## MYSTICEAST

...an unexplored horizon

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# WE ARE BACK!



What will it take for a revival of the hospitality industry after Covid-19



#### **BIG INTERVIEW**

May - June 2020

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In an exclusive interview Mr Suchanti shares his success mantra of building the brand Sinclairs



#### HRAEI FIGHTS THE COVID-19

Association offers isolation rooms to the State Government

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The impact of the

The impact of the pandemic on Indian hotel sector is deep, but there's a silver lining in the dark clouds



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MR NAVIN SUCHANTI

- CEO and MD, Sinclairs Hotels Limited

RNAVINSUCHANTI, CEO and Managing Director, Sinclairs Hotels Limited has nearly five decades of diverse experience spanning advertising, public relations, hospitality, administration, finance and taxation. He has held various important positions as committee member of several industry bodies which include Assocham, the Bengal Chamber of Commerce and Industry and HRAEI. He was also a member of Tourism Advisory Council of Government of West Bengal.

Sinclairs Hotels Limited owns and operates hotels and resorts at seven places. Gangtok will be soon added to the chain. Also there is a plan to build a 114-key property in New Town, Kolkata. He spoke to Mystic East in an exclusive interview.

#### Q: How did you get into the hospitality business?

We already owned a very successful advertising and PR agency with countrywide presence, Pressman Advertising. Pressman had built strong brand equity and its forte was high quality service and customer-

# BEOWNERS OPERTIES IN N INDIA

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# TODAY MANY HOTEL COMPANIES HAVE FALLEN IN A DEBT TRAP; NEW ENTREPRENEURS MUST LEARN FROM THEIR MISTAKES

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centric approach.

The opportunity to acquire a hotel company came our way some time in the late 1980s. Both my brother Dr Niren Suchanti and I thought that this was a good fit with our existing business by way of sustained high quality service and focus on customer delight. In March 1990, we acquired Sinclairs with two hotels at Siliguri and Darjeeling.

### Q: How many hotels do you own at this point and how many do you manage (but not owned by you).

Since acquiring Sinclairs, the number of hotels that we own has grown into seven. These are at Burdwan, Darjeeling, Dooars, Kalimpong, Ooty, Port Blair and Siliguri. Gangtok will soon be added to our chain.

Darjeeling, Siliguri, Ooty and Port Blair were acquired as sick properties making losses and there were default in payment of bank and institutional loans. We invested in refurbishment of these properties and introduced new management and operational systems to make

them profitable. Resort hotels at Burdwan, Dooars and Kalimpong are greenfield projects and they all are destinations of delight for domestic and foreign guests.

Today I am happy to state that the company has no debts and each of the seven units are profitable.

Every time we build a resort property, we pay a lot of attention to make it blend seamlessly with the surrounding environment. The way we go about planting trees and designing flower beds as part of our green initiative come in for much appreciation of our guests.

Come April this year, we will commission a 60-room boutique hotel property – Sinclairs Gangtok. The eighth property in our chain is a leased property, as you may be aware that under Article 371F of the Indian Constitution, non-Sikkimese cannot buy properties in Sikkim.

#### Q: How do you identify a location of a hotel?

Quite a few factors will be in play when it comes to taking a decision

about where you want a new property to be located. Connectivity, that is, ease of getting into the destination by guests is one important consideration. We are primarily in leisure section of tourism. Our aim is to choose a place with natural bounties so that our visitors can unwind the stress they go through in everyday life and return refreshed and rejuvenated.

When we built the Burdwan property, our consideration was that between Howrah and Asansol, you don't have a good hotel. Burdwan also lacked in high quality banqueting facilities till we arrived.

#### Q: What is the USP of a Sinclairs hotel?

To me it's of paramount importance that any guest staying in a Sinclairs property must return with memories to cherish and share with others. The management challenge then is to build a culture among the staff to offer a kind of service to guests from the point of arrival to departure that will delight her or him.

You will have an idea of how good is

#### BIG INTERVIEW: NAVIN SUCHANTI, SINCLAIRS HOTELS



Kanchenjungha Room at Sinclairs Darjeeling

the service by doing a periodic review of guest feedback at every property. I personally see what guests have to say about their stay experience. This gives me an insight into guest likes and dislikes. In fact, every single review is attended to by me. The important thing here is to take quick remedial action if guests find something amiss.

What gives me much satisfaction is all the seven Sinclairs resorts and hotels enjoy high ranking by TripAdvisor, the bellwether of tourism industry. While properties at Burdwan and Dooars have got top ranking, the one at Port Blair and Kalimpong is placed second and Darjeeling third. Siliguri is ranked seventh while Ooty is ninth ranked.

Q: Most of your hotels are in eastern India. What are the advantages or disadvantages of running a hotel in these parts of the country?

We are quite happy to be owners of five of the seven properties in this part of the country. And soon we shall be commissioning the Gangtok hotel and that will complete the circuit. Whatever may be the misgivings about the region in some quarters, we have done well here and our experience with the local governments, district and other officials has been excellent. We find the government in the state and local authorities responsive to our needs. Being born in Kolkata and having lived here, I know the region and its potential pretty well.

#### Q: Do you think that north-eastern part of India has a huge untapped potential in the hospitality sector?

I can't agree more. Riches of nature in north-east and distinctive cultures and many unique local crafts in the region will always be a big pull for tourists. What, however, stands in the way of realising tourism potential of north-east is connectivity issue and infrastructure that needs development. On more than once occasion, Prime Minister Mr Narendra Modi has spoken about the need to promote tourism in that part of the country.

#### Q: What is the status of your upcoming hotel in New Town Kolkata? Tell us something about this new property.

We have the land in a strategic location. The plan was to build an upmarket 114 room business hotel for which we already have a sanction. The hotel is designed by a leading Architect firm from USA. But because of the large inventory of rooms built up in the last few years, we have put our New Town project on hold. We are waiting for the right opportunity to give shape to the project.

Q: Do you prefer to set up



Burra Sahib Kothi at Sinclairs Retreat, Dooars

#### greenfield projects? Is this the right time to invest in such projects in India?

The country has so much tourism potential unexplored that it offers immense scope for hospitality groups to build greenfield properties as also go for acquisitions. Both offer good scope. The centre and the states are keen to promote tourism for revenue generation and creation of jobs requiring a variety of skills. India offers a diverse portfolio of niche tourism products from leisure to business to adventure to medical tourism. As domestic and foreign traffic for each niche segment will grow, the hotel industry will have to be ready with sufficient numbers of rooms as also all supportive infrastructure.

We are in the process of identifying locations for a couple of greenfield projects. We take up a project when we find the location ideal and cost optimal. Anytime is good time to do a new hotel project.

#### Q: How do you handle labour problems or attrition in your business?

To me labour problem is a misnomer. At Sinclairs, everyone is treated as a member of a big family and she or he is given respect. When an individual has the sense of belonging, they will put the best foot forward. I have always believed that more than money people want respect and recognition for good work. They also want their career to progress in an ideal work environment, which Sinclairs offers.

Attrition is a challenge. In our case, however, the attrition rate is lower than the industry average. What has worked to our advantage is the presence of a unique family culture. To give you an idea of the high retention level at Sinclairs, 40 per cent of the total staff members have clocked in ten to 20 years with us.

#### Q:What is your advice to a budding entrepreneur in hospitality?

This is a growing industry which offers opportunities to new entrepreneurs. But they have to be very careful in reviewing any projects that they may take up, especially location and cost. These should be thoroughly analysed and then only the project should be implemented. The financial mix to invest in the project is also important and leveraging should be very conservative. Today many hotel companies have fallen in a debt trap and it is therefore necessary for the new entrepreneurs to learn from their mistakes. Having said that I must say that Indian hotel companies have a great future as there is still a huge untapped potential in the tourism sector.

#### BIG INTERVIEW: NAVIN SUCHANTI, SINCLAIRS HOTELS

#### **SINCLAIRS RETREAT DOOARS**

Located at Chalsa Hilltop is spread over 20 acres of verdant green. Built in complete harmony with nature, the resort is ideal for those seeking rest, rejuvenation and adventure.





#### **SINCLAIRS BAYVIEW**

Located right on the waterfront, this is Port Blair's only hotel to offer spectacular views of The Bay of Bengal from almost all its rooms

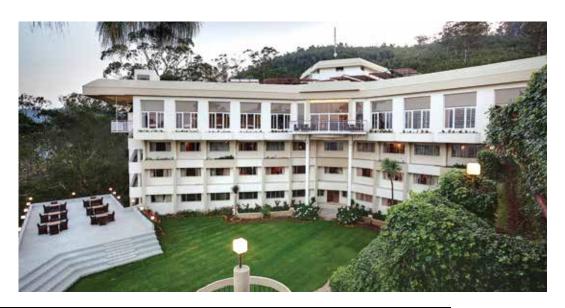
#### **SINCLAIRS SILIGURI**

Situated in Pradhan Nagar, at the heart of the city, this is a luxury hotel equipped with modern amenities



#### **SINCLAIRS RETREAT OOTY**

Enveloped by the clouds at 8,000 feet and situated exactly where the "Queen of Nilgiris" was discovered, it is the highest located resort in South India





#### **SINCLAIRS BURDWAN**

Situated at High Street 1 in Renaissance Township, this is an upscale tourist resort offering finest accommodation, club and banquet facilities

#### **SINCLAIRS RETREAT KALIMPONG**

Nestled in the virgin green surroundings, the retreat prominently stands out over five acres of aesthetically landscaped green.

