium would be restored in time to come.



K B Kachru

We believe that future opportunities are greater in the mid market segment, Carlson Rezidor realized the potential and launched its Park Inn by Radisson brand. Designed for the Gen Y traveller, the Park Inn by Radisson® is a friendly, fresh, vibrant and uncomplicated mid-scale brand with a 26-year track record of delivering a quality guest experience. We believe it will be a perfect fit for the current market situation in both metro cities as well as Tier II towns. With the first Park Inn by Radisson already operating in Bilaspur, we are excited and prepping for the second one to open before the end of the second quarter this year.

Q: What is your long term view of the hotel industry in India?

A: For India, the broad parameters are still strong as we are a dynamic country with a young population aspiring to experience what India and the world has to offer. Social behaviour changes are occurring such as people now choosing to stay in hotels instead of with friends and relatives as it used to be in the past. Improved connectivity, reduced travel time between cities, infrastructure investments, opening of new SEZ's, all have a positive impact on demand when it comes to long term prospects. Indeed, we at Carlson Rezidor believe in India and are committed to it and our future in this country. In 2014, we will open 12 new hotels.

Q: What are the friction points between hotel developers and operators that lead to a mismatch between expectations and returns?

A: For starters, the high interest rates and higher land costs have added to the challenges of building hotels, thereby creating unnecessary pressure on the hotel operators for quick returns on their investment. Owners and developers have to realise that hotels have a longer gestation period and need time to stabilize once they start operations. In addition, over spending on the product may lead to higher developing costs, making loan repayment even more challenging.

Q: In the current difficult economic scenario, would the option of a franchise be better than management?

A: From our perspective, hotel management contract is a better option as we can deliver a lot more value to hotel owners and partners. This is especially important when hotel owners do not have hotel management experience. They can benefit from the well established international hotel management infrastructure to deliver revenue and provide expertise in effectively managing a hotel. The hotels can tap into the hotel management company's expertise and experience in critical areas such as revenue generation, branding, HR, finance and technical services to ensure that they have the tools and guidance to help them excel.

Q: What do you look for when choosing a developer? What are your expectations from the developer and the relationship?

A: We take a long term view to relationships and many of our hotel owners have been with us for more than 10 years. It is important that developers share the same vision as us and they have a good reputation in the industry. It is not necessary for a developer to have complete understanding of the hotel business, however, a basic insight into the requirements and operations of hotels will benefit the working relationship between a developer and an operator. In today's market scenario, having good cash reserves is a big plus as it helps in sustaining the business during challenging times. Lastly, there needs to be trust and understanding between owners and developers and this sometimes mean giving an operator the autonomy needed to drive favourable results for both parties.

Aman Aditya Sachdev, Senior Vice President – South Asia and South East Asia, Rotana

Q: How is the hospitality market shaping in 2014-15 in terms of new hotel development in India? Is there room for growth or is the supply: demand ratio out of alignment?

A: It is no secret that the pace of new hotel development in India has slowed down over the last 12 months and this situation is largely not expected to see a significant shift in 2014 owing to several macro-economic factors and some micro market level factors as well.

From an India macro picture point of view the supply-demand ratio clearly calls for additional hotel development across the country, especially in the branded space. Some cities across the country have seen a recent spurt in the number of available rooms as several assets have become operational in quick succession, whilst the demand growth in some of these cities has not kept up at the same pace as originally envisioned, this situation has put downward pressure on RevPAR's in the short to medium term.

In our opinion, the room for growth for appropriately positioned and appropriately branded assets remains strong in the majority of the markets across the country.

Aman Aditya Sachdev

Q: What is your long term view of the hotel industry in India?

A: The medium to long-term dynamics of the hotel industry in India remain extremely strong, and we therefore take a very positive view of the future of the industry in the country.

The Indian hospitality industry will also witness a renewed focus on Corporate Social Responsibility (CSR) and sustainable practices in 2014 and beyond. The important areas include focus on the reduction in the carbon footprint of operating assets and inculcation of sustainable business practices that maximize benefit to the environment, economy and local communities.

Rotana Earth is Rotana's Global Corporate Sustainability Platform, a comprehensive framework which is being implemented across the company's portfolio of new and operating hotels, hotel apartments and resorts. As a global business serving over 11 million guests annually and an ambitious expansion strategy in place, Rotana is well-positioned to make a difference environmentally, socially, culturally and economically towards sustainability within the tourism sector. These win-win arrangements will significantly enhance brand values as well as consumer loyalty across the industry.

Continued to page 10

Continued from page 6

Weak economy widens bridge between hospitality stakeholders

Q: What are the friction points between hotel developers and operators that lead to a mismatch between expectations and returns?

A: In a properly structured, defined and therefore well aligned relationship between a developer and an operator there should be no friction points. Both parties bring a set of competencies and defined deliverables to the project which when blended lead to the successful development and subsequent management and operation of the asset. In an owner-operator relationship both parties need to have clear understanding of the roles and the responsibilities of the other party as well as their own from the very outset of the relationship.

Having said that, friction points are known to arise in such relationships, which from our point of view are largely due to misinterpretation of deliverables of either party. Such a potential scenario may get accentuated during periods of lower economic performance of the asset than what was originally envisioned.

Whilst it is important for operators to not overstate the expected future performance of an asset in order to secure the relationship at the development stage, it is equally important for developers to understand that the business is a cyclical one.

Q: In the current difficult economic scenario, would the option of a franchise be better than management?

A: This truly depends on the nature (size, positioning, competitive landscape and location) of the asset in question and the resources available at the disposable of the of the asset owner/franchisee (third party white label management companies/ internal human capital of the franchisee to operate the asset). There is never a one-size-fits-all solution.

If the selection of a franchise model over a branded management model is with a view to save on management fees in the current relatively difficult economic scenario then this might be a short-sighted view. The franchise model has its merits, especially in the budget and midscale segments, however this model tends to work well in more mature markets and with asset owners who have a very good understanding of the management and operations of hospitality assets.

Q: What do you look for when choosing a developer? What are your expectations from the developer and the relationship?

A: Our interest is in establishing long-term and sustainable relationships with developers; therefore we seek out those developers who share our passion for the business and who wish to be long-term owners of the asset and not those who are developing hospitality assets for speculative purposes. Our relationships with our asset owning partners are based on mutual trust, and very open and transparent communication channels.

Richard Barooah
Vice President Operations,
RIMC Sahil Hospitality India Pvt Ltd

Q: Can you brief us about your company and its future plans?

A: RIMC is an operating company that positioned itself strategically with a unique business model in the hospitality market. Whether investors, who want to give their capital to experienced specialists, or owners of hotel properties, who are looking for innovative ways for their hotels - the partnership with RIMC provides many years of experience in operational management, strategic management of hotels as well as in the development of new projects. More than 100 successfully accomplished hotel projects, references and the international expansion with various affiliated companies prove the success of this innovative business concept.

Richard Barooah

Managing operations for various hotels and partnered with various leading brands of the world like Carlson Rezidor, Louvre Hotels, Accor, Starwood so on. RIMC has recently achieved a Golden Star Award for the 'Fastest Growing MNC in the Hospitality Industry'. Going forward we are looking at venturing into markets of Sri Lanka, Maldives, and Seychelles.

Q: Please elaborate which mode of operation (operating by self, management or the franchise model) works better for the owner/developer? Please elaborate.

A: A franchise model is better with a third party operator especially if the hotel owner doesn't have prior experience in operations of the hotel, operating by self is not possible. Every mode of operations has its own pros and cons. Management and franchise is good for owner / developer because the management expertise by a brand or a third party operator like RIMC Sahil India Hospitality. The management contract format separates the ownership from operations.

The primary reason that the owners/ developers prefer management contracts is because they assume full responsibility of the operations and management of the business while the owners retain their right to the financial and legal aspects of the business. Presence of a third party operator offer various additional benefits as they take over the operations as well as management of the hotel property. Better yield on product, turnover, sales, marketing, branding, GDS, global presence is easier through management and franchise business model. The competition is high and consumers are aware and exactly know what they want and explore a brand first before considering a non-branded hotel.

A hotel managed by self, without any affiliation to any brand enables owners to retain all their rights in terms of enjoying full profits, financial liberty, control over business but the major disadvantage is not being able to enjoy the reputation and premium brand image of an existing renowned brand, lack of global presence and lack of support and expertise from an internationally accomplished brand.

Q: Which business model is conducive to present scenario?

A: Under management contract owners enters into an agreement to operate a property under an internationally recognized brand name. The hotel property meets international standards in terms of design and architecture. Since the property borrows an accomplished brand name which already enjoys certain brand equity they do not need to invest time and money for brand awareness, and market penetration becomes easier. The operator offers the owners assistance for branding, marketing, sales, IT, training, systems and procedures, etc. Hence, the owners always benefit having a management contract.

It is up to the owners/developers to manage the property by self or to adopt any other mode of operation. The owners can take charge of the property if they have the experience and expertise. Managing a property by self becomes difficult otherwise. Considering the competitiveness in the market especially with brands that are already recognized and many international brands coming in it gets difficult for a self-owned property carve a niche for itself. Apart from that they lose out on the support and expertise that they would have had otherwise in a management contract mode.

Franchise model again is conducive, provided the ownership has prior experience in hospitality. Mostly, brand are averse to franchise directly because they fear that the brand value to may get diluted. However, if a third party operator is involved they do consider, depending upon their credibility.

Q: Benefits of having a third party hotel operator.

A: If we talk about a tier I and tier II city, the main target markets; be it luxury, corporates, leisure, mid-segments, MICE, etc usually has an established branded hotel in the city, a self-owned property needs to have an edge over and above it to penetrate the market. Despite that customers would prefer a hotel having brand due to various factors like trust, credibility, premium image, guest delight, standardization, familiarity and global presence.

A hotel managed by self loses out on the support and expertise that they would have had otherwise received in a management contract mode. They have to raise the brand awareness and position it themselves from scratch which involves time, expertise, right strategy and huge budgets. Once the brand is created they need to ensure brand building exercise to sustain it. Due to this the gestation gap may increase and lead to a longer time to reach breakeven.

Getting right kind of staff may become an issue which might lead to compromise of quality. Sales efforts may become a major challenge as they can't have regional sales offices everywhere. Due to the existence so many international brands they will have to engage in rigorous marketing activities, yet they might not have global presence. A hotel chain also offers GDS (Global Distribution System) support as well as loyalty programs which might not be enjoyed by a self-owned company. The budgets will be higher as large scale economies will be availed unlike a chain at they will have to compromise on the pricing and the ADR (average daily rate) because of being a new brand which will lead to lower revenues and profits.

A management contract involves the commitment of more than one entity. For any decisions they will have to have a consensus. The main focus of a brand custodian remains to be increasing and not diluting the brand value or the brand equity in the market. The cost of maintaining a branded property becomes very high due to brand standardization which calls for no compromise on cost and even in a bad market scenario. The developers/owners who have taken the onus of being the brand custodian may not be able to maintain the high level service standards which would lead to deterioration of the brand.

Sudeep Jain, Vice President, Acquisition & Development South Asia, Starwood Asia Pacific Hotels & Resorts Pte. Ltd.

Q: How is the hospitality market shaping in 2014-15 in terms of new hotel development in India? Is there room for growth or is the supply: demand ratio out of alignment?

A: India today is still an 'under-hotelled' market, and the demand for high-calibre lodging is expected to far exceed current supply for at least the next three to four years. As domestic travel increases and Indian travellers continue to demand more sophistication in terms of both quality and experience, we have significant opportunity to grow our brands across the spectrum in gateway cities, tertiary markets as well as in resort destinations. Demand/supply in the hotel industry is rarely in tandem. There have been periodic mismatches between supply and demand. Demand has continued to grow year over year in the region. However, supply growth over the last couple years has outpaced demand growth (the effects of which have been felt in 2013. But over time, our view is that there is far greater risk of being too timid during this growth phase. Better to grow while cities are being formed and live with the fits and starts, than to miss out on this one-time growth. We expect demand growth to continue in 2014. As demand growth amplifies, people will once again want to build hotels. This will result in growth plans for the players in the industry. However, the pace maybe slower than what we have seen back in 2008-2009.

Sudeep Jain

There are two types of developers/ investors. Those who are already "in-flight" will continue to develop hotels. These are the hotels that were planned 5-6 years ago. At Starwood we expect that this year we would open almost 10 hotels in the region, significantly more than that what we opened in 2013. Then there are developers initiating plans for new hotels. We feel that 2014 will be better than 2013 as some of the uncertainty in the market will go away (financing norms, political regime etc.) which will result in developers/ investors to renew their plans and make new plans to build.

The profile of the hotel owner is evolving from the traditional real estate owner to one with diversified business interests partnering with financial and non-financial institutions. In addition, the type of hotel projects are moving away from the stand alone to the mixed-use where hotel brands can help to create destinations and become anchors to fill a need for multi diverse and multi-purpose activities. Since hotels are capital intensive, the opportunity for conversions are increasing for hotel owners to hive off their management to

Continued to page 13

Continued from page 10

Weak economy widens bridge between hospitality stakeholders

the expertise of hotel brands and companies. Starwood and its brands are well positioned to meet these market trends and flexible to compete across these market needs.

Q: What is your long term view of the hotel industry in India?

A: Brands create value in real estate and can be an anchor for urbanization. With this in mind, brands need a long term view and at Starwood, we are continuously looking into the long term aspects in decisions. As our CEO, Frits Van Paasschen says and I quote, "We focus on trend lines and not the headlines, and the trend lines are clear. There are a lot more people with a lot more money in a lot more places. This means that the menad for good quality lodging is only going to grow."

We have been in India since 1973 and will continue to be here for many years. The fundamentals that we keep talking about have not changed (favourable demographics, changing cultural norms, little supply relative to other markets, demand growth, etc). We definitely feel that will result in growth in the industry long term. The million dollar question is when will it break through and truly accelerate. When will it reach that point of inflection? For that to happen there has been to some stimulus which will truly turbo-charge the industry.

Q: What are the friction points between hotel developers and operators that lead to a mismatch between expectations and returns?

A: At Starwood our mantra has always been right location, right partners, right brand. And this has helped us build great relationships with our owners. Communication and transparency is critical to building and maintaining the owner- operator dialogue. We see the owner- operator relationship as a partnership wherein the goals are aligned and if the two work together with a high level of engagement, we believe we will be able to create value for our owners. As a global company, the strength of our distribution, the value of our compelling lifestyle brands and the power of our loyalty program, SPG, help us outperform the market even when the ride is a bumpy one. Our owners see value in this and it helps us maintain a healthy relationship.

Q: In the current difficult economic scenario, would the option of a franchise be better than management?

A: Not always. Management in better in certain cases and franchising is more relevant in other cases. Our strategy is to manage hotels especially in the luxury and the upper upscale space; however, we are open to franchising if there is a portfolio opportunity. It also depends on the size of the hotel, the location, the owner etc.

Q: What do you look for when choosing a developer? What are your expectations from the developer and the relationship?

A: Like I said, our development mantra is right location, right partner and right brand. Mutual trust and respect, reputation, experience as a developer, ability to demonstrate financial closure for a project, the ability to offer good locations, the ability to understand our brands is also sometimes important. But at the end of the day, a meeting of minds, a common or shared objective, respect for what each partner brings to the table, are really the reasons for success or failure in relationships between owners and operators and we at Starwood believe in this and value it more than anything else.

Le Passage bags 4 National Awards

Le Passage to India was conferred with four National Tourism Awards by the Union Ministry of Tourism. The awards Le Passage bagged included the Best Inbound Tour Operator Award in the category of the top performing tour operator company in India; Best Overseas Tour Operator to India – TUI Europe; Best Overseas Tour Operator to India from Latin America – Raidho Tours and Best Tourism Promotion Publicity Material for Pash India Brochure–Passionate About Golf. The awards were given away by Shashi Tharoor, Union Minister of State for Human Resource Development.

Arjun Sharma, Managing Director, Le Passage to India said, "We are elated to become the top tour operation company of the country and realise that with this privilege comes responsibility- responsibility to make India a top tourism destination in the world. The company owes all these awards to its dedicated and motivated team that works relentlessly to outperform itself every single time."