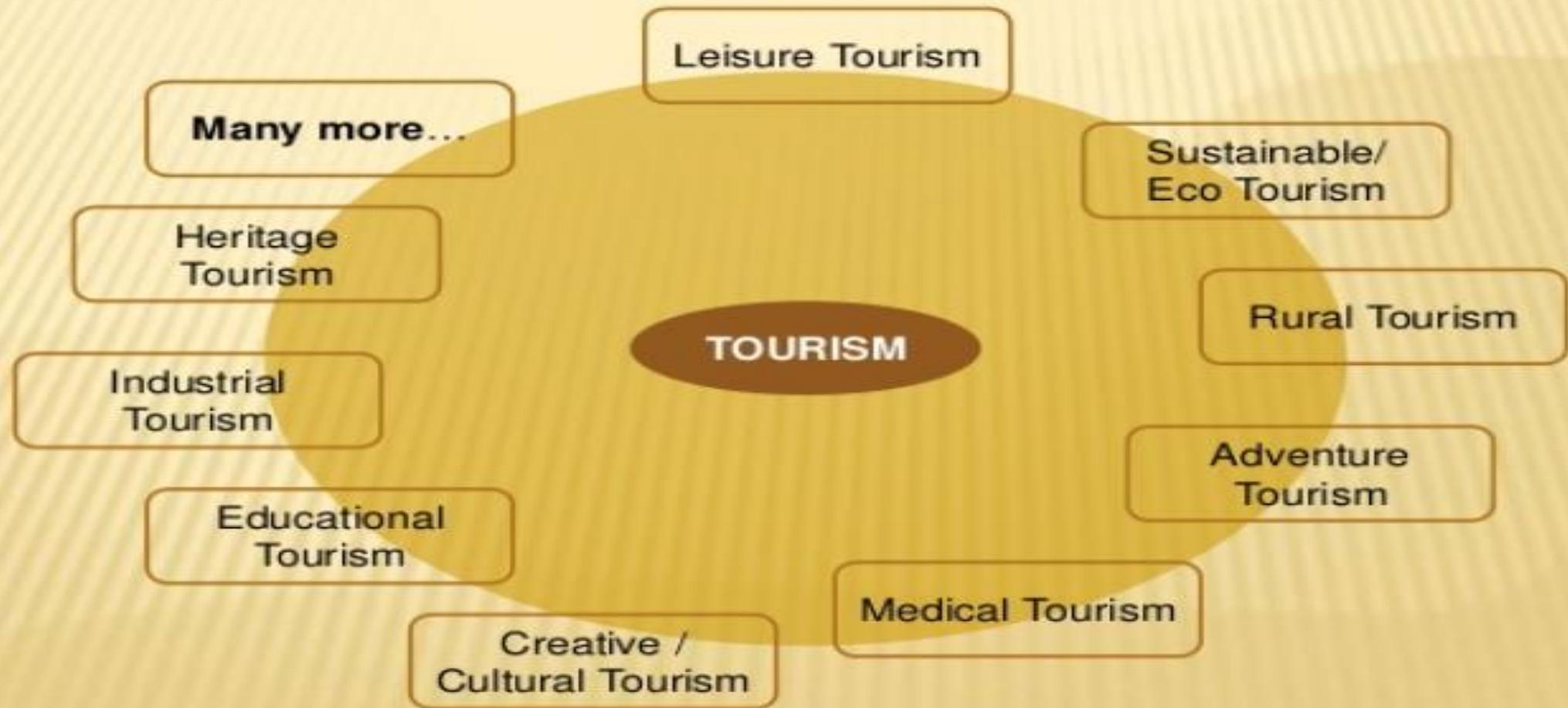


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- **TOPIC: LAWS AND REGULATIONS REGARDING
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TOURISM

- Tourism is one of the fastest growing industries taking place in both developed and developing countries worldwide. The growth of tourism has been fueled by the growth in leisure time to combine with an increase in discretionary income and a desire to escape and engage in holidays both domestically and internationally.

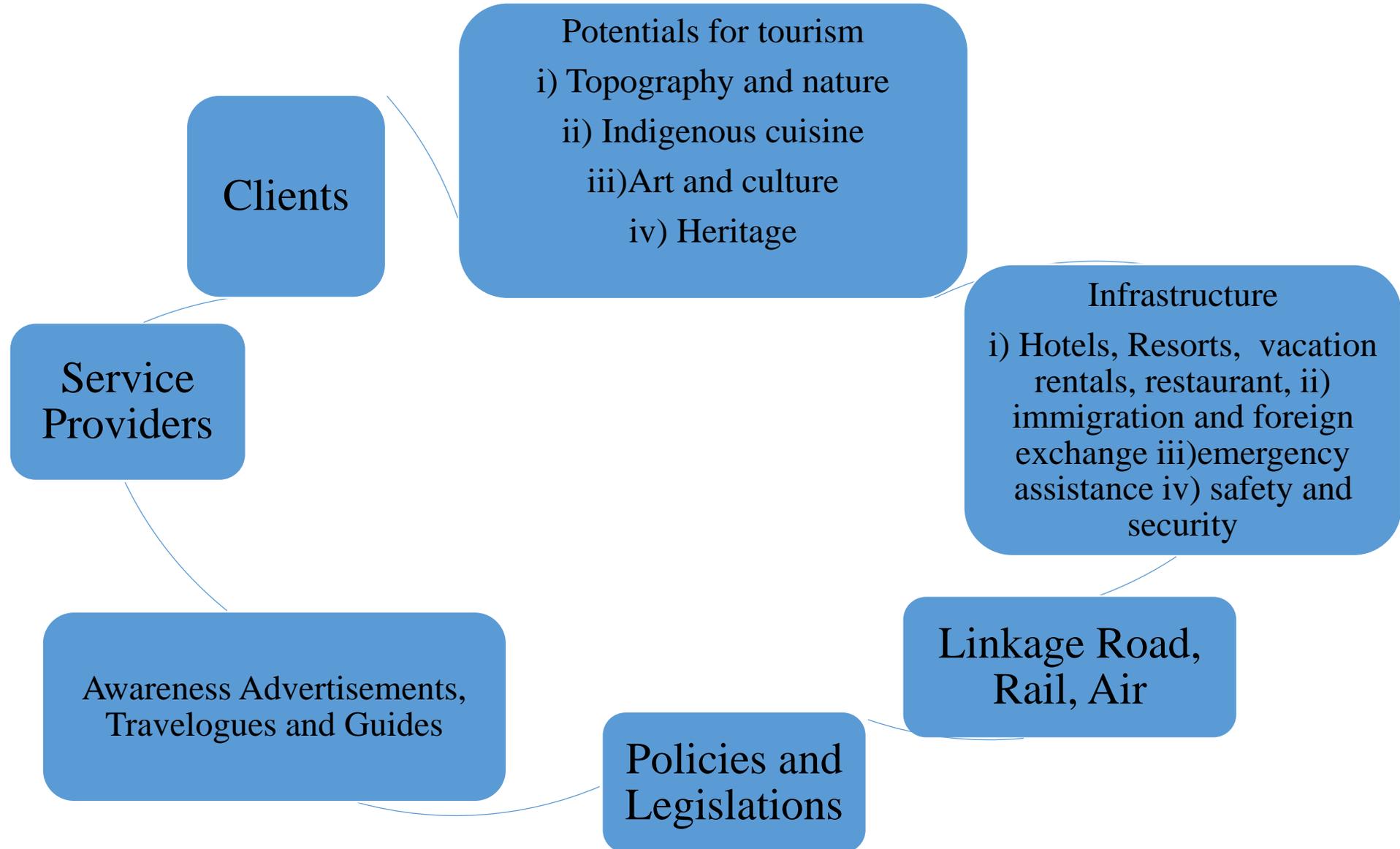
TYPES OF TOURISM : AN EXPANDING REALM



- **BENEFITS OF TOURISM:**

- It is a growth industry.
- It redistributes wealth.
- It provides opportunities for backward linkages in the local economy.
- It uses natural, 'free' resources and infrastructure.
- It does not, in principle, face any trade barriers.
- It can promote environmental protection.
- It provides facilities for local people as well as tourists
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ELEMENTS OF TOURISM



TRAVEL AND TOURISM-LAWS AND REGULATIONS

- Tourism is presently India's third largest export industry after gems and jewellery and readymade garments.
- The most significant feature of the tourism industry is its contribution to sustainable human development including poverty alleviation, employment generation and environmental regeneration particularly in remote and backward areas.
- Tourism plays a major role in promoting large scale employment opportunities. The tourism industry also contributes to national integration.
- The sustained development of tourism as a national priority is important both from the point of view of economic growth and social integration.

REGULATIONS GOVERNING TOURISM ORGANIZATIONS

- As per these regulations only authorized companies and licenced travel agencies conforming to the laws are eligible to carry out the following activities and offer travel and tourism services such as:
 - 1. Selling and issuing travel tickets and facilitating baggage transfers, and reserving places on regular transportation.
 - 2. Reserving hotel accommodations and other related functions for travellers.
 - 3. Organising individual and group tours with combined tickets.
 - 4. Exchanging foreign currencies.

- 5. Insuring against fire only with authorized insurance concerns.
- 6. Selling tickets of theatres and other places of entertainment.
- 7. Executing special services to tourists such as travel visas.
- All navigation and airline companies are eligible to execute the first three functions listed as a part of their regular services. But if they intend to practice these same services for another carrier, they must be licensed to do so by law, setup a special section to perform these activities and keep separate accounting records for them.

LAWS REGARDING ACCOMODATION

- **Laws Governing the Hotel Industry and Tourism**
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- The laws governing the professional status of the hotel industry should be subjected to review and amendment by both governmental authorities and trade organisations.
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- The aim is to provide a suitable environment for hotels and other tourist establishments so that they may practice than under favourable conditions.
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- Emphasis is placed upon raising the standards in general. This should cover a broad range of facilities, furnishings and equipment and also quality of service. Most important, the legislation must set up incentives for capital investment.

- The laws deal with regulating the relationship between hotel guests on one hand and the hotel management on the other. It should provide stipulations regarding rates and the means of controlling them, the procedures for sanctions including closing and granting of licenses.
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- Standards are to be established for grading hotels and other tourist accommodations in accordance with international practices. The law may consist of several sections dealing with the following aspects:

Tourist Establishments

- These include public establishments that may be authorized by the Ministry of
- Tourism for accommodating tourists. These are:
 - (a) Hotels
 - (b) Floating Hotels
 - (c) Motels
 - (d) Tourist shops
 - (e) Tourist Bungalows
 - (f) Rest Houses
 - (g) Tourist Rest Houses
 - (h) Apartments (permitted)
 - (i) Tourist Villages
 - (j) Homes
 - (k) Guest Houses

- The public places that could be licensed by the Ministry of Tourism to offer food and beverages to the tourists are restaurants, bars, night clubs and casinos. Also included under the law for licensing could be transport facilities on land, sea and the river water. For the setting up and management of these establishments, a licence must be obtained from the Ministry of Tourism in accordance with regulations and procedures to be defined by the ministry.
- The engineering and structural conditions of such tourist establishments should be specified by the Ministry of Housing and Public Utilities except floating hotels and transit ships, which are the concern of the Ministry of Transport. In all cases, the Ministry of tourism should approve such specifications. Only gambling casinos should be open to non-Indians under the jurisdiction of the Ministry of Tourism, which specifies where gambling can take place and the conditions imposed. All dealings in gambling must be in foreign currency.

- **Taxes:**

- Tourist establishments including hotels and authorized places defined above may be exempt from taxes, including taxes on commercial and industrial profits and real estate taxes. These exemptions may be granted for the first five years of operation beginning with the date when such taxes become due. Income taxes are borne by individuals and based on the net income of the person. All capital goods, including building material and equipment, whether for the
- initial erection or for rehabilitation and renovation, be custom-free for authorized tourist establishments.

- **Operating Personnel:**

- The conditions and standards to be maintained by the hotel personnel are to be defined by the Ministry of Tourism.

- **Guest Relations**

- The Act should regulate the relationship between clients and hotels in such matters as refusing to rent out rooms and renting rooms at higher rates than those authorized.

- **Hotel Rates**

- The determination of tariffs for various services and the grading of tourist establishments are to be covered under the head.

- **Relation with Ministry of Tourism**

- The obligations of the tourist establishments need to be spelled out in this section. It includes:
 - 1. Publishing the hotel grade and price of services in both English and Hindi in guest rooms as well as in the reception office;
 - 2. Notify the Ministry monthly of the number of guest-nights realized;
 - 3. Maintain a reservation register for all requests for room reservations. It must be made mandatory by the Ministry of Tourism.

Laws Governing Hotel Associations and Unions

- The law must define the activities of the following establishments as being related to the tourism industry. It must also cover the establishment of the associations, each with individual legal status.
- 1. Travel and tourism companies and agencies.
- 2. Hotels and other public establishments that accommodate tourists.
- 3. Public establishments catering to tourists such as restaurants, casinos, taverns and other places that provide food and drink to be consumed in the premises.
- 4. Shops selling ornaments and other tourist souvenirs.
- The goal of the associations of the hotel and tourism industries is to improve the general welfare of the industry and their members.

- They should act on behalf of their members to collaborate with government authorities in promoting tourism and raising the standard of their services. Each association should have its own general assembly and a board of directors of whom two-thirds are elected members and one-third is appointed by the Ministry of Tourism.
- Governing stipulations may also be outlined for the FHRAI and HAI as a legal identity which have their headquarters at New Delhi. The FHRAI's and HAI's general assembly must consist of elected representatives for the members of each individual chamber and for appointed representatives.

Laws Relating to Registration of Guest

- Every person staying at a hotel, guest house or boarding house for one night or
- more, whatever his nationality, must, if 16 years of age or over, have his full name,
- nationality and date of arrival entered in the register. It is the duty of the management
- to keep a register of guests and to see that the required information is entered therein.

- There are rules of law relating to the registration of guests at a hotel. It is the duty of the proprietor to keep a register and to see that the guests comply with the rules of registration.
- The register need not necessarily be in book form; in fact many establishments favour the use of individual registration forms.
- These records must be maintained for a minimum period of twelve months and must at all time be open for inspection by the police or any other person authorized by the Ministry of Home Affairs.
- It is not now a requirement of the law that guests must themselves enter this information in the register, though it is normal practice for them to do so; they must give it to the hotel to enter.
- The register may be a book or on cards or loose leaves.

- Each guest must be the subject of a separate entry in the hotel register and must give the following information:
 - a. his name and nationality;
 - b. passport details;
 - c. the date on which he intends to leave and his next destination.

Laws relating to Hotels and Food and Beverages Business

- For successful operation of a hotel and catering establishment, it is binding on owners and managers to fulfil certain obligations.
- There are statutory or legal obligations which need to be fulfilled for safeguarding the health and well-being of people and the establishment. This last group focuses attention to those laws and regulations which affect hotel and restaurant organisations and therefore need to be compiled with.
- The laws can be summarized under two headings:
 - i) those affecting the production and service of food generally referred to as “food laws”.
 - ii) those affecting the people working in these establishments, comes under “labour laws”.

Duties of Hotel managers/lodge keepers/ keeper of sarais

- To inform the nearest police station when any person in such hotels/sarai/lodges is suffering from any infectious or contagious disease
- To remove all noxious vegetation in or near the sarai/lodge/hotel, and all trees and branches of trees capable of affording to thieves means of entering or leaving the sarai/lodge/hotel;
- To provide such number of watchmen as may, in the opinion of the Magistrate of the District, subject to such rules as the State Government may prescribe in this behalf, be necessary for the safety and protection of persons and animals, or vehicles lodging in, halting at or placed in the sarai/lodge/hotel; and

- To exhibit a list of charges for the use of the sarai/lodge/hotel at such place and in such form and languages as the Magistrate of the District shall from time to time direct.
- At all times when required by any Magistrate or any other person, duly authorized by the Magistrate of the District in this behalf, to give him free access to the sarai/lodge/hotel and allow him to inspect the same or any part thereof;
- To thoroughly cleanse the rooms and verandahs and the drains of the sarai/lodge/hotel, and the wells, tanks or other sources from which water is obtained for the persons or animals using it, to the satisfaction of, and so often as shall be required by, the Magistrate of the District, or such person as he shall appoint in this behalf;

LABOUR LAWS

- Hotel labour laws and regulations vary from state to state; therefore, it is difficult to specify hotel's obligation covered under these laws.
- The Central government has some laws such as Minimum Wages Act that includes minimum wages to be paid to each type of worker. It states only the guidelines for the states.
- The states pass legislation at their own level. In every state there are laws covering the hiring and minimum wages to be paid to the workers and also special rules and regulations relating to women and children employed in the hotel.
- The state governments and local authorities have special rules and regulations according to which they issue orders directly affecting the hiring and working conditions of the hotel employees.
- These labour laws and rules and regulations are constantly updated and changed to meet social and political requirements. It is the management's responsibility to see that the local, state and central labour laws and rules and regulations are not violated in the hotel.

Consumer protection in travel and tourism

- The price which is mentioned in the advertisement must be included with the VAT.
- The price of the room must be displayed at the reception.
- The deal like single occupancy, meal and other is mentioned
- If any extra charge is imposed upon the use of the payment by card or any cheque then it is also mentioned.
- If any bar is in the room and any extra charge is imposed then it should be indicated.
- Any other material information