

ANNUAL REPORT  
2004-2005



INDIA TOURISM  
Government of India

Incredible india  
[www.incredibleindia.org](http://www.incredibleindia.org) [contactus@incredibleindia.org](mailto:contactus@incredibleindia.org)

Incredible india



dunes have a colour here. *brilliant as gold.*  
skies have a colour here. *deeper than ink.*  
valour has a colour here. *on the faces of men.*  
beauty has a colour here. *in the swaying of skirts.*  
incredible india. *infinite rainbows.*

[contactus@incredibleindia.org](mailto:contactus@incredibleindia.org) [www.incredibleindia.org](http://www.incredibleindia.org)

Incredible  ndia  
[www.incredibleindia.org](http://www.incredibleindia.org)







Charminar, Hyderabad, Andhra Pradesh



सत्यमेव जयते

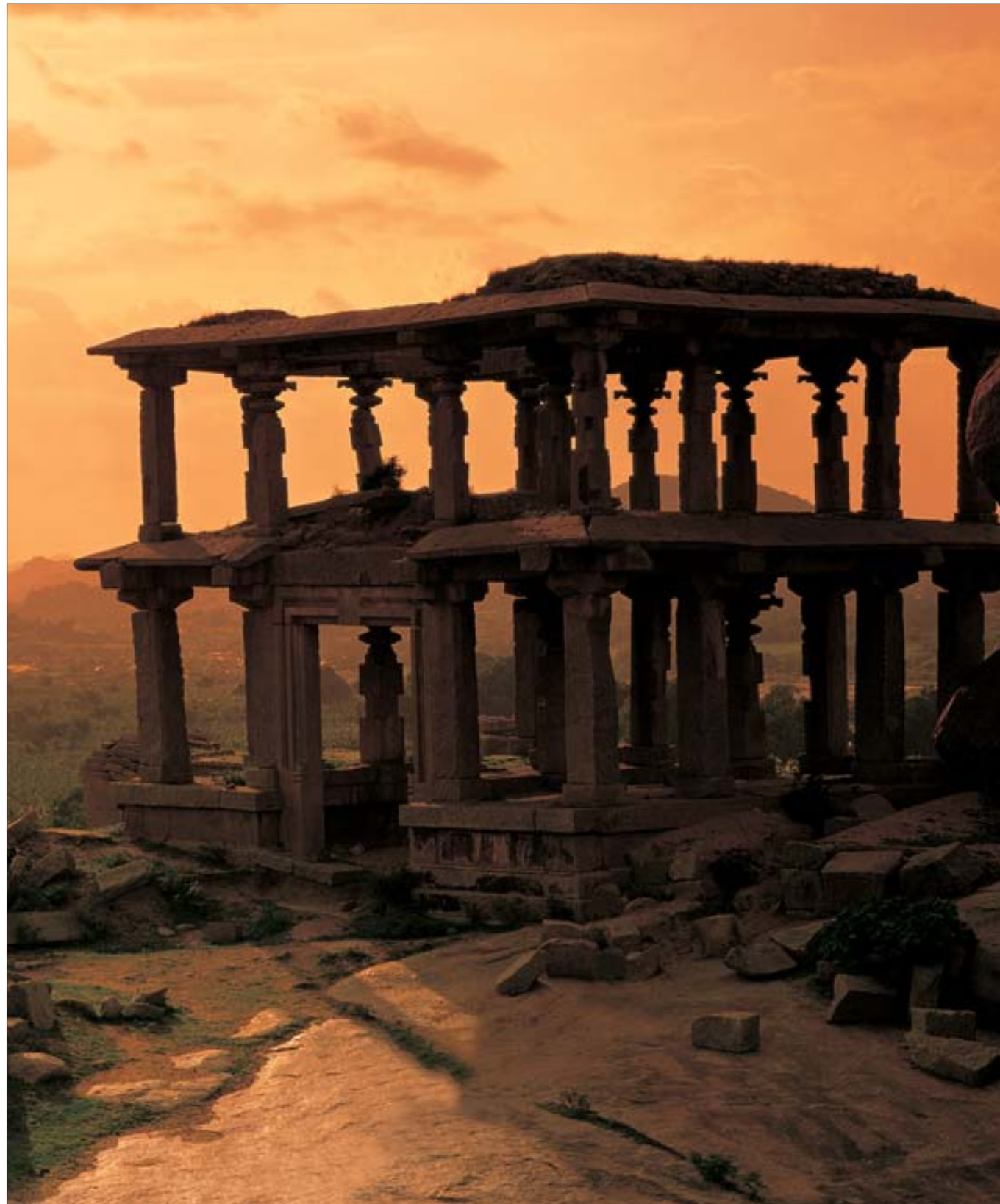
## ANNUAL REPORT 2004-2005

INDIA TOURISM  
Government of India





# a year in review



At Hampi, Karnataka

Tourism –  
An Overview

Page 8

Ministry of Tourism  
and its Functions

Page 12

Policy, Planning and  
Co-ordination

Page 16

Infrastructure and  
Product Development

Page 26

Development and  
Regulation of  
Tourism Industry

Page 38

Human Resource  
Development

Page 44

Publicity and  
Marketing

Page 64

Research, Analysis,  
Computerisation  
and Monitoring

Page 84

International  
Co-operation

Page 92

India Tourism  
Development  
Corporation Ltd.

Page 96

Welfare Measures  
and Vigilance

Page 106

Progressive Use  
of Hindi

Page 110

An Overview of North  
Eastern Region

Page 114

Gender Equality –  
The Prime Concern

Page 118

Important Audit  
Observations

Page 121

Appendices

Page 125

Incredible!ndia



## TOURISM – AN OVERVIEW

Tourism in India has registered significant growth in recent years. In 1951, International tourist arrivals stood at around 17 thousands only while the same has now gone up to 3.37 million in 2004. The upward trend is expected to touch the new heights in the coming years. Tourism is the third largest net earner of foreign exchange for the country and also one of the sectors, which employs the largest number of manpower. Various studies have also shown that tourism generates the highest employment per unit of investment for the skilled, semi-skilled and unskilled. The World Travel and Tourism Council (WTTC) has identified India as one of the foremost growth centres in the world in the coming decade.

While the growth in tourism has been impressive, India's share in total global tourist arrivals and earnings is quite insignificant. It is an accepted fact that India has tremendous potentials for development of tourism. The diversity of India's natural and cultural richness provides the basis of a wide range of tourist products and experiences, which embraces business, leisure, culture, adventure, spirituality, eco-tourism and many other pursuits. Apart from acknowledging the traditionally recognized advantages of developing tourism for the promotion of national integration, international understanding, earning of foreign exchange, vast employment generating, it can play a major role in furthering the socio-economic objectives of nation.

The Ministry of Tourism adopted a multi-pronged approach in order to achieve this growth. Providing a congenial atmosphere for tourism development, strengthening the tourism infrastructure and hospitality related services, integrated development of identified destinations and circuits, integrating elements of tourism, emphasizing on culture and clean civic life, marketing of tourism products in a focused manner along with a branding exercise and positioning India as a high value destination in the new key markets, and giving thrust on the human resource development activities have been the hallmarks of this strategy.

The year 2004 saw tourism in India emerging as one of the major sectors for growth of the Indian economy. International tourist arrivals in the year 2004 grew at 23.5% over that of the previous year. The foreign exchange earnings in terms of rupees registered an impressive growth of 32.9%. In absolute terms, the foreign exchange earnings increased from Rs.16,429 crores to Rs.21,828 crores.

The important initiatives taken by the Government to improve the flow of foreign tourists into the country and thereby increasing the country's share in the world tourism included the following :

- Direct approach to the consumers through Electronic and Print Media through the "Incredible India" Campaign.
- Creation of World Class Collaterals.
- Centralised Electronic Media Campaign.
- Direct co-operative marketing with tour operators and wholesalers overseas.
- Greater focus in the emerging markets particularly in the region of China, North East Asia and South East Asia.
- Participation in Trade Fairs & Exhibitions.
- Optimizing Editorial PR and Publicity.
- Use of Internet and Web Marketing.
- Generating Tourist Publications.
- Re-enforcing hospitality programmes including grant of air passages to invite media personnel and tour operators on familiarization tours to India to get first hand knowledge on various tourism products.
- Launching of Road Shows in key source markets of Europe.
- Focusing on growth of hotel infrastructure particularly budget hotels.
- Enhancing connectivity through augmentation of air capacity and improving road infrastructure to major tourist attractions.

Impressive strides were made in the field of Human Resource Development. The Institutes of Hotel Management continued to be the backbone of manpower training for hospitality industry in the country. The Diploma courses offered by these Institutes were upgraded to Degree courses. The scheme of 'Capacity Building for Service Providers' also continued to be implemented for providing basic skills to unorganized sector service providers engaged in activities having direct interaction with the tourists.

In the budget 2004-2005, the following important measures were announced to boost the tourism industry in the country :

1. **Inter-Institutional Group:** To ensure speedy conclusion of loan agreements and implementation of infrastructure projects.
2. **Special Economic Zones:** Hubs for manufacturing and exports with special fiscal and regulatory regime.

The allocation of plan funds was raised from Rs.325.00 crores in 2003-2004 to Rs.500.00 crores in 2004-2005.

The new priorities and initiatives have been actuated with a sound backing of a National Tourism Policy. With the significant positive trends in the year 2004, the Tourism industry is looking for a brighter 2005.



Toys at a South Indian village fair







# 1. MINISTRY OF TOURISM AND ITS FUNCTIONS

## 1.1 The Organisation

The Ministry of Tourism is the nodal agency for the formulation of national policies and programmes and for the co-ordination of activities of various Central Government Agencies, State Governments/UTs and the Private Sector for the development and promotion of tourism in the country. This Ministry is headed by the Minister of State with independent charge.

The administrative head of the Department is the Secretary (Tourism). The Secretary also acts as the Director General (DG) Tourism. An organizational chart of the Department is given in **Appendix-I**. The office of the Director General of Tourism {now merged with the office of Secretary (Tourism)} provides executive directions for the implementation of various policies and programmes. Directorate General of Tourism has a field formation of 20 offices within the country and 13 offices abroad and one subordinate office/project i.e. Indian Institute of Skiing and Mountaineering (IISM)/Gulmarg Winter Sports Project (GWSP) (**Appendices-II and III**). The overseas offices are primarily responsible for tourism promotion and marketing in their respective areas and the field offices in India are responsible for providing information service to tourists and to monitor the progress of field projects. The activities of IISM/GWSP have now been revived and various Ski and other courses are conducted in the Jammu & Kashmir Valley.



Lord Venkateswara Temple, Tirupati

The Ministry of Tourism has under its charge a public sector undertaking, the India Tourism Development Corporation and the following autonomous institutions:

- i. Indian Institute of Tourism and Travel Management (IITTM) and National Institute of Water Sports (NIWS)
- ii. National Council for Hotel Management and Catering Technology (NCHMCT) and the Institutes of Hotel Management

## 1.2 Role and Functions of the Ministry of Tourism

The Ministry of Tourism functions as the nodal agency for the development of tourism in the country. It plays a crucial role in coordinating and supplementing the efforts of the State/Union Territory Governments, catalyzing private investment, strengthening promotional and marketing efforts and in providing trained manpower resources. The functions of the Department in this regard mainly consist of the following:

- i. All Policy Matters, including:
  - a. Development Policies
  - b. Incentives
  - c. External Assistance
  - d. Manpower Development
  - e. Promotion & Marketing
  - f. Investment Facilitation

- ii. Planning
- iii. Co-ordination with other Ministries, Departments, State/UT Governments
- iv. Regulation:
  - a. Standards
  - b. Guidelines
- v. Infrastructure & Product Development
  - a. Central Assistance
- vi. Human Resource Development
  - a. Institutions
  - b. Setting Standards and Guidelines
- vii. Publicity & Marketing:
  - a. Policy
  - b. Strategies
  - c. Co-ordination
  - d. Supervision
- viii. Research, Analysis, Monitoring and Evaluation
- ix. International Co-operation and External Assistance
  - a. International Bodies
  - b. Bilateral Agreements
  - c. External Assistance
  - d. Foreign Technical Collaboration
- x. Legislation and Parliamentary Work
- xi. Establishment matters
- xii. Overall review of the functioning of the field offices
- xiii. Vigilance matters
- xiv. Official Language and Implementation of official language policy
- xv. VIP references
- xvi. Budget co-ordination and related matters
- xvii. Plan-coordination and monitoring
- xviii. Integrated Finance Division
- xix. O & M work
- xx. Welfare, grievances and protocol

The Functions of Attached Office viz. Directorate General of Tourism are as under: [The office of DG (T) has now been merged with the office of Secretary (Tourism)]

- i. Assistance in the formulation of policies by providing feedback from the field offices
- ii. Monitoring of Plan Projects and assisting in the Plan formulation
- iii. Coordinating the activities of field offices and their supervision
- iv. Regulation:
  - a. Approval and classification of hotels and restaurants
  - b. Approval of travel agents, tour operators and tourist transport operators, etc.
- v. Inspection & Quality Control
  - a. Guide service
  - b. Complaints and redressal
- vi. Infrastructure Development:
  - a. Release of incentives
  - b. Tourist facilitation and information
  - c. Field publicity, promotion & marketing
  - d. Hospitality programmes
  - e. Conventions & conferences
- vii. Assistance for Parliamentary Work
- viii. Establishment matters of Directorate General of Tourism excluding that of Group 'A' officers and the ones requiring the approval of Secretary/Minister.



Beach, Goa







2. POLICY, PLANNING AND CO-ORDINATION

2.1 National Tourism Policy

The New National Tourism Policy rests upon the following basic principles :

- i. Tourism revolution has been sweeping the world for the last four decades. The numbers of tourists leaving their homes, worldwide have been growing and their number is likely to swell to 1.5 billion and receipts from it are estimated to cross \$ 2000 billion. If India has to partake in this revolution in a meaningful way it must change its strategies as well as techniques to increase share in tourist arrivals from 0.38 per cent.
- ii. At the institutional level, a framework has to be evolved which is Government-led, private-sector driven and community-welfare oriented. The private sector has to act as a main spring of the activities and impart dynamism and speed to the process of development as well as conservation.
- iii. The improvements and environmental upgradation of the protected monuments and the areas around them should be considered as a linchpin of the tourism industry.
- iv. Establishment of effective linkages and close co-ordination with Ministries of Civil Aviation, Environment, Forest, Railways, Home, etc.
- v. The focus is to sustain tourism development with minimum negative impact and to ensure that tourism acts as a smokeless industry. Neither over-exploitation of natural resources should be permitted nor the carrying capacity of the tourist-sites ignored.
- vi. Greater focus should be on eco-tourism to develop nature tourism with the objective to eliminating poverty and creating employment. Also endeavour will be to enhance the status of women and to encourage tribal and local crafts so as to improve social order.
- vii. Special thrust should be imparted to rural tourism and tourism in small settlements, where sizeable assets of our cultural and natural wealth exist.
- viii. Due importance should be given to domestic tourism, particularly tourism connected with pilgrimage so as to make use of the infrastructure created for domestic tourism which can serve as

a backbone of international tourism in times to come.

- ix. Adventure tourism should be encouraged as a new class of young tourists, with marked preference for adventure and distant destinations, in hills, caves and forests, is emerging. This class is not looking for 5-star accommodation but only for simple and clean places to stay. Panchayats and local bodies may be encouraged to meet the requirements of this class of tourists.
- x. Special attraction of tourists for the Yoga, Siddha, etc., as well as for the Indian cuisine should be made use of and effectively encouraged.
- xi. The tourist industry and travel agents should be persuaded to evolve and adopt voluntarily a Code of Ethics and its infringement should be firmly dealt with by Tour and Travel Associations.
- xii. Training of State Police to act as tourist police.
- xiii. Active participation of India at the World Tourism Organisation, World Tourism and Travel Council and Earth Council so as to make use of these international organizations to boost tourism.
- xiv. The civilisational issues as well as issues pertaining to civic administration and good governance must be attended to and made an effective part of the tourism policy.



Chhat Pooja, Patna

2.2 Co-ordination through the National Tourism Advisory Council

- (a) In order to give greater impetus for development and promotion of tourism in the country, the Ministry has recently constituted the 'National Tourism Advisory Council' (NTAC). The composition of the National Tourism Advisory Council is as follows :

Chairperson : Union Minister of State for Tourism (Independent Charge)

Members :

- (i) Representatives of Ministries of Government of India:
  - 1. Finance Secretary
  - 2. Principal Adviser (Tourism), Planning Commission
  - 3. Secretary (Civil Aviation)
  - 4. Secretary, Department of Culture
- (ii) Experts in the field of travel and tourism management, etc.:
  - (a) Mr. Richard Holkar, 368, Defence Colony, New Delhi-110024.
  - (b) Shri Rajeev Sethi, Asian Heritage Foundation, C-52, South Extension Part II, New Delhi-110049.
  - (c) Shri Sanjeev Bhargava, G-18, Maharani Bagh, New Delhi-110065.
  - (d) Shri Ashok Bhatia, 1/28, Shanti Niketan, New Delhi-110021.
  - (e) Ms. Priya Paul, Park Group of Hotels, Apeejay Pvt. Ltd, Pragati Bhawan, Jai Singh Road, New Delhi-110001.
  - (f) Shri P.R.S. Oberoi, Maidens Hotel, 7, Sham Nath Marg, Delhi-110059.
  - (g) Shri Ram Kohli, CMD, Creative Travel Pvt. Ltd., Creative Plaza, Nanakpura, Moti Bagh, New Delhi – 110021.
  - (h) Ms. Bina Kak, D-722, Saumya Marg, Gandhi Nagar, Jaipur, Rajasthan.
  - (i) Shri Valmik Thapar, 19, Kautilya Marg, New Delhi-110021.
  - (j) Shri T. Damu, Vice President, Corporate Affairs (South), Indian Hotels Company Ltd.,

Taj Residency, Marine Drive, Shanmugham Road, Kochi-682011, Kerala.

- (k) Dr. Mohan Thomas, 169, Lily Villa, Sant Andrews Road, Off Turner Road, Opp. Macronells Roof Garden, Bandra West, Mumbai-405050.
- (iii) The Presidents of each of the following Associations :
  - 1. Federation of Indian Chambers of Commerce and Industry (FICCI)
  - 2. PHD Chamber of Commerce & Industry (PHDCCI)
  - 3. Associated Chambers of Commerce and Industry (ASSOCHAM)
  - 4. Confederation of Indian Industry (CII)
  - 5. Travel Agents Association of India (TAAI)
  - 6. Indian Association of Tour Operators (IATO)
  - 7. Federation of Hotel and Restaurant Associations of India (FHRAI)
  - 8. Hotel Association of India (HAI)
- (iv) Member-Secretary : Secretary (Tourism), Government of India
- (b) Co-ordination Mechanism : In order to examine and make recommendations for generating consensus and co-ordination on issues relating to Tourism Industry and Trade, a Group of Ministers has been constituted by the Government with the following composition:
  - Shri Arjun Singh, Minister of Human Resource Development
  - Shri Lalu Prasad, Minister of Railways
  - Shri Ghulam Nabi Azad, Minister of Parliamentary Affairs and Minister of Urban Development.
  - Shri S. Jaipal Reddy, Minister of Information & Broadcasting and Minister of Culture
  - Shri Kamal Nath, Minister of Commerce and Industry
  - Shri Jagdish Tytler, Minister of State (Independent Charge) of the Ministry of Non-Resident Indians Affairs
  - Smt. Renuka Chowdhury, Minister of State (Independent Charge) of the Ministry of Tourism





- Kumari Selja, Minister of State (Independent Charge) of the Ministry of Urban Employment & Poverty Alleviation.
- Shri Praful Patel, Minister of State (Independent Charge) of the Ministry of Civil Aviation

This Council acts as a think tank and advises the Government on various policy matters relating to tourism.

2.3 Approach in the Tenth Plan

The approach in the Tenth Plan is to stimulate investment and encourage the State Governments to develop unique tourism products suited to their genius. The aim is to enhance the employment potential within the tourism sector as well as to foster economic integration through developing linkages with other sectors. The Tenth Plan attempts to: -

- position tourism as a major engine of economic growth;
- harness the direct and multiplier effects of tourism for employment generation, economic development and providing impetus to rural tourism;
- provide a major thrust to domestic tourism which will act as a spring-board for growth and expansion of international tourism;
- position India as a global brand to take advantage of the burgeoning global travel and trade and the vast untapped potential of India as a destination;
- acknowledge the critical role of private sector with government working as an active facilitator and catalyst;
- create and develop integrated tourist circuits based on India’s unique civilisation, heritage and culture in partnership with States, Private Sector and other agencies; and
- ensure that the tourist to India gets “physically invigorated, mentally rejuvenated, culturally enriched, spiritually elevated” and “feels India within him”.

2.4 Strategy in the Tenth Plan

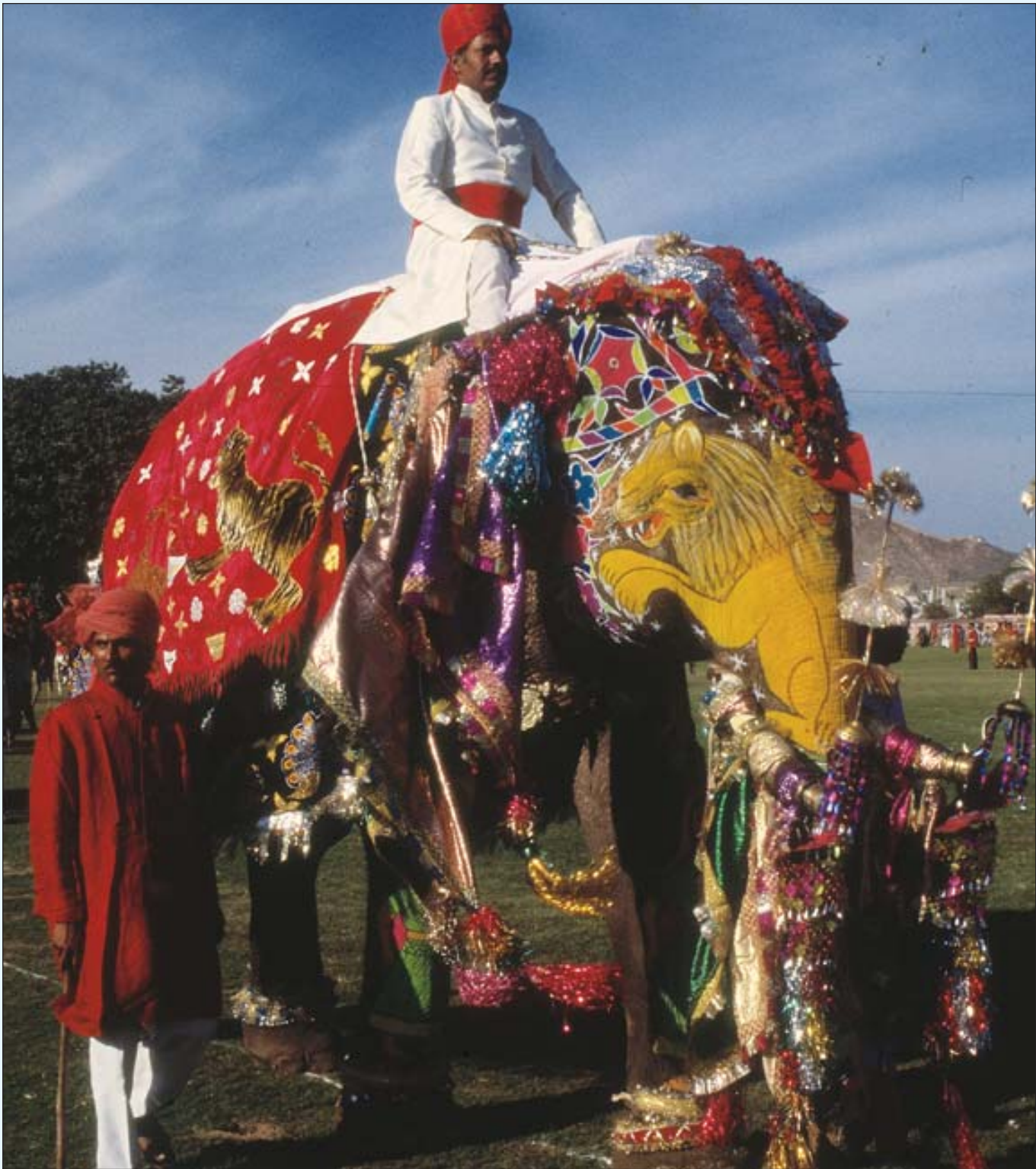
India’s travel and tourism share of total employment at 2.9 per cent is extremely low compared to other nations.

There is great potential for creating an enormous number of new jobs through travel and tourism. The employment potential is the highest in the tourism sector as compared to any other sector. The tourism industry has a very strong linkage to socio-economic progress of the country. It has a very high revenue capital ratio. The cardinal principles for the tourism development strategy adopted in the Tenth Plan are as follows :

- i. Tourism has been recognised as a primary means for achieving high economic growth to deliver the social objective of a superior quality of life.
- ii. Focus has been provided on integrated development of tourism circuits and destination development, based on India’s unique civilization, heritage and culture in partnership with States, private sector and other agencies.
- iii. India’s competitiveness as a tourism product is being built through enhancing the visitor experience across all dimensions – such as facilitation, service excellence, and safety and security so that the tourist to India gets “physically invigorated, mentally rejuvenated, culturally enriched, spiritually elevated” and “feels India within him”.
- iv. Due importance is being given to Domestic Tourism.
- v. In conjunction with its quality positioning, India has been positioned as a value for money destination that delivers a superior visitor experience than its competitors at the same or a lower price. A primary means to achieve this is the reduction of transaction costs.
- vi. Widespread partnerships between development agencies (Governments, PRIs, NGOs) are the key to achieving decentralised tourism development and promotion.
- vii. India is building a more robust tourism market through regional co-operation between tourism destinations, both domestically and internationally.
- viii. Information technology is being made the primary medium for the marketing and distribution of the Indian tourism product.
- ix. The economic impact of tourism is being enhanced through furthering the linkages of tourism across the economy.

- x. The role of Government is to create an enabling environment where private sector investment can

occur, as well as to take a leadership role in product development.



Elephant Festival, Jaipur, Rajasthan





2.5 Allocation for Tenth Plan

The Working Group on Tourism set up by the Planning Commission had assessed a requirement of Rs.5586 crores during the Tenth Plan for development of tourism

infrastructure and promotion of tourism in the country. However, Ministry of Tourism proposed Rs.5500 crores for the Tenth Plan. The Planning Commission has indicated an outlay of Rs.2900 crores. The scheme-wise plan allocation for the Tenth Plan is as follows :

Approved Tenth Plan Outlay (2002-2007) (Rs. in crores)

Sl. No.	Name of the Scheme	Tenth Plan (2002-2007) Budget Estimates
	<b>CENTRAL SECTOR SCHEMES (CS)</b>	
1.0	<b>Ongoing 9<sup>th</sup> Plan Schemes to be continued during 10<sup>th</sup> Plan</b>	
1.1	Buddhist Centres (Externally Aided Projects)	50.00
1.2	IHM & CT	8.50
1.3	Food Craft Institutes	0.40
1.4	Indian Institute of Tourism & Travel Management	1.00
1.5	National Institute of Water Sports	0.10
1.6	Hospitality Programme	1.00
1.7	Overseas Campaigns	17.00
1.8	Marketing Development Assistance	1.00
1.9	Subsidies & Incentives	9.00
1.10	<b>Total Ongoing CS Schemes (1.1 - 1.9)</b>	<b>88.00</b>
2.0	<b>New CS Schemes for 10<sup>th</sup> Plan</b>	
2.1	Integrated Development of Tourist Circuits	885.00
2.2	Assistance to IHMs/FCIs/IITTM/NIWS/NIAS/ NCHMCT	110.00
2.3	Capacity Building for Service providers	24.00
2.4	Restructured Scheme of Overseas Promotion & Publicity including Market Development Assistance	500.00
2.5	Domestic Promotion and Publicity including Hospitality	230.00
2.6	Incentive to Accommodation infrastructure	45.00
2.7	<b>Total New CS Schemes for 10<sup>th</sup> Plan (2.1 – 2.6)</b>	<b>1794.00</b>
2.8	<b>Total- CS schemes (1.10+2.7)</b>	<b>1882.00</b>
II	<b>CENTRALLY SPONSORED SCHEMES (CSS)</b>	
3.0	<b>Ongoing 9<sup>th</sup> Plan Schemes to be continued during 10<sup>th</sup> Plan</b>	
3.1	Adventure & Sports Tourism	2.00
3.2	SEL Shows (Flood-lighting)	2.00
3.3	Development of Tourist Centres/ Areas including Village and Heritage Tourism	8.00
3.4	Refurbishment of Monuments/Heritage Buildings	1.00
3.5	Wayside Amenities	5.50
3.6	Budget Accommodation	6.50
3.7	Equity Scheme	1.00
3.8	Production of Literature and Publicity Materials	3.50
3.9	Domestic campaigns including Fairs & Festivals	4.00
3.10	Computerization and Information Technology	100.00
3.11	Market Research including 20 years perspective plan	20.00
3.12	<b>Total Ongoing CSS Schemes to be continued during the 10<sup>th</sup> Plan (3.1 – 3.11)</b>	<b>153.50</b>
4.0	<b>New CSS Schemes for 10<sup>th</sup> Plan</b>	
4.1	Product/Infrastructure and Destination Development	476.50
4.2	Assistance for Large Revenue Generating Projects	98.00
4.3	<b>Total New CSS Schemes during 10<sup>th</sup> Plan (4.1 – 4.2)</b>	<b>574.50</b>
4.4	<b>Total - CSS Schemes (3.12 + 4.3)</b>	<b>728.00</b>
4.5	<b>Total (2.8 + 4.4)</b>	<b>2610.00</b>
4.6	10% lump sum provision for NE Region and Sikkim	
	Capital	226.00
	Revenue	64.00
4.7	<b>Total North East and Sikkim</b>	<b>290.00</b>
	<b>GRAND TOTAL (4.5 + 4.7)</b>	<b>2900.00</b>

The details of funds allocated and expenditure incurred during the first two years of the Tenth Plan(2002-2007) are given below: -

(Rs. in crores)

Year	B.E.	R.E.	Expenditure
2002-2003	225.00	250.00	252.04
2003-2004	325.00	350.00	357.40

2.6 Allocation for Annual Plan (2004-2005)

The Annual Plan 2004-2005 aims to enhance the employment potential within the tourism sector as well as to foster economic development through developing linkages with other sectors.

The Ministry of Tourism proposed an outlay of Rs.1601.00 crores for the Annual Plan 2004-2005. The Planning Commission approved an outlay of Rs.500 crores. The approved scheme-wise plan allocation for the Annual Plan 2004-2005 is as follows:

Approved Annual Plan Outlay (2004-2005) (Rs. in crores)

S. No	Name of the Scheme	Approved B.E 2004-2005
<b>I</b>	<b>CENTRAL SECTOR SCHEMES (CS)</b>	
1.1	Externally Aided Projects	7.50
	UNDP Endogenous Projects	2.50
1.2	Assistance to IHMs/FCIs/IITTM/NIWS/NIAS/NCHMCT	25.00
1.3	Capacity Building for Service Providers	3.00
1.4	Overseas Promotion and Publicity including Market Development Assistance	90.00
1.5	Domestic Promotion and Publicity including Hospitality	14.00
1.6	Incentive to Accommodation Infrastructure	10.00
1.7	Construction of Building for IISM at Gulmarg Kashmir (J & K Package)	6.00
1.8	<b>Total - C S Schemes (1.1-1.7)</b>	<b>158.00</b>
<b>II</b>	<b>CENTRALLY SPONSORED SCHEMES (CSS)</b>	
2.1	Computerization & Information Technology	17.00
2.2	Market Research including 20 years perspective plan	3.00
2.3	Integrated Development of Tourist Circuits	85.00
2.4	Product/Infrastructure and Destination Development	140.00
2.5	Assistance for Large Revenue Generating Projects	18.00
2.6	Revival of Tourism in Jammu & Kashmir (J&K Package)	9.00
2.7	<b>Tourism Infrastructure Development Fund</b>	<b>20.00</b>
2.8	<b>Total-CSS Schemes (2.1-2.7)</b>	<b>292.00</b>
2.9	<b>Total-CS &amp; CSS Schemes (1.8 + 2.8)</b>	<b>450.00</b>
<b>III</b>	<b>10% Lump sum provision for NE Region including Sikkim</b>	
	Capital	35.00
	Revenue	15.00
3.1	<b>Total-North East Region &amp; Sikkim</b>	<b>50.00</b>
3.2	<b>Grand Total (2.9+3.1)</b>	<b>500.00</b>



## 2.7 New Initiatives in the Year 2004-2005

- i. **Expediting projects sanctioned in the last ten years by setting up of a monitoring mechanism:** The Ministry of Tourism, under the scheme of providing Central Financial Assistance to the State Government, has been sanctioning tourism related projects for the State/UT Governments. In the Eighth and the Ninth Plans, 2,526 projects were sanctioned. These were supposed to be completed within 30 months of the date of sanction. The delay in implementation of the projects by the State Governments led to slow progress in these works. As a result, some of the projects sanctioned during the Eighth Plan are still incomplete.

In order to expedite these works, a monitoring mechanism has been set up. The first step was a review of all these works in the States at the level of Secretary (Tourism), Director General (Tourism) and Joint Secretary (Tourism), followed by inspection of these works. Such reviews are now being held every quarter. Some of the procedural constraints delaying implementation of these works have been removed by streamlining guidelines of implementation, 'C' and 'P' forms and enhancing the release pattern of funds as 80% in 1st instalment.

- ii. **Change in strategy with respect of assistance to State Governments:** In the Eighth and Ninth Plans, a large number of small projects were sanctioned which resulted in the resources being spread very thinly and at the same time rendering, monitoring extremely difficult. The old schemes for providing assistance to the State Governments have now been revamped and all the schemes have been merged into two following major schemes :
  - (1) Integrated Development of Tourism Circuits and
  - (2) Product / Infrastructure and Destination Development. As a result, projects are now sanctioned in a focused manner which creates better impact. Earlier, there was supposed to be a contribution from the State Governments for these projects. It was found that there was substantial delay by the State Governments in release of their share and at times it was

never released. Therefore, under the new schemes the identified projects are fully funded by the Government of India and the role of the State Government would be to provide land, external infrastructure, maintenance of the assets created, etc.

In order to ensure timely implementation and also co-ordination between various Departments involved in the projects sanctioned under the schemes for Circuit Development, Destination Development and Rural Tourism, the Ministry of Tourism has requested all the State Governments/UT Administrations to constitute State level Monitoring Committees under the chairmanship of Secretary (Tourism) including the DC of the districts concerned, representatives of the implementing agencies such as CPWD, HUDCO, ASI, Indiatourism, local authorities, etc.

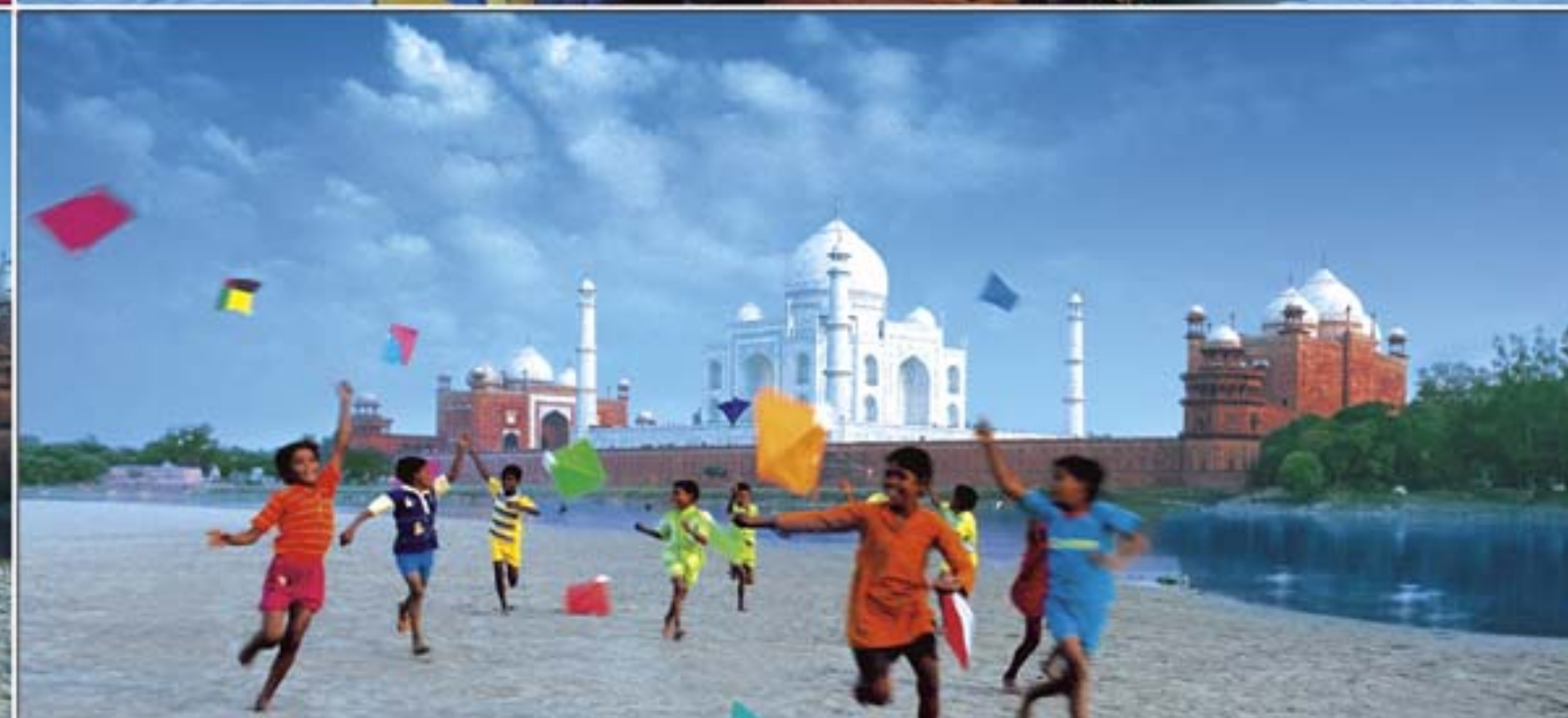
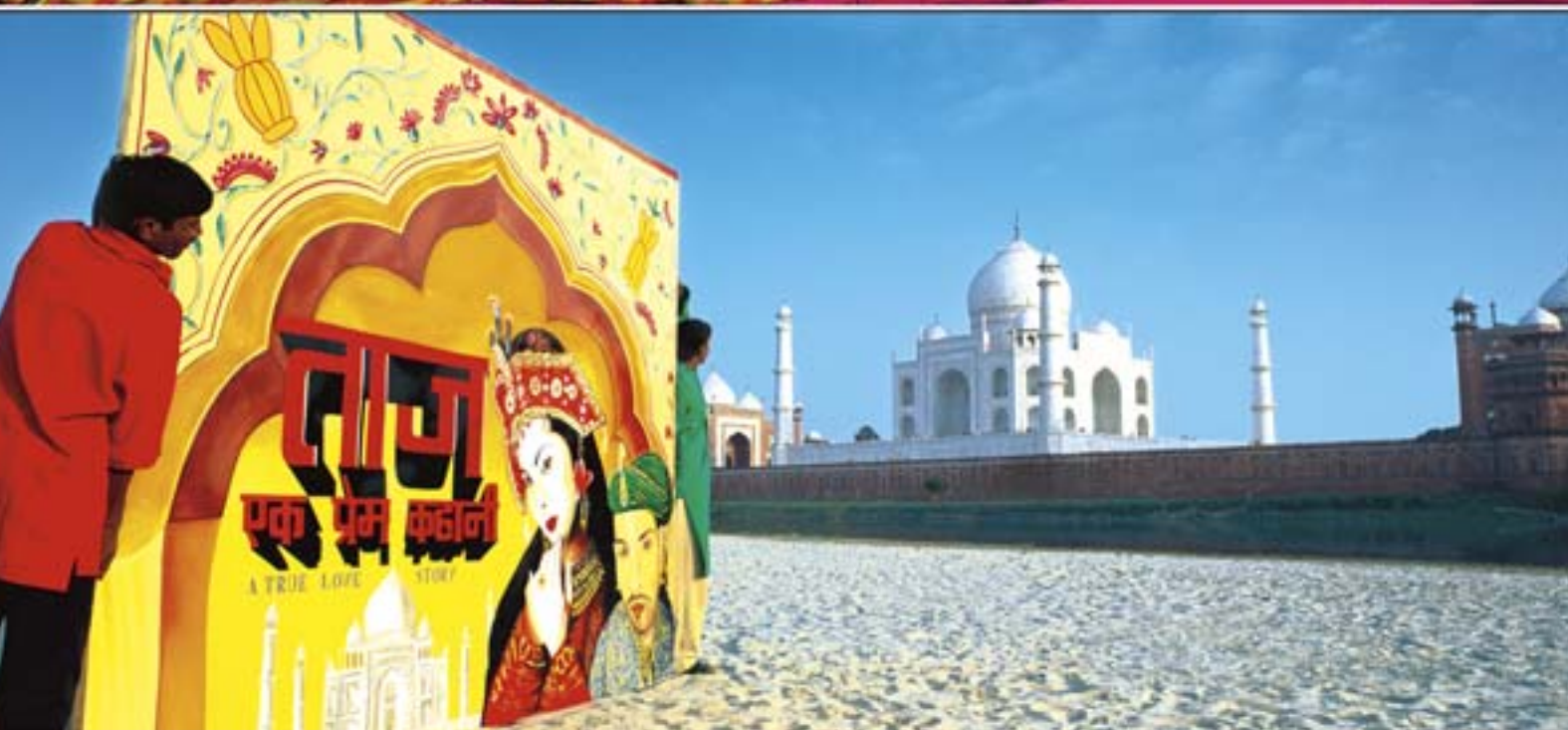


*Jog Falls*



*Dussehra festivities at Kullu, Himachal Pradesh*







### 3. INFRASTRUCTURE AND PRODUCT DEVELOPMENT

#### 3.1 Schemes for development of tourist infrastructure in the Tenth Plan

During Eighth and Ninth Plans, Ministry of Tourism, Government of India sanctioned a large number of small isolated projects spread through out the length and breadth of the country resulting in resources being spread very thinly. Central Financial Assistance was thus not able to create major impact on the tourism of the country. In order to create quick and substantial impact on tourism, the Ministry of Tourism in consultation with the Planning Commission has done Zero based budgeting exercise and formulated following restructured /new schemes:

##### 1. Integrated Development of Tourist Circuits :

The objective of this scheme is to provide all infrastructure facilities required by the tourists within the identified circuits. Development works are accordingly sanctioned in tourists circuits identified in consultation with the State Governments/ UT Administrations.

**Funding Pattern :** All activities agreed to by the Ministry of Tourism are funded on 100% basis i.e. 100% of the capital cost except for Refurbishment of Monuments where it would be 66:33 i.e. CFA of

66% would be borne by the Ministry of Tourism, Government of India subject to the ceiling of Rs.8.00 crores. However, the State/UT Governments will be fully responsible for the following components of the project :

- (i) Making the land available for development.
- (ii) Implementation of rehabilitation package, where shifting of dwelling or commercial units are required. However, the Government of India would provide assistance for construction of tourist reception centres including shopping complexes to house the displaced shops.
- (iii) Maintenance and management of the assets created.
- (iv) Any other item decided by the High Power Committee.
- (v) External infrastructure like Water supply, Electricity and Roads.

**Permissible Activities :** The following works are taken up under the scheme:

- i. Improvement of the surroundings of the destination. This would include activities like

landscaping, development of parks, fencing, compound wall, etc.

- ii. Illumination of the tourist destination and the area around SEL shows, etc.
- iii. Providing for improvement in solid waste management and sewerage management.
- iv. Construction of budget accommodation, wayside amenities.
- v. Procurement of equipment directly related to tourism, like water sports, adventure sports, eco-friendly modes of transport for moving within the tourism zone.
- vi. Construction of public buildings which are required to be displaced because of implementation of the Master Plan.
- vii. Refurbishment of the monuments.
- viii. Signages
- ix. Tourist Arrival Centres/Reception Centres/ Interpretation Centres.
- x. Other works/activities directly related to tourism.

**Development works have been sanctioned in the following Tourist Circuits during the year 2004-2005:**

- 1. Kurnool Circuit, Andhra Pradesh
- 2. Khammam Circuit, Andhra Pradesh
- 3. Eco-tourism Circuit, Chhattisgarh
- 4. Belur-Halebid/Sravanbelagola Circuit, Karnataka
- 5. Northern Karnataka Circuit, Karnataka
- 6. Malabar Circuit, Kerala
- 7. High Range Tourism Circuit, Kerala
- 8. Konkan Riviera Circuit-Part-II, Maharashtra
- 9. Integrated Development of Tourist Circuit, Shimla, Himachal Pradesh
- 10. Development of Kangra Circuit, Himachal Pradesh
- 11. Integrated Development of Buddhist Circuit, Orissa
- 12. Development of Dayara Bugyal Circuit, Uttarakhand
- 13. Development of NE Travel Circuit, Assam
- 14. Development of Travel Circuit, Meghalaya
- 15. Circuit Development, Mizoram
- 16. Development of Travel Circuits at 6 places of Nagaland

- 17. Development of Tourist Circuit in East Sikkim
- 18. Development Tourist Circuit in West Sikkim
- 19. Development of Buddhist Circuit at Tashiding, West Sikkim
- 20. Integrated Development of Tourist Circuit of Srinagar (Jammu & Kashmir)

##### 2. Assistance for Product/Infrastructure and Destination Development:

The focus under this scheme is to improve existing products and developing new tourism products to world-class standards in identified destinations. Selection of destinations for development is made based on their tourism potential in consultation with the concerned State Governments/UT Administrations. Master planning of these destinations is also undertaken so as to develop them in an integrated holistic manner.

**Funding Pattern :** All activities are funded on a 100:0 basis i.e. 100% of the cost(except refurbishment of monuments which would be funded on 66:33 basis,i.e.66% CFA). would be borne by the Ministry of Tourism. However, the State/UT Governments are fully responsible for the following components of the project:



Lama Dancers, Sikkim



Pooram Festival, Trissur, Kerala





- i. Making the land available for development.
- ii. Implementation of rehabilitation package, if necessary. However, the Government of India would provide assistance for construction of Tourist Reception Centres including shopping complexes to house the displaced shops.
- iii. Maintenance and management of the assets created.
- iv. Any other item decided by the High Power Committee.
- v. External infrastructure like Water Supply, Electricity and Roads.

**Permissible Activities :** The following works may be taken up under the Scheme :

- i. Improvement of the surroundings of the destination. This would include activities like landscaping, development of parks, fencing, compound wall, etc.
- ii. Illumination of the tourist destination and the area around SEL Shows, etc.
- iii. Providing for improvement in solid waste management and sewerage management.
- iv. Construction of Budget Accommodation, Wayside Amenities.
- v. Procurement of equipment directly related to tourism, like Water Sports, Adventure Sports, Eco-friendly modes of transport for moving

within the Tourism Zone.

- vi. Construction of public buildings, which are required to be demolished because of implementation of the Master Plan.
- vii. Refurbishment of the Monuments (66.33 basis, i.e. CFA of 66%)
- viii. Signages.
- ix. Tourist Arrival Centres/Reception Centres/ Interpretation Centres
- x. Other works / activities directly related to tourism.

**Rural Tourism**

Tourism growth potential can be harnessed as a strategy for Rural Development. The development of a strong platform around the concept of Rural Tourism is definitely useful for a country like India, where almost 74% of the population resides in its 7 million villages. Across the world, the trends of industrialisation and development have had an urban centric approach. Alongside, the stresses of urban lifestyles have led to a “counter-urbanization “ syndrome. This has led to growing interest in the rural areas. At the same time, this trend of urbanisation has led to falling income levels, lesser job opportunities in the rural areas leading to an urbanisation syndrome in the rural areas. Rural Tourism is one of the few activities, which can provide a solution to these problems. Besides, there are other factors, which are shifting the trend towards rural tourism like increasing levels of awareness, growing interest in heritage and culture and

improved accessibility, and environmental consciousness. In the developed countries, this has resulted in a new style of tourism of visiting village settings to experience and live a relaxed and healthy lifestyle. This concept has taken the shape of a formal kind of Rural Tourism. Ministry of Tourism gives financial assistance to the State Governments for the Rural Tourism Projects.

Under this Scheme, thrust is to promote rural tourism as the primary tourism product to spread tourism and its socio-economic benefits to rural and its new geographic regions. Key rural areas are being identified for development and promotion of Rural Tourism. The implementation is done through a Convergence Committee headed by the District Collector. Activities like improving the environment, hygiene, infrastructure, etc. are eligible for assistance. Apart from providing financial assistance, the focus would be to tap the resources available under different schemes of Department of Rural Development, State Governments and other concerned Departments of the Government of India.

**Assistance under the Scheme :** A maximum of Rs.50.00 lakhs is sanctioned under this scheme.

**Permissible Activities :** The following works are taken up under the Scheme :

- i. Improvement of the surroundings of the village. This would include activities like landscaping, development of parks, fencing, compound wall, etc.
- ii. Improvements of roads within the Panchayat limits. This shall not include any major road, which connects the village.
- iii. Illumination in the village
- vi. Providing for improvement in solid waste management and sewerage management
- v. Construction of Wayside Amenities
- vi. Procurement of equipments directly related to tourism, like Water Sports, Adventure Sports, Eco-friendly modes of transport for moving within the tourism zone.
- vii. Refurbishment of the Monuments (66:33 basic, i.e. CFA of 66%)
- viii. Signages
- ix. Reception Centres
- x. Other work/ activities directly related to tourism
- xi. Tourist Accommodation

**Major Destination Development Projects sanctioned during 2004-2005 :**

- 1. Bhawani Island, Andhra Pradesh
- 2. Bhadrachalam, Andhra Pradesh
- 3. Development of Sirpur, Chhattisgarh
- 4. Development of Chitradurga Fort, Karnataka
- 5. Expansion of Eco-tourism Activity, Feasibility Report, Karnataka
- 6. Development of Chikmagalur Wilderness Tourism, Karnataka
- 7. Art and Craft Village Vizhinjam, Kerala
- 8. Bandipur Tiger Reserve, Karnataka
- 9. Introduction of cruise Bhopal, Madhya Pradesh
- 10. Destination Development Amarkantak, Madhya Pradesh
- 11. Development of Omkareshwar, Madhya Pradesh
- 12. Development of Maheshwar, Madhya Pradesh
- 13. Development of Mahabaleshwar, Maharashtra
- 14. TRC, Mumbai, Maharashtra
- 15. Development of Malshej Ghat, Maharashtra
- 16. Development of Sun Temple, Modhera, Gujarat
- 17. Development of New Beach, Pondicherry



A temple at Somnathpur, Karnataka



Goa Carnival



Bihu Dancer, Assam





Mahabodhi Temple at Bodhgaya, Bihar

- 18. Signages at Mamallapuram, Tamil Nadu
- 19. Eco-tourism at Point Calimere, Tamil Nadu
- 20. Yercaud Hill Resort, Tamil Nadu
- 21. Construction of new High School Building, Bodhgaya, Bihar
- 22. Eco-tourism Development at Bhimbandh, Bihar
- 23. Development of Tourist Resort, Maner, Bihar
- 24. Development of Valmikinagar Champaran, Bihar
- 25. Construction of Tourist Complex at Maner Sharif, Bihar
- 26. Development of Vishnu Vihar, Gaya, Bihar
- 27. Development of Chandigarh
- 28. Development of Dilli Haat at Pitampura, New Delhi
- 29. Construction of Multipurpose Hall, Ambala, Haryana
- 30. Development of Surajkund, Haryana
- 31. Beautification of Badkhal lake, Haryana
- 32. Preservation and Restoration of Old Monuments, Pinjore, Haryana

- 33. Development of Sirmour, Himachal Pradesh
- 34. Restoration & Revitalisation of Heritage Hotel Castle, Nagar, Chail, Himachal Pradesh
- 35. Integrated Development of Massanjore, Jharkhand
- 36. Development of Peace Park and Amphitheater at Dhauli, Orissa
- 37. Tourist Reception Centre at Patiala, Punjab
- 38. Development / Refurbishment of Mughal Sarai at Shambu, Punjab
- 39. Development of Mohali, Kartarpur, Sirhind and Kapurthala, Punjab
- 40. Development of Pithoragarh-Munsiyari-Berinag, Uttarakhand
- 41. Development of Pauri-Khirshu, Lansdowne, Uttarakhand
- 42. Development of Mashumbari Devi Temple, etc., Uttar Pradesh
- 43. Renovation of Radha Kund and Shyam Kund, Uttar Pradesh
- 44. Setting up of Modern Reception Centre at Gorakhpur, Uttar Pradesh
- 45. Extension and Development of Assi Ghat, Varanasi, Uttar Pradesh
- 46. Flood-lighting of Mahatma Gandhi Statue, Lucknow, Uttar Pradesh
- 47. Renovation / Beautification of Kusum Sarovar, Uttar Pradesh
- 48. Development of Rangbhadra, West Bengal



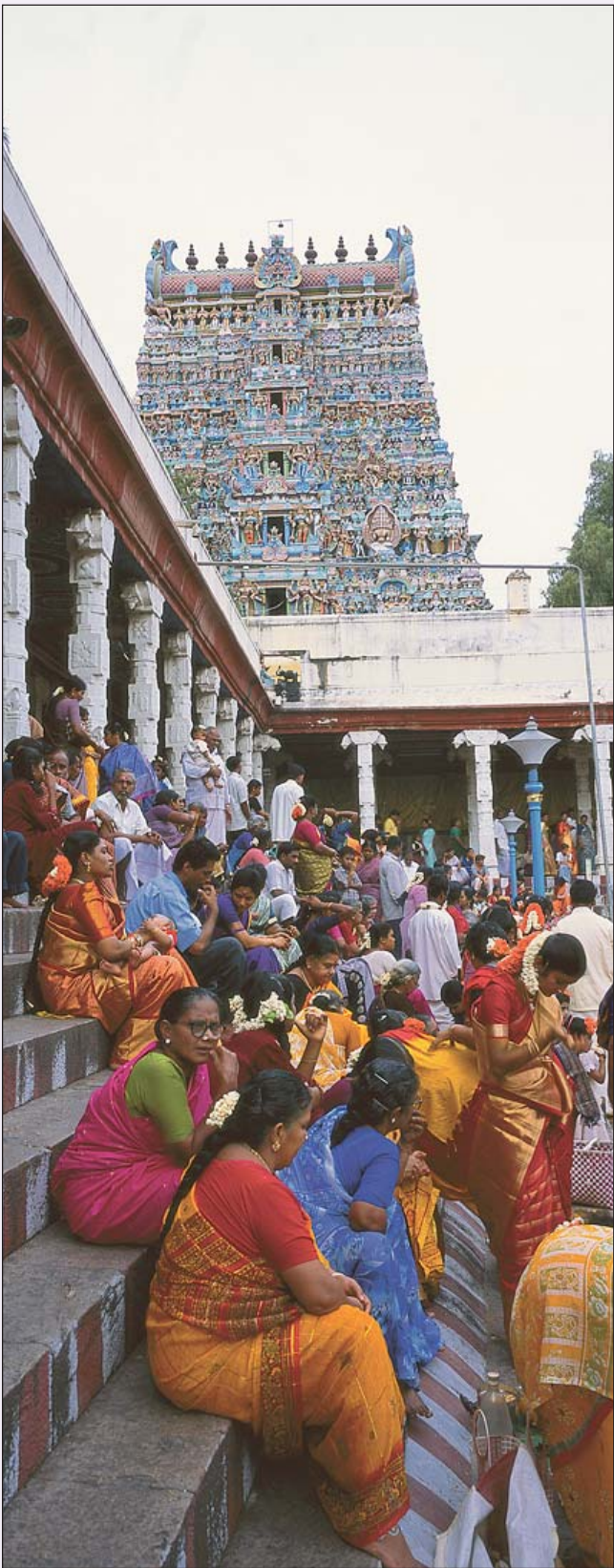
Ruins at Nalanda, Bihar

- 49. Extension and Beautification of Rohini Lake, Kurseong, West Bengal
- 50. Development of Along, West Siang, Arunachal Pradesh
- 51. Destination Development of Zeminthang, Arunachal Pradesh
- 52. Construction of wayside amenities on the banks of Subansiri, Arunachal Pradesh
- 53. Renovation of buildings into eco tourist huts, Arunachal Pradesh
- 54. Infrastructure Development of Ganga Lake Project, Arunachal Pradesh
- 55. Infrastructure Development of Ganga Lake Project-II, Arunachal Pradesh
- 56. Tourist Arrival-cum-Reception Centre, Guwahati, Assam
- 57. Destination Development of Barapani, Meghalaya
- 58. Destination Development, Mizoram
- 59. Procurement of watersports equipments, Rangdil Lake, Mizoram
- 60. Eco-tourism-cum-Convention Centre Piphema, Nagaland
- 61. Destination Development of Pftusero, Nagaland
- 62. Rural Tourism Project, Nagaland
- 63. Renovation and construction of tourist lodges around Kohima and Dimapur, Nagaland
- 64. Motorola repeater station CDR 700, Sikkim

**Rural Tourism Projects sanctioned during 2004-2005**

In order to provide employment opportunities and to increase income level in the rural areas, the Ministry of Tourism has introduced a concept of Rural Tourism under the scheme of Product/Infrastructure and Destination Development. The following Rural Tourism Projects have been sanctioned during 2004-2005 :

- 1. Puttaparthi (Andhra Pradesh)
- 2. Srikalahasti (Andhra Pradesh)
- 3. Chinchinada (Andhra Pradesh)
- 4. Dehing-Patkai Kshetra (Assam)
- 5. Balarampur (Kerala)
- 6. Pranpur (Madhya Pradesh)
- 7. Pipli (Orissa)
- 8. Raghurajpur (Orissa)
- 9. Lachen (Sikkim)
- 10. Sonada (West Bengal)



Wedding celebrations at Meenakshi Temple, Madurai, Tamilnadu



3. Assistance for Large Revenue Generating Projects:

One of the highlights of the new tourism policy is the active public sector and private sector partnership. The old scheme of equity participation has been modified wherein support in the form of grant to act as a catalyst is provided to large revenue generating projects through the Tourism Finance Corporation, State Industrial Development Corporation, Industrial Development Bank of India and the State Financial Corporations. This assistance, in turn, can be utilised by these Corporations as equity in projects to be promoted by them or private sector projects. Projects like Tourist trains, Cruise vessels, Cruise terminals, Convention centres, Golf courses, etc would qualify for assistance. Assistance for Feasibility Study would be provided by the Ministry of Tourism, Government of India on case to case basis amounting to 50% of the feasibility study cost, subject to a maximum limit of 15.00 lakhs per project. The following projects are not permissible :

- a. Procurement of vehicles
- b. Hotels, Restaurants, sports facilities like Stadium
- c. Projects which are not used by tourists

Large Revenue Generating Projects sanctioned during 2004-2005 :

- 1. Southern Splendour Train (Feasibility Report), Andhra Pradesh
- 2. Coorg Golf Links at Virajpet, Karnataka
- 3. Sea Cruise between Visakhapatnam Port - Chennai

4. Capacity Building in the Unorganized Sector:

The Institutes of Hotel Management, Food Craft Institutes in the country and Indian Institute of Tourism & Travel Management, Gwalior cater mainly to the needs of approved and organized sector in the Hospitality Industry. Recently, a need was felt for imparting training to the persons, who are engaged in the unorganized sectors and do come in contact with a major segment of the tourists. These people work in small hotels, roadside eating joints, dhabas, ticketing and travel agencies, police personnel and some other categories.

Keeping the needs of such persons in view, a new scheme “Capacity Building for Service Providers” (CBSP) has been launched in the Tenth Plan. Under this scheme, the Institutes of Hotel Management, Food Craft Institutes, Indian Institute of Tourism & Travel Management, Gwalior are imparting

training to the persons in the unorganized sectors. Some of the areas to which these persons have been exposed are cooking techniques, basic nutrition values, etiquettes, nutrition preservation, basic tourism awareness, communication skills, behavioural skills, First Aid and also Energy Conservation. The duration of these short-term courses ranges from 1 to 5 days. For providing these training modules, the institutions some times made use of there own infrastructure and at times such training are provided at the site. Funds are provided to the implementing agencies by the Ministry of Tourism. Under the Tenth Plan, a provision of Rs.24.00 crores has been made for the “Capacity Building for Service Providers” (CBSP) scheme.

3.2 Revival of Tourism in Jammu & Kashmir

On account of its wide and varied products, Jammu & Kashmir has been a major driver in the growth of India Tourism. Terrorist activities in the valley and the consequential travel advisories have had an adverse impact on traffic flows to the region. The tourist arrivals in Jammu & Kashmir (domestic and foreign) increased from 29 lakhs in 1989 to 54 lakhs in 2000. There was, however, a decline to 52 lakhs in 2001 and a further decline to 45 lakhs in 2002. The worst affected has been the Kashmir Valley where traffic figures have dropped sharply from 5.57 lakhs in 1989 to a mere 27,000 in 2002.

In the recent past, both Jammu Region (on account of Vaishno Devi) and Leh and Ladakh have seen a sustained growth in traffic flows. The Valley has seen a spurt in traffic inflows from January 2003 onwards. There is, therefore, a need to provide a quick fillip to service providers and infrastructure to meet the increased demand of tourists. In order to provide relief to the beleaguered Tourism Industry in the Kashmir Valley, the following package has been introduced in the current year.

Following the announcement made by Hon'ble Prime Minister during his visit to Srinagar on 19 April, 2003 for a comprehensive plan to create employment and self-employment, the Ministry of Tourism had extended a package for financial assistance and subsidy to the service providers viz House Boat Owners, Hotels and Guest Houses, Shikara Owners and Ponywalas. Rs.23.65 crores has been made available in Tenth Plan for this purpose. An amount of Rs.7.00 crores was sanctioned and released to the Government of Jammu & Kashmir during the year 2003-2004. During 2004-2005, Rs.9.00 crores earmarked under

this scheme has been released to the Jammu & Kashmir Government for implementation of the package during the current financial year.

i. Package for Houseboat Owners

Soft loans to be provided to them by the banks on interest @ 4%. The subsidy (difference between Prime Lending Rate and 4%) to be provided by the Ministry of Tourism. Maximum loan amount eligible for interest subsidy will range between Rs.1 lakh and Rs. 3 lakhs depending on the category. Houseboats in the categories of Deluxe, A-Class, B-Class, C-Class and D-Class registered with the Tourism Department of Jammu & Kashmir Government prior to 1.1.2003 would be eligible for benefits under this scheme. There are 1089 registered houseboats in the Valley.

ii. Package for Hotels and Guest Houses

Soft loans shall be provided to Hotel and Guest House owners by the banks on loans @ 4% interest. The subsidy (difference between Prime Lending Rates and 4%) to be provided by the Ministry of Tourism. This benefit would be available at the rate of Rs.50.000/- (loan amount) per room for up to 50% of the capacity of the hotels/guest houses. All registered hotels/guest houses in the categories of A, B, C and D as per State Government certification norms except 5 Star Hotels would be eligible. There are 426 hotels with 15,000 beds in the Kashmir Valley.

iii. Package for Shikara Owners

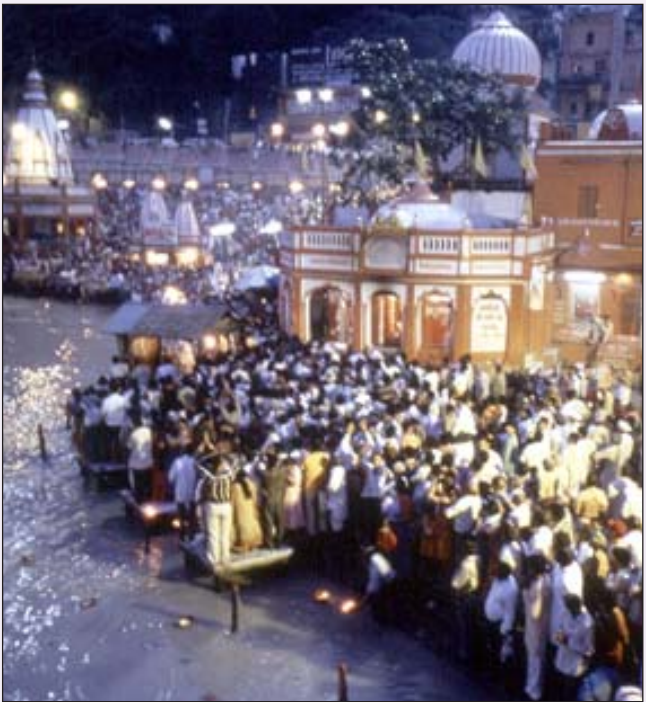
All registered Shikara owners as on 1.1.2003 to be eligible for capital grant of Rs.20.000 for repairs and upgradation of their Shikaras. There are 2,500 such Shikaras in the Valley. The amount of capital grant to be provided by the Ministry of Tourism, Government of India.

iv. Package for Ponywalas

Capital grant of 25% subject to a sealing of Rs.10,000 to be provided to registered Ponywalas as on 1.1.2003 in the Kashmir Valley. Besides, soft loans up to Rs.30,000 to be provided by participating banks to such Ponywalas on interest rate of 4%. The subsidy (difference between Prime Lending Rate and 4%) shall be provided by the Ministry of Tourism, Government of India. There are 5,276 such Ponywalas in Kashmir Valley.

3.3 UNDP Project for Development of Endogenous Tourism :

UNDP has agreed to provide US\$ 2.5 million to the Ministry of Tourism for implementation of Endogenous Tourism initiative. The project seeks to promote local culture and craft based eco-tourism for sustainable livelihoods and integrated rural development during the Tenth Five Year Plan. This new project seeks to facilitate capacity building, thereby enabling low-income village communities create and articulate their skills from within. Targeted at both the domestic and international visitors, this alternative model supports the rural tourism initiatives of the National Tourism Policy 2002. It runs alongside conventional tourism models with the rural poor being the target beneficiaries. During the year 2004-2005, 31 rural sites have been identified for development under this scheme. The hardware components of this project have been sanctioned by the Ministry of Tourism under the scheme of rural tourism. The software components of this project will be sanctioned from the funds placed by UNDP for Endogenous Tourism. The District Magistrates have been made the nodal officers for implementation of this project. The following GOI-UNDP Endogenous Rural Tourism Projects have been identified during 2004-2005 :



Har-ki-Pauri, Haridwar, Uttaranchal





No	Site	District	State
1.	Pochampalli	Nalgonda	Andhra Pradesh
2.	Hodka	Kachchh	Gujarat
3.	Sulibhanjan-Khultabad	Aurangabad	Maharashtra
4.	Aranmula	Pathanamthitta	Kerala
5.	Karaikudi	Sivaganga	Tamil Nadu
6.	Banavasi	Uttar Kannada	Karnataka
7.	Chitrakote	Bastar	Chhattisgarh
8.	Pranpur	Ashok Nagar	Madhya Pradesh
9.	Nepura	Nalanda	Bihar
10.	Raghurajpur	Puri	Orissa
11.	Kazhugumalai	Thoothukudi	Tamil Nadu
12.	Kumbalanghi	Ernakulam	Kerala
13.	Naggar	Kullu	Himachal Pradesh
14.	Lachen	North District	Sikkim
15.	Sualkuchi	Kamrup	Assam
16.	Haldighati	Rajsamand	Rajasthan
17.	Jageshwar	Almora	Uttaranchal
18.	Mana	Chamoli	Uttaranchal
19.	Srikalahasti	Chittoor	Andhra Pradesh
20.	Durgapur	Golaghat	Assam
21.	Nagarnar	Bastar	Chhattisgarh
22.	Jyotisar	Kurukshetra	Haryana
23.	Chaugan	Mandla	Madhya Pradesh
24.	Pipli	Puri	Orissa
25.	Rajasansi	Amritsar	Punjab
26.	Neemrana	Alwar	Rajasthan
27.	Samode	Jaipur	Rajasthan
28.	Kamlasagar	West Tripura	Tripura
29.	Bhaguwala	Saharanpur	Uttar Pradesh
30.	Ballabhpur	Birbhum	West Bengal
31.	Mukutmanipur	Bankura	West Bengal

3.4 Cruise Tourism

International Tourism trends indicate that sea travel is becoming increasingly popular and there is an enormous potential for its growth and expansion in India. Four major ports – Mumbai; Marmagao; New Mangalore/Kochi and Tuticorin – have been identified for this purpose.

The Ministry of Tourism had hired a booth in the sea-trade shipping cruise convention held at Miami in March 2004 and in Dubai in December 2004. Ministry of Shipping along with the Travel Trade from India participated under one umbrella at the India booth.

To promote cruise tourism in India, Ministry of Tourism participated in the following meetings:

1. Meeting held under the Chairmanship of Secretary (Shipping) at New Delhi on 25.03.2004.
2. Meeting of the Centralised Marketing Apparatus for Promoting Cruise Tourism in India was held at Mumbai on 07.07.2004.

With a view to catalyze the growth and development of cruise shipping a “High Power Steering Group” was constituted and has been set up under the Chairmanship of Union Minister of Shipping, Road Transport & Highways

and Minister of State for Tourism (IC). This High Power Steering Group will coordinate with all Ministries/Department of Government of India as well as State Governments and steer/guide the discussions with a view to formulate a cruise shipping policy for the country before the close of financial year 2004-2005. The “High Power Steering Group”held its first meeting on December 14, 2004 wherein the draft Concept and Policy Paper for Cruise Shipping in India was discussed at length.

3.5 Eco-tourism

Ministry of Tourism, Government of India formulated a National Eco-tourism Policy and Guidelines and Action Plan for implementation of National Eco-tourism Policy, which was circulated to all States and Tourism Trade. Greater emphasis has been laid down on promotion of Eco-tourism in National Tourism Policy-2002. The Government has also set up a National Committee on Eco-tourism and Mountains to work out details for managing the fragile eco-system and to consider projects/programmes for development of eco-tourism in the country. Projects are eligible for assistance under the scheme of Integrated Development of Tourism Circuits and Product Infrastructure and Destination Development.

An amount of Rs.494.00 lakhs has been sanctioned for setting up of Indian Himalayan Centre for Adventure and Eco-tourism at Chemchey in South Sikkim out of which an amount of Rs.148.00 lakhs was released to the Government of Sikkim.



Cheraw Bamboo Dance, Mizoram

Ministry of Tourism to promote Eco-tourism has participated in the following symposiums/seminars:

1. The Asian Wetland Symposium 2005 - innovative approaches to sustainable livelihood, held between 6-9 February, 2005, in Bhubaneswar and Chilika, Orissa.
2. PRITHVI 2005, a global meet on eco-friendly products, technologies and initiatives will be held from 19 to 28 February, 2005 at Thiruvananthapuram.

3.6 Health Tourism

India is famous for its traditional and natural medicine. Indian system of medicine and nature cure has been adopted all over the world. The Health Care Sector in India has many strengths to offer the world. It is emerging as one of the countries offering cost effective world-class medical facilities and has already started attracting patients from all over the world. It is known to promote positive health, natural beauty and long life. Ayurveda, Yoga, Panchkarma, Rejuvenation, etc. are some of the traditional Health Care System.

Ministry of Health & Family Welfare has set up a Task Force with a view to promoting India as a health destination for persons across the world. Joint Secretary (Tourism) is a member of the Task Force.

The Minister of State for Tourism (Independent Charge) had chaired the meeting on Health Tourism on 4 August, 2004. The officials from Ministry of Health & Family Welfare, Planning Commission, CII and the experts from the medical field participated in the meeting. It was decided in the meeting to have separate Sub-committees on Accreditation, Price branding Insurance and HRD, which would submit their report at the earliest.

A meeting was also held between Minister of State for Tourism (IC) and Minister of Health & Family Welfare on 5 November, 2004. It has been decided that there would be an apex committee to be jointly chaired by Minister of Health & Family Welfare and Minister of State for Tourism (IC). The marketing of hospitals so approved by the Ministry of Health & Family Welfare with the defined price range would be initiated by Ministry of Tourism.









4. DEVELOPMENT AND REGULATION OF TOURISM INDUSTRY

4.1 The endeavour of the Government is to achieve sustained growth of tourist facilities in the private sector and to ensure high standards of quality in their services. The Central and State Government have made several incentives available. The incentives being made available by the Central Government include:

- a) i. **Interest Subsidy Scheme:** Interest subsidy of 3% on loan taken from approved financial institutions like TFCI, IFCI, State Finance and Industrial Corporation, ICICI, IDBI, SIDBI are available to 1 to 3 star categories of hotel projects outside the metropolitan cites of Mumbai, Kolkata, Delhi and Chennai. A subsidy of 5% is available to such hotel projects if they are located in the Travel Circuits and Destinations identified for intensive development as per National Action Plan for Tourism. Heritage hotel projects are eligible for the higher rate subsidy of 5%. Though this scheme has been discontinued w.e.f. 1.04.2002, interest subsidy is still being given to projects approved prior to the date. 104 cases of interest subsidy claims were processed during 2004-2005 (up to December 2004). An amount of Rs.6.47 crores has been utilized up to December 2004.
- ii. **Incentive to Accommodation Infrastructure:** In order to encourage growth of budget hotel accommodation, this scheme has been introduced vide Notification NO.14.TH.II(3)/83 dated 22.08.2003. The instant scheme includes provision of incentives to new approved hotel projects in 1 to 3 star and heritage basic category (Heritage Hotel) in the country except the four metropolitan cities of Delhi, Mumbai, Kolkata and Chennai. The scheme was reviewed after the first phase and a revised Notification was issued vide No.14.TH.II(3) 2000 dated 30 September, 2004. The salient features of the scheme are:
  - 1. The Scheme is effective for the whole 10th Five Year Plan i.e. from 1 April, 2002 to 31 March, 2007.

- 2. The Scheme applies to all hotels in 1 to 3 star and heritage basic categories where the hotel projects have been completed and classified during the Tenth Plan period.
- 3. The incentive is in the form of capital grant of 10% of the total principal loan taken from designated financial institutions or up to Rs.25.00 lakhs to one star hotels, Rs.50.00 lakhs to two star hotels and Rs.75.00 lakhs to three star hotels and the heritage basic category projects, wherever is less.
- 4. The amount of incentive is released to the designated financial institutions i.e. Tourism Finance Corporation of India, Industrial Finance Corporation of India, ICICI, IDBI, SIDBI, State Financial Corporations and State Industrial Development Corporations, HUDCO and Scheduled Banks directly after completion of the project and its classification in the category in which it was approved.
- 5. There is no incentive on the additional loans taken for creating additional facilities, accommodation, cost escalation, etc.
- 6. Project loan / term loan sanctioned by Scheduled Banks is considered as sanctioned by a designated financial institution for all places except at metro cities – Delhi, Mumbai, Kolkata and Chennai.
- 7. The benefits under the Scheme are not available if the loan is availed for refinancing on an earlier loan.
- 8. The hotels availing the capital subsidy under this scheme can apply for upgradation in classification beyond three star category only after a period of five years from the date of initial classification.
- 9. In the case of heritage hotels where the investment is required mainly for refurbishment of existing building, which

includes creation of additional facilities and accommodation, the incentive is available on the main loan only and not towards any additional loan.

A provision of Rs.10 crores has been made in Budget Estimate 2004-05 under this scheme.

4.2 Approval and Classification of Hotels

The Ministry of Tourism approves hotel projects from the point of view of their suitability for international tourists. Various incentives and benefits are linked to such approvals.

The Ministry of Tourism has also formulated guidelines for approval of Convention Centres, Standalone Air/Flight Catering Units in order to further standardize the services available in these tourism units.

The Hotel and Restaurant Approval and Classification Committee (HRACCF), set up by the Ministry of Tourism, classifies the functioning hotels under the star system into six categories from one to 5 Star Deluxe. A new category of Heritage Hotels has also been introduced since 1994. Another Sub-category titled “Heritage Renaissance” was introduced under the Heritage category in the year 2004.

The Ministry also re-classifies these hotels after every five years to ensure that these hotels maintain the requisite standards. The Committee set up for the purpose has representatives from Ministry of Tourism, Government of India, State Governments, Hotel and Travel Industry Associations.

Till the end of December 2004, there were 1892 hotels with 97770 rooms on the approved list of the Ministry of Tourism. The break-up of these hotels by different star categories is given below:

Star Category	No. of Hotels	No. of Rooms
5-Star Deluxe	78	17885
5-Star	89	10982
4-Star	126	8831
3-Star	634	28783
2-Star	560	18449
1-Star	207	6765
Heritage	79	2173
To be classified	119	3902
Total	1892	97770

The classification of hotels is an ongoing process. To speed up the work of classification/re-classification of functioning hotels, in one to three star categories, five Regional Committees have also been set up in Delhi, Mumbai, Kolkata, Guwahati and Chennai to conduct inspection of hotels of one to three star categories.

Twelve National Tourism Awards were presented (Appendix-IV) to the classified hotels as per the following classification:

1-Star	:	One National Tourism Award
2-Star	:	One National Tourism Award
3-Star	:	One National Tourism Award
4-Star	:	One National Tourism Award
5-Star	:	One National Tourism Award
5-Star Deluxe	:	One National Tourism Award
Heritage (Basic)	:	One National Tourism Award
Heritage Grand	:	One National Tourism Award
Commendation Award	:	One National Tourism Award
Best Spa Hotel	:	One National Tourism Award
Best Boutique Hotel	:	One National Tourism Award
Best Spa in a City Hotel	:	One National Tourism Award

The Ministry of Tourism has issued revised guidelines to simplify the procedure for classification of hotels and approval of hotel projects vide letter No.5.HRACC(1)/2000 dated 24.03.2003. Salient features of the guidelines are:

- (i) Hotel project approval is valid for five years.
- (ii) Classification of hotels is valid for five years from the date of issue of orders or in case of reclassification from the date of expiry of the last classification subject to the observance of other conditions.
- (iii) To encourage Eco-friendly procedures and facilities for the physically challenged persons, existing classified hotels as well as new projects are required to adopt environment-friendly practices and facilities for the physically challenged persons.
- (iv) Segregation of smoking and non-smoking areas and compliance of other requirements in the hotels in accordance with the “The Cigarettes and other Tobacco Products





(Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003.”

4.3 Heritage Hotels

The concept of Heritage Hotels was introduced with a view to convert the old palaces, havelies, castles, forts and residences built prior to 1950 into accommodation units as these traditional structures reflect the ambience and lifestyle of the bygone era and are immensely popular with the tourists. The scheme is aimed at ensuring that such properties, landmarks of our heritage are not lost due to decay but become financially viable properties by providing additional room capacity for the tourists.

The Heritage Hotels have also been sub-classified in the following categories:-

- Heritage : This category will cover hotels in Residences/Havelies/Hunting Lodges/Castles/Forts/Palaces built prior to 1950. The hotel should have a minimum of 5 rooms (10 beds).
- Hotels Classic : This category will cover hotels in Residences/Havelies/Hunting Lodges/Castles/Forts/Palaces built prior to 1935. The hotel should have a minimum of 15 rooms (30 beds).
- Heritage Grand : This category will cover hotels in Residences/Havelies/Hunting Lodges/Castles/Forts/Palaces built prior to 1935. The hotel should have a minimum of 15 rooms (30 beds).

Guidelines have also been formulated for conversion of heritage properties into heritage hotels and their approval at project planning stage.

The Ministry of Tourism vide its order No.8-HRACC(2)/2003 dated 21 April, 2003 has decided to discontinue the scheme for approval of restaurants w.e.f. 1 July, 2003 by the Central Classification Committee (HRACC). Accordingly, all State Tourism Departments and UT Administrations were advised to introduce guidelines for classification of restaurants

to ensure that tourists and consumers are provided high quality and hygienic services of international standards. Some of the States have already implemented the scheme.

4.4 Guidelines for Apartment Hotels

Apartment Hotels are increasingly becoming popular with business travelers who come to India for some assignments or family holidays, etc. which are sometimes stretching for months together. With the aim of providing standardized, world class services to the tourists, the Government of India, Ministry of Tourism has introduced a voluntary scheme for classification of fully operational Apartment hotels in the 5 Star Deluxe, 5 Star, 4 Star and 3 Star categories vide DOT letter No.3TH.I(2)/2002 dated 4.3.2004.

Salient features of the scheme are as follows:

- (1) This scheme could help in augmenting to accommodation in the country for domestic as well as foreign tourists.
- (2) In no circumstances, apartments in the Apartment Hotel will be sold individually for residential or any other purpose.
- (3) Classified Apartment hotels / approved projects are eligible for various concessions and facilities that are announced by the Government from time to time besides, getting world wide publicity through the Indiatourism Offices located in India and abroad.
- (4) Project approvals are also given in all the above-mentioned categories at the project implementation stage.
- (5) The Hotel & Restaurant Approval & Classification Committee (HRACC) inspects and assesses the apartment hotels based on facilities and services offered.

4.5 Incentives to Accommodation Infrastructure

Under the scheme of the Ministry of Tourism “Incentive to Accommodation Infrastructure”, Capital Subsidy is granted to new approved hotel projects in 1 Star to 3 Star and Heritage Basic categories in the country except the 4 metropolitan cities Delhi, Mumbai, Kolkata and Chennai. The incentive is granted in the form of Capital Grant of 10% of the total

principal loan taken from the designated financial institutions or up to Rs.25.00 lakhs to 1 Star, Rs.50.00 lakhs to 2 Star, Rs.75.00 lakhs to 3 Star and Heritage Basic category whichever is less. The amount of incentive is released to the hotels through the designated financial institutions after completion of the project and its classification in the category in which it was approved.

4.6 Approval of Travel Trade

The Ministry of Tourism has a scheme of approving Travel Agents, Tour Operators, Adventure Tour Operators and Tourist Transport Operators. The aims and objectives of this scheme is to encourage quality, standard and service in these categories so as to promote tourism in India. This is a voluntary scheme open to all bona fide agencies. The Ministry of Tourism has revised the guidelines for grant of approval as Travel Agents, Tour Operators and Tourist Transport Operators with effect from 27.11.2003 and in respect of Adventure Tour Operators w.e.f. 6 December, 2004.

The total number of approvals issued to tour operators, travel agents, etc. are given below:

Till 31 December, 2004	
Travel Agents	223
Tour Operators	308
Tourist Transport Operators	161
Adventure Tour Operators	11

4.7 Tourist Charters

The Government has reviewed the guidelines for operation of Tourist Charter Flights to and from India and with effect from 30 January and 26 July, 2004 further liberalized the conditions for operating these flights subject to the condition that Tourist Charter Flights will be permitted only for “Inclusive Tour Package” (ITP). Some of the modifications introduced in the Charter Guidelines in respect of ITP Charter Flights to India (Inbound Tourist Charters) are as follows:

- (1) Indian Passport holders are also permitted to travel by ITP Charter Flights.
- (2) The duration of stay of Charter Tourists in India shall not be less than one week and not more than four weeks except in case of flights to Andaman and Nicobar Islands where the minimum stay can be three days.

- (3) ITP Charter Flights may be operated to any airport; in India without any limitations on frequency of flights or size of the aircraft provided customs and immigration facilities are available.
- (4) ITP Charter Flights can also be operated to other airports and these facilities would be made available on either ad-hoc or seasonal basis by Customs and Immigration authorities on the request of tour operators.
- (5) The Charter Operators may be permitted to carry one-way passengers not availing ‘Inclusive Tour Package’, on the first leg of outward operation and on the last leg of inward operation, subject to the condition that the Charter Operations are in a series of at least eight flights to any metro destination (Delhi, Mumbai, Chennai, Kolkata, Bangalore and Hyderabad) and at least four flights to any other destination.

In the period January-December 2004, a total of 705 Tourist Charter Flights operated into India bringing a total of 1,55,495 foreign tourists.

The incentives presently available to the Travel Trade Industry are at **Appendix-V**.



Brass figurine in Meenakshi Temple, Madurai, Tamilnadu







## 5. HUMAN RESOURCE DEVELOPMENT

### 5.1 Introduction

Training programme in the field of Hotel Management, Catering and Nutrition were initiated by Government of India in the year 1962 under the Department of Food, Ministry of Agriculture. To begin with, four Institutes of Hotel Management, Catering Technology and Applied Nutrition were set up at New Delhi, Mumbai, Chennai and Kolkata. For imparting training in hospitality related craft disciplines, 12 Food Craft Institutes were also set up at different places in the country. Consequent to transfer of the programme to the Ministry of Tourism in October 1982, format of the various training programmes was reoriented and remodeled keeping in view the professional workforce requirements of the country’s fast expanding accommodation and catering industry. In order to harness the resources and also to provide a central thrust to the programme, Ministry of Tourism also established the National Council for Hotel Management and Catering Technology (NCHMCT) in the year 1982. Main objectives for setting up the Council at the apex level were:

- a) To advise the Government on co-ordinated development of hotel management and catering education.
- b) To collect, collate and implement international development in the area of human resource development for the hospitality sector.
- c) To affiliate institutes and prescribe courses of study and instructions leading to examinations conducted by it.
- d) To standardize courses and infrastructure requirements for institutes imparting education and training in hospitality management.
- e) To prescribe educational and other qualifications, experience, etc. for members of staff in the affiliated institutes and organize faculty development programs.
- f) To award Certificates and Diplomas.

As a result of vast expansion and modernization of the country’s hospitality industry, hotel management and catering education programmes gained tremendous popularity and the profile of students seeking admission to these courses also underwent a transformation. As a result, courses offered by the National Council are of international standard which have been recognized by the hospitality industry. At present, there are 24 Institutes of Hotel Management and 6 Food Craft

Institutes following National Council’s course curriculum. A list of affiliated Institutes is given in **Appendices-VI & VII**. National Council has consistently worked on augmentation of training capacity in the different Institutes of Hotel Management. As a result, there has been a constant increase in the intake in the first year of the 3-year Degree Programme. Compared to intake of 2760 in year 2003, the intake in the year 2004 increased to 2915.

Existing FCIs, IHMs and the institutes in the private sector cater mainly to the organized sector. Ministry of Tourism, Government of India from the year 2002-2003 has started a scheme to provide basic training through the IHMs, FCIs, Indiatourism Offices, IITTM and State/UT Governments. Assistance is provided to train persons in the unorganized sector consisting of small hotels, dhabas, restaurants and other eating joints spread all over the country, guides through the scheme of “Capacity Building for Service Providers”. The scheme covers the travel industry also. Besides, it is planned to sensitize Government staff, which has interaction with tourists. Some of the important areas being covered under the training are Health & Personal Hygiene, Cleanliness, Basic Service Techniques, Garbage Disposal, Etiquette and Basic Manners, Basic Nutrition Values, Energy Saving and Nutrition Saving Techniques, Basic Tourism Awareness, First Aid, Client Handling & Behaviour Skills, etc.

### 5.2 National Council for Hotel Management and Catering Technology (NCHMCT)

Given the mandate by the Memorandum of Association of the National Council (NCHMCT), the Council has emerged as the apex formation for regulating hospitality studies through 30 Institutes that are affiliated with the National Council. The Council offers twelve streams of hospitality education and training and also regulates admissions to the 3-year Degree Programme in Hospitality and Hotel Administration on All India basis for all its affiliated Institutes of Hotel Management. During the year under report, the Council has been responsible for holding first ever Semester based examination for M.Sc. Hospitality Administration along with annual examinations for the other eleven courses that are offered. 9066 students appeared in the annual examinations of the National Council for the graduate training programme. The examination was held in

two parts through examination held by National Council in the month of March/April 2004 and through examinations conducted by IGNOU in June 2004.

### 5.3 Courses offered by the National Council (NCHMCT) and Results of the Examinations held in March /April / May / June 2004

Out of 9066 candidates who appeared in different examinations that National Council offers through 24 Institutes of Hotel Management and 6 Food Craft Institutes, 1369 were female candidates registering 15.10% as average percentage of female candidates in all the courses. In case of PG Course in Dietetics and Hospital Food Service, it is cent per cent female students. The table given hereunder depicts the course-wise share of female candidates:



On-the-Job Training

Course/Year	Appeared	Female	Percentage
1 <sup>st</sup> Year of 3-year Degree	2788	421	15.10
2 <sup>nd</sup> Year of 3-year Degree	2348	406	17.29
3 <sup>rd</sup> Year of 3-year Degree	1943	346	17.65
P.G.A.O.	236	35	14.83
P.G.D.H.F.S.	75	75	100.00
Craft Food Production	506	09	1.78
Craft F&B Service	289	—	—
Craft Hotel & Catering Management	22	03	13.64
Diploma in Food Production	317	22	6.94
Diploma in F&B Service	236	09	3.81
Diploma in Front Office Operation	113	29	25.66
Diploma in House Keeping Operation	84	06	7.14
Diploma in Bakery & Confectionery	109	08	7.34
<b>Total</b>	<b>9066</b>	<b>1369</b>	<b>15.10</b>

### 5.4 New Initiatives

#### 5.4.1 Enriched Course Content for the Degree Programme

After review of the initial bottlenecks, course content for the B.Sc. Programme in Hospitality and Hotel Administration offered in collaboration with Indira Gandhi National Open University has been crystallized and firmed up with inputs from industry stalwarts and academia. Course structure of the B.Sc. Programme has been so designed that it opens up opportunities for the

qualified to seek employment in hotels and also in a wide spectrum of service sector organizations.

#### 5.4.2 Introduction of M.Sc. Programme in Hospitality Administration

National Council (NCHMCT) and Indira Gandhi National Open University (IGNOU) launched the M.Sc. Programme in Hospitality Administration from November 2003 at Institute of Hotel Management, Pusa, New Delhi and at the Institute of Hotel Management, Bangalore.





The programme was devised by the Task Force comprising Professors from IGNOU and other Business Schools, Principals of IHM, Bangalore and New Delhi, Stalwarts from the Hotel Industry and Directors from the National Council. The programme, designed and developed by the Task Force, was granted the seal of approval by the Academic Council of IGNOU. The first batch of 22 students has completed the 1<sup>st</sup> Semester. Enrolment for the next batch was held in September 2004 and students admitted for the programme at the Institutes of Hotel Management, Bangalore, Pusa - New Delhi and Mumbai.

**5.4.3 Admissions for 2003-2004 Academic Session through Joint Entrance Examination (JEE) for admission to B.Sc. Programme in Hospitality and Hotel Administration**

All India Joint Entrance Examination was held on 4 May, 2003 for admission to 3-year Degree Programme in Hospitality and Hotel Administration for academic session beginning July 2003. With a view to make the admission process more transparent, the personal interview component was replaced by incorporating a component of Aptitude Test in the written paper itself. Based on merit ranking in the written test, candidates were invited in order of their merit for the centralized counseling in Delhi wherein candidates opted for Institute of their choice in full public display of allotment. Under this process, a total of 2976 candidates were admitted as per merit appeared in the centralized counseling as against a total intake of 2755 seats available at 24 affiliated IHMs for the academic year 2003-2004.

**5.4.4 Admission to Other Courses**

Admission to PG Diploma in Accommodation Operation; PG Diploma in Dietetics and Hospital Food Service; Diploma in Food Production; Diploma in Food & Beverage



*A class in progress*

Service; Diploma in House Keeping Operation; Diploma Front Office Operation; Diploma in Bakery & Confectionery; Craftmanship Course in Food Production; Craftmanship Course in Food & Beverage Service and Certificate Course in Hotel & Catering Management is directly done by respective Institutes as per policy approved by the Governing Boards of the Institutes. Normally, the merit list is drawn based on marks in qualifying examination, however, weightage is accorded to interviews for some courses.



*IHM, Lucknow*

**5.4.5 Conduct of Special Examination of INS Hamla**

National Council has conducted special examination for Officers and Sailors of INS Hamla, logistic wing of Indian Navy, in the month of January 2004, in the courses of Food Production and Food & Beverage Service. Following ranks appeared in the said examinations:

Rank of Candidates	Course	No. of Candidates
Sailors	Food Production	29
Petty Officers	Food Production	29
Sailors	Food & Beverage Service	30

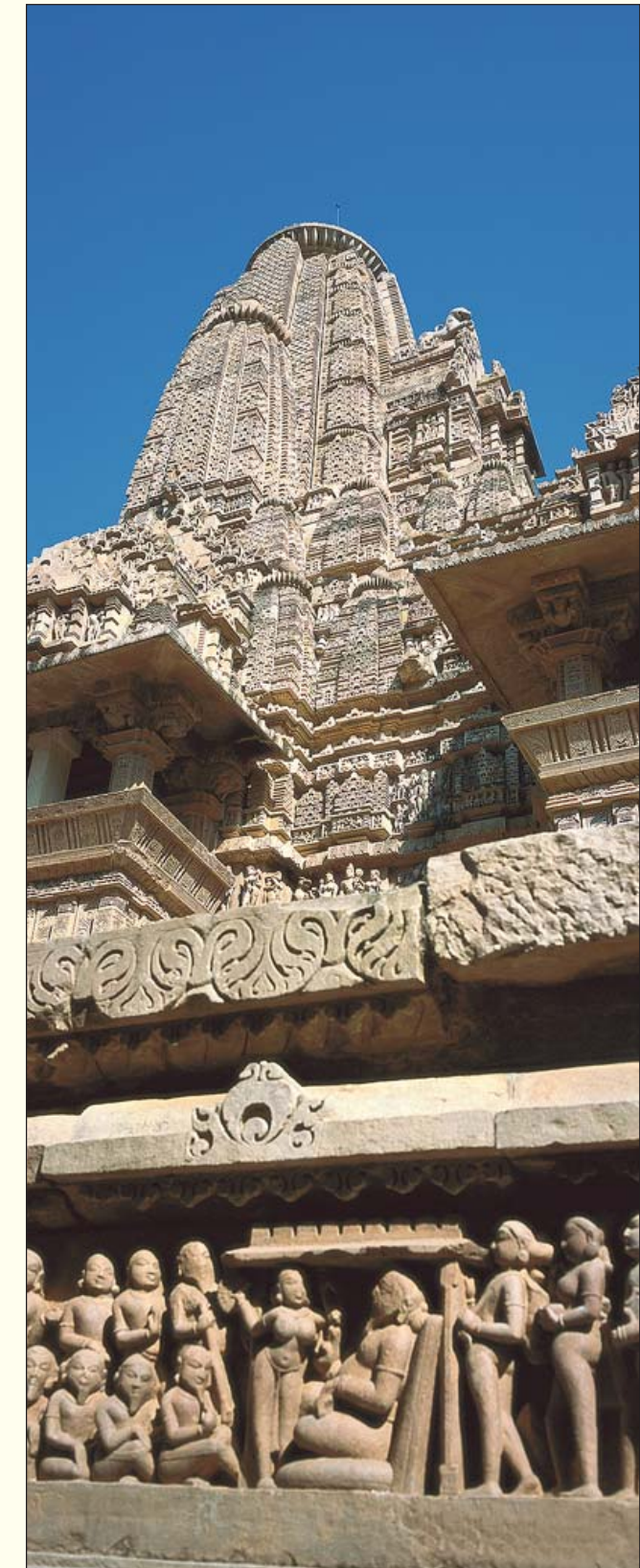
Successful candidates in the above examinations will be awarded Certificates by the National Council.

**5.4.6 Setting up of an Advanced Institute of Culinary Arts**

Advanced Institute of Culinary Arts is proposed to be set up as a joint venture in collaboration with a private academic institution. The necessary action in the matter resulting in signing of Memorandum of Understanding with JV partner awaits clearance from the Ministry of Law.

**5.4.7 Special Assistance Programme**

With a view to lend a helping hand to the needy and poor students belonging to the Scheduled Castes, National Council has introduced financial assistance scheme for SC students under means category, under which one student from each of the 24 Institutes of Hotel Management is extended scholarship based on yearly performance in examinations of Degree Programme. Institutes have been advised to select the most needy students for such assistance whose institutional charges for the courses will be reimbursed to the Institute by the National Council.



*Laxman Temple, Khajuraho, Madhya Pradesh*





Cookery Training

5.5 Other Activities of NCHMCT

5.5.1 Management Workshop for Principals

The National Council conducted a Management Development Workshop (MDW) for Principals of 24 Institutes of Hotel Management at Indian Institute of Management, Bangalore from 19-23 January, 2004. IIM, Bangalore devised a programme for IHM Principals covering the various aspects of management which would aid Principals in their day-to-day function. The MDW was followed by a presentation by the Ministry of Tourism on 24 January regarding institute governance and financial matters.

5.5.2 Review Workshop for Administrative Officers and Accountants of IHM’s organized by NCHMCT in collaboration with NIFM, Faridabad

A review workshop on ‘Accounting Reforms’ has been organized for Administrative Officers and Accountants of 24 affiliated IHMs and NCHMCT at NIFM, Faridabad from 17 to 19 November, 2003. In the said programme, IHMs/ NCHMCT made presentation of their accounts in the revised format adopted a year ago. The workshop was dedicated to correct presentation of accounts as prescribed/directed by CAG for autonomous organizations.

5.5.3 International Cuisine Workshop

As part of its faculty development programme, the National Council organized an International Cuisine Workshop at IHM, Bangalore from 10-12 December, 2003. Lessons and demonstrations by senior chefs were conducted for the benefit of the IHM faculty. Twenty senior faculty members from as many IHMs participated. The visiting chefs demonstrated various international cuisines which form part of the curriculum of 3<sup>rd</sup> year of the Degree Programme followed by interactive question answer sessions.

5.5.4 XVIII All India Students Chef Competition

National Council organized the XVIII All India Students Chef Competition at IHM, Kolkata from 2-5 February, 2004. In all, 57 students representing 19 Institutes of Hotel Management participated in the 4-day event. For the first time, the Council introduced sponsorship prize money for the different categories of the competition. Leading hotel chains came forth to support the event through cash prizes as well as trophies for the winners. Judges for the competition included leading chefs of the country. Results for the competition are as under:

	Item	Position	Institute
1.	Individual Chef of the Year	First	Emmanuel Gomes, Gurdaspur
		Second	Arup K.Sarkar, Guwahati
		Third	Sidney D'Cunha, Mumbai
2.	Overall Team Winners	First	Ahmedabad
		Second	Mumbai
		Third	Gurdaspur
3.	Surprise International Basket	First	Ahmedabad
		Second	Bhopal
		Third	Goa & Gurdaspur
4.	Indian Cuisine	First	Ahmedabad
		Second	Mumbai
		Third	Kolkata
5.	Kitchen Planning Exercise	First	Gurdaspur
		Second	Mumbai
		Third	Thiruvananthapuram
6.	Fruit and Vegetable Carving (Individual)	First	S. Sukhathankar, Mumbai
		Second	Kunal Shah, Ahmedabad
		Third	Simran Batra, Pusa
7.	Quiz Competition	First	Arup K.Sarkar, Guwahati
		Second	Thiruvananthapuram
		Third	Kolkata
			Ahmedabad

National Council as the main sponsor of the event contributed Rs.50,000 to the host institute.

5.5.5 Co-operation with Indian Federation of Culinary Association (IFCA)

In order to promote the Indian cuisine and showcase Indian chefs to the international community, National Council took lead in organizing the chef groups into a cohesive force, by which the Council provided assistance to different Regional Chefs Associations to come under a single banner under aegis of Indian Federation of Culinary Association (IFCA). The Council was able to persuade the Minister for Tourism to be the Chief Guest and install office bearers of the Federation at a workshop-cum-function organized at the Grand Hotel, New Delhi on 30 and 31 October, 2003. The IFCA will now attempt to get membership of the World Association of Cooks Societies (WACS) in their

forthcoming congress scheduled to be held at Dublin, Ireland.

5.5.6 Participation in International Travel Tourism Mart-2003

National Council participated in ITTM 2003. National Council had put up an Information Counter during the exhibition to provide information on its activities and courses to deserving visitors. The Council co-ordinated in setting up of food stalls during the exhibition held at New Delhi from 26-28 September, 2003, where Institutes of Hotel Management from Jaipur, Lucknow, Chandigarh and Pusa, New Delhi displayed cuisinic skills to the delight of savours.

5.5.7 Construction of the Headquarters of NCHMCT at NOIDA

For construction of Headquarters of NCHMCT at Plot No.34, Sector 62, NOIDA, plans





of the building were approved by the NOIDA. ITDC has been entrusted with the job of construction of the building. Up to March 2004, an amount of Rs. 40 lakhs has been remitted to ITDC for construction of boundary wall and the main building. The construction of the building is in progress which is likely to be completed by July 2005.

5.5.8 Visit of Foreign Dignitaries during the year

*Visit of Maldivian Minister:* His Excellency Hassan Sobir, Hon'ble Minister of Maldives visited the Institute of Hotel Management/National Council on 4 February, 2004.

*Visit of Bhutanese Delegation:* A delegation of officers from Higher Education, Government of Bhutan visited the Institute/NCHMCT for purpose

of sending foreign students to the Institute in 2003-2004.

5.6 Development of HRD Infrastructure for Training in Hospitality Education Sector

The Government has sanctioned an Institute of Hotel Management (IHM) in the State of Haryana at Kurukshetra. The construction work has been entrusted to CPWD and is in progress. The Government has also sanctioned an Institute of Hotel Management for the State of Uttaranchal at Dehradun and an amount of Rs. 375 lakhs has been released during 2004-2005. This project is likely to be ready by the year 2005 and shall be responsible to cater to hospitality and human resource development of the State of Uttaranchal. The other two Hotel Management Institutes are proposed to be set up in the States of Chhattisgarh and Jharkhand.



IHM, Mumbai

5.7 Financial Support for Upgradation of Training Infrastructure

The Institutes of Hotel Management are funded by Central Government through capital grants-in-aid. Grants are released to cover net revenue expenditure and capital expenditure for purchase of equipment and construction of the Institute building, staff quarters and students hostel. Land for the construction of these Institutes, which are located in different parts of the

country, is given free of cost by the respective State Governments. In case of Food Craft Institutes, the financial responsibility rested with Central Government only for the first five years and thereafter passed on to the respective UT / State Government. In case of the National Council, no grants on revenue account have been sought from Government since 1992, as it is self-supporting in its activities.

Status of Building Projects of Institutes of Hotel Management (IHMs) as under : (Rupees in lakhs)

S. No	Name of the Project	Year of Sanction	Amount Sanctioned	Amount Released so far	Present Status of the Project
1	IHM, Ahmedabad	SFC approved in 1991 for Rs. 209.00 Project revised in 1999-2000	Rs. 799.45	Rs. 799.45	GIDC is the executing agency. Civil works almost completed.
2	IHM, Bangalore Executive Development Centre (EDC)	1999-2000	GOI Rs. 395.00 (Total Cost is Rs. 495.00)	Rs. 350.00	Work under progress at an advanced stage.
3	IHM, Bangalore Girls' Hostel	Proposal approved in March 2003-2004 for Rs.215.00	Rs. 215.00	Rs. 180.00	CPWD is executing agency. Site development work completed. Work in advanced stage of progress.
4	IHM, Kolkatta	1998-99	Rs. 324.00	Rs. 324.00	Annexe building, including boys' and girls' hostel, works completed and handed over to Institute by CPWD.
5	IHM, Chennai	2000-2001	Rs. 465.41	Rs. 384.00	Access road, alteration to dining hall, Raising the playground, Additional wing for Boys' hostel, Additional Wing for Girls' hostel and Additional main building: work under progress at advanced stage.
6	IHM, Guwahati	1998-99 Revised in June 2002	Rs. 1280.50 (Entire cost to be borne by GOI)	Rs. 701.83	Main Building, Hostels & Staff QuartersProject likely to be completed by January 2006.
7	IHM, Gwalior	Originally approved for Rs. 497.69 in 1996-97 Revised in 2000-2001	GOI share Rs. 539.78 State Govt. share Rs. 188.27 Total Rs. 728.05	Rs. 513.97 Rs. 188.00 by State Govt.	Boys' hostel completed and handed over to Institute. Girls' hostel and main building in advanced stage of completion. Staff quarters' work yet to start.





(Rupees in lakhs)					
S. No	Name of the Project	Year of Sanction	Amount Sanctioned	Amount Released so far	Present Status of the Project
8	IHM, Patna	1998-99	Rs. 1024.35 (GOI share Rs. 764.04)	Rs. 758.33	Works on the whole project i.e. institute building, hostel, site development works almost completed
9	IHM, Srinagar	Originally sanctioned in 1986. Revised in 1999-2000	Rs. 806.00	Rs. 250.00	Work in full progress and building of Institute likely to be completed by December 2005.
10	IHM, Shimla	1999-2000	Rs. 941.20	Rs. 800.00	Project nearing completion.
11	IHM, Shillong	1998-99	Rs. 1324.00	Rs. 400.00	Main Building, Hostels and Staff Quarters. Work being handled by CPWD Shillong. Construction work yet to start. Paper work in progress. Estimates for Compound wall for Rs. 69 lakhs approved in the Board Meeting on 15-1-04. CPWD has invited tenders for Compound Wall.
12	Head Quarters of NCHMCT at NOIDA	March 2002	Rs. 1051.11 including land cost of Rs. 371.50	Rs. 996.50	The construction of the building is in progress which is likely to be completed during 2005.
13	IHM, Kurukshetra, Haryana	Year 2003 The proposal submitted by CPWD involves an estimated cost of Rs. 977.00	Rs. 977.00	Rs. 150.50	CPWD is executing agency. Work is under progress.
14	IHM, Dehradun, Uttaranchal	Year 2003 CPWD, Dehradun has furnished preliminary estimate of Rs. 637.00	Rs. 637.00	Rs. 375.00	Building plan and estimates approved by MoT. Work in progress.
15	State IHM, Sikkim at Rumtek	2000-2004	Rs. 650.00	Rs. 400.00	Funds were released in March 2004. Progress details (physical and financial) are awaited from State Government of Sikkim.
16	NITHM, Hyderabad	The project sponsored by State and Central Government	Central Govt. contribution revised to Rs. 650.00 in 2004-2005	Rs. 650.00	Works under advanced stage of progress.

5.8 Brief Report on the Institutes of Hotel Management

5.8.1 Institute of Hotel Management, Catering Technology & Applied Nutrition - Ahmedabad

The Institute of Hotel Management, Ahmedabad was established during 1972 and thereafter upgraded from Food Craft level to Management level during 1984. So far, around 1250 Food craft trainees and around 1350 numbers of 3-year diploma/degree students have successfully completed the course and gainfully employed in prestigious/reputed organisations in the hospitality industry across the globe. The present intake capacity of the institute in B.Sc (H.&H.A.) programme is 120 (+ 25%) including reservations as per rules.

The Institute has received the grant-in-aid from Ministry of Tourism, Government of India to construct its own campus including hostel facility for boys and girls. The project started in October 2002 and is near completion. The Institute is planning to shift to the new campus in the commencement of the next academic session.

In the Academic year 2004-2005, total number of 129 students were enrolled in the Ist year for the the B.Sc. (H&HA) programme. 103 students undergoing the final year, due to appear for final examination to be conducted by NCHMCT in 2005, an effective placement is being held.



IHM, Hyderabad

5.8.2 Institute of Hotel Management, Catering Technology & Applied Nutrition - Bangalore

The Institute of Hotel Management, Bangalore, which was offering a Diploma in Hotel Management till 2001, is now offering a B.Sc. Degree in Hotel & Hospitality Administration in collaboration with IGNOU, from the year 2002. In addition, the Institute has another feather in its cap by becoming one of the two Institutes of Hotel Management in the country to offer the M.Sc. programme in Hospitality Administration.

5.8.3 Institute of Hotel Management, Catering Technology & Applied Nutrition - Bhopal

The Institute of Hotel Management, Bhopal was upgraded from Food Craft level Institute to Management level Institute in the year 1986. The Institute has hostel facility with accommodation for 250 boys and 102 girls. The Institute at present offers 3-year Degree Programme in Hotel Management. It also offers Post Graduate Diploma in Accommodation Operation, Post Graduate Diploma in Dietetics & Hospitality Food Service, Craftsmanship Course in Food Production.

5.8.4 Institute of Hotel Management, Catering Technology & Applied Nutrition - Bhubaneswar

The Institute of Hotel Management Catering Technology & Applied Nutrition, Bhubaneswar, was established as Food Craft Institute in the year 1973 and upgraded by Government of India to Diploma level in 1984. The Institute complex stands on a sprawling campus of 5.3 acres within which it offers hostel accommodation for 108 boys and accommodation for hostel superintendent. Plans are on for construction of another hostel block to accommodate more boys. On a separate two acres land in the down town area, 37 staff quarters and hostel for 54 girls are located. The Institute has the required infrastructure to train over 500 students



in each year. The courses offered by this Institute are : 3-year B.Sc. Programme in Hospitality & Hotel Administration; Post Graduate Diploma in Accommodation Operation & Management; Craftmanship Course in Food Production and Craftmanship Course in Food & Beverage Service.

#### 5.8.5 Dr. Ambedkar Institute of Hotel Management, Catering Technology & Applied Nutrition - Chandigarh

Dr. Ambedkar Institute of Hotel Management, Catering Technology & Applied Nutrition, Chandigarh was set up in the year 1990 in a Government Sarai Building, Sector 32-A, Chandigarh provided by the Union Territory Administration, Chandigarh. The Institute was shifted from Government Sarai Building to its own building at Sector 42-D, Chandigarh w.e.f. 16 September, 1996. The new building of the Institute is situated on a plot measuring 4.63 acres amidst lush green surroundings of the Le Corbusier's "City Beautiful."

At present, the Institute offers 3-year Bachelor of Science (B.Sc.) Programme in Hospitality Management and Hotel Administration which is offered by National Council for Hotel Management & Catering Technology and Indira Gandhi National Open University, New Delhi with an intake of 150 students. The objective of this Institute is to provide gainful opportunities of employment to the students and also to ensure professionalism at all levels for the entire Food and Accommodation Industry which includes Hotels, Motels, Restaurants, Tourist Resorts, Industrial Consultancy Firms, Design and Marketing of the Institutional equipment, Lecturers in Hospitality Management Institutes.

#### 5.8.6 Institute of Hotel Management, Catering Technology & Applied Nutrition - Chennai

The Institute of Hotel Management, Chennai was established by Government of India

in the year 1963. In its own campus, the Institute has the main Institute Building and Hostel for boys and girls and the additional building is presently under construction. The Institute offers 3-year Degree Programme in Hotel Management. Post Graduate Diploma in Accommodation Operation & Management, Post Graduate Diploma in Dietetics and Hospital Food Service, Diploma in Food Production, Diploma in Bakery & Confectionery, Diploma in Front Office Operation, Craft Course in Food Production, Craft Course in Food & Beverage Service, and Certificate Course in Hotel & Catering Management. The Institute has over 704 students on its roll.

#### 5.8.7 Institute of Hotel Management, Catering Technology & Applied Nutrition - Pusa, New Delhi

The Institute of Hotel Management, Catering Technology & Applied Nutrition, New Delhi was established by Central Government as the premier Institute in the country in 1962. With a modest initial intake of 10 students, the Institute at present has 600 students on its roll undergoing six hospitality related training programmes. The courses that it offers include popular 3-year Degree Programme in Hotel



*IHM, Gurdaspur*

Management & Catering Technology, 2-year M.Sc. Programme in Hospitality Administration, Post-Graduate Diploma in Dietetics & Hospital Food Service, Post Graduate Diploma in Accommodation Operations, 1½-year Craft Course Diploma Programmes in Food & Beverage Service, Bakery & Confectionery and Food Production & Patisserie with an intake of 30 students in each. During the current year annual examinations, 125 students successfully passed final year examination, registering a pass percentage of 99.21%.

#### 5.8.8 Institute of Hotel Management, Catering Technology & Applied Nutrition - Goa

The Institute of Hotel Management, Goa was upgraded to the Management level Institute in the year 1984. The Institute is housed on a plot measuring 15000 sq. metres. The Institute provides hostel facility for boys and girls. The Institute is committed to achieving perfection in every aspect of hospitality, giving world class training to the students, through experienced faculty and contemporary equipment and facilities comparable with the best in the world .

The Institute offers 3-year B.Sc. Degree course in Hospitality and Hotel Administration with an annual intake of 150 students. The Institute also offers Food Craft Courses in (i) Food Production & Patisserie and (ii) Food and Beverage Service.

#### 5.8.9 Institute of Hotel Management, Catering Technology & Applied Nutrition - Gurdaspur

The Institute of Hotel Management, Catering and Nutrition, Gurdaspur is an autonomous body, which has been sponsored by the Ministry of Tourism, Government of India and was set up in the year 1994 and registered as Society under Punjab Society Act. This Institute is one of the other 24 Institutes in the country sponsored by Ministry of Tourism, Government of India with the aim to train young men and

women in order to provide trained manpower to the Hospitality Industry.

The Institute offers regular whole time 3-year Bachelors Degree in Hotel Management, Catering and Nutrition having an annual intake of 120. The Institute is affiliated to the National Council for Hotel Management and Catering Technology (an apex body under Ministry of Tourism), New Delhi. The students are admitted to the course in this Institute by National Council for Hotel Management and Catering Technology, New Delhi through a joint entrance examination followed by interviews.

The Institute is situated conveniently on the Gurdaspur-Pathankot highway and in an aesthetically landscaped modern set up in a pollution-free environment giving the students an ideal atmosphere conducive to studies. In the sprawling 9 acres campus, the main Institute building stands out majestically along with its strikingly impressive residential quarters visible from the main highway. The campus has regular electricity and water supply with generator back-up.

The Institute has the facilities of Well Stocked Resource Centre, Computer Laboratory and well equipped laboratories such as Advanced Training Kitchen, Basic Training Kitchen, quantity Food Kitchen, Bakery, Patisserie, Laundry, Restaurant And Language Lab, etc for providing training of high standards.

#### 5.8.10 Institute of Hotel Management, Catering Technology & Applied Nutrition - Guwahati

The Institute of Hotel Management Catering Technology & Applied Nutrition, Guwahati was upgraded from Food Craft Institute to its present status w.e.f. April 1995. This Institute in Guwahati is the pioneer for the entire North Eastern Region. At present the Institute is offering 3-year B.Sc. programme in Hospitality and Hotel Administration, PG Diploma in Accommodation Operation & Management (1½-year Programme)



and Craftsmanship Course in Food Production (1½- year programme). Apart from these, In-service Courses are also conducted from time to time. Intake capacity for 3-year B.Sc. Programme is 90 (JEE-58, NE State Quota-32), PG Diploma in Accommodation Operation and Management-20, Craftsmanship in Front Office-20. In the All India Students Chef Competition conducted by NCHMCT, the students team of IHM, Guwahati secured 3<sup>rd</sup> position in the Continental Cuisine Category.

Under the Scheme of “Capacity Building for Service Providers”, the IHM has already conducted sixty-seven Training Programmes in many of the NE States including Assam. Consultancy services are regularly being provided by the Institute to Government & Private Sector Tourism & Catering Industry in the NE Region.

Presently, this Institute is housed in a rented building. The Government of Assam has allotted a plot of land measuring 20 bighas in Guwahati where the earth filling works have been completed and the boundary wall & main building construction work has been started by CPWD. The works are in full swing and the Institute is likely to commence operations from the new campus around January 2006.

#### **5.8.11 Institute of Hotel Management, Catering Technology & Applied Nutrition - Gwalior**

The Institute of Hotel Management, Gwalior started as a Food Craft Institute in 1986, jointly sponsored by Government of India, & Government of Madhya Pradesh. Subsequently in 1992 it was upgraded to IHM level. The campus is located at Maharajpura on a plot of land measuring 4.732 hectares which was allotted by the MP State Government.

#### **5.8.12 Institute of Hotel Management, Catering Technology & Applied Nutrition - Hyderabad**

The Institute of Hotel Management,

Hyderabad was upgraded from Food Craft level of Management level in the year 1984. The campus covers an area of 1.60 acres wherein the Institute building, hostels for 72 boys and 30 girls and staff quarters for two wardens are located. The Institute at present offers 3-year B.Sc. Programme in Hospitality & Hotel Administration. It also offers Post Graduate Diploma in Accommodation Operation & Management and Craft Course in Food Production and Craft Course in Food & Beverage Service. The Institute has facilities for Badminton, Volley Ball, Tennis and other indoor and outdoor games.

#### **5.8.13 Institute of Hotel Management, Catering Technology & Applied Nutrition - Jaipur**

The Institute of Hotel Management, Jaipur was upgraded from Food Craft Institute level to Management level in the year 1989. Its campus is located on a 2.5 acres plot where besides state-of-the-art Institute building, it also houses hostel for 120 boys and 30 girls. Staff quarters are also located adjacent to its premises on a separate 1.5 acres plot. The Institute at present offers 3-year Degree Programme in Hospitality & Hotel Administration. In annual examination for the third year of 3-year Degree Programme, a total of 75 students of final year were appeared in the annual examination 2003-2004 out of which 72 successfully passed. The total pass percentage is 96%. This Institute introduced following two 1½-year Diploma courses :-

1. F&B Service
2. Housekeeping

#### **5.8.14 Institute of Hotel Management, Catering Technology & Applied Nutrition - Kolkata**

The Institute of Hotel Management, Kolkata was established in the year 1963. It is housed on 2.57 acres plot of land, which includes Institute building, hostels for 164 boys and 42 girls besides limited accommodation for staff in the campus. The Institute at present offers 3-year Degree Programme in Hotel Management. It also

offers studies in Post Graduate Diploma in Accommodation Operation besides Crafts Courses in F & B Service and Food Production.

#### **5.8.15 Institute of Hotel Management, Catering Technology & Applied Nutrition - Lucknow**

The Institute of Hotel Management, Lucknow was upgraded from the Food Craft Institute in the year 1984. The Institute has its own premises on a 4-acre Plot at Aliganj. Apart from the main Institute building, the complex also houses student hostels for 180 boys and 60 girls and limited accommodation for faculty and other staff. The Institute offers 3-year Degree Programme in Hotel Management.

#### **5.8.16 Institute of Hotel Management, Catering Technology & Applied Nutrition - Mumbai**

The Institute of Hotel Management, Catering Technology & Applied Nutrition, Mumbai, was founded in the year 1954, the first of its kind in South East Asia at the time. It is spread over an area of 17,752 sq.yards and centrally located of Dadar. The hostels of the Institute house 186 boys and 66 girls.

#### **5.8.17 Institute of Hotel Management, Catering Technology & Applied Nutrition - Patna**

The Institute of Hotel Management, Patna was upgraded from Food Craft Institute level in the year 1997 by the Ministry of Tourism, Government of India. The Institute has acquired 3.54 acres of land for the construction of its own Administration Block, hostels for Boys & Girls and staff quarters. The Institute at present offers 3-year Degree Programme in Hotel Management and, in addition, the Institute also runs 1½-year Diploma in Food Production.

#### **5.8.18 Institute of Hotel Management, Catering Technology & Applied Nutrition - Shillong**

The Institute of Hotel Management, Shillong was upgraded from Food Craft Institute level in the year 2001 by the Ministry of Tourism, Government of India. The Institute, at present, offers 3-year Degree Programme in Hotel Management and, in addition, the Institute also runs short terms courses (Craft Specialization Course) in Food & Beverage Production, Food & Beverage Service and Accommodation Operations Management. The IHM Shillong is now in its third academic year of operation with its first batch of students.

At present, the Institute is still operating from its temporary campus having the necessary facilities for the students.

The Tourism Department, Government of Meghalaya has now been allotted approximately 20 acres of land at the New Shillong Township for the purpose of constructing the permanent campus of the Institute. The construction of boundary wall has commenced and is in progress.

#### **5.8.19 Institute of Hotel Management, Catering Technology & Applied Nutrition - Shimla**

The Institute of Hotel Management, Catering & Nutrition, Kufri, Shimla was upgraded from Food Craft level to the Institute of Hotel Management level in the year 1996. It is located at Kufri on a land measuring 70 bighas. Presently,



*IHM, Shimla*



the Institute offers 3-year B.Sc. Programme in Hospitality and Hotel Administration. It also offers Craft Courses in Food & Beverage Service, Food Production & Post Graduate Diploma in Accommodation Operation & Management.

#### 5.8.20 Institute of Hotel Management, Catering Technology & Applied Nutrition - Srinagar

The Institute of Hotel Management, Srinagar was established as the fifth Institute of Hotel Management in the year 1982. The Institute is in possession of 4.5 acres of land on which the Institute's campus is due for construction in the near future. It presently operates from a building provided by the State Government on the banks of the famous Dal Lake. In view of present space constraint, the Institute provides for an annual intake of 20 students in the 3-year Degree Programme and 15 students in Food & Beverage Courses.

However, the construction work, which remained stalled till November 2003 due to the prevailing circumstances in the Valley, has again been taken up by Central Public Works Department and the construction work shall start very soon facilitating the Institute to have an intake capacity of 100 students per year in due course. It will also provide hostel facilities for 30 boys and 20 girls. Despite the conditions prevailing in the Valley, the Institute has been able to successfully mark its presence with continued training of students. At the annual examination 2004, the Institute has registered a very high pass percentage and cent per cent employment of its turnout by the industry. The new building of the Institute is likely to be ready by December 2005.

Moreover, the Institute has also started courses of very short duration for the local unorganized sector people associated with the Tourism & Hotels under the Central Government scheme of "Capacity Building for Service Providers" and the courses are being successfully conducted in the institute as well as outside the Institute.

#### 5.8.21 Institute of Hotel Management, Catering Technology & Applied Nutrition - Thiruvananthapuram

The Institute of Hotel Management, Catering Technology & Applied Nutrition, Thiruvananthapuram, located on the beautiful seashores of Kovalam, an internationally renowned tourist destination in the capital city of Kerala, was established in the year 1990. It offers a 3-year B.Sc. Course in Hospitality and Hotel Administration, a Post Graduate Diploma Course in Accommodation Operation and Management (1½-year) and also a Craft Course in Food Production (1½-year). The Institute has a state-of-the-art building on a sprawling five acres plot. The Institute provides hostel facility for 152 boys and 32 girls. Also available within the campus are 27 staff quarters.

#### 5.9 Indian Institute of Tourism and Travel Management (IITTM)

The Indian Institute of Tourism and Travel Management was established as a registered society in 1983 at New Delhi under the Ministry of Tourism with the objective of developing and promoting education, training and research in the field of travel and tourism. In August 1992, Institute was shifted to Gwalior and is now functioning from its own campus spread over an area of 20 acres of land allotted by the State Government.

Since 1995-96, IITTM started full-time one-year Diploma in Tourism Management programme with the approval of All India Council of Technical Education (AICTE), New Delhi. In 1996-97, Eastern Regional Centre, Bhubaneswar was established with the same DTM programme there also. Besides this main activity, the Institute also undertakes various courses like Guide Training course, Orientation Programme for officers posted in Indiatourism Offices abroad and Officers of the State Governments and Tourism Development Corporations on request by Ministry of Tourism and State Government. In 2003-2004, IITTM conducted 8 short-term courses at Gwalior and 6 at Bhubaneswar besides the full-time Diploma in Tourism

Management, Master in Business Administration and Bachelor in Tourism Management (Hons.). In 2003-2004, 2-year full-time Post Graduate Diploma in Business Management, which was started in 2002-2003 was converted into Master of Business Administration by affiliating it with MP Bhoj Open University, Bhopal (MP). A part-time / full-time modular Post-Graduate Diploma Programme called Diploma in Travel and Tourism Industry Management (DTTIM) is also being offered through its Chapter in Delhi, Lucknow, Kolkata, Guwahati, Thiruvananthapuram, Ahmedabad, Ranchi, Jaipur and Dehradun. The Chapters also conduct several short-term courses. Full-time courses namely DTM, DTTIM, etc. have the approval of All India Council Technical Education (AICTE), New Delhi. During the year, 93 students were admitted in DTM Programme both at Gwalior and Bhubaneswar for MBA 2003-2005 and BTM 2003-2006 i.e. 44 and 93 students have been admitted at Gwalior and Bhubaneswar respectively.

#### 5.10 SPM National Institute of Water Sports, Goa

The National Institute of Watersports has been set up on an 18-acre beach-side plot in Panaji, Goa in July

1990. Earlier, the project was placed under ITDC. In April 1995, the administrative control of the Institute has been shifted to IITTM. The Institute is registered as an autonomous body under the Societies Act at Goa and the Secretary (Tourism), Government of India is the Chairperson of its Board of Governors. The Union Minister for Tourism laid the foundation stone of the project in July 2001. Water-sports tourism is the ideal non-polluting industry for the under developed coastal regions of the country. NIWS has evolved basic safety norms for the water-sport tourism industry and helped in its enforcement at the state level. The Institute has provided technical know-how to the state tourism departments and has so far undertaken 31 consultancy assignments all over the country. Even non-tourism departments like Marine Police, Fire Services, Forest and Customs have taken advantage of the unique training programmes developed by the Institute.

#### 5.11 "Capacity Building for Service Providers" Scheme

A large segment of people are involved directly and indirectly in the tourism industry. Professional expertise is required for specialized vocations in this



Water Skiing, Goa



field. At present, there are Food Craft Institutes (FCIs) and Institutes of Hotel Management (IHMs) where technical training is being provided to persons for the Hospitality industry. Also, tourism training is being provided by the Indian Institute of Travel and Tourism, Gwalior and through its various chapters to persons for taking up professions in the Travel / Tour agencies. The tourism service providers are both in the approved / organized and also the unorganized sector. The IHMs and FCIs cater mainly to organized sector i.e. Hotels and Restaurants. At the same time, there are a large number of persons who are engaged in the unorganized sector such as small hotels, road-side eating places, ticketing / travel agencies, dhabas, etc.

There is a segment of tourism service providers who are engaged in other professions but come in contact with the tourists. These persons, such as staff at bus/ railway stations, police personnel, immigration staff at airports, coolies, taxi / coach drivers, staff at monuments, guides etc. also need to be provided training at the various institutions under the Capacity Building Scheme for service providers as the tourists come in contact with them and it is this experience they have while interacting which governs their experience of India as a tourist destination. It was therefore felt necessary that this section of service providers are given certain inputs which can improve their behaviour and service levels.

Therefore, a scheme was formulated wherein these service providers in the unorganized sector are given some inputs so as to upgrade their behavior and service skills. The training is provided by the Indiatourism Offices, Institutes of Hotel Management, Food Craft Institutes, Indian Institute of Tourism & Travel Management (IITTM) and the Tourism Departments of State/UT Governments.

Some of the important areas being covered under the training are Health & Personal Hygiene, Cleanliness, Basic Service Techniques, Cooking Techniques, Garbage Disposal, Etiquette and Basic Manners, Basic Nutrition Values, Energy Saving and Nutrition Saving Techniques, Basic Tourism Awareness, Communication Skills, First Aid, Client Handling & Behaviour Skills, etc. The duration of the course ranges from 1 day to 5 days.

The implementing agencies have been given flexibility in devising the training programmes / modules however, general parameters have been fixed.

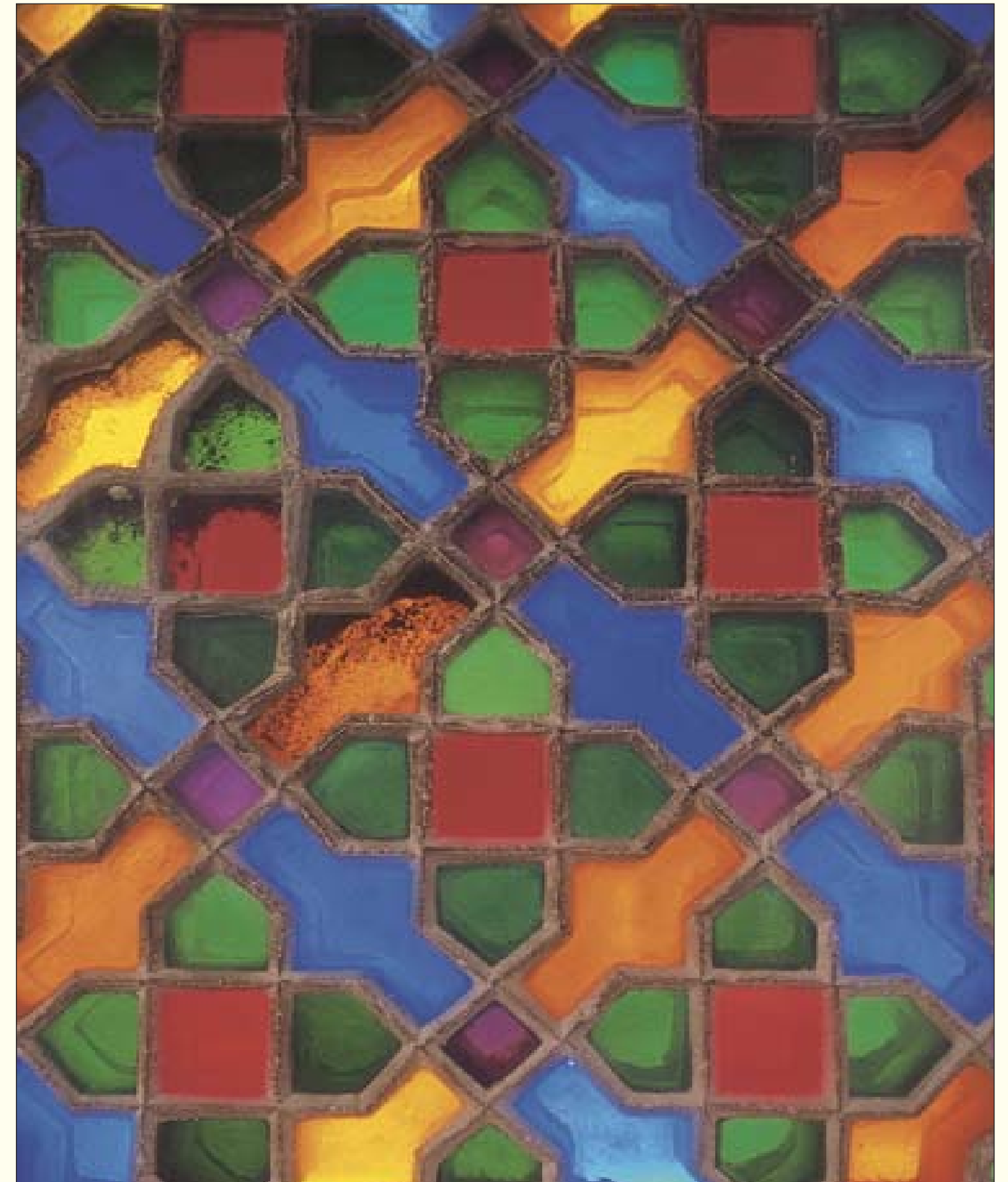
Under this scheme, the institutions are conducting training using their own infrastructures in their own premises or are providing the training at site of the service providers. In the case of IHMs and FCIs, the Faculty and students are being used widely. A large number of the service providers are located around the tourist sites and therefore such persons have to be trained at their place of work.

Funds are provided to the implementing agencies by the Ministry of Tourism. Under the Tenth Plan a provision of Rs. 25.00 crores has been made for the CBSP Scheme. During the year 2004-2005, an amount of Rs.119.00 lakhs has been utilised so far against a provision of Rs. 300.00 lakhs.

The implementing agencies were required to formulate a calendar of training programmes and since the launching of the scheme in 2002-2003, around 30,000 persons have been covered under the CBSP Training Programmes. The feedback received in the form of personal experiences of tourists, media coverage and reports have been encouraging and widespread.

#### 5.12 National Tourism Awards and Awards of Excellence 2004

National Tourism Awards and Awards of Excellence 2004 were given away at a glittering function held on 25 January, 2005 at New Delhi. Honble Minister of State for Tourism (IC) presented the awards. Awards for "Academic Excellence" carrying Endowment scholarships and National Council Scholarships were awarded to meritorious students of IITMs and IHMCT & ANs.



*Jodhpur Window, Rajasthan*







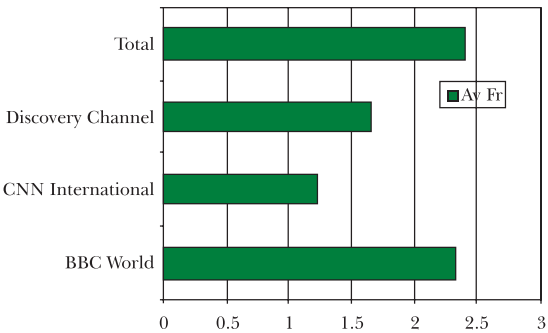
6. PUBLICITY AND MARKETING

Review of Incredible India Campaign

The impact of the Incredible India campaign was evaluated from media variables in terms of reach and frequency on TV and a parallel web research on BBC. The print campaign was analysed on the basis of position and the amount of PR availed.

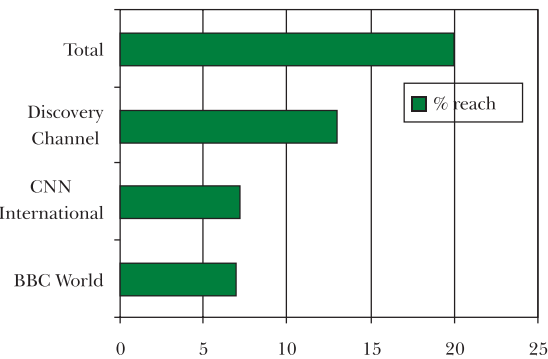
The highlights of the Television campaign are:

- 2.9 million eyeballs till October end in Europe
- Average of 2.4 times the campaign seen
- 2.3 million eyeballs in Asia Pacific
- Average of 3.3 times the campaign seen

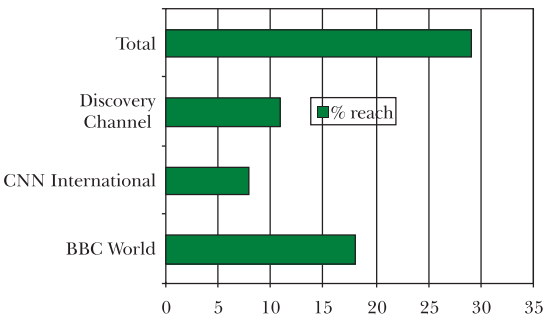


Europe- Reach of Campaign

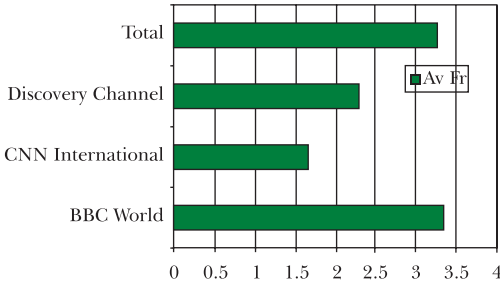
Asia Pacific- Reach of Campaign



Europe- Average Frequency



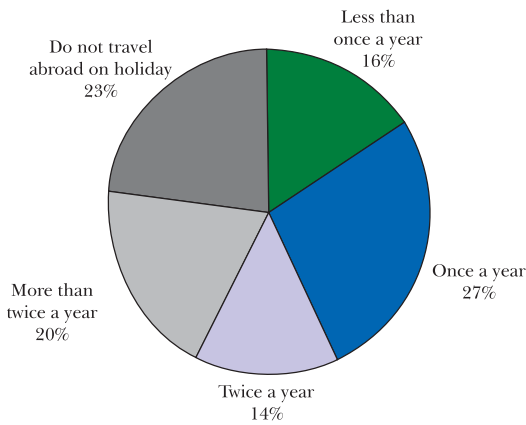
Asia Pacific- Average Frequency



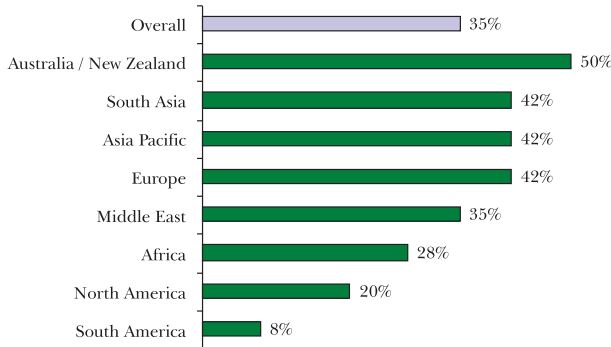
Also, it was evaluated on CNN in Asia Pacific South Asia and Europe among International Air Travellers to get better focus. Also, the number of spots on prime time and otherwise were analysed so as to know the impact of the television commercials on the audience.

As the focus of the campaign was to drive traffic to the official website, [www.incredibleindia.org](http://www.incredibleindia.org), a survey was conducted on the web to determine the impact of the campaign on web users and travellers and how much the campaign has motivated them. The results are given below:

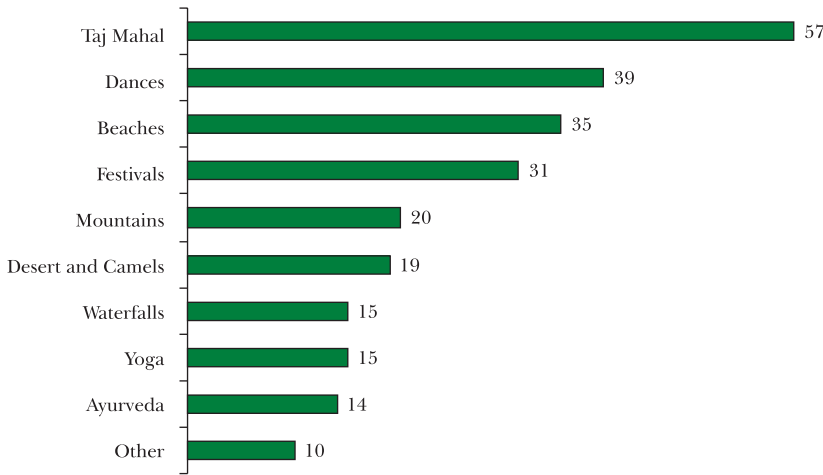
Number of Holidays / Trips per year



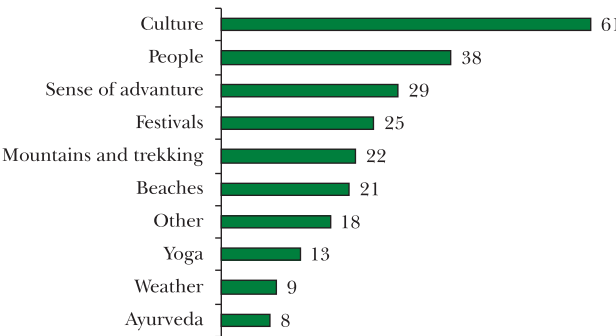
Have you seen any advertising recently for Incredible India ?



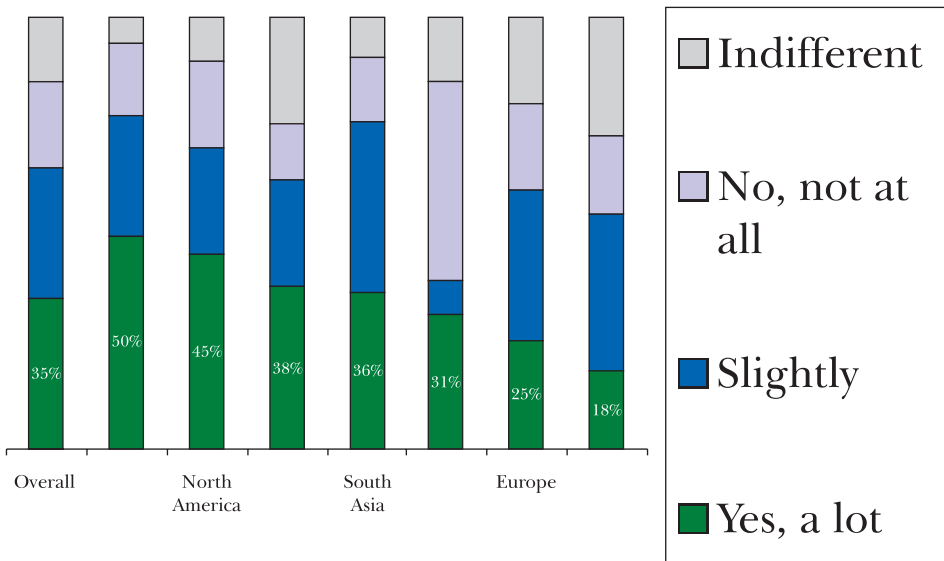
What do you recall about the Incredible India advertising ?



What do you recall about the Incredible India advertising ?



Did the advertisement for Incredible India compel you to consider India as a holiday destination ?







The campaign was also analyzed on the basis of the coverage in Print Media. The main focus was the amount of P R Coverage received vis-à-vis the position of the advertisements in the various publications.

PR Coverage – Financial Times

Publication	Issue	Story	Pages
F T Weekend Worldwide	28th/29th August '04	“Bollywood dreams going global....”- Article by Sumathi Bala on Indian Cinema, talks about Director Shekhar Kapoor, Superstar Shah Rukh Khan in ‘Pardes’ and ‘Bombay Dreams’.	2/3 Page
F T Weekend Worldwide	28th/29th August '04	“...or just home-grown melodrama”.Rahul Jacob writes on Hindi movie blockbusters. Aishwaria Rai and Vivek Oberoi in ‘Kyon? Ho gaya na?’, Amitabh Bachchan in ‘Coolie’ covered.	3/4 Page
F T Weekend Worldwide	18th/19th September '04	“Anglo-Indian air liberalisation deal set to double number of direct flights” - Article by Kevin Done on UK-India bilateral aviation treaty	1/8 Page
F T Weekend Worldwide	23rd/24th October '04	“The measure of Mumbai” - Article on rich tapestry of India by Henry Tricks	3/4 Page
F T Weekend Worldwide	2nd/3rd October '04	“The Big Draw of India’s Wild West” - Article on the fortress city of Jaisalmer by Sue Carpenter	1/2 Page

PR Coverage – Financial Times Travel

Publication	Issue	Story	Pages
F T Travel The new face of Asia	18th/19th September '04	‘Deserted paths and traces of an ancient space age’. The sometimes surreal beauty of Madhya Pradesh is only matched by the joy of finding yourself alone-experienced and written by Ned Denny Madhya Pradesh’s Sanchi Stupa, Khajuraho’s Vishwanath Temple and	1/2 page
F T Travel The new face of Asia	18th/19th September '04	‘Deserted paths and traces of an ancient space age’. The sometimes surreal beauty of Madhya Pradesh is only matched by the joy of finding yourself alone-experienced and written by Ned Denny Madhya Pradesh’s Sanchi Stupa, Khajuraho’s Vishwanath Temple and	1/2 page
F T Travel The new face of Asia	18th/19th September '04	“A shot flight to entertainment” - Article on Bodh Gaya by Jonathan Gregson	1/2 page

PR Coverage – Conde Nast Traveller

Publication	Issue	Story	Pages
Conde Nast Traveller UK	Ocober '04	India rated No. 6 among top 10 Travel DestinationsRajvilas ranked Asia’s No. 3 leisure hotel. The Taj Mahal Hotel, Mumbai ranked Asia’s No. 14 leisure hotel. The Oberoi, Delhi ranked No. 11 among top 15 Overseas Business Hotels.	1
Conde Nast Traveller UK	November'04	Advertisement Feature - 15 pages Incredible India special section	15

PR Coverage – France and Germany

Publication	Issue	Story	Pages
Geo Special Germany	Oct/Nov’04	Entire issue on South India and Srilanka	Full Issue
L'art de Voyager France	Oct/ Nov '04	Aritcle on Rajasthan- Vanyavilas in the Aravalli ranges; Rajasthan culture and tradition- by Guillaume Soularue	4

PR Coverage – South and South East Asia

Publication	Issue	Story	Pages
Destin Asian South East Asia	Aug/Sept'04	Making tracks in Maharashtra'- Article on Deccan Odyssey by Stephen McClarence	2
Destin Asian South East Asia	Aug/Sept'04	Story on Dharamshala	9
Destin Asian South East Asia	Oct/Nov’04	Delhi’s New Groove by Stephen McClarence (Article on moderisation of India’s Capital - New Delhi)	4
Destin Asian South East Asia	Oct/Nov’04	Conquering Karnataka: Article on Karnataka	1
Going Places Malaysian Airlines Inflight Magazine	Sep’04	The Dye That Binds’ - Article on Mehendi by Ahana Nagda & Santhi Ganesan	5
Going Places Malaysian Airlines Inflight Magazine	Sep’04	The Flower People Chennai’ by Nesa Eliezer	7
Serendib SriLankan Airlines Inflight Magazine	Oct’04	From India With Love’ (Destinations - Kerala Ayurveda), by Tanya Abraham	4
Serendib SriLankan Airlines Inflight Magazine	Oct’04	Lutyens’ Legacy’ History of Delhi, Sir Edwin Lutyens’ design of the capital city for British Raj in India - by Philip Game	4



Colourful Belle, Ladakh





PR Coverage – Middle East Asia

Publication	Issue	Story	Pages
Khaleej Times UAE, India Report titled “India Emerging Superpower”	15th Aug ‘04	“Ayurveda- nature’s healing touch”.	2
Khaleej Times UAE, India Report titled “India Emerging Superpower”	15th Aug ‘04	“ The delights of Adventure”. Article on Water Sports, Desert Safaris, Parks and sanctuariesgo, hill stations	1
Khaleej Times UAE, India Report titled “India Emerging Superpower”	15th Aug ‘04	“Sightseeing- Maharaja style”. Article on vintage cars fondly used in Rajasthan	1
Khaleej Times UAE	27th Sep ‘04	Editor Collumn: ‘Taj Mahal as a Symbol of Love’ (Front Page)	Photo- graph
Khaleej Times UAE	27th Sep ‘04	Story on Taj 350 years: “Symbol of Love Turns 350”	Quarter Page
Kuwait Times, Independence Day Report	15th Aug ‘04	“India voted among top 5 destinations”- according to the independent travellers survey by Lonely Planet. Article by M V Meenakshisundaram	1 Page

6.2 Production of Publicity Material

The Ministry of Tourism initiated major activities to promote India through the byline “Incredible India” as a centralised campaign during the year 2001-2002 and 2002-2003. International Press/Media Campaigns have been launched continued with literature and collateral publicity material on theme ideas. With the encouraging response received, Ministry brought out 29 Leaflets, 6 Maps, 5 Films, 5 Collaterals, one Poster and 5 CDs during 2003-2004. During 2004-2005, the following publicity materials are proposed to be produced:

- i. Brochure and CD on Cruise Tourism
- ii. Brochure and CD on Medical Tourism
- iii. Incredible India Image CD Part II
- iv. Incredible India Wildlife CD
- v. Incredible India Presentation Bag
- vi. Presentation folders
- vii. Taj 350 Desk and Wall calendar
- viii. Five Senses Poster

- ix. Chennai-Mamallapuram-Pondicherry folder
- x. Visakhapatnam-Arakku Valley folder

6.3 Marketing Objectives of Overseas Offices

The Ministry of Tourism through its 13 offices overseas endeavours to position India in the tourism generating markets as a desirable tourism destination, to promote various Indian tourism products vis-à-vis competition faced from various destinations and to increase India’s share of the global tourism market.

The above objectives are met through an integrated marketing and promotional strategy and a synergised campaign in association with the Travel Trade and State Governments. The specific elements of promotional efforts undertaken overseas include Advertising in the Print & Electronic Media, Participation in Fairs & Exhibitions, Organising of Seminars, Workshops, Road Shows & India Evenings, Printing of Brochures and Collaterals, Brochure Support/Joint Advertising with Travel Agents / Tour

Operators, Inviting the Media and Travel Trade to visit the country under the Hospitality Programme, etc.

6.4 Some Major Promotional Activities Undertaken in the Overseas Markets

6.4.1 “Incredible India” Road Shows

A delegation led by Mrs. Renuka Chowdhury, Minister of State for Tourism(IC), Government of India, visited UK and Europe in September / October 2004, for Road Shows organized in Milan, Paris, London and Madrid, for promoting and marketing India as a tourist destination and to promote various Indian tourism products in the overseas markets. The Delegation comprised of other senior Central / State Government officials as well as representatives from the private sector.

“India Presentations” were organized which were very well attended by the media and travel trade in the respective countries. Meetings and one-to-one interactions were also arranged with the Media and travel industry representatives during the visit of the Delegation.

6.4.2 Promotional Activities undertaken by Overseas Offices

New York

Market exposure through participation in selected Trade Shows, consumer and Media Shows was the major promotional activity for Indiatourism, New York. These specialized trade and consumer events helped Indiatourism to directly showcase its products and services as a National tourist Office.

Indiatourism, New York participated in the major international trade and consumer shows, including the Adventures in Travel Expo in New York, Travel Learning Conference in Washington DC, Baltimore Sun Travel Show in Baltimore, International Adventure Travel and Outdoor Show (ITAOS), Sea Trade Cruise Shipping Convention in Miami, Cruise Tour World Expo in Ft. Lauderdale - Florida, Confederation of Tourist Organizations in Latin America (COTAL) in Mexico, American Association of Physicians of

Indian Origin (AAPI) Annual Conference in San Diego, American Society of Travel Agents (ASTA) Annual World Conference, Motivation Show in Chicago, Luxury Travel Expo in New York, Travel Media Show Case in Tucson, Leisure Travel Trade Show in Ft. Lauderdale and United States Tour Operators Association Annual Conference in Hollywood.

The office formulated an aggressive plan to generate editorial exposure in national magazines, television shows and regional and local publications. A total of 29 Journalists / Media persons including a television team visited India under the hospitality programme of the Department, through Indiatourism, New York.

International travel agents and tour operators, play a vital role in selling India as a tourist destination. With the aim of providing exposure and first hand experience of the tourism products of the country, tour operators/travel agents and opinion makers were sent on Fam trips to India.

The office organized Joint Promotional Seminars and Presentations with both, the Indian Tour operators visiting United States on sales promotion trips and those Tour Operators in United States offering India Programmes.

Full-day training programmes on Indian travel products and destinations were organized by Indiatourism with the support of Air-India. The training included multi-media presentations on Indian destinations and travel-related products / services as well as the latest trends in the travel industry.

Los Angeles

In addition to other promotional events, Indiatourism, Los Angeles organised joint presentations with the industry at Mexico City, Mexico during July 2004 and with PATA at San Diego, Houston & Hawaii during August / September 2004.

The office also participated in Road Shows conducted by the National Trade Shows Inc., in



important cities in the states of Nevada, California and Colorado during October 2004 as well as the Luxury Travel Expo for the trade and consumers at Las Vegas during December 2004.

#### **Toronto**

Indiatourism, Toronto participated in major consumer and travel shows in Toronto, Montreal, Quebec and Ottawa, where India was aggressively promoted as a tourist destination. The office participated in the Addison Travel Marketing Shows at Victoria, Langley, Vancouver, Calgary, Edmonton, Halifax, Montreal, London, Toronto, Ottawa, Winnipeg, Regina and Saskatoon, to highlight Indian Tourism products. The office also participated in the Salon de Tourism Spring Show at Montreal and showcased new destinations and tourism products, with special reference to Yoga, Ayurveda, and Medical Tourism .

The office participated in the Cruise-a-Thon Show at Vancouver in June 2004, to motivate cruise liners and to promote India as a cruise destination.

Indiatourism, Toronto jointly organized road shows with SITA Tours Canada to promote cultural heritage and special up-market packages for travel agents in Calgary, Edmonton and Winnipeg.

A Destination Seminar on India was organized in collaboration with Exotique Expeditions, for the Travel Agents Association in Western Canada, to encourage travel agents to sell India packages in the ensuing tourist season.

An India presentation was organized in Toronto in August 2004, to motivate travel journalists/tour operators/TV personalities to promote Kerala and the North Eastern Region of the country.

A joint presentation with Voyages Cassis, Montreal was organized, whereby leading tour operators in Montreal and Ottawa were encouraged to promote Luxury Trains of India in the Quebec market.

Indiatourism, in association with Tours Hai International and VIP Tours, two leading Montreal-based tour operators, organized

seminars in September 2004 to promote North & South India in Quebec market.

The Yoga Show at Toronto is one of the unique shows in Canada, of special interest to yoga lovers and instructors. Indiatourism, Toronto participated in the Show to motivate tour operators and travel agents to promote special Yoga packages to various parts of India.

An advertisement campaign in the leading newspapers and travel magazines across Canada helped in generating greater awareness and creating interest in the country as a tourist destination.

#### **London**

The World Travel Mart, the premier global event for the travel industry, was held in London from the 8 to 11 November, 2004. An India Pavilion was set up in the Travel Mart in an area of 895 sq. metres, with participation of 15 State Governments and 40 Travel Trade representatives as co-exhibitors in the pavilion. The India pavilion was the third largest at the Travel Mart after Spain and Italy. The Delegation from India for WTM 2004, was led by the Minister of State for Tourism, Government of India and comprised of senior officials from the Central and State Governments as well as representatives from the travel trade. A Press Conference and Networking Evenings at the India Pavilion were organised during the event. The Indian participation in the event was a success and helped in positioning the tourism products of the country under the brand line “Incredible India”.

Indiatourism, London organized Road Shows at Jersey, Bristol, Bournemouth, Glasgow and Leeds during September 2004, in collaboration with Tour Operators and hotel companies. These Road Shows were well attended and resulted in fruitful interactions with travel agents / tour operators.

The office, along with the Greater London Authority, organized a Diwali celebration at Trafalgar Square in London on 7 November, 2004. The event was attended by the Mr. Ken Livingston, Mayor of London

and Mrs. Renuka Chowdhury, Minister of State for Tourism, Government of India. The event was attended by more than 25,000 visitors.

A series of lectures on Tourism by prominent artists and other dignitaries, including Dr. George Michel, Serena Fass, Harjinder Singh and Lady Wade-Grey, was arranged at the Nehru Centre, London, which were very well attended by tour operators and media apart from members of the Nehru Centre.

Several joint training programmes were conducted by the office to train staff of tour operators and travel agents in UK and Ireland, to enable them to promote India more effectively.

#### **Frankfurt**

Indiatourism, Frankfurt participated in important Travel Fairs and Exhibitions in the Region, to showcase the tourism products of the country and to project India as a desirable tourist destination. These included the Travel Fair at Manheim, Frie Messe at Vienna, Stuttgart Messe, Hamburg Fair, Munich Fair, Holiday Fair at Prague (Czech Republic), IMTM at Tel Aviv in Israel, Hung Expo in Budapest, MITT at Moscow, KITTF at Almaty, Kazakhstan, UITT at Kiev, Ukraine, IMEX 2004, KAPOS EXPO at Budapest, OTDYKT – Leisure 04 at Moscow, CIS Travel Mart at St. Petersburg, International Tourism Fair at Tashkent, Tour Salon 04 at Poznan (Poland), Touristique and Caravaning International Fair at Leipzig, Travel Fair at Koln, Adventure Tourism Fair at Munich and Zurich and the South Asia Fair at Hamburg.

The office organized a series of Road Shows, in collaboration with PATA, at Nuremburg, Düsseldorf, Munster, Köln and Manheim, in April 2004 and at Hanover, Berlin, Dresden, Hamburg and Leipzig in June-July 2004.

The office participated in Road Shows organized by DER TOUR, a front line tour operator of Germany at Stuttgart, Salzburg and Vienna in July 2004 and by MEIR'S WELTREISEN, a leading tour operator of Austria/

Germany in various cities Hamburg, Düsseldorf, Frankfurt, Munich and Berlin in August 2004.

Support was extended to an Indian Food Festival organised by the Embassy of India, Serbia in Belgrade in November 2004 and India Evenings were organised in Frankfurt and Budapest in December 2004, in collaboration with Sri Lankan Travels.

An advertising campaign was undertaken and advertisements were released in leading news papers and travel magazines, including The Studiosus Umlands Magazine, In Asien, Vagabond, Touristic Report, Sirius Magazine, Incentive Congress Journal, Abenteuer Und Reisen Mag, etc.

Brochure Support was extended to leading Tour Operators selling Indian packages and to motivate new Tour Operators to include India packages in their programmes. Such support was extended, amongst others, to TUI, Studiosis, Kompas Holidays, Jumbo Touristic, Gebeco, East Asia Tours, etc.

#### **Amsterdam**

Indiatourism, Amsterdam was associated with ‘The Glamour of India,’ a nearly month long promotion launched on 21 April, 2004 by De Bijenkorf, the most up market department store chain in the Netherlands. The Glamour of India promotion was celebrated at 12 different locations in the country from 21 April-16 May, 2004, where all the stores and show windows were decorated with Indian artifacts, items, mannequins in designer Indian outfits and glamour of India posters etc. All Bijenkorf stores in the country sold only Indian items for the entire duration of the promotion. Indian music was played in all stores and Bollywood dances and songs were screened on monitors around the stores. The store’s fashion statement for Holland for the summer of 2004 was “India”. An India Tourism information counter was set up inside the main Bijenkorf Store in Amsterdam for the entire period where an “Incredible India”, sweepstake was also organised by this Office in conjunction with Austrian Airlines, with an offer for two International Airlines tickets to India as a prize for the lucky winners. The other



events organized during the Promotion included a Fashion Show, Indian Food Festival and a high profile 'Glamour of India' Evening.

A Workshop was organized in conjunction with Finnmatkat, the biggest Charter Operator in Finland. The workshop, attended by Sales Staff from various locations in Finland, was exclusively on Goa and Kovalam. Kovalam as a charter destination was introduced by Finnmatkat for the first time this year.

The office organized a presentation "Facets of India" at the Nobel Museum, Stockholm in conjunction with the Indian Embassy, Sweden, in June 2004. The Exhibition and India Evening was a big success and was attended by senior Government officials of Sweden including the Minister of Commerce, Mr Leif Pragrotsky, Mrs. Lisbet Palme (wife of ex Prime Minister of Sweden, Late Mr Olof Palme), CEOs of prominent Swedish Corporations, senior representatives from Swedish Travel Trade and Industry.

The office supported the launch of Bollywood Photo Exhibition organised by Geraldine Langlois a Belgian photographer, in Brussels in June 2004. The Exhibition was inaugurated by the Ambassador of India in Belgium and attracted many visitors.

An India promotion was held in conjunction with Tennis Club, Toolenburg in the Netherlands. Mr Ramesh Krishnan, the Indian tennis legend, was invited to the function and he gave some fine tips to the young Dutch tennis players. A demonstration match was organized between Indian and Dutch players. An information stand was set up inside the club where brochures on India were disbursed to all members of the club.

A major India promotion was held at Oslo on 18 August, 2004 in conjunction with Ebookers Norway when they launched their India Programme. Ebookers, an online tour operator with offices in all the Scandinavian Countries and Finland had recently introduced programmes from Norway to India and are in the process of introducing India programmes from Finland, Sweden and Denmark.

A three Nations Cricket Tournament was organized by Videocon Group from 21-28 August, 2004 at VRA Club Amstelveen in the Netherlands in which Indian, Pakistani and Australian cricket teams took part. Taking advantage of the popularity and presence of Indian Cricket Team, an information stand was set up at the main venue, for the whole duration of the tournament.

A Road show with Jetair, TUI Belgium was conducted from 23-26 August, 2004 in different cities of Belgium. India presentations were given at all locations, to the clients of Jetair.

The office participated in the Asian Festival held in Stockholm from 27-29 August, 2004. The other countries that participated in the festival were Thailand, Malaysia, Philippines and Sri Lanka. The India pavilion attracted many visitors and information brochures were distributed to discerning travellers displaying keen interest in traveling to India. Cultural activities including fashion shows, henna painting, palm reading were organized at the India Stand throughout the day on all three days.

The Office participated in Travel Agents/ Tour Operators Road shows in Norway, organized by PATA Norway Chapter at four different cities in Norway (Trondheim, Bergen, Stravanger and Oslo) from 6-9 September, 2004. Country presentations were made at all the four places, followed by interaction with travel agents and tour operators attending the presentations.

An India promotion was held during the GOPIO Conference in Brussels on October 3, 2004. The conference was attended by PIO's and NRI's from different parts of Europe. Tourist Brochures on India were distributed to all the delegates. The conference was inaugurated by Mr. Jagdish Tytler, Union Minister for NRI Affairs.

The office participated in the Vagabond Travel Show organised by Vagabond Travel Magazine in October 2004. The three-day show had an attendance of around 20000 visitors. In conjunction with Grace Tours, the biggest Tour Operator for India in the Danish market,

Ayurvedic Massage/Yoga demonstrations were organised which were a big attraction and covered by the local newspapers and TV Channels.

The office supported an India Evening organized by the Taj Mahal Cultural Association on 7 December, 2004 in Brussels, Belgium. The evening was attended by senior officials from Indian Embassy Brussels and by many Belgians with a keen interest on Indian Culture. A promotional film on India was shown during the evening followed by cultural, dance and music performances.

#### Paris

Indiatourism, Paris undertook several promotional activities during the year in the four countries under the jurisdiction of the office, i.e. France, Switzerland, Spain and Portugal.

In an attempt to promote and position India as a tourist destination, the office participated in a number of international travel fairs and exhibitions. Some of the important fairs included the Top Resa in Deauville, Travel Trade Workshop in Montreaux, Salon du Tourisme et des Voyages at Colmar and EIBTM in Barcelona. The India Stand at EIBTM was constructed in 64 sq. metres area and was well designed and decorated, projecting the "Incredible India" image of the country.

At a major professional trade show Indiatourism, Paris, along with Air France, Oberoi Resort and two major French trade magazines hosted an India Evening, which attracted as many as 300 professionals in the Tourism Industry, on 30 October, 2004.

Presentations for the State Governments of Jammu and Kashmir, Uttar Pradesh, Haryana and Sikkim were organized in Paris / Madrid. Each presentation was carefully designed to invite select members of the trade and media to give exposure to the different destinations in the country. The Ministers of Tourism for Uttar Pradesh and Sikkim led the delegations of their respective States and the others were led by high level officials.

The office successfully participated in specialised seminars with Delta Airlines, Le Meridien Hotel and the Hilton in Paris.

The office organized joint participation in Road Shows in Leon, Spain with Dimensions one of the biggest Tour Operators of Spain and in Barcelona, Spai, with Trans Rutas.

Indiatourism, Paris also had a focused presentation and workshop in the office to 40 members of the OCDE (Organisation Des Coopérations Developpement Economique), which was organised with Agence Animatour.

#### Milan

Indiatourism, Milan bagged the first prize for the Best Website among all the foreign tourist offices in Italy. The presentation ceremony took place on 21 April, 2004 in Milan.

The office organised the following joint India Evenings in collaboration with leading Tour Operators : in Milan with Tau Viaggi in May 2004 and with Azalai in July 2004; in Bergamo with Antica Compagnia dei Viaggiatori in July 2004 and in Rome with Viaggi nel Mondo in October 2004

A Tourism Promotion Seminar was organised for the Italian Trade, in July 2004, in collaboration with the India Embassy in Rome and the Indo Italian Chamber of Commerce & Industry.

Indiatourism, Milan organised a special event 'Haryana - an Exciting Discovery' on the occasion of the visit of the Haryana Delegation to Rome in November 2004, to launch the destination in the Italian market and acquaint the trade and the media with the attractions of this lesser known state. The presentation was attended by selected tour operators, airlines personnel and journalists.

A Jammu & Kashmir Road Show organised in Milan in November 2004 was a novelty for the Italian market. The State Government Delegation, led by the Principal Secretary (Tourism) illustrated to the trade and media, the myriad attractions that the destination offers. The multi-media presentation made during the Road Show generated a lot of interest amongst the invitees and was followed by an interactive session. The event was well covered in the local press.



On the occasion of the visit of the Sikkim Delegation led by the Minister of Tourism of Sikkim and other officials from Sikkim Government, a luncheon meeting was organised in Milan in November 2004, for tour operators and journalists. The presentation made by the State Government depicted the attractions of the State and was appreciated by the invitees.

Indiatourism, Milan, in collaboration with the Embassy of India in Greece and the Athenaeum Intercontinental hotel in Athens organised a ten day India food festival in November 2004. This event focused not only on the culinary delights of the country but also on Yoga, Ayurveda, tourist attractions, etc.

Indiatourism, Milan participated in the 4th edition of the 'River to River – Florence Indian Film Festival' organised in collaboration with a cultural association in Florence in December 2004. This was an excellent platform for showcasing Indian cinema to the Italian public. The event was widely publicised in the press.

Mr. Walter Porzio, photo-reporter who visited India as guest of the Ministry of Tourism, organised, with the support of Indiatourism Milan, a slide presentation entitled 'Lahaul & Spiti, the Valleys of God' for a group of 200 people in one of the prestigious theatres of Milan in December 2004.

#### Dubai

The most important event in UAE is the Dubai Shopping Festival in which over 70 countries participate, to promote their destinations. Indiatourism, Dubai put up a Tourism stand in the India Pavilion at the Global Village, during the month long festival, to showcase the tourist destinations and tourism products of the country.

The Arabian Travel Market (ATM) was held in Dubai from the 4 to 7 May, 2004. The India Pavilion was set up in an area of 400 sq. mtrs., with participation of State Governments and Travel Trade representatives as co-exhibitors in the Pavilion. An India Evening was organized during the Travel Mart, where a presentation on

the tourist attractions and products of the country was made by the Additional Director General, Ministry of Tourism, Govt. of India.

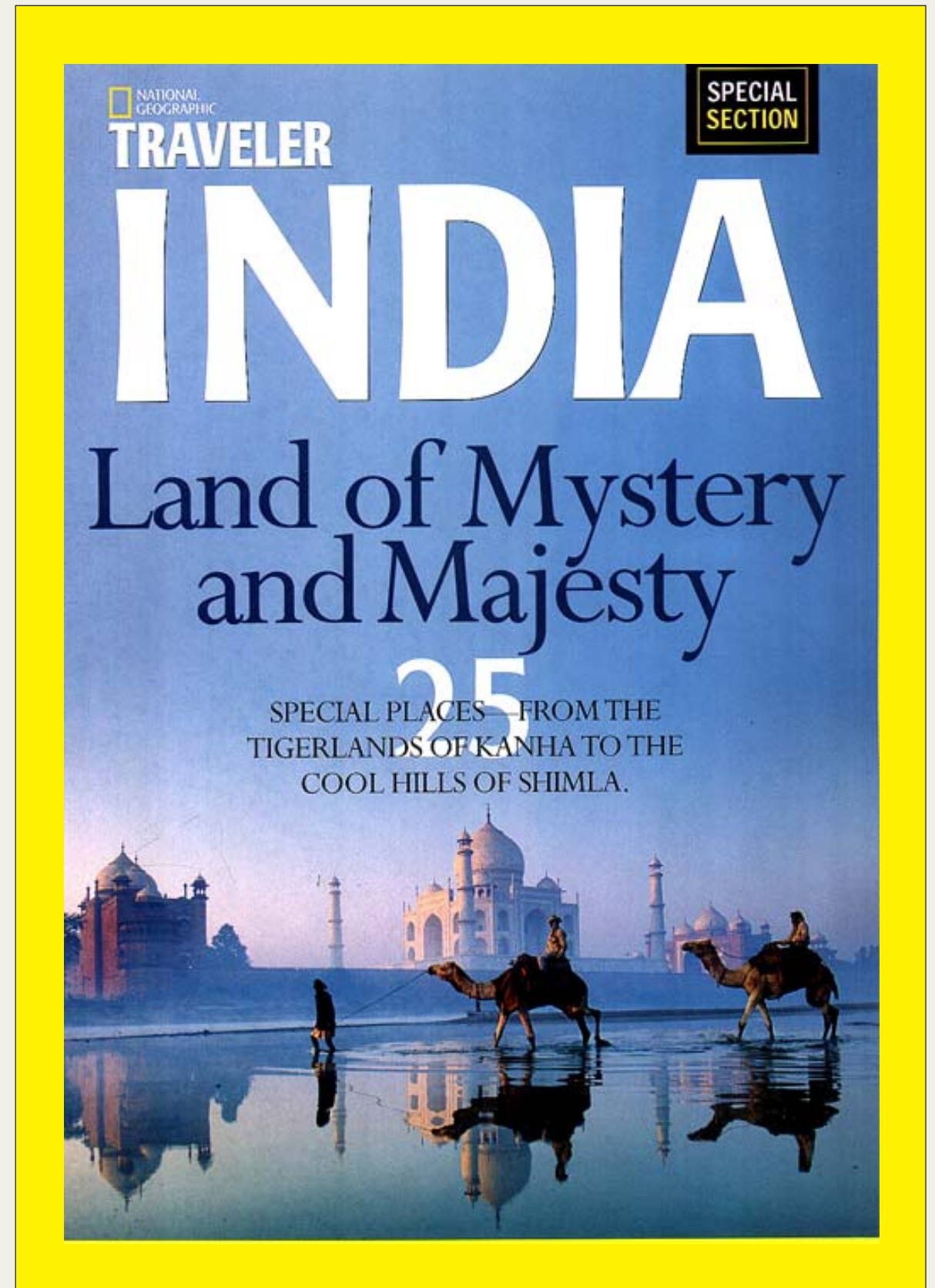
The office participated in other major international Travel Fairs and Exhibitions in the region including EMITT- 2004, KITTE Kuwait 2004, Middle East Travel Market in Shiraz(Iran), Mediterranean Travel Fair at Cairo, International Tourism, Travel and Trip Fair (Arabian Tourism Bourse) in Syria, Arab World Travel & Tourism Exhibition (AWTTE-2004) in Beirut (Lebanon) and the International Health Tourism Exhibition in Bahrain.

The Seatrade Middle East Maritime Exhibition was held at the World Trade Centre, Dubai in December, 2004. The Exhibition was inaugurated by the Chairman, Dubai Port Trust. Indiatourism, Dubai participated in the exhibition and took a stall in the exhibition for display of publicity material and for conducting one to one meetings with delegates from other countries. An India Evening was also organized by the office during the Exhibition.

Seminars, Workshops and India Evenings were organized by the office in Dubai, Ras Al Khaimah, Ajman, Abu Dhabi and Sharjah to create awareness amongst travel agents and tour operators about the tourism products and infrastructure facilities in India as well as the various packages available for the country.

Indiatourism, Dubai participated at the Ajman Fantazia-2004, a festival aimed at attracting visitors from the Gulf Cooperation Council and the Northern Emirates, where an India Evening was also organised.

The office, in collaboration with the Embassy of India, Air India and Indian Airlines organised a Road Show in Kuwait, followed by an India Evening which was attended by members of the Diplomatic community, travel trade, prominent locals, western ex-patriots and affluent Indian businessmen in large numbers.





Indiatourism, Dubai with the Embassy of India, organised a Road-show and India Evening in Bahrain. A video presentation on Incredible India was made and films on the Deccan Odyssey and Kerala were also screened. The Regional Director briefed the participants about the various promotional activities undertaken and the support being extended to travel agents / tour operators for the promotion of tourism to the country.

Road Shows were also organized at Amman, Jordan and Doha, Qatar for the travel trade and media. Presentations were made on the tourist destinations in the country, which were well received and appreciated.

Indiatourism, Dubai participated in the annual Agents Workshop and Emirates World Brochure launch. More than 250 agents participated at the workshop in groups of 10-12, who were briefed about Indian tourism.

Indiatourism, Dubai participated in a Seminar organized by IBPC East Coast Fujairah, to influence high profile business professionals and western expatriates to visit India. Promotional films on India were screened and brochures distributed to participants in the Seminar.

The office participated in a seminar 'Back to Business' organized jointly by the American and the Canadian Business Councils in Dubai. In all 21 business councils and several consulates based in Dubai participated in the Seminar. A larger number of businessmen visited the Indiatourism stand and showed interest in the Indian tourism products and destinations.

The office participated in a Networking Session "Vibrant Gujarat", with a visiting delegation from the Government of Gujarat, organized by the Indian Business and Professional Council, Dubai. The theme of the session was to attract foreign/NRI investment in the country.

Brochure support was extended by the office to leading travel agents/tour operators in Dubai, Bahrain and Turkey including White Sands Tours, Counterpoint, House of Travels, Plan Tours, Kanoo Travels, Sharaf Travels, High Sands Tours, etc.

As a part of their Summer Campaign, the office launched a Media campaign in select Newspapers and Magazines highlighting the hill stations of India and targeting the local Arabs and the Western expatriates.

#### Johannesburg

An India Seminar was organized by Indiatourism, Johannesburg, jointly with Air Mauritius at Port Louis in July 2004. One to one meetings were arranged during the Seminar with Tour Operators to discuss specific areas of support for marketing India from Mauritius.

India workshops for Tour Operators/ Travel Agents were successfully organized by the Indiatourism office, in Johannesburg, Cape Town and Durban during the 1st week of August 2004, which were well attended by the local travel trade.

The Indiatourism Office participated in the Mediterranean Travel Fair held in Cairo, Egypt, in September 2004. The Prime Minister of Egypt visited the India Tourism Stand and was received by the High Commissioner of India. During the Fair, special meetings were arranged with the media to create greater awareness about the tourism products of India.

Partial hospitality was given to a 8-member TV team commissioned by South African Broadcasting Corporation to shoot footage of religious places in India. The film shot by them was telecast on the National TV channel on Sundays during November-December 2004.

#### Tokyo

To commemorate the 100th anniversary of the India-Japan Association, India was selected as the theme country at the Sapporo Snow Festival held from 4 to 11 February, 2004. Indiatourism, Tokyo had a 15-metre high and 30-metre wide snow Taj Mahal constructed, which was the biggest attraction at the Festival.

Indiatourism, Tokyo participated in the World Travel Fair, 2004 in Shanghai, China. The theme of the India Pavilion focused on the Buddhist Circuit in India, which has a ready-made

market in China. The Shanghai Travel Fair was visited by over 50 thousand Chinese visitors.

Indiatourism, Tokyo won an International Award for "Best in Marketing Effort", at the 11th Travel Tour Expo 2004 held in Manila, Philippines in February 2004. The Travel Expo was organized by the Ministry of Tourism, Government of Philippines and the Philippines Travel Agencies Association.

Taking advantage of a growing interest for new destinations in Taiwan, Indiatourism, Tokyo organized two Road Shows at Taichung and Taipei in April, 2004. Agents from India made presentation on their packages to Taiwanese agents during the road shows. One-to-one business meetings were also arranged between Indian and Taiwanese travel agents for packaging and promoting India.

Indiatourism, Tokyo covered major source areas in South Korea for promotional activities and

marketing "Destination India" in Korea. Awareness about India was also generated through media campaigns in Korean language. At the initiative of Indiatourism, Tokyo, Lonely Planet published their India Travel Guidebook in Korean and Japanese languages. The Incredible India web site was launched in Korean language ([www.Incredibleindia.co.kr](http://www.Incredibleindia.co.kr)), at the International Travel Fair in Busan, Korea.

The office participated in and won an International Award for Best Marketing at the Tour Expo Daegu held in Daegu, Korea during April / May 2004.

Indiatourism, Tokyo won two international awards: "Best Marketing Promotion Award" and "Best Design Pavilion Award – 2004" at the 17th Korea World Travel Fair- KOTFA 2004 held in Seoul Korea in June 2004.

Programme support was extended to India's participation in the Gangneung





International Folklore Festival held at Gangneung City, Korea. Indiatourism set up a booth in the festival arena to promote Indian tour packages.

Indiatourism, Tokyo supported the “Indian Celebrations” at Gwacheon Hanmadang Festival in South Korea, in September 2004. A photographic exhibition titled “Incredible India” was put up and an Indian Food Festival was organized during the Festival.

Indiatourism, Tokyo conceptualized, designed and set up the Konark Wheel as the India pavilion at the 18th International Travel Expo 2004 held in Hong Kong in June 2004.

Indiatourism, Tokyo participated in the Beijing International Travel Expo 2004 held in July 2004. The India Pavilion depicted a huge image of Lord Buddha, which attracted a large number of Chinese visitors. The other tourism products showcased included World Heritage Sites, Adventure and Leisure destinations and the popular Golden Triangle.

Programme support was extended to the first ever India promotion “Slice of India in Mongolia” organized by the Embassy of India, Mongolia and ITPO at Ulaanbaatar during August / September 2004.

Indiatourism, Tokyo extended programme support to an Exhibition of Photographs of Buddhist Sites & Art Heritage at Otani University in Kyoto, Japan in September 2004.

Indiatourism, Tokyo participated in and won two international awards for “Best Booth Design” and “Best Tourism Video” at the International Travel Fair in Busan, Korea in October 2004.

Indiatourism, Tokyo in collaboration with India Japan Business Co-operation Committees, Asia Club, and Mithila Museum organized a day long Namaste India 2004 programme focusing on India’s Rich Culture, Handicrafts, Shopping, etc. at the Tsukiji Honganji Temple premises in Tokyo on 17 October, 2004.

#### **Sydney**

During the year 2004, Indiatourism, Sydney mobilized its resources and adopted a two-pronged

strategy to reach out to the maximum number of potential tourists. On one hand, tour operators were mobilized and motivated to sell India and through a series of promotional events, travel agents selling the product were educated about new developments and tourism products of the country. On the other hand, by participating in various Travel and Tourism Expos / Exhibitions and Travel Shows, the office reached out to the consumer / potential tourists to make them aware of the Indian tourism product.

Road Shows and India Presentations were organized by the office in major cities and towns across Australia / New Zealand, for the travel trade and media, which received a very good response.

Apart from marketing the traditional and conventional tourist spots viz Golden Triangle, Rajasthan and Kerala, the office initiated a marketing campaign for launching new areas viz the North East region and the Buddhist Circuit, etc.

#### **Singapore**

Indiatourism, Singapore organized and participated in a series of promotional events during the year, to position India as a tourist destination in the markets under the jurisdiction of the office.

The biggest event was the PATA Travel Mart 2004, held in Bangkok, Thailand from the 22 to 24 September, 2004. An India Pavilion was set up in an area of 225 sq. mtrs., with 9 State Governments and 12 Travel Agents / Tour Operators / Hotels participating as co-exhibitors in the pavilion. A Press Meet, chaired by Secretary (Tourism), and an India Evening were also arranged during the Travel Mart.

The Indiatourism Office participated in other important travel fairs and exhibitions in the region, including the MATTA International Travel Fair in Penang, World Eco-Tourism Expo 2004 in Kuala Lumpur, Made in India Show in Bangkok, International Travel Show in Bangkok, MATTA International Travel Fair 2004 in Johor Bahru – Malaysia, MATTA International Travel Fair 2004 in Kuala Lumpur, NATAS Holidays Travel Fair

2004 in Singapore, American Club Travel Travel in Singapore, Incentive Travel & Conventions Meetings Asia (IT&CMA) 2004 in Bangkok, Sacred Buddha Tooth Relic Exhibition in Singapore, etc.

Presentations on Indian tourism products were made by Indiatourism, Singapore for (i) Royal Brunei Consortium of Tour Operators, (ii) Chinese Consortium of Tour Operators, (iii) Tour operators, Media and Airlines in Johor Bahru in Malaysia, and Bangkok.

A Seminar on “India & Malaysia Partners in Progress” was organised in Kuala Lumpur, in collaboration with the High Commission of India, Kuala Lumpur and CII as part of Indo-ASEAN Car Rally.

#### **6.5 Familiarization Tours under Hospitality Programme**

One of the important elements of the Marketing Strategy and Plan of the Ministry of Tourism is the Hospitality Programme, under which the Ministry of Tourism invites editorial teams of travel publications, journalists, photographers, TV teams, travel agents, tour operators, etc. from overseas to visit the country and effectively project India as an attractive multi-dimensional tourist destination offering a vast range of attractions. These invited guests are able to get first hand information / knowledge of the Indian tourism product during their familiarization tours on the Ministry of Tourism’s hospitality.

During the year, Travel Agents, Tour Operators and Media Representatives from important tourist generating markets overseas were invited, not only to visit the varied tourist attractions of the country, but also to cover and participate in events including the Jaipur Virasat, World Travel Fair, SATTE 2004, the Deccan Odyssey Inaugural Fame Tour, Sindhu Darshan Festival, Pune Festival, Kolkata Mahotsav, India Convention Promotion Bureau Annual Conclave, Kerala Travel Mart 2004, Himalayan Run & Trek, etc.

#### **6.6 Overseas Marketing Meet**

An Overseas Marketing Meet was organized by the Ministry of Tourism at the Ashok Hotel on 1 and 2 July, 2004.

The Meet was inaugurated by Mrs. Renuka Chowdhury, Minister of State for Tourism (IC) and was attended by heads of Indiatourism offices in India and overseas, special invitees from the State Tourism Departments, Officials from other Government Ministries and Departments, Travel Associations, Airlines and Media.

Presentations were made by the Joint Secretary (Tourism), Officials from the Ministries of Civil Aviation and External Affairs, Development Commissioner of Handicrafts, State Tourism Departments as well as by heads of all Indiatourism offices in India and overseas. A Press Conference was also organized during the Meet, where the Minister of State for Tourism briefed the Media about the various measures and initiatives being taken for the promotion of tourism.

#### **6.7 Events**

India Heritage Festival 2004 was jointly organized by Ministry of Tourism, in association with Ministry of Textiles (Development Commissioner Handicrafts, Development Commissioner Handlooms, Khadi and Village Industries Board) in the Front Lawns of the Ashok from 1-10 May, 2004.

The Ministry of Tourism provided assistance to the Government of Jammu & Kashmir for organizing Sindhu Darshan Festival from 18-20 June, 2004 at Leh. Logistic support was provided by the Ministry of Tourism and the ITDC to the State Government for making all ground arrangements.

Ministry of Tourism participated through Indiatourism, Kolkata and Indiatourism, Hyderabad in the annual TTF Kolkata and TTF, Hyderabad held from 19-22 August and 27-29 August, 2004 respectively.

Ministry of Tourism participated in Eco and Rural Tourism – An International Eco and Rural Tourism Marketing Conference being held in Delhi on 25-26 August, 2004 and International Tourism Marketing Conference on Intra Regional Marketing and Cooperation between SAARC countries being held on 27-28 September, 2004 organised by FICCI.

Ministry of Tourism participated in the Comprehensive Health Fair AROGYA – 2004 organised by the Department of Ayurveda, Yoga & Naturopathy, Unani, Siddha & Homeopathy (AYUSH) along with India Trade Promotion Organisation (ITPO) in Hal No. 12 & 12A



at Pragati Maidan, New Delhi held from 21-26 September, 2004.

Ministry of Tourism organized a joint promotion campaign with India Railways on the eve of World Tourism Day at New Delhi railway station on 26 September, 2004.

World Tourism Day 2004 was celebrated throughout the country. In Delhi to mark the occasion Ministry of Tourism organized a cultural programme at Purana Qila, New Delhi on 27 September, 2004. The major highlights of the function was a 35 minutes' cultural programme "SAMANVAYA" choreographed by Ms. Madhavi Mudgal of Gandharva Mahavidyalaya, New Delhi.

National Tourism Awards and Awards of Excellence 2004 were given away at a glittering function held on 25 January, 2005 at New Delhi. Hon'ble Minister of State for Tourism (IC) presented the awards. Awards for "Academic Excellence" carrying Endowment scholarships and National Council Scholarships were awarded to meritorious students of IITs and IIMs.

Ministry of Tourism provided support Indian Mountaineering foundation for hosting the General Assembly Meeting of Union of International Alpine Association (UIAA) held in Delhi from 13-16 October, 2004. A suitable seamless cultural programme on various dance forms was presented before the delegates on 16 October, 2004.

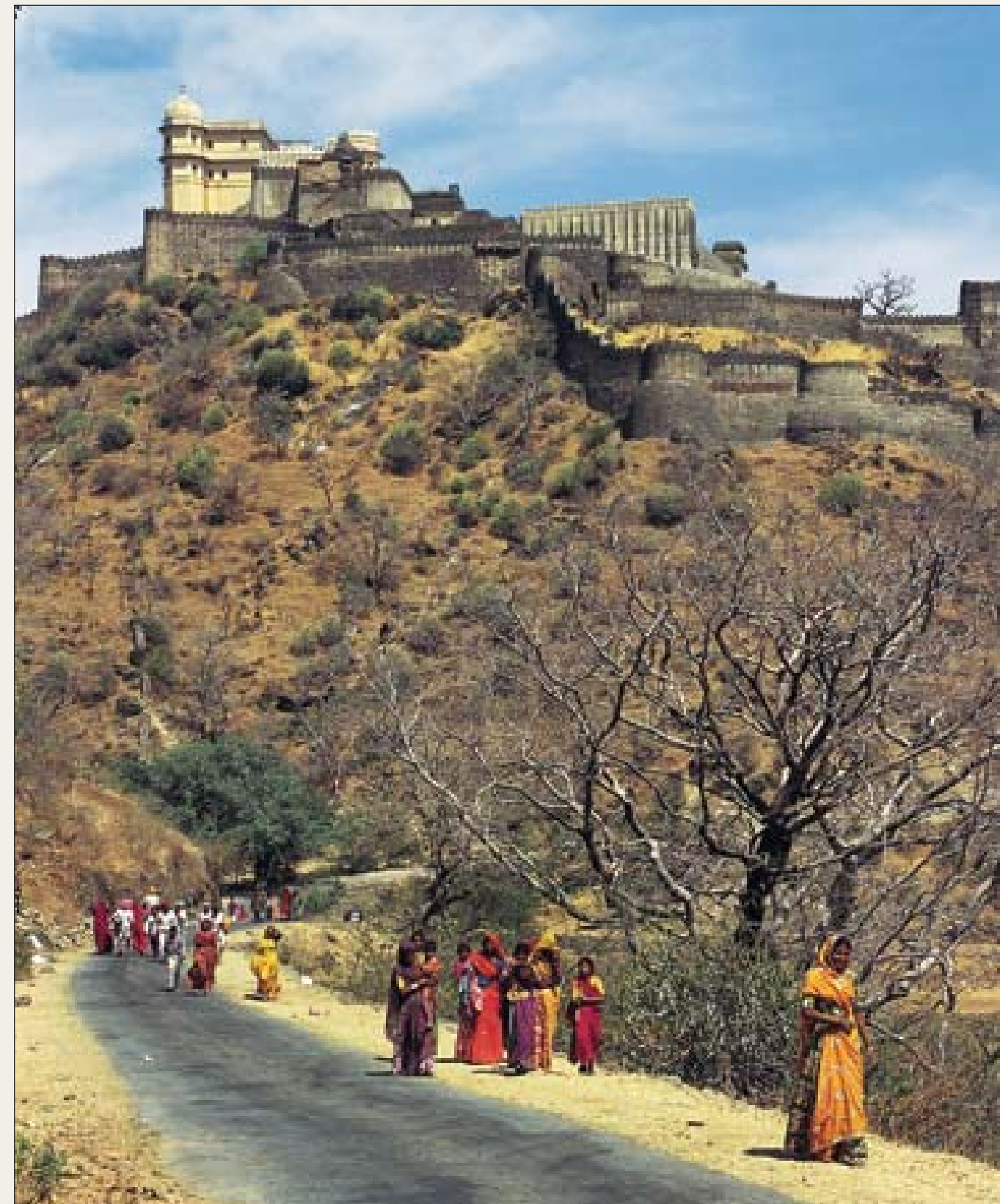
Ministry of Tourism participated in the India International Trade Fair held at Pragati Maidan, New Delhi from 14-27 November, 2004. A laser show titled "Incredible India" highlighting the North East was shown at the Mansarovar Lake, daily.

Ministry of Tourism has supported VIRASAAT Festival 2004 held in Dehradun to promote the rich cultural heritage of Uttarakhand.

The Ministry of Tourism had participated in the 3rd Bharatiya Pravasi Diwas by setting up an Indiatourism stall by Indiatourism, Mumbai at the conference venue. The conference was held from 7-9 January, 2005. The event has been organized coinciding with the Mumbai Festival from 7-16 January, 2005.



Interior of the "Deccan Odyssey" Train



Kumbhalgarh Fort, Rajasthan







## 7. RESEARCH, ANALYSIS, COMPUTERISATION AND MONITORING

### 7.1 Information and Research Activities

The Market Research Division of Ministry of Tourism, is responsible for collection, tabulation and dissemination of information on various aspects of tourism in India. The statistics being collected regularly by the Division include data on foreign tourist arrivals, domestic and foreign tourist visits, occupancy statistics of approved hotels, etc. Periodical surveys are also being undertaken to assess the profiles of international and domestic tourists, expenditure patterns, tourist preferences and satisfaction levels, availability and adequacy of infrastructural facilities at tourist centres, etc. This Division also undertakes studies and gets Master Plans / perspective Plans / Detailed

project report (DPR) prepared for the development of tourism in the country.

### 7.2 Foreign Tourist Arrivals

The foreign tourist arrivals during the year 2004 have been estimated as 3367980 registering a growth of 23.5% as compared to the corresponding period of previous year. A statement indicating the long-term trend of foreign tourist arrivals for the last ten years is available at **Appendix-VIII**. A statement along with graph showing month-wise estimated tourist arrivals during the year 2004 along with the figures for the last two years are as given below :

Foreign Tourist Arrivals in India during 2004 and Corresponding Figures for 2002 & 2003

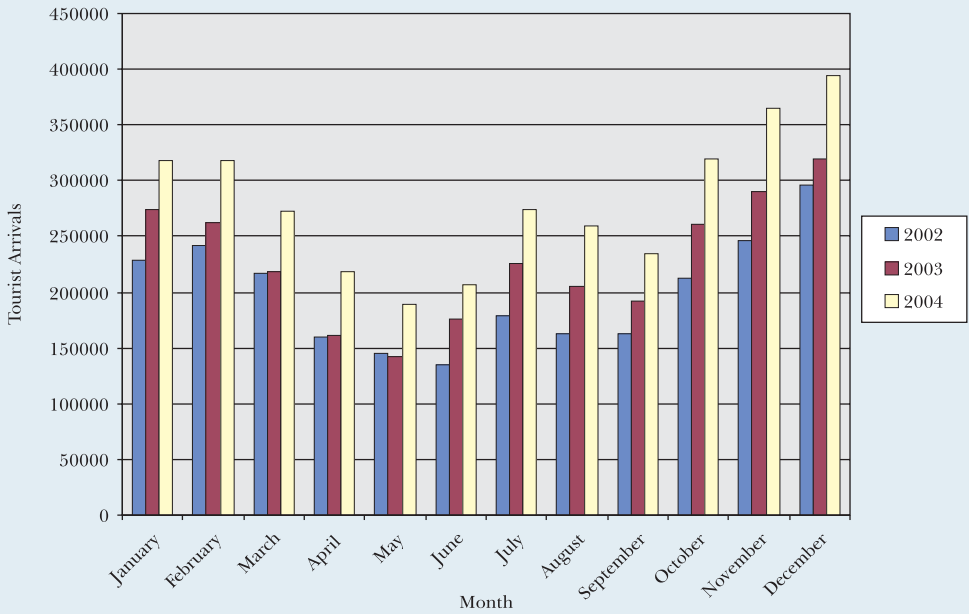
Months	Foreign Tourist Arrivals			Percentage Change	
	2002	2003	2004	2003/2002	2004/2003
January	228150	274215	317510	20.2	15.8
February	241133	262692	317498	8.9	20.9
March	216839	218473	272796	0.8	24.9
April	159789	160941	218782 *	0.7	35.9
May	144571	141508	189043 *	-2.1	33.6
June	134566	176324	206056 *	31.0	16.9
July	178231	225359	274226 *	26.4	21.7
August	162594	204940	259044 *	26.0	26.4
September	163089	191339	234965 *	17.3	22.8
October	213267	260569	319259 *	22.2	22.5
November	245661	290583	364635 *	18.3	25.5
December	296474	319271	394166 *	7.7	23.5
Total	2384364	2726214	3367980 *	14.3	23.5

\* Provisional



Harmandir Sahib at Amritsar, Punjab

Foreign Tourist Arrivals in India during 2004



### 7.3 Foreign Exchange Earnings from Tourism

Tourism has become an important segment of Indian economy contributing substantially to its foreign exchange earnings. The estimated foreign exchange earnings during 2004 were Rs.21828.25 crores as compared to Rs.16429 crores during the same period of 2003 showing a growth of 32.9%. A statement indicating long terms trends of the estimated

foreign exchange earnings for the last ten years is available at **Appendix-VIII**. A statement along with graph showing month-wise estimated foreign exchange earnings both in Rupee term and US \$ term during the year 2004 along with the corresponding figures for the last two years are as given below :

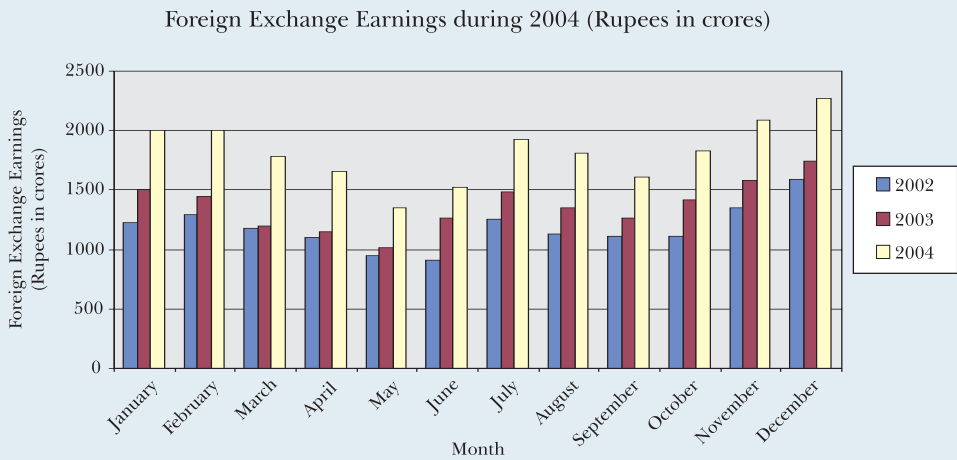
Foreign Exchange Earnings during 2004 and Corresponding Figures for 2002 & 2003

(Rs. in crores)

Months	Foreign Tourist Arrivals			Percentage Change	
	2002	2003	2004	2003/2002	2004/2003
January	1228.68	1505.06	1998.62	22.5	32.8
February	1294.42	1441.82	1998.55	11.4	38.6
March	1176.90	1199.12	1777.83	1.9	48.3
April	1102.45	1153.00	1652.91*	4.6	43.4
May	946.76	1013.79	1353.08*	7.1	33.5
June	905.79	1263.21	1518.33*	39.5	20.2
July	1253.98	1488.52	1926.47*	18.7	29.4
August	1127.49	1353.66	1808.46*	20.1	33.6
September	1107.53	1263.82	1613.02*	14.1	27.6
October	1111.26	1421.06	1825.81*	27.9	28.5
November	1351.30	1584.74	2088.94*	17.3	31.8
December	1588.44	1741.20	2266.23*	9.6	0.2
Total	14195.00	16429.00	21828.25 *	15.7	32.9

\* Provisional

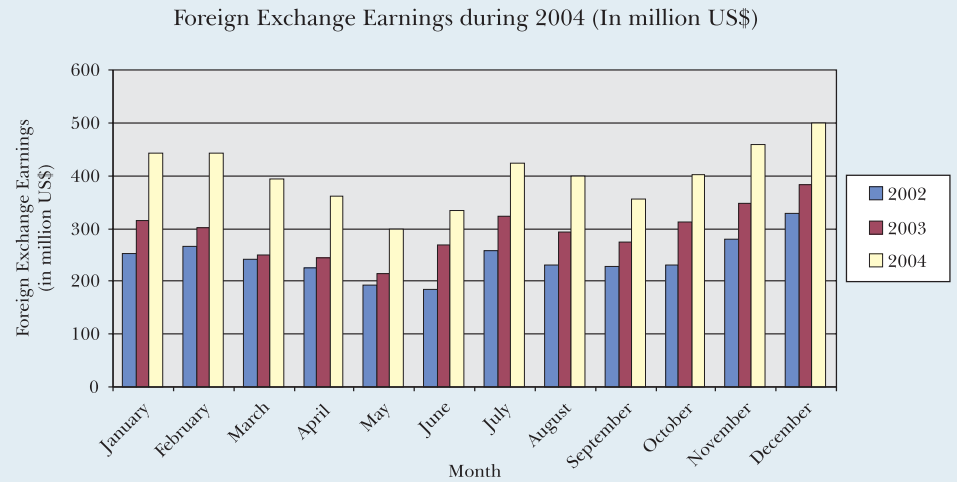




Foreign Exchange Earnings during 2004 and Corresponding Figures for 2002 & 2003 (In million US\$)

Months	Foreign Tourist Arrivals			Percentage Change	
	2002	2003	2004	2003/2002	2004/2003
January	253.04	315.10	442.98	24.5	40.6
February	266.58	301.85	442.97	13.2	46.8
March	242.38	251.05	394.05	3.6	57.0
April	225.34	245.06	361.97 *	8.8	47.7
May	193.52	215.47	297.30 *	11.3	38.0
June	185.14	268.47	334.35 *	45.0	24.5
July	258.06	323.73	424.37 *	25.4	31.1
August	232.03	294.40	398.08 *	26.9	35.2
September	227.91	274.87	354.89 *	20.6	29.1
October	230.15	312.23	401.70 *	35.7	28.7
November	279.87	348.20	459.26 *	24.4	31.9
December	328.98	382.57	498.24 *	16.3	30.2
Total	2923.00	3533.00	4810.16 *	20.9	36.1

\* Provisional



7.4 Domestic Tourism

The potential of domestic tourism has grown substantially during the last few years due to increase in income levels and emergence of a dynamic urban middle class. However, there are no precise estimates of total domestic tourist traffic in the country. All the States/Union Territory Governments were, therefore, persuaded to set up Statistical Cell for the collection of domestic tourism statistics through accommodation establishments and furnish them to the Central Ministry of Tourism on a monthly basis. As per the figures reported by the State Governments, the domestic tourists visits during the year 2003 are estimated to be 309 million showing a positive growth rate of 14.6% as compared to the year 2002.

7.5 Survey & Studies

The following survey/studies have been completed during the year 2003-2004:

- a. Domestic Tourist Survey by National Council of Applied Economic Research (NCAER)
- b. Report on 20-year perspective Plans for sustainable tourism development in States/Uts of Jharkhand, Meghalaya, Orissa, Tripura, Chandigarh, Haryana and Nagaland.
- c. Preparation of Detailed Project Report and Master Plan for Integrated Development of Tourism Circuits of North-Eastern Regions and Central Circuits (MP).
- d. Impact of Civil Aviation Policies on Indian Tourism.
- e. Development plan with focus on tourism and conservation for Bodhgaya (Bihar).
- f. A study to assess the impact of tourism in Employment Generation and future employment potential in nine destinations.
- g. Development Plan for Thiruvananthapuram.

The following survey/studies taken up during the year 2004-2005:

- a. A study to assess the manpower requirement in Hotel Industry, Tour Operations & Travel Sector, Manpower trained by different institutes and the placement scenario of students passed out from institutes.
- b. A study to assess the economic benefits of

tourism in the States of Maharashtra, Rajasthan, Tamil Nadu and Orissa.

- c. Preparation of Detailed Project Report for development of Circuits & Destination Tourism in the State of Meghalaya.
- d. Preparation of Detailed Project Report for development of Tourism Circuits & Destination in the States of Nagaland.
- e. Preparation of Detailed Project Report for development of Tourism Circuits and Destination in the State of Mizoram.
- f. Preparation of development plans for heritage conservation and tourism development for Hampi Group of monuments in Karnataka.
- g. Preparation of Master Plan for development of Eco-tourism in Valley of Flowers-Hemkunt Belt in Uttaranchal.
- h. International Passenger Survey 2002-2003.
- i. Preparation of Tourism Satellite Account for India.
- j. Study to collect Domestic Tourism Statistics in the States of Madhya Pradesh, Chhattisgarh, Bihar, Maharashtra, Assam and Orissa.
- k. A study on factors influencing tourists to visit Kerala as a preferred destination
- l. A study to identify the best practices adopted by different State Governments for the Development of Tourism in selected States.
- m. A study to assess the potential of Cruise Tourism in India.

7.6 Information Technology Initiatives :

The Ministry of Tourism, Government of India has, in the recent past, taken major initiatives in the field of Information Technology with a view to benefit the tourist. The aim of these initiatives is as follows:

- 1. Improved efficiency at Indiatourism Offices and the Ministry Headquarters
- 2. Improved Tourist Information
- 3. Improved Tourist Facilities
- 1. Improved efficiency at Indiatourism Offices and the Ministry Headquarters:
  - Provision of PCs: The Ministry, in its quest for improved and efficient services, has



provided computers to all its officers up to the level of Assistant Director in the Headquarters and field offices. All Indiatourism Offices both in India and overseas have been provided with computers.

- *E-Mail/Internet:* Access to Internet and E-Mail ID's have also been provided to all officers up to Assistant Director level in the Headquarters establishment and to all Indiatourism offices in India and overseas.
- *Computer Training to all:* Computer training has been provided to all the officers and staff at the headquarter and field offices.
- *Project Monitoring System (PMS):* Project monitoring system, development by NIC ( National Informatic Centre ) for the planning division to monitor/update/entering the details of Central Financial Assistance projects for various State Governments/UTs has been implemented in the Ministry.
- *Computerisation in Market Research and Hotel Division:* The Foreign Tourist Arrival Information System (FTAIS) and the Domestic Tourism database have been computerized. The Domestic Tourism database server has also been computerized in the Ministry.

## 2. Initiatives for Improved Tourist Information:

Various initiatives have been taken in the direction of providing improved tourist information to the tourists. These include:

- *Website: [www.incredibleindia.org](http://www.incredibleindia.org)*  
The “New and Fresh” Incredible India website showcases all that is striking about India – the colours, the technology, the vastness, the diversity and depth of the country. In this perspective, the site is representative of modern India – The India with its roots firmly in place, yet forward looking and contemporary. Minute navigation features have been kept

in mind, while designing the information architecture of the site, placing it in the league of the best travel websites in the World. The drop down menus have now adopted a “select and go” approach, whereby the user just has to click on a topic of preference to move to that topic, instead of selecting the topic and clicking the “go” button besides it.

The new site has **well laid out drop down menus**, making surfing the entire site a **pleasurable experience**. Besides giving the site a clutter free look, it helps pack a lot of content in an easily comprehensible format. The Masthead is extraordinary not only in its form, but also in its uniqueness. The Masthead changes **with every section** and actually turns out to be a particularly interactive facet, because it scrolls on mouse over. This makes every section have a fresh appeal, with perhaps the first 3-D masthead on an Indian travel site.

### • *Online campaign*

A complete 360-degree approach was planned for the online campaign, considering all possible touch points to connect with the user. The online campaign ran across esteemed and high traffic India and International sites and travel portals. Innovative site captures and Road blocks (completely owning the environment of the site with Incredible!ndia banners and visuals) along with bigger size creative resulted in higher click through rate across all the websites. The campaign utilized mobile marketing by sms contest, went ahead to get in touch with the users by DVD ad insert and digital brochure insert in famous Technology magazine. Direct marketing initiative was taken by inserting Incredible India post cards as inserts along with tickets which were couriered to all those who purchased railways ticket from Indian railways website. e-CRM initiatives

was taken by sending newsletters and specific direct mailers to the database and registered database of esteemed travel portals. Contests and polls have been an indispensable part of the campaign. Goa contest was a big success with approx. 15,000 entries across Internet and sms. In addition to this, Content integration, Image/photo gallery and Destination specials were taken across portals to enhance the “Colours of India”! More than 571 millions impressions on various domestic and international sites were hosted during the first phase of online campaign from August 2004-October 2004. The second phase campaign commenced from 5 January, 2005 to 15 March, 2005 across major portals and travel sites (domestic and international) is expected to deliver more than 730 millions impression on various products of India. The sites have been chosen based on relevancy and past performance. Innovative units, contests, other forms of digital media have been considered to break through the clutter and reach the target audience.

As a result, page views, visits and time spent on the website – [www.incredibleindia.org](http://www.incredibleindia.org) has increased exponentially.

### • *CD ROMs:*

A large number of CD ROMs have been made for providing a large amount of information to the tourists in a very concise form. These CD's are being distributed through network of the Indiatourism Offices. The new CDs produced during the period are a) Wildlife CD b) North East CD Part I and Part II.

## 3. Improved Tourist Facilities:

- Central Financial Assistance:* Assistance on 50:50 basis is given to State Governments/UTs as a part of their IT initiatives for developing their websites, networking, office computerization, production of CD ROMs, procurement of multi-media projection system, etc.

## 7.7 Projects Proposed :

- Introduction of Audio guide at the Taj Mahal, Agra is being proposed by the Ministry. The project will be done with close co-operation of Archaeological Survey of India. Once the Audio Guide at the Taj Mahal is implemented, other important monuments will also be included for the same.
- Photo CD ROM on Food and Cuisine of India is in the stage of being processed.









## 8. INTERNATIONAL CO-OPERATION

### 8.1 Co-operation with International Organizations

International Co-operation Division is a vital wing of the Ministry of Tourism which negotiates and participates in various international forums for promotion of tourism to India such as World Tourism Organization; Economic and Social Commission for Asia and the Pacific (ESCAP); Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC); Mekong-Ganga Co-operation MGC; Association of South East Asian Countries (ASEAN) and SAARC and also negotiates with other countries regarding signing of agreements for bilateral promotion of tourism to widen the links of friendships. Ministry of Tourism also participates in the Joint Commission Meetings in co-ordination with Ministries of Commerce, Culture, External Affairs, Civil Aviation, Finance, etc.

India is also Member of various Geo Economic Grouping viz Mekong-Ganga Co-operation (MGC), Bangladesh, India, Myanmar, Sri Lanka, Thailand Economic Co-operation (BIMSTEC), Economic and Social Commission for Asia and Pacific (ESCAP). All activities and issues related to above grouping are handled by IC Division. India has been assigned the role of lead country for Tourism in the BIMSTEC grouping.

India is the lead country for Tourism Sector in BIMSTEC Co-operation and the year 2004 is designated as “Visit BIMSTEC Year”. This has been extended to the year 2005. The Ministry of Tourism has taken several initiatives with regard to making this event a big success. India has produced posters, CD ROM, Directory of Buddhist Sites and a Brochure as part of the celebrations. India proposes to hold a Round Table and a Workshop of BIMSTEC member nations sometime in February 2005, with the objective of providing an impetus to intra-region tourism growth among these countries. As a member of the ASEAN Group, India was one of the co-sponsors of ASEAN Car Rally, which was held in November-December 2004.

During the Financial year 2004-2005, the following activities were performed/coordinated by/with International Co-operation Division:

India attended the following important meetings and events:

1. PATA Annual Conference Board of Directors Meeting at South Korea held from 17-21 April, 2004.
2. WTO World Conference on New Hotel Industries at St. Petersburg Russia held from 28-29 April, 2004.

3. Participation in the 2<sup>nd</sup> ASEAN India Consultation & Mekong Ganga Tourism Expert Meeting at Hanoi, Vietnam held from 27-29 April, 2004.
4. Annual General Meeting of the WTTC at Doha, Qatar held from 1-3 May, 2004.
5. Arabian Travel Mart, 2004 at Dubai from 5-6 May, 2004.
6. IMMEX ,Meeting and Incentive Travel Exhibition at Frankfurt ,12-14 May,2004.
7. 7<sup>th</sup> BIMSTEC Tourism Expert Meeting at Dhaka, Bangladesh on 20-21 May 2004.
8. 4<sup>th</sup> South Asian Sub Regional Economic Cooperation (SASEC) II Fourth Tourism Group Meeting organised by ADB at Bhutan from 24-28 May, 2004.
9. Ministerial Conference on Cultural Tourism and Poverty Alleviation organized by World Tourism Organization held at Hue, Vietnam on 11-12 June, 2004.
10. 45<sup>th</sup> WTO Commission on South Asia held from 6-7 July, 2004 in Colombo.
11. Asia Co-operation Dialogue at Thailand from 18-20 July, 2004.
12. 1<sup>st</sup> meeting of the SAARC working Group on Tourism which was held on 16-17 August, 2004 in Colombo.
13. India Tourism Road shows at Milan, Paris from 16-22 September, 2004.
14. PATA Travel Mart 2004 held in Bangkok, Thailand from 22-26 September, 2004. An Indian pavilion was set up in this mart for promoting India
15. India Tourism Road Show at London and Madrid from 2-8 October, 2004.
16. Festival of Days of Indian Culture held in Serbia from 29 October-3 November, 2004.
17. WTM, London from 8-11 November, 2004.

### 8.2 International events organized

India hosted the 73<sup>rd</sup> Executive Council Meeting of WTO at Hyderabad from 8-11 July wherein all the 141 members of WTO nations were invited. The Hon'ble Minister of Tourism and Secretary, Tourism attended along with the Secretary General of World Tourism Organization.

Round Table Conference and Workshop of BIMSTEC countries with the participation of Tour Operators and others associated with the tourism industry was organised with the

objective of doubling the tourism within BIMSTEC countries in the next five years.

### 8.3 Bilateral Tourism Co-operation Agreements

India has signed 38 MoUs with other countries with the purpose of widening the links of friendships and mutual promotion of tourism. In the last year the following efforts were undertaken to further India's interest through co-operation with other countries in the field of tourism.

1. Bilateral meeting between Vietnam National Administration Tourism's Chairperson and Minister of Tourism of India was held in October 2004 at New Delhi. Both sides agreed to sign a Tourism Co-operation Plan to extend co-operation between the two countries in the field of tourism.
2. Agreement on co-operation in the field of tourism between India and Serbia was signed on November 2,2004 during the visit of Minister of Tourism to Serbia
3. Joint Working Group meeting between India and Egypt was held in New Delhi in December 2004.
4. Joint Working Group Meeting between India and Austria was held in Vienna in January 2005.

### 8.4 External Assistance

The Ministry of Tourism continued the Ajanta-Ellora Conservation and Tourism Development Project with assistance of Japan Bank of International Co-operation (JBIC).



Frescoes, Ajanta Caves, Maharashtra

### Ajanta-Ellora Phase-I

With the assistance of JBIC, Ajanta-Ellora Conservation and Tourism Development Project was undertaken in Maharashtra. Loan agreement for 3.745 billion yen was signed in January 1992. The project was completed at a cost of Rs.127.50 crores approx. in March 2002. The major components of the project were – Monument Conservation, Afforestation, Extension of Aurangabad Airport, Roads, Water Supply and Sewerage, Electrical Power Supply and Visitors Management System. Some of the benefits derived under Phase-I of this project are: improvement of roads has reduced pollution near Ellora; chemical conservation of priceless paintings will help their long-term preservation, the afforestation at Ajanta-Ellora has reduced SPM and pollution levels; relocation of the generator at Ajanta has reduced vibration and noise level; the fibre-optic illumination has benefited tourists by illuminating the painted caves who will spend less time in viewing the painted caves; the alternate circulation path has reduced humidity and heat in the vicinity of the caves by regulating the tourist inflow; augmentation of power supply has ensured stable power supply to Ajanta & Ellora: the extension of the airport has enabled operation of larger aircraft and would boost trade and commerce in the region.

### Ajanta-Ellora Phase II

Government of Maharashtra has sought assistance for Phase II of the project. JBIC has agreed to provide the loan assistance (Approximately Yen 7331 million) for Phase II. The loan agreement with JBIC was signed on 31 March, 2004. The project is scheduled to be completed by end of March 2007. The main objective of the project in Phase II are to conserve and preserve monuments and natural resources in the Ajanta-Ellora region, to improve the infrastructure and visitor management and to improve the quality of life of local population.

### Buddhist Circuit Phase II

Development of Buddhist Circuit (Phase-II) in Uttar Pradesh was included in the list of proposals for Financial Year 2003-2004 for JBIC ODA loan package. JBIC conducted SAPROF study to formulate the project. This report has inter alia, called for improvement of infrastructure, public utilities, conservation of monuments, etc at Sarnath, Kushinagar, Kapilvastu, Sravasti, Sankisa in Uttar Pradesh.







9. INDIA TOURISM DEVELOPMENT CORPORATION LTD.

9.1 Introduction

India Tourism Development Corporation Ltd. (ITDC) came into existence in October 1966 with the sole objective of developing and expanding tourism infrastructure in the country and thereby promoting India as a tourist destination. Working on the philosophy of public sector, ITDC succeeded in achieving its objectives by promoting the largest hotel chain in India and providing all tourist services i.e. Accommodation, Catering, Transport, in-house Travel Agency, Duty Free Shopping Entertainment, Publicity etc. under a single window. It also offers consultancy services from concept to commissioning in the tourism field both for private as well as public sector. While functioning on commercial lines, ITDC has also been committed to the social objectives, Government Policies, development of backward areas, maintenance of regional balance, national integration etc.

In pursuance of the disinvestments policy of the Government of India, out of 26 hotels owned by ITDC, 18 hotels have been disinvested. Keeping in view the changed scenario, activities of ITDC have been restructured suitably so that it continues to fulfill its original mandate for the development of tourism in the country. Besides, consolidating remaining business areas, ITDC has diversified into new avenues/innovative services like Full-fledged Money Changer Services, Engineering & Consultancy Services for complete range of tourism related State projects etc.



Lalitha Mahal Palace Hotel, Mysore, Karnataka

9.2 Mission

ITDC will provide a memorable experience to its customers at every touch point that it services, in the areas of Duty Free experience, Accommodation & Catering Travel & Tours, Marketing & Conventions, Consultancy & Engineering, Publicity & Promotion, Human Resource Development & Hospitality Sector.

9.3 Board of Directors

ITDC Board of Directors, presently, consists of four Directors. One of the Government Directors also holds additional charge of the post of Chairman & Managing Director.

9.4 Organisational set-up

The present organisational set up at the corporate level comprises of C&MD, Functional Director and heads of business groups viz. Hotels & Catering, Ashok International Trade, Ashok Travel & Tours, Ashok Reservation & Marketing Services, Ashok Creatives, Ashok Institute of Hospitality & Tourism Management and Engineering Services. Besides, there are some support/service departments namely Human Resource Management, F&A, Public Relations, Secretarial and Vigilance & Security.

9.5 Network of ITDC Services

After disinvestments of 18 hotels, ITDC’s present network consists of 8 Ashok Group of Hotels, 7 Joint Venture Hotels including one yet to be commissioned, 2 Restaurants (including One Airport Restaurant), 12 Transport Units, 1 Tourist Service Station, 37 Duty Free Shops at International as well as Domestic Custom Airports, 1 Sound & Light Show and 4 Catering Outlets. Besides, ITDC is also managing a Hotel at Bharatpur and a Tourist Complex at Kosi owned by the Ministry of Tourism.

9.6 Capital Structure

The Capital Structure for the last two years and as on 31<sup>st</sup> December 2004 (Provisional) is as under :

(Rs. in crores)			
Particulars	2002-2003	2003-2004	2004-2005 (Provisional)
Authorised Capital	75.00	75.00	75.00
Paid-up Capital	67.52	67.52	67.52
Reserves & Surplus	36.92	39.64	*
Net Worth	98.27	98.04	*
Capital Employed	90.85	106.23	*

\* These figures are worked out after the finalisation of accounts.

No additional equity was contributed by the Government during 2004-2005 (up to December 2004). The loan liability as on 31.03.2004 was Rs.2.27 crores from Bank and Rs.16 crores from the Government. During 2004-2005 (up to December 2004) no loan has been taken from Government/Financial Institution.

9.7 Pattern of Shareholding

The authorized and paid-up capital of the Corporation as on 31<sup>st</sup> March 2004, stood at Rs.75 crores

and Rs.67.52 crores respectively. The pattern of shareholding is indicated below:

Government	89.97%
General Public	10.00%
Employees	00.03%

9.8 Financial Performance

The year 2003-2004 witnessed improvement in financial performance of the Corporation. The turnover of the Corporation increased by 21.92% from Rs.238.40 crores



Sound & Light Show at Jyotisar (Kurukshetra), Haryana





in 2002-2003 to Rs.290.65 crores in 2003-2004. After suffering losses during the last four years, the Company made a turnaround during 2003-2004 and earned a net profit (after tax) of Rs.1.19 crores as against loss of Rs. 6.70 crores in the previous year.

During 2004-2005 (up to December 2004), the financial performance further improved as compared to the corresponding period last year. The turnover during 2004-2005 (up to December 2004) was Rs.256.33 crores (provisional) as compared to Rs.193.89 crores during the corresponding period last year. During this period, the operating profit was Rs.8.90 crores as against a loss of Rs.5.12 crores during the corresponding period last year. The key figures relating to financial performance of the Corporation for the last four years and for 2004-2005 are tabulated below:

Particulars	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005
					(Up to December 2004) (Prov.)
Turnover	305.60	184.44	238.40	290.65	256.33
Operating Profit (Before Interest & Depreciation)	(-) 22.81	(-) 32.34	2.79	5.13	8.90
Profit Before Tax	(-) 35.45	(-) 90.26	(-) 9.10	2.86	3.79
Profit After Tax	(-) 35.47	(-) 86.57	(-) 6.70	1.19	3.79
Direct Foreign Exchange Earnings	105.87	79.00	100.77	121.65	100.04

9.9 Subsidiary Companies

ITDC’s investment in its seven subsidiary companies was Rs.8.47 crores as on December 2004. Company-wise details are given hereunder:-

(Rs. in crores)	
MP Ashok Hotel Corporation Ltd.	0.82
Utkal Ashok Hotel Corporation Ltd.	4.69
Ranchi Ashok Bihar Hotel Corpn. Ltd	0.36
Assam Ashok Hotel Corporation Ltd.	0.51
Pondicherry Ashok Hotel Corporation Ltd.	0.31
Donyi Polo Ashok Hotel Corporation Ltd.	0.51
Punjab Ashok Hotel Company Ltd.	1.27
Total	8.47

9.10 Memorandum of Understanding (MoU)

The MoU for the year 2004-2005 was signed between

the Ministry of Tourism and ITDC, based on the four hotels viz. Ashok Hotel, Hotel Samrat, Hotel Janpath & Lalitha Mahal Palace Hotel, Mysore that will remain with ITDC for full year for operation. The other criterion of MoU include increase in gross sales and gross margin, reduction in outstanding, training to executives/non-executives, lowering inventory to turnover, increase in hotel occupancy ratio and average room recovery, customer delight, tourism projects (planning & execution) and reduction in F&B cost, rationalization of manpower, etc.

9.11 Ashok Reservation & Marketing Services

Ashok Reservation & Marketing Services is well established in the field of Event Management of conferences

and has handled a number of conferences during the year namely 36<sup>th</sup> Session of Codex Committee on Pesticide Residues, Meeting on Minorities Welfare and Education, 51<sup>st</sup> Meeting of Central Advisory Board of Education, Meghalaya Tourism Road Show, Nodal Officers’ Meet, World Tourism Day Celebration, India Post Sesquicentennial Celebration, SAARC Editors and Working Journalists Meet, SAARC Working Group Meet, Function to mark the release of commemorative Stamp on K. Kamraj, to the name a few.

Subsequent to its participation in the NATAS fair and Relics of Buddha Exhibition in Singapore, the division handled a Pilgrimage Tour on the Buddhist Sector from Singapore comprising of 67 persons in November 2004.

To continue interaction with the travel trade, the Ashok Reservation & Marketing Services participated in the IATO convention held in Agra.



Ashok Hotel, New Delhi

Marketing of HARK system developed by NIIT is being taken up by ARMS and the second project at Channakeshave Temple, Belur has been installed.

In order to tap increasing number of domestic tourists for ITDC hotels, various packages were continued to be offered. These packages include Family Package, Senior Citizens Packages and Distinctly Disabled Package.

9.12 Ashok Group of Hotels

The Ashok Group of Hotels continued to play host to several prestigious International and national level conventions and events, which included Asia Pacific Annual Seminar on Liver, IFTDO World Conference by Indian Society for Training, IPCC Conference, International Council for Competition Climbing, International Cardiology Conference, World Food Programme, International Motorola Meet, UNDP Conference, World Half Marathon, Medicinal Plant Summit, Indian Heritage Festival, Anesthesiology Conference,

Petrotech 2005, UNAIDS Int’l Conference. The Ashok Group of Hotels also hosted delegations from Russia, Spain, Bulgaria, Uzbekistan, SAARC and China etc.

Ashok Hotel added a star product to its kitty by opening a World-class state of the art city spa, namely AMATRRA. It combines the customized Wellness Programmes and the ancient science of Ayurveda with advanced training system. Amatarra offers personal therapy rooms, poolside gymnasium, dedicated yoga and aerobic studios, salon, saunas and a unique floatarium. In addition to this, the Ashok is renovating the erstwhile famous FRONTIER – North West cuisine specialty restaurant and converting it into the fine dinning state-of-the-art restaurant serving the erstwhile delicacies. Apart from this, Hotel Samrat, New Delhi also introduced two new F&B outlets namely RED CHILLI – 24 hours, a multi-cuisine restaurant and DECIBEL – an up-market PUB lounge.





The Ashok has undertaken an aggressive direct marketing campaign focused over domestic and international tourists, corporate travelers and conferences and banquets business. The Hotel has also initiated dedicated efforts for imparting training to all levels of employees in association with an expert training organization and to make it a permanent line function, in-house training set up has been strengthened.

In order to popularizing Indian Cuisine in the domestic markets and boosting F&B Sales, a number of Food and Cultural Festivals were organized covering different regional cuisines by the Ashok Group of Hotels. Most notable among them were Parsi Food Festival, Myanmar Food Festival, “See-Saw” & Puna Highway” Supper Theatres at Coffee Shop, The Ashok, New Delhi.

The Ashok Group of Hotels globally popularized the Indian Cuisine by participating in several Food Festivals abroad at the instances of Indian Embassy in The Hague, The Netherlands, Food Festivals at Gwacheon City, Sough Korea, Indian Food Festival at Hotel Ritz Carlton-Istanbul, Turkey and Indian Food & Cultural Festival – “Tastes of India” at Swissotel, Istanbul, Turkey.



Meditation, Amatrtra at Ashok Hotel, New Delhi

9.13 Ashok International Trade

Ashok International Trade continued its efforts to make India Duty Free, a shoppers’ paradise and Duty Free Shopping in India an experience by itself.

Efforts were made to shift the shopper focus from merchandise to specialized exclusive boutique shopping with the change in international duty free trend.

The duty free shops at the capital Delhi and commercial hub Mumbai were spruced and given an international look to make them attractive for the international travelling fraternity.

Extensive advertising and marketing campaigns were under taken to communicate with the prospective travellers/ buyers via the electronic media, by way of attractive commercial slots showcasing duty free India at prime time television. Eye catching mailers to elite existing passengers and the potential travellers were devised to make them aware of the latest at duty free India.

In order to generate more footfalls at our shops thereby increasing an urge and desire to purchase, marketing tools viz. special prices, freebies, ruffles, etc. had a good response from the passengers. Citylife magazines were splashed with advertisement of incredible shopping experience at duty free India and creating awareness of duty free India’s merchandise at unbeatable prices.

Traditional festivals of India viz. Deepawali, Christmas and New Year were celebrated at duty free India more so in Delhi and Mumbai with fervour, gaiety and by lighting-up to give India duty free a unique identity, thereby imbibing India’s rich cultural heritage.

To further augment the sales, a massive brand expansion exercise was initiated to include world-class merchandise in all product categories and series of promotional efforts undertaken. Simultaneously, sincere efforts were made to deplete the slow-moving stock.

As a part of ongoing modernization process, computerization of supply chain management system for duty free shops has been put in place at Headquarters and Duty Free Shops, Delhi.

9.14 Ashok Travel & Tours

Ashok Travel & Tours (ATT) diversified its product portfolio by adding two more services. ATT tied up with BTI, SITA for providing Western Union Money Transfer

services. This service has been started at all the ATT offices across the country. ATT also undertook exhibition work for Ministry of Textiles. Handicrafts exhibitions were organized at Delhi, Srinagar, Mumbai, Chennai and Bangalore.

ATT bagged the ticketing business of Aero Show, 05 to be held at Bangalore and the transport business for Petro-Tech’ 05. The ATT also handled groups from IIPA, NIEPA and Women Group from Vietnam.

ATT continued with its primary activities of Air Ticketing, Package Tour Operations, Transport Services etc. On two consecutive years, Air Ticketing segment registered double digit growth rates. In addition, ATT’s owned vehicles procured last year showed remarkable profitability and could generate about 40% return. ATT has become an agent of recently launched “Air Deccan” - the new Domestic Airlines.

In order to explore new areas of tourism, ATT appointed a Consolidator at Srinagar. All the centres of ATT will now extend booking facilities for Kashmir and customers can book their accommodation and travel arrangements through this system. They can also avail of LTC facility for the same.

9.15 Ashok Creatives

The Ashok Creatives (AC) continued to expand its

activities by undertaking tourism development projects for the Ministry of Tourism. During the year, while the installation of Sound & Light Show at Chittorgarh Fort has been completed for commissioning, SEL Show at Kumbhalgarh Fort is in an advanced stage of completion.

In addition, collaterals were designed and produced on behalf of SASEC (Bangladesh, Bhutan, India and Nepal) on the themes “Buddhist Heartland” and “Nature Culture Adventure” including a CD on these subjects. The Ashok Creatives also designed Agra Fort brochure for Ministry of Tourism for distribution during a ceremony on 2004 Aga Khan Award for Architecture. The AC also produced material for Election Commission of India, Himachal Tourism and Bihar Tourism.

Also projects pertaining to (a) Illumination of Qutab Minar and (b) Setting up of a permanent Exhibition, Documentation and Interpretation Centre at Qila Rai Pithora in Delhi for ASI have been completed and are to be handed over (c) Mounting of SEL Shows at Haridwar, Sarnath, Sabarmati, Udaigiri, Purana Qila in Delhi and Vivekanand Rock Memorial in Kanyakumari are in pipeline.

Heritage Tea House at Red Fort, Delhi now called Daawat Khana, is ready and trial runs are on.



Daawat Khana in the Red Fort complex, Delhi





9.16 Engineering Services

The Engineering Division of ITDC has been entrusted with the job of development of tourism infrastructure and various other projects by the Ministry of Tourism, Department of Culture and Jharkhand State. The Engineering Division has taken up the execution of following assignments:

1. The work of conservation and development of Pushkar Ghats in Rajasthan at a total sanctioned amount of Rs.261.43 lakhs is nearing completion.
2. Various works relating to the development of Somnath Temple Complex in Gujarat are in progress. The total cost of the projects is Rs.548.81 lakhs.
3. Construction of Headquarters. Building of National Council for Hotel Management & Catering Technology at NOIDA; at a total cost of Rs.400 lakhs is in full swing.
4. The work of development of Destination Tourism of Madhuban Parasnath for a total sanction of Rs.393 lakhs is in progress.
5. Development of Qila Rai Pithora Wall in Delhi at a total cost of Rs.216 lakhs is nearing completion. Another Rs.328 lakhs have been sanctioned by DOT for the second phase of this work.
6. The work of construction of Indian Institute of Skiing & Mountaineering at Gulmarg at a total cost of Rs.829 lakhs is in progress.
7. More than 60% of work has been completed relating to the 8 Tourist Destinations in Jharkhand at a total cost of Rs.1045 lakhs.
8. The works relating to the Sunset Point, construction of Cottages and Development of Muttom and Thekkrichi Beaches at Kanyakumari are in progress.
9. Engineering Wing of ITDC has successfully completed the illumination of Nila Gumbad, Khan-e-Khana, Barakhamba, Urs Mahal, Mazar-e-Ghalib, Lodhi Garden, Subz Burj, Chaunsath Khamba and Arab-ki-Sarai monuments in Delhi.
10. The work of construction of Chaupals in Kotla Mubarakpur, Kilokri and Sarai Kale Khan in

Delhi is nearing completion.

11. An amount of Rs.638 lakhs has been sanctioned by DOT for development of Bhalukpong-Tawang Travel Circuit in Arunachal Pradesh.
12. The job relating to tourism development at Sakchi, Dimna, Madhubabn, Barkata and Hundru at a total cost of Rs.987 lakhs has been assigned by the Govt. of Jharkhand.
13. The job of Circuit tourism of Jamshedpur-Betla-Daltonganj-Ranchi-Jamshedpur in Jharkhand has been assigned to this Division at a total cost of Rs.716 lakhs.
14. The Division is also undertaking the work relating to the development of Jyotisar and Barsana villages as well as development of JP Nagar as Rural Tourism Village.

9.17 Consultancy-Business Development

To strengthen the Engineering Consultancy activities, a new Division called Consultancy-Business Development Division has recently been created to prepare Feasibility Reports, Tourism Master Plans and Detailed Project Reports.

The Division submitted to DOT detailed project reports for the destination, circuit and rural tourism for the States of Bihar, Jharkahand, Punjab, Daman, Diu, Andhra Pradesh, Mizoram, Nagaland, Arunachal Pradesh and Assam.

9.18 Plan Schemes

The Annual Plan for 2003-2004 envisaged an outlay of Rs.4.50 crores. The emphasis in the plan was on renovation/upgradation of existing hotels/units, up-keep of Duty Free Shops, undertaking joint venture projects in collaboration with State Governments, playing pioneer/developmental role and venturing into new business activities. But due to fund constraints, the plan expenditure during 2003-2004 was only Rs.1.64 crores against the plan outlay of Rs.4.50 crores.

The Annual Capital Plan for the year 2004-2005 has been formulated, envisaging an outlay of Rs.4.00 crores. The emphasis in the plan has been on renovation of existing hotels and Duty Free Shops, purchases of vehicles, training aids and computer hardware/software and venturing into new business activities.

9.19 Ashok Institute of Hospitality & Tourism Management

Ashok Institute of Hospitality and Tourism Management (AIH&TM) is maintaining its leadership in Training & Hospitality related services by renewing ISO 9001-2000 in designing and imparting training for hospitality, travel & tourism industry.

AIH&TM has emerged as a separate strategic business unit and is a major education provider in the area of Tourism & Hospitality. It conducts 18 months craft/certificate courses in the field of culinary skills.

AIH&TM has signed an MOU with Kurukshetra University, Haryana to run 4-year Bachelor's Degree course in 'International Hospitality Business Management' course. The course commenced at AIH&TM from August 2004. MOU has also been signed with the Amity School of Hospitality to start One-year PG Diploma in Hospitality Management and One-year PG Diploma in Tourism Management. Besides, 243 students of Air Hostess Academy were given Hotel Operation inputs.

During the year 2004-2005 (till December 2004), 11 training programmes have been conducted for outside agencies, covering 971 employees. In addition, 11 employees were nominated for professional courses in India conducted by a reputed organization.

As part of the ongoing activities, 33 Management Trainees and 175 Apprentices in different trades, about 100 Industrial Trainees, 104 Craft Course trainees in Culinary skills are undergoing training.

AIH&TM has also undertaken this year 'Capacity Building' Training Programme for 230 Immigration officials, 400 pre-paid taxi drivers and 200 traffic police posted at IGIA on behalf of Ministry of Tourism, Government of India.

Apart from the above activities, AIH&TM is also imparting training to the employees of various State Tourism Departments like Kerala House, Karnataka Bhawan, Maharashtra Sadan etc.

9.20 Human Resource Management

Human Resource Management Division is of vital importance specially for service industry. As on 31<sup>st</sup> March 2004, ITDC was having a total manpower of 3125 employees as against 3498 in the previous year. Of these, 903 employees

belong to Scheduled Castes, 66 to Scheduled Tribes and 95 to Other Backward Classes.

In order to reationalise manpower, VRS was re-introduced for the employees. In response to the Scheme, 59 employees opted the VRS and were relieved from their duties on 31.12.2004.

The total manpower as on 31.12.2004 is 2996. Of these, 844 employees belong to Scheduled Castes, 64 to Scheduled Tribes and 95 to Other Backward Classes (OBCs).

9.21 Industrial Relations

The overall industrial relations situation in Company continued to be harmonious and cordial. There was no loss of mandays during the period.

9.22 Implementation of Official Language Policy

During the year, Company continued its efforts to promote the use of Hindi in official work of the Corporation. The thrust was on motivating and training the employees to use Hindi in day-to-day work. The efforts made in this regard include (i) nominating the employees for training in Hindi typing/stenography; (ii) organizing Hindi competitions and quiz programmes during Hindi month celebrations in order to create an environment conducive for promotion of Hindi; (iii) organizing Hindi workshops for imparting training in noting and drafting Hindi; and (iv) granting cash incentives to employees on doing prescribed quantum of work in Hindi.

9.23 Conservation of Energy

ITDC is committed to energy conservation at every stage of its operations. Efforts in this direction are driven by commercial considerations as well as energy conservation policies and practices. During the year, ITDC continued to maintain its thrust on energy conservation.







## 10. WELFARE MEASURES AND VIGILANCE

### 10.1 Scheduled Castes/Scheduled Tribes Cell

The Scheduled Castes/Scheduled Tribes Cell in the Ministry of Tourism continued to function under a Liaison Officer of the rank of a Director. The Cell looked into the grievances on service matters of Scheduled Castes and Scheduled Tribe employees of the Ministry and its attached / subordinate offices. Directions were also issued from time to time by the Cell to all the administrative authorities under its control so as to ensure that the orders on reservation for SCs/STs in posts/services are properly implemented.

### 10.2 Reservation for SC, ST and OBC candidates

All recruitments in the Ministry and its subordinate offices were being made as per the orders of reservation issued



*Pulikuli Kids*

by Government from time to time. Reservation rosters were maintained and adequate representation continued to be given to SC, ST and OBC candidates. Yearly returns on the subject as prescribed by the Ministry of Social Justice and Empowerment were sent to them regularly.

### 10.3 Employment Opportunities to Handicapped Persons

As per Government instructions, employment opportunities were extended to handicapped persons and a yearly return on the same was sent to the Ministry of Social Justice and Empowerment. The Ministry of Tourism is mainly involved in promotion of tourism involving considerable fieldwork. There is no specific scheme or budget allocation earmarked for disabled persons in the sphere of activities of the Ministry. However, in accordance with the guidelines of the Government, one visually handicapped person was appointed in the Department in 1987 in grade of LDC. He was subsequently promoted to the grade of UDC. The Ministry will be making efforts in giving job opportunities to disabled persons in accordance with the Government orders as and when vacancies arise in future.

### 10.4 Vigilance

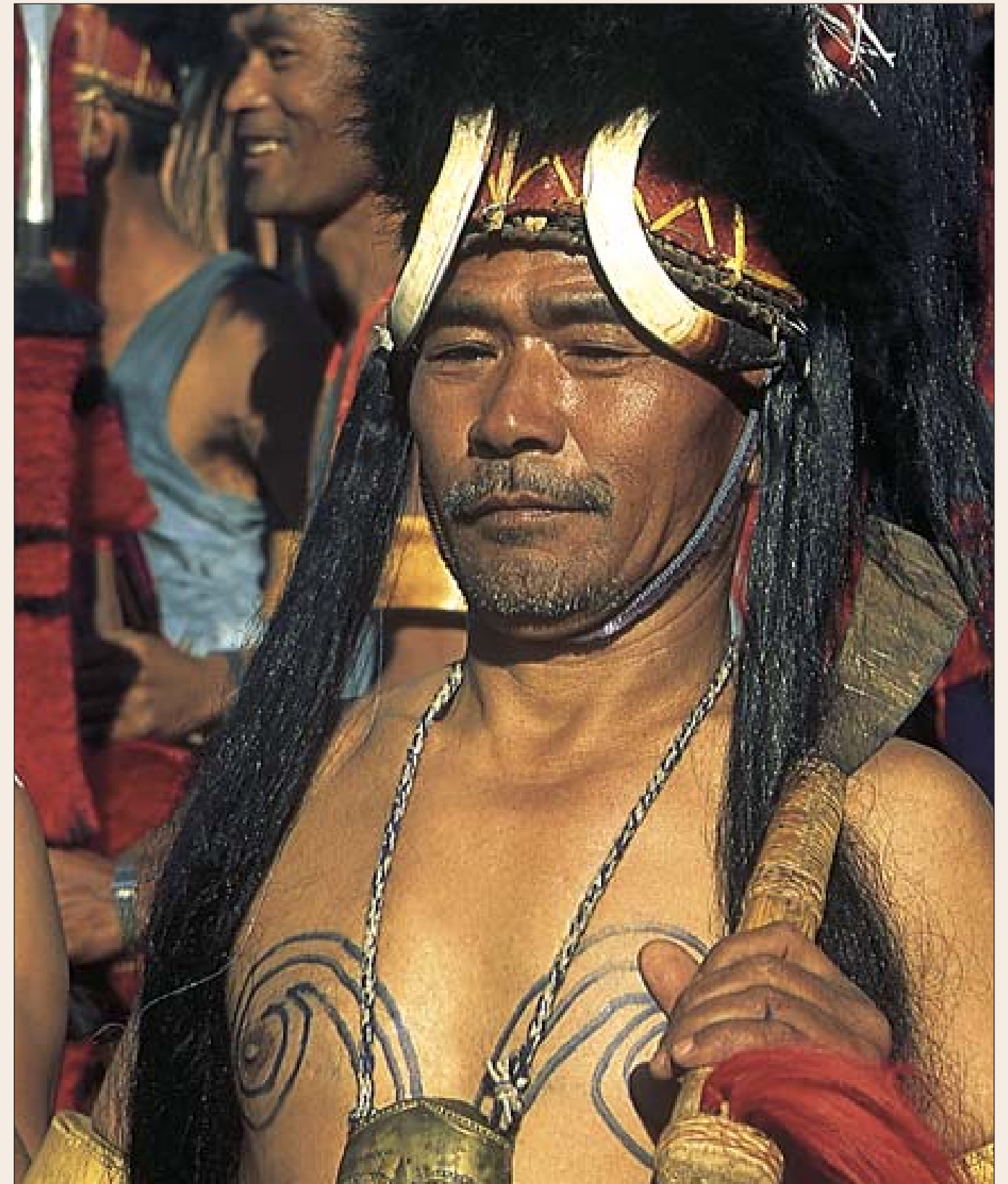
The Vigilance work in the Ministry of Tourism continued to be headed by a Joint Secretary and Chief Vigilance Officer assisted by an Under Secretary and a Confidential Assistant. With this staff, every possible effort was made to look into the complaints received in the Ministry and get them processed/investigated promptly. Wherever necessary, the cases were referred to CBI/CVC.

As per the directions of the Central Vigilance Commission, Vigilance Awareness Week was observed from 1-6 November, 2004. All the officers and employees of the Ministry of Tourism took the pledge.

### 10.5 Complaints

A Complaint Cell exists in the Ministry of Tourism which is headed by a Deputy Director General. Regional Complaint Cells are also in operation in the Regional India Tourism Offices. A system has been developed to receive complaints on the website of Indiatourism.

The State Governments have also been requested to set up such Complaints Cells at the State level.



*Traditionally attired Naga*







The Ministry continued to make sincere and concerted efforts to ensure compliance with the provisions of the Official Language Act, 1963 and Official Language Rules as also the various orders/instructions issued by the Department of Official Language from time to time regarding the progressive use of Hindi for official purposes. The details of the work done in this regard are as under :

Arrangements and machinery for implementation: The Ministry has an official language Hindi unit under the charge of a Joint Director (OL) with one Assistant Director (OL), one Senior and three Junior Translators and other supporting staff. Apart from monitoring the implementation of the Official Language Policy and Programme of the Government, this section also arranges for the training of the staff in Hindi, Hindi typing and Hindi stenography. This section also attends to the work relating to the translation of documents, which are required to be issued in Hindi or bilingually, from English to Hindi & vice-versa.

The Official Language Implementation Committee has been constituted in the Ministry of Tourism. The meetings of the Committee are held on regular basis. Due to circumstances beyond control, only two quarterly meetings were held during the year under review. And necessary follow up action was taken to implement the decisions of the Committee.

The Ministry of Tourism operates the “Rahul Sankrityayan Award Scheme” to encourage writing original Hindi books in the field of tourism. Another scheme named “Rangey Raghav Award Scheme” for translated books in Hindi in tourism is also being operated. Under these schemes, for each schemes there are first, second and third prizes of Rs.20,000, Rs.16,000 and Rs. 10,000 respectively and one consolation prize of Rs.6,000. These schemes were introduced in 1989. For the year 2002-2003 under the Rahul Sankrityayan Awards scheme, first prize was awarded to Dr.Jainarayan Kaushik for his book “Rain Nadi Se Sindhu Durg Tak” and

- a. *Notifying Office under Rule 10 (4):*  
Ministry of Tourism has already been notified under Rule 10(4) of the Official Language Rules, 1976.
- b. *Incentive Scheme and Cash Awards:*  
Incentive scheme for doing original official work in Hindi is in operation in the Ministry of Tourism. During the year 2003-2004, two first prizes of Rs. 1000 each, three second prizes of Rs. 600 each and five third prizes of Rs. 300 each were awarded to

The translation work of website on the Ministry of Tourism has been completed. Process is underway to upload it.

To review the work being done in Hindi, Second Sub Committee of the Parliamentary Official Language visited ITDC, an undertaking of the Ministry, for inspection on 2 November, 2004. Joint Secretary (T) represented the Ministry.



*Teej Festival, Rajasthan*







Government of India attaches great importance to the development of tourist infrastructure in the North East region in view of immense tourist potential of the region. North East Region comprises eight States namely Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim which form part of the East Himalayan region up to Sikkim eastwards embracing Darjeeling Hills of West Bengal up to the Myanmar border. The location of the region is strategically important as it has internal borders with Bangladesh, Bhutan, China and Myanmar.

The rich natural beauty, serenity and exotic flora and fauna of the area are invaluable resources for the development of eco-tourism. The region is endowed with diverse tourist attractions as each State has its own district features. The attractions are scattered over the entire region and are largely located in remote areas within highly fragile environments. These attractions and the people of the region constitute the tourism resources at large. Despite abundance of natural beauty, snow-peaked mountains and white water rivers, the flow of incoming tourists has been marginal for the reasons of the lack of infrastructural and other related facilities in various tourist spots in the region.

Towards achievement of this objective, 10 per cent of the Plan allocation of the Ministry has been earmarked for the North East Region. During 2003-2004, against Plan allocation of Rs.325 crores, an amount of Rs.34.84 crores was sanctioned for tourism related projects in the North East. In the current year 2004-2005, 10 per cent of Plan allocation of Rs.500 crores earmarked for development of tourism in North East Region has been fully spent. The financial assistance being given to North East States also includes assistance for promotion of fairs and festivals of the North Eastern States every year on a continuing basis. Budget under the head Domestic Campaign, including fairs and festivals, has been increased for the region.

In order to develop and promote tourism in the region, Ministry of Tourism has taken following steps to boost tourism in the region:

- In order to augment infrastructure for development of human resource in tourism and hospitality education, full-fledged Institute of Hotel Management and Catering Technology has been set up at Shillong in addition to the existing one at Guwahati, which is in operation since around a decade. Guwahati Institute's own campus

is under implementation on the plot provided by the State Government. Construction work is being executed by the CPWD. Provision of hostel facility has been made in the new campus for both the boys and girls. During the year, 60 students appeared in the final examination from Guwahati Institute and the pass percentage was 100 per cent. Institute at Shillong, which was set up in 1999, will have campus of its own on the land allotted by the Government of Meghalaya at the new Shillong Township. Both the Institutes offer 3-year Degree Programme in Hotel Management with an intake of 90 students at Guwahati Institute and 38 students in Shillong. Besides Degree course, these Institutes also conduct other Diploma courses in Food and Beverages Service and Food Production.

- In order to give wide publicity to the tourist attractions of the North East Region, the Ministry has launched nationwide campaigns in various places in the country, on a continuing basis. This is besides the publicity literature which is being produced on North East by the Ministry of Tourism.
- North Eastern States are given a free booth in the World's largest tourism fair – ITB, Berlin by the Ministry of Tourism.
- Financial assistance is being provided for use of Information Technology for tourism promotion.
- North Eastern States are given a special focus in the Marketing Conference of Overseas Offices of the Ministry and all the overseas offices are giving due publicity to the North Eastern States for the promotion of tourism in the region.

During the year 2003-2004, the Ministry of Tourism released an amount of Rs.3483.65 lakhs to the North Eastern States including Sikkim. Detailed break-up of funds released to North Eastern States under various schemes is as under :

(Rs. in lakhs)

Sl. No.	Name of the Scheme	Amount Released
<b>I.</b>	<b>Training</b>	
	Asstt. of IHMs/FCIs/	760.78
	IITTM/NCHMCT	
	Capacity Building	15.00
	for Service Providers	
<b>II.</b>	<b>Domestic Promotion</b>	182.54
	<b>and Publicity including</b>	
	<b>Hospitality</b>	
<b>III.</b>	<b>Tourist Infrastructure</b>	
	Product/Infrastructure	1634.49
	and Destination Development	
	Integrated Development	849.16
	of Tourist Circuits	
<b>IV.</b>	<b>Market Research –</b>	41.68
	<b>Professional Services</b>	
	<b>Total</b>	<b>3483.65</b>

Scheme-wise funds released to North-Eastern Region and Sikkim during the year 2004-2005 are as under:

(Rs. in lakhs)

Sl. No.	Name of the Scheme	Amount Released
<b>I</b>	<b>Training</b>	
	Asstt. of IHMs/FCIs/ IITTM/NCHMCT	13.00
<b>II.</b>	<b>Domestic Promotion and Publicity including Hospitality</b>	1508.00
<b>III.</b>	<b>Tourist Infrastructure</b>	
	Product/Infrastructure and Destination Development	3007.91
	Integrated Development of Tourist Circuits	2020.59
<b>IV.</b>	<b>Market Research – Professional Services</b>	9.918
	<b>Total</b>	<b>6559.418</b>

Under the scheme of Integrated Development of Tourist Circuits and Destination Development, some of the major projects sanctioned in the year 2004-2005 are as under :

- i. Destination Development of Along
- ii. Development Zeminthang
- iii. Development of NE Circuit Assam

- iv. Development of Tourism Circuit Meghalaya
- v. Destination Development of Mizoram
- vi. Naga Heritage Complex, Nagaland
- vii. Development of ToupHEMA Complex, Nagaland
- viii. Destination Development of Pfcutsero, Nagaland
- ix. Rural Tourism Project in Nagaland, PM's Package
- x. Development of Buddhist Circuit at Tashiding, West Sikkim



*Manipuri Dancers*







### 13. GENDER EQUALITY – THE PRIME CONCERN

The principles of gender equality, equity and protection of the rights of women have been the areas of prime concern with the policy makers ever since independence. While Article 15 prohibits any discrimination against women, Articles 16 and 39 of the Constitution provide for equal opportunity as well as for equal pay for equal work, irrespective of sex.

Provisions have been added in the Conduct Rules in the year 2001 for dealing with matters relating to gender bias. The National Commission for Women was set up by an Act of Parliament in 1990, with a view to safeguarding the rights and legal entitlements of women in general and to address various issues concerning women employees specially gender bias in regard to employment, etc. under the Government.

A number of women employees / officers are working in the Ministry and its field formation of 20 offices within the country and 13 offices abroad. Some of these offices are headed by women officials who got an equal opportunity as their male counterparts to participate in events of national and international importance, road shows, exhibitions and attend seminars and conferences. The Paris and Amsterdam Offices of the Department and the Regional Office at Kolkata are headed by women officers.

A Women Grievance Redressal Cell has been formed under the Chairmanship of the Joint Director (Official Language) to address gender issues in the Department. Whenever there is any such complaint, the matter is inquired into by the said Cell.



*Khajuraho Dance Festival, Khajuraho, Madhya Pradesh*



*Training Session*





Wood Carving

14. IMPORTANT AUDIT OBSERVATIONS

14.1 Payment of inadmissible overtime allowance to local employees

Payment of inadmissible overtime allowance to local employees resulted in irregular expenditure of Rs. 16.30 lakhs

from 1997-98 to 2002-2003.

(Para 11.1 of Report No.2 of 2004)  
Transaction Audit Observations



Paddy Field









Gopuram Ranganatha Temple at Trichy, Tamilnadu

APPENDICES

Appendix - I	Organisational Chart	126
Appendix - II	Indiatourism Offices in India	127
Appendix - III	Indiatourism Offices Abroad	128
Appendix - IV	National Tourism Awards - 2004	129
Appendix - V	Incentives presently available to Hotel & Tourism Industry	130
Appendix - VI	Institutes of Hotel Management following NCHMCT Course	132
Appendix - VII	Foodcraft Institutes following NCHMCT Course	133
Appendix - VIII	Foreign Tourist Arrivals and Estimated Foreign Exchange Earnings for the last Ten Years	134
Appendix - IX	Important Audit Observations	135

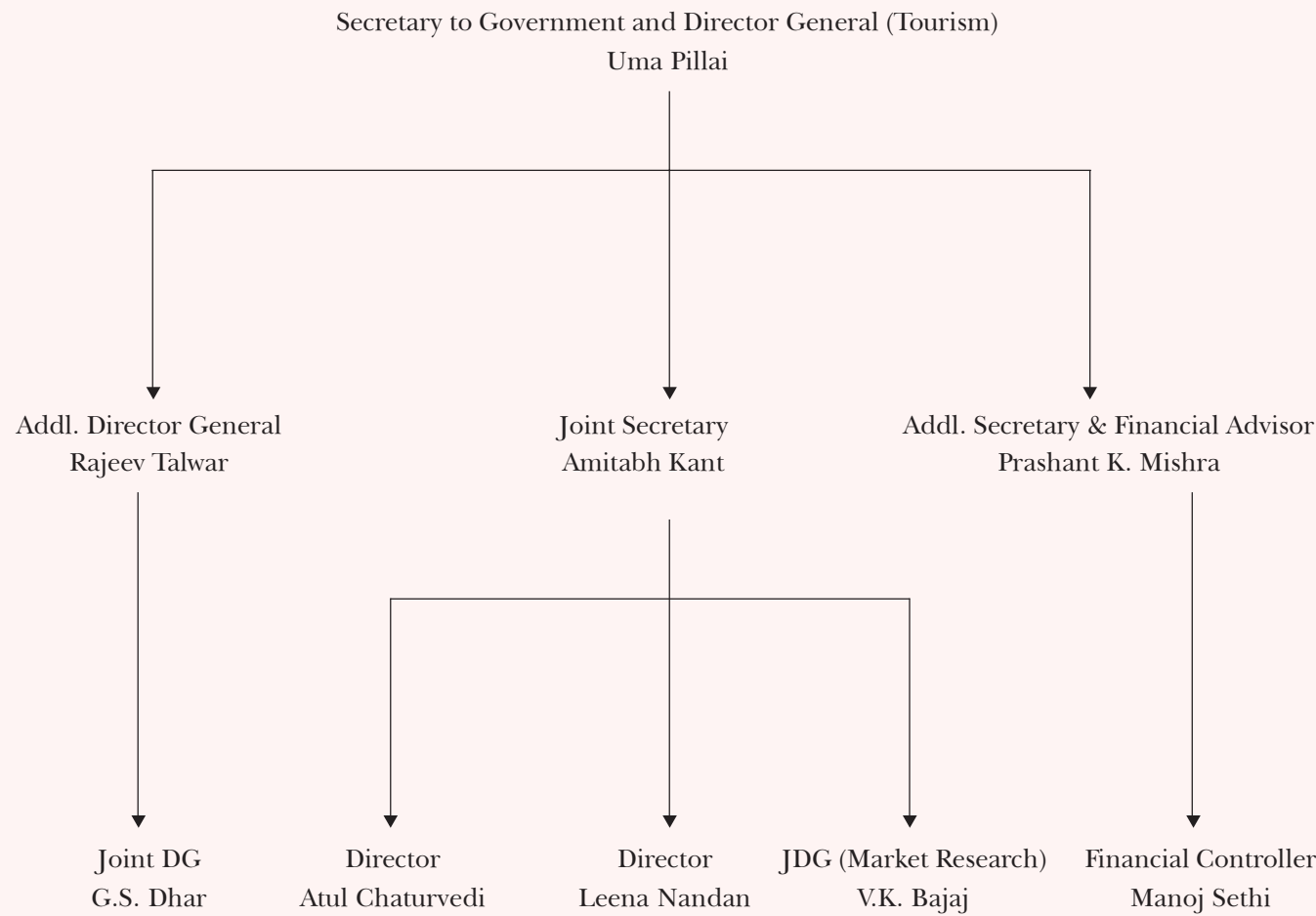




APPENDIX–I

(See Para:1.1)

ORGANISATIONAL CHART



APPENDIX–II

(See Para:1.1)

INDIATOURISM OFFICES IN INDIA

Regional Offices

- 1. New Delhi
- 2. Mumbai
- 3. Kolkata
- 4. Chennai
- 5. Guwahati

Other Offices

- 1. Patna
- 2. Jaipur
- 3. Bangalore
- 4. Varanasi

- 5. Agra
- 6. Bhubaneswar
- 7. Port Blair
- 8. Imphal
- 9. Shillong
- 10. Hyderabad
- 11. Kochi
- 12. Goa
- 13. Aurangabad
- 14. Khajuraho
- 15. Naharlagun (Itanagar)





APPENDIX—III

(See Para: 1.1)

INDIA TOURISM OFFICES ABROAD

Sl. No.	Operation/Station	Countries Covered
	<b>America</b>	
1.	New York	All States on the East Coast of USA, South America up to Columbia/Venezuela
2.	Los Angeles	All States on the West Coast of USA up to Panama
3.	Toronto	Canada & Green Land
	<b>UK</b>	
4.	London	UK, Ireland and Ice Land
	<b>Europe</b>	
5.	Frankfurt	Germany, Poland, Czech Republic, Slovakia, Austria, Romania, Bulgaria, CIS countries, Israel.
6.	Paris	France, Switzerland, Spain, Portugal
7.	Amsterdam	Netherlands, Luxemburg, Belgium, Scandinavian countries
8.	Milan	Italy, Greece, Malta
	<b>West Asia</b>	
9.	Dubai	KSA, UAE, Iran, Syria, Kuwait, Qatar, Bahrain, Jordan, Yemen, Lebanon, Iraq, Egypt, Turkey
10.	Johannesburg	South Africa, Kenya, Mozambique, Tanzania, Zimbabwe, Mauritius, Madagascar.
	<b>Australasia</b>	
11.	Sydney	Australia, New Zealand, Fiji and The Pacific
12.	Singapore	Singapore, Malaysia, Thailand, Brunai, Indonesia, Vietnam
	<b>East Asia</b>	
13.	Tokyo	Japan, South & North Korea, China, Hong Kong, Laos Philippines.

APPENDIX—IV

(See Para: 4.2)

NATIONAL TOURISM AWARDS - 2004

Category	Name of the Hotel
1 - Star	No Award was given
2 - Star	Hotel Pandian, Chennai
3 - Star	Heritage Village, Manesar (Gurgaon), Haryana
4 - Star	Taj Garden Retreat, Varkala, Kerala
5 - Star	Taj Residency, Hyderabad
5 - Star Deluxe	The Taj West End, Bangalore
Heritage (Basic)	Hotal Samode Palace, Samode (Rajasthan)
Heritage Grand	Savoy Hotel, Ooty, Tamil Nadu
Commendation Award	Inter Continental The Grand, Srinagar, J&K
Best Spa Hotel	Ananda in the Himalayas, Narender Nagar, Uttaranchal
Best Boutique Hotel	The Park Hotel, Kolkata
Best Spa in the City Hotel	Ashok Hotel, Chanakyapuri, New Delhi.





APPENDIX–V

(See Para: 4.7)

Incentives Presently Available to Hotel & Tourism Industry

As construction of hotels is a highly capital intensive activity, the Tourism Finance Corporation of India has been set up to render financial assistance to private sector for construction of hotels and other tourist facilities.

INCOME TAX :

Section 80: IA (4)/80 IB(7) : Under this Section, all hotels which start operating between 1.4.1998 and 31.3.2001 will be eligible for income tax deductions as under:

- (a) Hotels in the hilly areas, rural areas, places of pilgrimage or a specified place of tourist importance will be eligible to 50% deductions from the profits/gains.
- (b) In respect of hotels located in other places, the deductions allowed are 30% only.

The above benefits have been extended to the hotels for a period of 10 years and these benefits are not available for the hotels located in the metropolis like Mumbai, Delhi, Chennai and Kolkata.

Liberalised Exchange Rate Management System (LERMS):Hotels, travel agents, tour operators and other organisations connected with tourist trade are now covered under the Liberalised Exchange Rate Management System (LERMS). Authorised dealers release foreign exchange for business visits, participation in conferences, seminars, training, etc. prior approval of government is not necessary.

There is concessional Customs duty of 5% with ‘nil’ CVD on aerial ropeway projects and 10% roundabouts, swings, shootings galleries and other fairground amusements.

EXPORT PROMOTION CAPITAL GOODS SCHEME :

- 1. The scheme allows import of capital goods at 5% Customs duty subject to an export obligation equivalent to 8 times of duty saved on capital goods important under EPCG scheme to be fulfilled over a period of 8 years reckoned from the date of issuance of licence.
- 2. The capital goods shall include spares (including refurbished/reconditioned spares), tools, jigs, fixtures, dies and moulds. EPCG licence may also be issued for import of components of such

capital goods required for assembly or manufacturer of capital goods by the licence holder.

- 3. Second-hand capital goods without any restriction on age may also be imported under the EPCG scheme.
- 4. Import of motor cars, sports utility vehicles/all purpose vehicles shall be allowed only to hotels, travel agents, tour operators or tour transport operators whose total foreign exchange earning in current and preceding three licencing years is Rs.1.5 crores. However, the parts of motor cars, sports utility vehicles/all purpose vehicles such as chassis, etc. cannot be imported under the EPCG scheme (earlier there was no threshold limit of Rs.1.5 crores).
- 5. The transfer of capital goods would be permitted to the group companies or managed hotels under intimation to the Regional Licencing Authority.
- 6. The goods excepting tools imported under EPCG scheme shall not be allowed to be transferred for a period of five years from the date of imports even in case where export obligation has been fulfilled.
- 7. Every EPCG licence holder shall maintain, for a period of 3 years from the date of redemption, a true and proper account of the exports/supplies made and services rendered towards fulfilment of export obligation under the scheme.

SERVED FROM INDIA SCHEME – (Erstwhile Duty Free Credit Entitlement Scheme)

- 1. Hotels of 1-star and above (including managed hotels and heritage hotels) approved by the Ministry of Tourism, and other Services providers in the tourism sector registered with the Ministry of Tourism, shall be entitled to duty free credit equivalent to 5% of the foreign exchange earned by them in the preceding financial year. (Earlier the entitlement was based on the average foreign exchange earnings of the preceding 3 years).
- 2. Stand-alone restaurants will be entitled to duty credit equivalent to 20% of the foreign exchange

earned by them in the preceding financial year (against 5% of the average foreign exchange earnings of the preceding 3 years).

Note : *In the case of one and two star hotels and stand-alone restaurants, the foreign exchange earned through International Credit Cards and sources as may be notified only shall be taken into account for the purposes of computation of duty credit entitlement under the scheme.*

EXPORT HOUSE STATUS : The Government of India has accorded Export House Status to Tourism. The Hotels, Travel Agents, Tour Operators, Tourist Transport Operators shall be entitled for recognition as Export House/ Trading House/Star Trading House/Super Star Trading House and will be entitled to such benefits as specified in the Chapter 12 of the Handbook of Procedures (Vol.1) of Ministry of Commerce.

FOREIGN INVESTMENT : The economic reforms introduced by the Government of India are integrating India into the global economy and making Indian industry internationally competitive. Foreign direct investment and technical collaborations form a major platform of the economic reforms. With a view to attracting investment in this sector, the Hotel and Tourism related industry has been declared as a high priority industry for foreign investment. It is not eligible for approval of direct investment up to 100%.

FOREIGN COLLABORATION : In the fast changing world of technology, the relationship between suppliers and users of technology agreements has to be recognized. To promote technology up-gradation in the hotel industry, approvals for technology agreements are available automatically subject to the fulfillment of the following parameters:

- (a) Technical and Consultancy Services including fees for Architecture, Design, Supervision, etc. up to 3% of the Capital cost of the project (less cost of land and finance).
- (b) Franchising and Marketing/Publicity support fee up to 3% of the net turn over.
- (c) Management fees (including incentive fee) up to 10% of gross operating profit.

The above norms are applicable provided the collaborations proposed with companies running/managing hotel(s) with at least 500 rooms. No permission is now required for hiring foreign technicians.

Applications for automatic approval for foreign investment of technology agreements and/or management contracts can be made to the Reserve Bank of India who will accord automatic approval and the entrepreneurs can approach authorised dealers for release of foreign exchange. Agreements which involve a variation in the parameters will be considered on merits by the Foreign Investment Promotion Board.

NEW INDUSTRIAL POLICY : Under the New Industrial Policy, the Government of India has announced “Eco-Tourism” as a Thrust Industry for development in the States of Jammu & Kashmir, Sikkim, Himachal Pradesh and Uttaranchal with a view to accelerate industrial development, boost investors confidence and generating additional employment. A range of incentives have been made available. The Eco-Tourism projects identified for the purpose are Hotels, Resorts, Spas, Entertainment/Amusement Parks, Ropeways, etc.





APPENDIX–VI

(See Para:5.1)

INSTITUTES OF HOTEL MANAGEMENT  
FOLLOWING NCHMCT COURSE

Sl. No.	Name of the IHM	State/UT
1.	Ahmedabad	Gujarat
2.	Bangalore	Karnataka
3.	Bhopal	Madhya Pradesh
4.	Bhubaneswar	Orissa
5.	Kolkata	West Bengal
6.	Chandigarh	Chandigarh
7.	Chennai	Tamil Nadu
8.	Goa	Goa
9.	Gurdaspur	Punjab
10.	Guwahati	Assam
11.	Gwalior	Madhya Pradesh
12.	Hyderabad	Andhra Pradesh
13.	Lucknow	Uttar Pradesh
14.	Jaipur	Rajasthan
15.	Mumbai	Maharashtra
16.	New Delhi	NCT of Delhi
17.	Patna	Bihar
18.	Shillong	Meghalaya
19.	Shimla	Himachal Pradesh
20.	Srinagar	Jammu & Kashmir
21.	Thiruvananthapuram	Kerala
22.	Gangtok	Sikkim
23.	Jodhpur	Rajasthan
24.	Delhi (Lajpat Nagar)	NCT of Delhi

APPENDIX–VII

(See Para:5.1)

FOODCRAFT INSTITUTES  
FOLLOWING NCHMCT COURSE

Sl. No.	Name of the FCI	State/UT
1.	Ajmer	Rajasthan
2.	Chandigarh	Chandigarh
3.	Darjeeling	West Bengal
4.	Faridabad	Haryana
5.	Pondicherry	Pondicherry
6.	Udaipur	Rajasthan





APPENDIX–VIII

(See Paras: 7.2 & 7.3)

FOREIGN TOURIST ARRIVALS AND ESTIMATED FOREIGN EXCHANGE EARNINGS FOR THE LAST TEN YEARS

Year	Foreign Tourist Arrivals (In nos.)	% Change	Estimated Foreign Exchange Earnings (Rs. in crores)	% Change
1995	2123683	12.6	8430	18.2
1996	2287860	7.7	10046	19.2
1997	2374094	3.8	10511	4.6
1998	2358629	-0.7	12150	15.6
1999	2481928	5.2	12951	6.6
2000	2649378	6.7	14238	9.9
2001	2537282	-4.2	14344	0.7
2002	2384364	-6.0	14195	-1.0
2003	2726214	14.3	16429	15.7
2004	3367980 *	23.5	21828.25 *	32.9

*\* Provisional*

APPENDIX–IX

(See Para : 14.1)

IMPORTANT AUDIT OBSERVATIONS

11.1 Payment of inadmissible overtime allowance to local employees.

Payment of inadmissible overtime allowance to local employees resulted in irregular expenditure of Rs. 16.30 lakhs from 1997-98 to 2002-03.

The Ministry of External Affairs permits payment of overtime allowance only to chauffeurs as per provisions contained in schedule-1 of the Financial Powers of Government of India’s Representatives Abroad, 2001. These orders apply to the operation of Tourist Offices abroad, wherein the Head of Office is vested with the powers of category-II officers working under the jurisdiction of category-I officers of Indian Missions or Posts in the host country.

Audit scrutiny disclosed that the Tourist Office at London was paying overtime allowance to its locally recruited employees appointed as Accountant, Secretary and Information Assistant-cum-Secretary in violation of the instructions. The amount paid to these employees on account of overtime allowance during 1997-98 to 2002-2003 worked out to £ 23942.71 equivalent to Rs.16.30 lakhs.

Thus, the payment of overtime allowance to locally recruited employees other than chauffeurs in violation of the delegation of financial powers resulted in unauthorized payment of overtime allowance of Rs.16.30 lakhs.

The matter was referred to the Ministry in May 2003. Their reply was awaited as on February 2004.

(Para 11.1 of Report No.2 of 2004)  
Transaction Audit Observations



# Incredible india

a monument to love. *an ode in white.*  
a caravan of colours. *bathed in light.*  
a river of passion. *a timeless tide.*  
the colours of india. *an incredible sight.*

